ELISA ANNUAL REPORT 2024

ANNUAL REPORT 2024 CONTENTS

Elisa's annual report for 2024 includes the annual review, report of the Board of Directors, sustainability statement and financial statements, as well as the governance and remuneration reports.

ANNUAL REVIEW

YEAR 2024

Profitable growth and customer value creation through technology leadership.

6,100 Elisians • 22 countries • over 140 years of experience

Our 2024 performance demonstrates our strong commitment to profitable growth and customer value creation through technology leadership and continuous improvement of productivity and quality.

We accelerated our international expansion through acquisitions and received recognition for our sustainability efforts. Our customer satisfaction rose to a record level.

2.2	2.35
2024 revenue, EUR billion	Comparable EPS, EUR

Highlights

Q1

- Traficom award for Elisa's scam call prevention solution
- Acquisitions: Moontalk strengthens the Corporate Customers business, Romaric strengthens Elisa IndustrIQ
- Elisa's transparent climate reporting made the CDP A List

Q2

- Standalone 5G for new subscriptions
- Acquisition: Leanware became part of Elisa IndustrIQ
- Acquisition of Kaisanet fiber networks in eastern and northern Finland
- Time Magazine and Statista: Elisa is the world's 66th most sustainable company

Q3

- Elisa Etuohjelma loyalty programme launched for consumer customers
- Operators adopted Elisa's Distributed Energy Storage solution

Elisa has been rated as one of the world's most sustainable companies.

96%

5G network coverage in Finland

Q4

- Acquisition: sedApta strengthens Elisa IndustrIQ
- Elisa Kotiakku launched
- First in Finland: age recommendation for smartphones for children
- First in Europe: 100 Gbit/s speeds over a production fiber network

CEO's review

Elisa recorded strong performance in 2024, even though the economic environment turned out to be more challenging than anticipated and the expected turnaround in growth shifted to 2025. We took major leaps in terms of international operations and AI. Our customer satisfaction rose to a record level, and long-term sustainability efforts received international recognition.

Geopolitical uncertainty and soft macroeconomic development continued in 2024, and the general economic uncertainty delayed corporate investment decisions. In the Finnish market, the competitive environment was fierce in both mobile and fixed networks.

In a challenging operating environment, we were still able to deliver a strong financial result. Elisa's revenue increased by 0.5 per cent year-on-year to EUR 2,191 million. Revenue was impacted by, for example, the divestment of the Videra business and ending the agreement with Viaplay.

Comparable EBITDA improved by 3.6 per cent to a record EUR 783 million as a result of higher mobile service revenue and efficiency measures. Comparable earnings per share was EUR 2.35.

The strong financial performance has enabled Elisa to pay a growing dividend for the last ten years. Elisa's Board of Directors proposes to the 2025 Annual General Meeting a dividend of EUR 2.35 per share.

Strong focus on 5G and fiber

During the year, 5G reached every municipality in Finland, just six years after our 5G network opened. Our 5G network now covers 96 per cent of the population in Finland and 78 per cent in Estonia.

We were also the first provider to make standalone 5G network services available to Finns through our 5G+ voice subscriptions and Omakaista broadband subscriptions. Research shows that we have the most-satisfied 5G customers in the country. Customers especially appreciate the higher quality and service level of the standalone 5G network, as well as the lower energy consumption of their devices.

We continued to invest heavily in our fiber network, building more than ever. Since the summer, we have been building the network using Nokia's fiber optic technology, which was also involved in the 100 Gbit/s speed record we set at the end of the year. The connection speeds offered to customers will increase gradually over the next few years, and for future speeds, we introduced the world's first 800 Gbit/s coherent backbone connection.

In addition to building our own network, we expanded the availability of fiber during the year by acquiring fiber optic networks in the North Karelia and Kuusamo regions. In a competitive market, customers considering fiber for their

We have a strong culture of continuous development, and we are the market leader.

TOPI MANNER · CEO

We continued our international growth and carried out value-creating acquisitions.

Internet connection appreciate Elisa as a Finnish operator, as well as our reliability and clear contract models.

Elisa plays a key role in safeguarding cyber security and critical infrastructure in Finland and Estonia. In addition to providing reliable, high-speed connections, we secure the digital environment in many ways. As a demonstration of resilience, damage to two submarine data cables in the Gulf of Finland during Christmas did not interfere with Elisa's telecommunications services, and the damaged cables were quickly repaired.

Elisa's NPS score measuring customer satisfaction rose to a record level of 31.1 (28.1 in 2023).

Making use of AI and automation

Elisa has invested heavily in AI-based automation development for our services. Over the past ten years, Elisa has become a true pioneer in the industry. We offer automation solutions for managing networks, cybersecurity services and industrial supply chains.

In our own operations, we introduced AI more extensively during the year in order to improve efficiency in our processes, especially in sales and customer service. We also utilise automation to prevent scam calls and messages. Our award-winning proprietary solution for blocking scam calls has also been adopted by the Finnish Transport and Communications Agency (Traficom) as the foundation for its national solution.

In our Corporate Customers business, we have taken the lead in AI-based IT services. Elisa is also Finland's leading provider of mobile services for companies. We strengthened our position as a partner in digitalising corporate processes by acquiring a majority shareholding in Moontalk Oy, which has strong application development expertise.

Consumer services are expanding

Elisa is strongly involved in the everyday lives of consumers. Solutions for the home is one of our growth areas. We launched the Elisa Kotiakku home energy storage service, which smooths out spikes in electricity spot prices and stores electricity generated by solar panels.

We also celebrated the tenth anniversary of Elisa Viihde original series. We have produced more than 40 original series so far, including several award-winners. Elisa Viihde original series have also been financed and sold internationally to more than 80 countries in Europe, North America and Asia.

We grew internationally

During 2024, we saw a leap in growth in our international business operations through both organic growth and acquisitions.

Through acquisitions, we accelerated our Elisa IndustrIQ business by acquiring Romaric in the United States and Leanware in Finland. The acquisition of the Italian industrial software supplier sedApta Group strengthens our industrial automation software offering and Elisa IndustrIQ's position in the global manufacturing industry customer base.

Elisa's Distributed Energy Storage (DES) solution supports the energy transition and has attracted international interest. The solution was adopted by the communication infrastructure provider DNA Tower Finland and the mobile operator Ålcom in the Åland Islands.

One of the world's most sustainable companies

At Elisa, sustainability means responsible value creation for people, the environment and society. Sustainability is part of our strategy and our mission: a sustainable future through digitalisation. We are committed to the UN Global Compact and to achieving Net Zero emissions by 2040.

In particular, we take responsibility for the digital safety and wellbeing of children and young people. In cooperation with the Mannerheim League for Child Welfare, we organised Finland's largest digital school, attended by more than 70,000 lower secondary school students. We were the first company in Finland to introduce an age recommendation that smartphones should not be purchased for children aged under nine.

Our long-term sustainability work was also reflected in international assessments during the year. Elisa was ranked among the world's 100 most sustainable companies by both Time Magazine and Statista, and in the Corporate Knights Global 100 ranking.

International Elisa shares common values

Now increasingly international, Elisa employs thousands of professionals in more than 20 countries. Together, we have updated our values, and I look forward to building an even stronger and more united Elisa community together.

I would like to thank everyone at Elisa for their strong performance, innovation and work for our customers. We are strongly committed to profitable growth and customer value creation through technology leadership, and to the continuous improvement of productivity and quality.

I would also like to thank our international customer base and our partners, shareholders and other stakeholders for believing that Elisa is worthy of their trust.

Topi Manner
CEO

OUR MISSION

A sustainable future through digitalisation

OUR VISION

We are the global benchmark for generating value in communication and digital services.

Our constant pursuit of excellence and innovation makes us better every day.

OUR STRATEGY

We innovate digital services for customers in our own telecom footprint area and internationally with network ownership-independent services.

We engage people in building excellence.

Updated values

As Elisians,

...we create value for the customer

We listen to our customers to understand their needs.

We create and deliver value based on understanding our customers.

We collaborate to build customer relationships for the long term.

...we succeed as a team

We respect and care for each other.

We appreciate each other's different backgrounds, cultures and skills.

We act based on our shared goals and what is best for Elisa.

...we grow and develop fearlessly

We search for new ways of working and challenge our assumptions.

We learn from mistakes and successes, and from our customers and partners.

We shape the future through innovation.

...we take responsibility

We are open and honest – we are trustworthy.

We take strong ownership of our responsibilities.

We make sustainable choices.

...we deliver results

We choose our focus.

We keep the bar high and remain ambitious.

We act decisively and boldly to find a way to succeed

OUR BUSINESS

We help our customers safely take advantage of the new opportunities that technology offers.

Ten years of Elisa Viihde original series.

CONSUMER CUSTOMERS

Part of our customers' everyday lives

The Consumer Customers business segment provides consumers with telecommunications and communications services, including fixed and mobile network subscriptions as well as supplementary digital services, cable TV subscriptions and entertainment services.

During the year, we invested heavily in extensive construction of 5G and fiber networks to provide our customers with reliable, high-speed connections that enable digital everyday life.

Since October 2024, Elisa's 5G network has been available in every municipality in Finland, and more than 96 per cent of Finns live in areas covered by our comprehensive 5G network. Elisa's ultra-high-speed fixed subscriptions are available to more than a million households and business facilities in Finland, implemented using fiber optics or cable modems.

We are growing the capabilities of our networks to meet customers' needs now and in the future: we were the first provider in Europe to test a 100 Gbit/s fiber connection, and we are bringing faster connections to our customers. We were the first operator in Finland to make 5G+ phone and broadband subscriptions using the standalone 5G network available to consumers. We also offer phones and routers that support the standalone 5G network. In fiber, we have made ultra-high-speed 2.5 Gbit/s internet connections available to housing companies. Alongside the development of ultra-high-speed fiber connections, Elisa has made all its fiber subscriptions offered to housing companies and detached houses symmetrical, meaning that the upload and download speeds are equal.

We secure the digital lives of our customers and take responsibility for the digital wellbeing of children and young people

We help customers protect their digital lives with ease. We introduced the updated Elisa Tietoturva and Elisa Kodin Tietoturva information security services. Elisa Tietoturva protects computers and mobile devices on the internet and their users' identities. Elisa Kodin Tietoturva is the only centralised

With the Elisa Etuohjelma loyalty programme, we want to introduce a new way of paying attention to our current customers and rewarding them for long-term customer relationships and for centralising their subscriptions and services with us.

5G+

Finland's first subscriptions in the standalone 5G network information security service available for all smart home devices connected to the internet. For our Finnish customers, we recommend combining these with the mobile operator-provided Mobile Certificate identification service as a safe option for two-factor authentication. In addition to information security services, we provide up-to-date information about information security risks, and we are a pioneer in building new civic skills in information security.

As an operator, Elisa works to take responsibility for the digital wellbeing of children and young people. We were the first company in Finland to introduce an age recommendation stating that a child's first mobile device should be a kid's smartwatch or a basic phone with no access to the open internet, rather than a smartphone. Elisa does not recommend purchasing a smartphone for children under nine years old. Over the last few years, kid's smartwatches have become more common and viable alternative for the first phone.

Ten years of Elisa Viihde original series

We released six Elisa Viihde original series, including *Port Poison – Santeri's Deal* (*Pasilan myrkky – Manni*), which is based on a popular series of detective novels by Finnish author Kale Puonti, as well as the internationally successful *Money Shot* (*Toinen tuleminen*) and *Valhalla Project* (*Operaatio Valhalla*).

Money Shot won the Student Award for Best Short Form Series at the Canneseries festival in the spring of 2024. *Icebreaker* (*Jään vangit*), currently in production, won the Buyer's Coup de Coeur award at the MIPDrama Buyers' Summit in Cannes. Altogether, Elisa Viihde original series garnered ten nominations for the Golden Venla awards (the "Finnish Oscars"), and *Money Shot* received the Golden Venla for best fictional screenplay and was also nominated for the Nordic Series Script Award at the Göteborg Film Festival. We continued our cooperation with Nelonen Media's Ruutu+ service.

During the year, we celebrated the tenth anniversary of Elisa Viihde original series. Elisa has released more than 40 original series, which have been sold to more than 80 countries, making them a significant export product. We have started experimenting with how we can leverage AI and technology in our original series.

Together with Google, we developed an AI-based virtual assistant for Elisa Viihde. The Finnish-language voice-guided virtual assistant helps users easily find content they want to watch on Elisa Viihde. In 2024, for the third time, we held an international esports tournament, the Elisa Masters Espoo, which reached tens of millions of viewers internationally. Elisa has an established position in Finnish esports and is the largest esports operator in Finland. The Elisa Masters Espoo received the B2C Event of the Year award at the SPOT Awards in Helsinki in March 2024.

Elisa Kirja merged with BookBeat, and its monthly fee-based services as well as the audiobooks and eBooks purchased by its users were transferred to BookBeat on 17 June 2024.

Loyalty programme and new services

In September, we launched a completely new type of loyalty programme for our consumer customers, developed in consultation with them. No other operator in Finland has a similar programme. The Elisa Etuohjelma loyalty programme introduces a new way of paying attention to our existing customers and rewarding them for their long-term customer relationships and for centralising their subscriptions and services with us. We want our customers to feel that they are getting the best benefits by joining our loyalty programme. Elisa Etuohjelma was created at the request of our customers, and they have also been able to impact the benefits we offer.

Elisa has developed Elisa Kotiakku, a home energy storage service that smooths out spikes in electricity spot prices and stores electricity generated by solar panels. The service provides smart control of domestic electricity use and is based on Elisa's Distributed Energy Storage solution, an AI-driven virtual power plant that Elisa uses in its own mobile network base stations. Elisa Kotiakku connects residential battery banks to Elisa's battery reserve, which provides grid-balancing services that improve the stability of the entire Finnish power grid. Households also benefit financially from participating in the battery reserve scheme. The first Elisa Kotiakku systems have already been installed and commissioned. Following a successful trial period, Elisa expanded availability throughout the Uusimaa and Tampere regions in October. The service is being developed further and availability will steadily expand to new areas.

Consumer customers segment key figures 2024

Revenue, EURm

1,329 ▼ -0.5%

Comparable EBITDA, EURm

545 ▲ 4.6%

Comparable EBIT, EURm

361 ▲ 4.8%

Investments, EURm

229 ▲ 7.7%

Personnel

2,951 ▼ -0.8%

CORPORATE CUSTOMERS

A trusted partner in digitalisation for Finnish companies

Elisa's Corporate Customers business segment provides companies and public-sector organisations with secure digital services that make use of AI and automation. Through collaboration, we bring the benefits of digitalisation to all of society.

In 2024, the weaker macroeconomic situation impacted companies in Finland, and the operating environment was characterised by more bankruptcies and increased uncertainty about the future.

Elisa works with Finnish companies and organisations to help them take advantage of the new opportunities that technology offers. We also take care of their digital security.

During the year, the cooperation between Elisa and Suomen Yrittäjät, an interest and service organisation for small and medium-sized enterprises, reached the 25-year milestone. Our long-term partnership has developed into diverse cooperation that supports the success of Finnish business owners. Our shared goal is to help Finnish companies grow and develop.

Fast, secure connections for businesses

As part of our Connectivity business, our Subscriptions and Services business makes high-quality, fast subscriptions available to all businesses and communities, as well as ensuring secure access to the internet and corporate information systems.

At the start of the year, our acquisition of a majority stake in Moontalk Oy, a software company focusing on mobile voice communication management, strengthened our position as a provider of modern mobile services, as well as supporting our goal of being Finland's most trusted partner in digitalising companies' processes.

Elisa wants to be an important partner for businesses and business owners, helping them digitalise their operations and protect against information security threats.

25

years of partnership with Suomen Yrittäjät

At the beginning of the summer, we became the first operator to bring mobile broadband subscriptions and telephone subscriptions in standalone 5G networks to companies. Elisa's standalone 5G network services represent leading expertise on an international scale.

With our network and information security services, we secure the business continuity of companies operating both in Finland and internationally by means of quick responses and recovery from problem situations. Advanced automation ensures transparency for customers in the network and services.

The stainless steel manufacturer Outokumpu selected Elisa as its strategic partner because we are capable of providing a reliable solution for monitoring their global network. Through the expanded partnership, Outokumpu aims to introduce a new generation of online services that simplifies the management of network solutions, has a stronger focus on Finland and improves the company's information security.

For Mehiläinen, a major healthcare company, continuous improvement of cyber security is vital. Elisa's Security Operations Center (SOC) became Mehiläinen's cybersecurity partner a few years ago. Today, Elisa's SOC supervises e.g. Mehiläinen's 13,000 computers and mobile devices along with its server infrastructure and network traffic in Finland, Sweden, Estonia and Germany. It also applies Elisa's Cyber Resilience Platform service model.

IT services support business growth and smooth day-to-day work

Through our IT services, we deliver value to our customers by ensuring the availability of applications in the digital work environment. With the help of AI and automation, we ensure an excellent customer experience and efficiency.

HR system supplier Sympa chose Elisa as its partner, trusting us with responsibility for the management and control of its public cloud environment and cybersecurity SOC services. The partnership strengthens Sympa's ability to scale its services safely and efficiently, while meeting the increasingly strict requirements of the market and the needs of its customer companies.

Our digital customer experience (CX) solutions help companies improve customer satisfaction and loyalty by leveraging data, service design and smart solutions. We are a full-service CX partner that integrates the customer experience into business goals and helps achieve measurable results.

Elisa has received wide recognition for its ability to reduce up to a third of unnecessary customer service routines by utilising AI agents. We were also the first to bring to market a completely new, Microsoft-based contact center solution. The solution is being piloted in Atria Finland's sales, where the goal is to develop the customer experience by utilising customer data efficiently and comprehensively in all business processes.

We want to be recognised as a reliable and comprehensive IT partner that continuously develops its services to meet the needs of our customers.

Corporate Customers segment key figures 2024

Revenue, EURm	863	▲ 2.0%
Comparable EBITDA, EURm	239	▲ 1.6%
Comparable EBIT, EURm	143	▲ 0.2%
Investments, EURm	108	▼ -0.3%
Personnel	3,198	▲ 18.9%

INTERNATIONAL DIGITAL BUSINESS OPERATIONS

A year of double-digit organic growth and acquisitions

Elisa's international digital services, which include Elisa IndustrIQ, Elisa Polystar and Elisa DES, develop and sell AI-based software solutions for industrial production, telecommunications and the energy transition.

Our international digital services business continued to grow in 2024, achieving double-digit organic growth despite challenging market conditions that slowed down our customers' investment decisions. This organic growth was accelerated by several acquisitions during the year, which strengthened the growth of Elisa IndustrIQ's business in the manufacturing industry in line with our strategy.

With customers seeking clear financial benefits through automating their operations, such as increased productivity, cost savings and improved product quality, the market is expected to grow steadily over the medium to long term.

Elisa Polystar

Elisa Polystar is a strategic partner for more than 120 telecom operators worldwide. It is leading the shift towards fully autonomous networks that allow operators to deliver excellent end-user experiences and operational performance. Our automated backup and performance management solutions pave the way for operators to move to fully autonomous network operations.

During the year, Elisa Polystar won several major projects with leading operators in Europe and the APAC region and successfully renewed customer experience service assurance contracts in many countries.

Elisa Polystar was assessed as a leading and agile actor in GigaOM's Radar for NetDevOps study. In addition, Elisa Polystar successfully renewed its ISO 9001 and ISO 27001 certificates during the year.

Elisa IndustrIQ

Acquisitions significantly accelerated the growth of Elisa IndustrIQ in 2024. The business now supplies more than 2,000 industrial customers in more than 50 countries with AI- and machine-learning-based software solutions that enable factory employees to make critical decisions more quickly and easily.

In February, the US-based company Romaric became part of camLine, which is part of the Elisa IndustrIQ business. In April, the Finnish company Leanware also joined Elisa IndustrIQ.

In October, Elisa completed the acquisition of sedApta Group in Italy. Elisa IndustrIQ and sedApta have already been collaborating for three years. The acquisition

Our international business operations employ around 1,500 people in over 20 countries.

will significantly increase Elisa IndustrIQ's expansion opportunities among industrial customers in Italy, France and Germany.

Thanks to these acquisitions, our combined service portfolio is even stronger than before and creates opportunities for innovations that will allow Elisa IndustrIQ to serve its customers even better in the future.

Elisa IndustrIQ focuses on selected industries in the high-tech, chemical, food and beverage, and machinery and equipment industries, providing its customers with solutions for key processes in the supply chain, manufacturing operations, quality, and environment, health and safety. Our solutions improve our customers' competitiveness and financial performance and have positive impacts on their sustainability.

Elisa Distributed Energy Storage

Elisa's Distributed Energy Storage (DES) solution offers telecom operators – including Elisa, as well as other businesses and households – the opportunity to play an important role in the energy transition.

DES is based on artificial intelligence and machine learning. In telecommunication networks, it uses the flexibility of backup power batteries to control the electricity supply for base stations by optimising the timing of electricity procurement through smart scheduling of battery charging and discharging times. Part of this flexible capacity is offered to electricity grid operators for balancing the grid.

In 2024, DES was further developed to utilise solar energy as an energy source in addition to energy from the grid.

During the year, the implementation of DES expanded in Elisa's own network in Finland, where the solution now optimises the backup batteries of about half of our mobile network base stations. We also began commissioning DES in Elisa's network in Estonia.

Commercial deliveries of DES began in 2024 for both corporate and consumer customers. DNA Tower, which builds and maintains mobile networks in Finland, announced in February that it would implement the DES solution in its equipment facilities. In June, the Åland-based operator Ålcom started using DES with solar energy in its network.

In October, Elisa brought DES to homes by launching the Elisa Kotiakku service in Finland. The service smooths out spikes in electricity spot prices and stores electricity generated by solar panels.

In December, Elisa's AI-powered energy flexibility solution was chosen to optimise world large's sand battery in a deal with district heating company Loviisan Lämpö and Polar Night Energy, the thermal sand battery vendor.

Read more about our DES solution

SUSTAINABILITY OVERVIEW

At Elisa, sustainability means creating responsible value for people, the environment and society.

One of the world's most sustainable companies

Elisa's mission is a sustainable future through digitalisation. Our long-term sustainability work is also reflected in international assessments. In 2024, Elisa was ranked among the world's 100 most sustainable companies. We will continue our sustainability efforts for the benefit of our customers, society and the environment.

Sustainability has been an integral part of our strategy for more than 15 years. We are committed to the UN Global Compact, promoting a safe digital environment, equality and ethical business operations, and determined climate change mitigation.

For us, sustainability means, above all, measures that have a positive impact on sustainable development. We contribute to the sustainable development of society by developing sustainable digital solutions and minimising the negative impacts of our own operations by, for example, reducing the electricity consumption of our mobile network and protecting people's privacy.

Elisa has set ambitious sustainability targets for fast connectivity and cyber security, for reducing Elisa's carbon footprint and promoting energy efficiency, and for innovation and equality in the mobile network.

Transparent quarterly and annual reporting helps stakeholders assess the progress of Elisa's sustainability actions. We are also committed to responsible and sustainable business in terms of finance, and in April, we once more signed another loan linked to sustainability targets.

71%

Energy efficiency improvement in Elisa's mobile network since 2016.

Elisa's sustainability is visible in practice

Being responsible means, above all, taking action that has a real impact on sustainability. We do this in cooperation with our customers and partners and with the support of all Elisa employees in more than 20 countries.

As a practical result, our 5G network already covers more than 96% of Finns, and our solutions help our customers operate in a more climate-friendly manner. We have improved energy efficiency in our mobile network by 71 per cent since 2016.

We are also one of the largest patent applicants in Finland, exemplified by our innovative Distributed Energy Storage (DES) solution using mobile network batteries as reserve power for the electricity grid.

Elisa plays a key role in safeguarding Finland's cyber security and critical infrastructure. In July, Elisa participated in a cyber exercise related to defence cooperation between Finland and the United States. Traficom also gave Elisa an award for its pioneering cooperation with the authorities and other operators in preventing scam calls and messages in Finland.

Every day, we work to build a secure digital environment to make equal rights for all a reality. We promote equality and non-discrimination in many ways. During the year, we updated our human rights policy. We joined forces with the Mannerheim League for Child Welfare to support the digital wellbeing of children and young people, working together to arrange the SuperDigikoulu digital school for children. In October, more than 70,000 lower secondary school students took part in Finland's largest digital wellbeing lesson, and all the related materials are freely available. We were also the first company to publish an age recommendation for purchasing smartphones for children.

Elisa's diverse working community has zero tolerance for bullying and discrimination. We work to promote equality in our own operations in many ways, such as ensuring equality in recruitment, training supervisors and staff, and organising events to promote equality. In 2024, we collaborated with e.g. Inklusiiv, the world's leading global DEI consultancy, and Women4Cyber, which works to promote, encourage and support the participation of women in the field of cybersecurity.

Ambitious climate targets

Elisa was one of the first Finnish companies to adopt science-based targets. Our targets were approved by the Science Based Targets initiative (SBTi) in 2018. Elisa has already achieved these goals, halving the emissions generated by our own operations and the energy we consume (Scopes 1 and 2).

During 2024, we continued to take decisive action towards our more ambitious SBTi targets for 2030, as well as the Net-Zero Standard zero-emission target for 2040, including supply chain emissions.

We use zero-emission electricity, and we continually improve the energy efficiency of our operations by modernising the network.

In achieving Elisa's zero emissions 2040 target, supply chain measures are crucial. During the year, we were among the first organisations in Finland to use sustainable supplier funding, and we encourage our supplier partners to find ways to reduce emissions in the services and products they deliver to Elisa.

International recognition

Elisa has received international recognition for sustainability and has become one of the world's leading companies in terms of sustainability. This recognition is testament to Elisa's 15-year commitment to building a sustainable future, where our main goal now is to achieve net zero emissions by 2040.

Recognition received during the year 2024:

- Elisa was ranked as the world's 66th most sustainable company by Time Magazine and Statista's World's Most Sustainable Companies list.
- Elisa was ranked among the world's 100 most sustainable companies on the Corporate Knights Global 100 list.
- MSCI, which assesses corporate responsibility globally, upgraded Elisa's ESG rating to its highest AAA level.
- CDP, which evaluates the global disclosures of companies' environmental information, raised Elisa to its highest A List in recognition of Elisa's leading role in transparency and climate change action. Among more than 21,000 companies that have been rated, Elisa is one of the few that have reached the A List.
- In the Sustainable Brand Index 2024 survey, Finnish consumers rated Elisa as the most sustainable brand in its industry for the fifth year in a row.
- Elisa Estonia was awarded a gold badge for sustainable business by the Responsible Business Forum.
- Elisa was also listed in the Financial Times European Climate Leaders and European Diversity Leaders rankings.

Read more
Elisa's 2024 Sustainability Statement
elisa.com/sustainability

Elisa has become one of the world's leading companies in terms of sustainability.

TIME WORLD'S MOST SUSTAINABLE COMPANIES statista 2024

Climate CDP A List 2024

RESPONSIBLE BUSINESS INDEX GOLD LEVEL 2024

MSCI ESG RATINGS AAA
CCC | B | BB | BBB | A | AA | AAA

SUSTAINABLE BRAND INDEX
INDUSTRY WINNER 2024
Finnish consumers perceive Elisa to be the most sustainable brand in its industry

Targets and performance 2024

OUR MISSION:

A sustainable future through digitalisation

	Impact on society		Responsible operations	
	TARGET	**STATUS**	**TARGET**	**STATUS**
Environmental We enable our customers to become more resource efficient	50% carbon handprint improvement* by 2024	**11%**	-20% change in network energy efficiency* by 2024	**-22%**
Climate We continue our journey towards net-zero emissions by 2040	Net-zero target: reduce absolute scope 1, 2 and 3 GHG emissions by 90% by 2040*	**2%**	Near-term target: reduce absolute scope 1, 2 and 3 GHG emissions by 44% by 2030*	**2%**
Digital We secure people's privacy in a safe and reliable digital environment	12 cybersecurity exercises with large corporate customers and authorities**	**15**	Cyber Security Index 92% by 2024	**Achieved**
Social We advance a fair and digitally inclusive society	Availability of Elisa's high-speed connections to all Finnish households	**95%**	32% of supervisors are women by 2024	**29%**
Economic We intensify innovation and drive sustainable value creation	Continuous profit growth in accordance with medium-term targets by 2020–2023		>100 patent applications**	**116**

*Base year 2021. **Cumulative 2022–2024. Targets are by the end of the year.

OUR PERSONNEL

Our increasingly international personnel share common values.

Over **30%** of Elisians work outside Finland.

Elisa employees are becoming more and more international

During 2024, Elisa's working community grew by more than 500 people. The most significant factor was the acquisition of sedApta. We are also coaching a growing number of Elisa employees in Elisa's good personnel practices, such as our learning and objectives discussions, utilising the employee survey, and one-to-one coaching discussions with their own supervisor.

Our main indicator, the Elisa Engagement Score, measures employee satisfaction and our employees' willingness to recommend Elisa as an employer. The year-end result was 69 (77 in 2023). Elisa employees were most satisfied with working in an environment free of harassment and discrimination, their opportunities to learn and develop at Elisa and other Elisa companies, and the feeling of belonging in their work community. The main reasons for the decrease in the result were the new hybrid work policy, which create a great deal of discussion, as well as changes in organisations and operations.

In accordance with our process, the results are processed within each unit and each team, and development measures are chosen based on those discussions. By focusing on these measures, we are making Elisa an even better place to work.

Values-based management and a coaching approach to supervisory work

We continued to provide supervisors with training on our coaching approach to management around Elisa companies. In Finland, the training focused especially on the early support model and wellbeing. Elisa Leadership Academy was launched In Estonia, focusing on, for example, developing people-centric skills and caring management. In the international digital business companies, the focus was on Elisa's personnel policies and a coaching approach to management.

Our employees still greatly value the basic practices of Elisa's supervisory work, such as the regular one-to-one coaching discussions with their supervisor. Coaching discussions with a weekly schedule are linked to the highest levels of employee satisfaction.

Communication at all levels of the organisation supports the work of supervisors. We launched Elisa Today, a new event held around once a month online in Finnish and English. In addition to the CEO and members of the Corporate Executive Board, the speakers included experts from all over Elisa. These interactive events have been highly popular, with more than 1,000 employees from all over the world watching each of them.

In addition, the CEO toured Elisa's locations around the world, having discussions with Elisians.

The regular info sessions within units enabled deeper discussions on the topics most relevant to each target group. For example, in the Production unit, a virtual meeting of the entire staff and management was introduced, based on questions from the staff, which were answered by discussion. The questions were open and were posed by employees either before or during the event.

The wellbeing of our work communities was supported within units through targeted projects, including coaching on holistic wellbeing and with the help of a coach. These actions received good feedback, and their impact was visible in the employee survey.

Reflecting on Elisa's values

The process of reflecting on our values that we started in autumn 2023 continued in the spring of 2024, and Elisians around the world actively participated in the process through discussions, surveys and prototypes. Elisians pointed out that there was a lot worth preserving in the values, but the process also identified some areas that would benefit from being refreshed. In our updated values, the rewording of the values to use the "we" form was seen as particularly successful.

Elisa's updated values were launched in Autumn 2024.

Learning and training

Based on feedback from our employees, the opportunity for continuous learning in everyday work is one of Elisa's strengths. For example, Elisa operates a number of communities in numerous areas, such as cyber security and design, that help our people strengthen their development as professionals.

The Elisa Design Summit gathered several hundred design professionals and interested people from across organisation, providing a platform for learning and networking.

The accelerating pace of technological transformation challenges us to learn new things rapidly, while simultaneously offering easy learning paths. We deployed curated learning path services across the organisation, which Elisians took advantage of for self-directed professional learning.

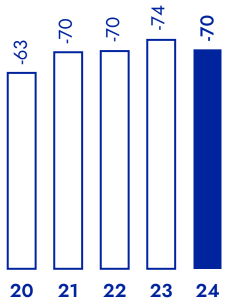
Recruitment

In 2024, we recruited 1,131 new colleagues. Elisa's recruitment focused on IT professionals around the world, as well as customer service and sales experts, especially in Finland and Estonia. Our attractiveness as an employer among IT and commercial professionals in Finland improved during the year.

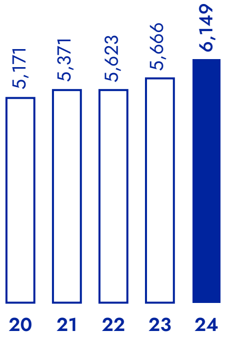
In 2024, we also received a record number of applicants to Elisa's Career Kickstart programme, through which every year we hire several people who have gained expertise through studying in the fields of telecommunications and cyber security into their first positions in their fields.

Learn more about Elisa as an employer and our diversity. Our Sustainability Statements provide more information about the diversity and equality measures we took in 2024.

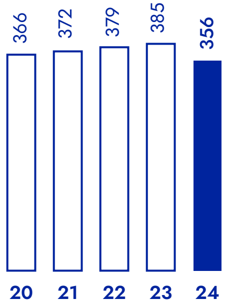
Personnel costs per employee*
EUR 1,000



Number of employees*
persons



Revenue per employee*
EUR 1,000



*Based on FTE 31 January 2024

86%

of Elisians participated in the employee survey

86/100

Employee survey:
Coaching discussions with my supervisor are valuable

Elisians around the world*

- Finland
- Estonia
- Italy
- Sweden
- Germany
- Indonesia
- France
- Belgium
- Romania
- Poland
- UK
- Singapore
- USA
- Slovakia
- Malaysia
- Taiwan
- Spain
- Egypt
- India
- Hungary

*Countries with over 10 employees

REPORT OF THE BOARD OF DIRECTORS

Report of the board of directors 2024

Market situation

The competitive environment has been active, especially in 4G subscriptions. The usage of mobile services has continued to evolve favourably. Brisk demand for 5G services has also continued due to the wider range of 5G devices and better network coverage. Geopolitical uncertainties and the soft macroeconomic environment still continued. This situation has increased the demand for cybersecurity services. Competition in the fixed broadband market has continued to be intense, and the number and usage of traditional fixed network subscriptions is declining.

The markets for IT services have continued to develop favourably. The prevailing uncertainty in the general economy has caused some companies to delay investment decisions and project implementation.

Revenue, earnings and financial position

Revenue increased by 1 per cent on the previous year. Growth in mobile and international digital services increased revenue. A decrease in equipment sales, a change in corporate service number regulation, declining usage and number of subscriptions in traditional fixed (PSTN) telecom services and domestic digital services, as well as a decrease in interconnection and roaming revenue, affected revenue negatively. Also, the net impact of acquisitions and business disposals had a negative effect on revenue.

Comparable EBITDA increased by 4 per cent and comparable EBIT by 3 per cent, mainly due to growth in mobile service revenue, international digital services, business disposals and efficiency improvements.

Net financial income and expenses increased to EUR −39 million (−23), mainly due to increased interest rates, net debt and EUR 5 million impairment of loan receivables. Income taxes in the income statement were EUR −91 million (−84). Net profit was EUR 356 million (374), and earnings per share was EUR 2.23 (2.34). Comparable earnings per share was EUR 2.35 (2.37).

Financial position

Comparable cash flow after investments decreased by 1 per cent to EUR 357 million. Higher EBITDA and lower licence payments affected cash flow positively, while higher CAPEX, taxes and financial expenses had negative effects.

The financial position and liquidity remain strong. Cash and undrawn committed credit lines totalled EUR 390 million at the end of the quarter.

Changes in corporate structure

In February, Elisa's subsidiary camLine acquired Romaric Automation Inc.

In March, Elisa acquired a majority stake in Moontalk Oy.

In May, the acquisition of Leanware Oy was completed.

In July, Elisa acquired the fiber network company Koillisnet Oy.

In September, Elisa signed an agreement under which Elisa would acquire the remaining share capital (81 per cent) of sedApta Group. The acquisition was completed on 30 October 2024.

Revenue, earnings and financial position

EUR million	2024	2023	2022
Revenue	**2,191**	2,180	2,130
EBITDA	**767**	756	733
EBITDA-%	**35.0%**	34.7%	34.4%
Comparable EBITDA [1]	**783**	756	735
Comparable EBITDA-%	**35.7%**	34.7%	34.5%
EBIT	**488**	482	470
EBIT-%	**22.3%**	22.1%	22.1%
Comparable EBIT [1] [2]	**504**	487	472
Comparable EBIT-%	**23.0%**	22.4%	22.2%
Return on equity, %	**27.6%**	29.4%	30.4%

[1] 2024 excluding EUR 17 million in restructuring costs and 2022 excluding EUR 2 million in restructuring costs.
[2] 2023 excluding EUR 6 million impairment.

Financial position

EUR million	2024	2023	2022
Net debt	**1,473**	1,304	1,276
Net debt / EBITDA [1]	**1.9**	1.7	1.7
Gearing ratio, %	**113.9%**	100.8%	101.9%
Equity ratio, %	**38.7%**	41.6%	40.6%
Cash flow [2]	**256**	347	300
Comparable cash flow [3]	**357**	361	321

[1] (Interest-bearing debt – financial assets) / (four previous quarters' comparable EBITDA)
[2] Cash flow after financing activities.
[3] 2024 excluding EUR 101 million in share and business investments and loans granted. 2023 excluding EUR 14 million in share and business investments and sales. 2022 excluding EUR 21 million in share investments.

Consumer Customers business

EUR million	2024	2023	2022
Revenue	**1,329**	1,335	1,301
EBITDA	**539**	521	496
EBITDA-%	**40.6%**	39.0%	38.1%
Comparable EBITDA [1]	**545**	521	497
Comparable EBITDA-%	**41.0%**	39.0%	38.2%
EBIT	**356**	342	322
EBIT-%	**26.8%**	25.6%	24.7%
Comparable EBIT [1][2]	**361**	344	323
Comparable EBIT-%	**27.2%**	25.8%	24.9%
CAPEX	**229**	213	191

1) 2024 excluding EUR 5 million and 2022 excluding EUR 1.6 million in restructuring costs.
2) 2023 excluding EUR 3 million impairment.

Revenue decreased by 0.5 per cent. The decrease in revenue was due to the end of the Viaplay cooperation. Decreases in equipment sales and in interconnection and roaming revenue, as well as declining usage and number of subscriptions in traditional fixed (PSTN) telecom services, also affected revenue negatively. Revenue was positively affected by growth in mobile and fixed services. Comparable EBITDA increased by 5 per cent

Corporate Customers business

EUR million	2024	2023	2022
Revenue	**863**	846	829
EBITDA	**228**	235	238
EBITDA-%	**26.4%**	27.8%	28.7%
Comparable EBITDA [1]	**239**	235	238
Comparable EBITDA-%	**27.7%**	27.8%	28.7%
EBIT	**132**	140	148
EBIT-%	**15.3%**	16.6%	17.9%
Comparable EBIT [1][2]	**143**	143	148
Comparable EBIT-%	**16.6%**	16.9%	17.9%
CAPEX	**108**	108	99

1) 2024 excluding EUR 11 million and 2022 excluding EUR 0.4 million in restructuring costs.
2) 2023 excluding EUR 3 million impairment.

Revenue increased by 2 per cent. Revenue was positively affected by growth in mobile services as well as domestic and international digital services. The divestment of Videra affected revenue negatively. Also, decreases in equipment sales as well as interconnection and roaming, a change in corporate service number regulation and a decrease in usage and subscriptions of traditional fixed telecom services affected revenue negatively. Comparable EBITDA increased by 2 per cent.

Investments

EUR million	2024	2023	2022
Capital expenditure [1], of which	**338**	321	290
Consumer Customers	**229**	213	191
Corporate Customers	**108**	108	99
Shares	**114**	12	25
Total investments	**452**	333	314
Shares and business acquisitions	**124**	25	25
Licences		2	9
Leases	**33**	23	26
Capital expenditure excluding leases, licenses, shares and business acquisitions	**295**	284	255
Capital expenditure as % of revenue	**13**	13	12

1) 2023 includes EUR 2 million for the 26 GHz frequency licence investment in Estonia. 2022 includes EUR 7 million for the 3.5 GHz and EUR 2 million for the 700 MHz frequency licence investments in Estonia.

The main capital expenditures were related to the capacity and coverage increases in 5G networks, fiber and other networks, as well as IT investments.

Personnel

In 2024, the average number of personnel at Elisa was 5,781 (5,721), and employee expenses totalled EUR 433 million (417). Personnel by segment at the end of the year:

	31 Dec 24	31 Dec 23	31 Dec 22
Consumer Customers	**2,951**	2,976	2,939
Corporate Customers	**3,198**	2,690	2,684
Total	**6,149**	5,666	5,623

Sustainability

Key ESG indicators	4Q24	4Q23	4Q22
Energy efficiency of mobile network in Finland [1]			
Change in energy consumption per GB from Q4 2021 level	**–21.6%**	–26.1%	–5.7%
Population coverage of >100 Mbps connections	**95.5%**	92.5%	86.2%
Proportion of female supervisors	**29.0%**	28.7%	29.6%
Patent portfolio development [1]			
Number of active patents portfolio [2]	**495**	396	337
Number of new first applications	**8**	11	12

1) Metric has not been assured.
2) Number of active patent applications and patents.

Financing arrangements and ratings

EUR million	Maximum amount	In use on 31 Dec 2024
Committed credit limits	300	0
Credit facilities (not committed)	100	50
Commercial paper programme (not committed)	350	307
EMTN programme (not committed)	1,500	900

Long term credit ratings	Rating	Outlook
Credit rating agency		
Moody's Ratings	Baa2	Stable
S&P Global Ratings	BBB+	Stable

On 18 March 2024, Elisa paid back the remaining EUR 248 million of the bonds maturing in March 2024.

On 10 April 2024, Elisa signed a seven-year, EUR 100 million loan agreement with the Nordic investment Bank. The loan margin is linked to Elisa's sustainability targets.

Share

Share trading volumes are based on trades made on the Nasdaq Helsinki and alternative marketplaces. Closing prices are based on the Nasdaq Helsinki.

Trading of shares, millions	2024	2023	2022
Nasdaq Helsinki, millions	**69.7**	64.4	71.2
Cboe	**121.3**	148.8	154.6
London Stock Exchange	**27.7**	29.8	40.3
Other marketplaces	**10.9**	10.3	11.5
Total volume [1]	**229.6**	253.3	277.6
Value, EUR million	**9,923**	12,376	14,431
% of shares	**137.2%**	151.4%	165.9%

Shares and market values	2024	2023	2022
Total number of shares	**167,335,073**	167,335,073	167,335,073
Treasury shares	**6,925,607**	6,946,654	7,075,378
Outstanding shares	**160,409,466**	160,388,419	160,259,695
Closing price, EUR	**41.80**	41.87	49.46
Market capitalisation, EUR million	**6,995**	7,006	8,276
Treasury shares, %	**4.14%**	4.15%	4.23%

Number of shares	Total	Treasury	Outstanding
Shares on 31 Dec 2023	**167,335,073**	**6,946,654**	**160,388,419**
Performance Share Plan, 31 Jan 2024 [2]		**–129,271**	**129,271**
Restricted Share Plan, 31 Jan 2024 [2]		**–4,907**	**4,907**
Transfer to treasury shares, 23 Dec 2024 [3]		**113,131**	**–113,131**
Shares on 31 Dec 2024	**167,335,073**	**6,925,607**	**160,409,466**

1) Other marketplaces: based on Modular Finance.
2) Stock exchange release, 31 January 2024.
3) Stock exchange release, 23 December 2024.

On 31 January 2024, Elisa transferred 134,178 treasury shares to people included in the Performance Share Plan for the period 2021–2023 and the Restricted Share Plan 2019 for the period 2022–2023.

In January, Elisa's Board of Directors decided on the vesting periods for the Restricted Share Plan 2023 for the CEO. The first vesting period, with a total allocation of 4,782 shares, ended on 31 December 2024, and the second, with 7,172 shares, ends on 31 December 2025.

In May, Elisa's Board of Directors decided on the vesting period for the Restricted Share Plan 2023. The vesting period, with a total allocation of 13,630 shares, ends on 31 May 2026. The purpose of using the plan is to engage a number of key persons in Elisa businesses.

In November, Elisa's Board of Directors decided on the vesting period for the Restricted Share Plan 2023. The vesting period, with a total allocation of 14,750 shares, ends on 31 January 2027. The purpose of using the plan is to engage a number of key persons in Elisa businesses.

On 23 December 2024, a total of 113,131 Elisa shares were transferred from the common account to Elisa's treasury shares. This transfer was based on a decision of Elisa's Annual General Meeting that the right of the owners of Kymen Puhelin Oy and Telekarelia Oy to have shares in Elisa Corporation as merger consideration and rights based on the shares became forfeit on 12 April 2024.

Research and development

The majority of service development occurs during the ordinary course of business and is accounted for as a normal operating expense. Elisa invested EUR 27 million (24) in research and development, of which EUR 8 million (9) was capitalised in 2024, corresponding to 1.2 per cent (1.1) of revenue.

Annual General Meeting 2024

On 12 April 2024, Elisa's Annual General Meeting decided to pay a dividend of EUR 2.25 per share based on the adopted financial statements of 31 December 2023. According to the decision, the dividend was paid in two instalments. The first instalment of the dividend, EUR 1.13 per share, was paid on 23 April 2024, and the second instalment of the dividend, EUR 1.12 per share, was paid on 30 October 2024.

The AGM adopted the financial statements for 2023. The members of the Board of Directors and the CEO were discharged from liability for 2023. The AGM approved the Remuneration Report of the company's governing bodies for 2023. The AGM did not approve the Board of Directors' proposal for the Remuneration Policy for Elisa's governing bodies. The resolutions are advisory in accordance with the Finnish Limited Liabilities Companies Act.

The number of the members of the Board of Directors was confirmed at eight. Maher Chebbo, Kim Ignatius, Katariina Kravi, Pia Kåll, Eva-Lotta Sjöstedt, Anssi Vanjoki and Antti Vasara were re-elected as members of the Board of Directors. Christoph Vitzthum was elected as a new member of the Board of Directors. Anssi Vanjoki was appointed as the Chair and Katariina Kravi as the Deputy Chair of the Board of Directors.

The AGM decided that the amount of annual remuneration for the members of the Board of Directors be changed. The Chair of the Board will be paid annual remuneration of EUR 150,000, the Deputy Chair of the Board and the Chairs of the committees EUR 87,000, and other Board members EUR 72,000. Additionally, a meeting fee of EUR 800 per meeting of the Board or of a committee will be paid. If a Board member is physically present at a Board or committee meeting that is held in a country other than his/her permanent home country, the meeting fee is EUR 1,600.

Ernst & Young Oy, Authorised Public Accountants Organisation, was elected as the company's auditor.

APA Terhi Mäkinen is the responsible auditor. The auditor will be remunerated and travel expenses reimbursed in accordance with the invoice accepted by the company.

The AGM decided that, for shares of Kymen Puhelin Oy and Telekarelia Oy for which no claim on merger consideration has been presented and no share certificate or other similar document and possible account on title that proves the right of ownership, as well as claims on registering based on these, have been presented by 12 April 2024 at the latest, the right to shares in Elisa Corporation given as merger consideration and rights based on them would be forfeited. If the share certificate or other similar document has been lost, the merger consideration must be claimed, and the claim on registering must be presented by the deadline set out above at the latest, and the judgment regarding the annulment of the share certificate or other similar document must be presented to Elisa Corporation on 29 November 2024 at the latest. The forfeited considerations will be received by Elisa Corporation as the transferee company in the merger, and the rules and regulations applicable to own shares held by the company will be applied to such shares.

Composition of the committees of Elisa's Board of Directors

The Board of Directors held its organising meeting and appointed Katariina Kravi (Chair), Maher Chebbo and Eva-Lotta Sjöstedt to the People and Compensation Committee. Kim Ignatius (Chair), Pia Kåll, Antti Vasara and Christoph Vitzthum were appointed to the Audit Committee.

Authorisations of the Board of Directors

The AGM decided to authorise the Board of Directors to resolve to repurchase or accept as pledge the company's own shares. The repurchase may be directed. The number of shares under this authorisation is five million shares at maximum. The authorisation is valid for 18 months from the date of the resolution of the General Meeting.

The AGM decided to authorise the Board of Directors to pass a resolution concerning the share issue, the right of assignment of treasury shares and/or the granting of special rights referred to in the Finnish Limited Liability Companies Act. The authorisation entitles the Board of Directors to execute the issue as directed. The number of shares under this authorisation is 15 million shares at maximum. The authorisation is valid for 18 months from the date of the resolution of the General Meeting.

Elisa Shareholders' Nomination Board

The biggest shareholders were determined according to the shareholder register of Elisa on 31 August 2024, and they named the members of the Nomination Board. The composition of the Nomination Board since September 2024 has been as follows:

- Pauli Anttila, Investment Director, nominated by Solidium Oy
- Jouko Pölönen, President and CEO, nominated by Ilmarinen Mutual Pension Insurance Company
- Markus Aho, Chief Investment Officer, nominated by Varma Mutual Pension Insurance Company
- Jonna Ryhänen, Chief Investment Officer, Deputy CEO, nominated by Elo Mutual Pension Insurance Company
- Anssi Vanjoki, Chair of the Board of Elisa

The Nomination Board elected from amongst its members Pauli Anttila as the chair.

Elisa's Shareholders' Nomination Board was established in 2012 by the Annual General Meeting. Its duty is to prepare proposals for the election and remuneration of the members of the Board of Directors of Elisa for the Annual General Meeting.

Significant legal and regulatory issues

After a tax audit on foreign dividend withholding tax, Elisa received a decision in April 2021 according to which it is required to pay a total of EUR 1.7 million in allegedly wrongly levied withholding taxes relating to the years 2015 and 2016. The Administrative Court ruled in favour of Elisa in February 2024. The ruling is final and binding.

In April 2024, the EU issued a regulation on measures to reduce the cost of deploying gigabit electronic communications networks (the Gigabit Infrastructure Act), with the aim of reducing the costs of and obstacles to network construction as well as reusing existing physical infrastructure. The Act also states that, from 1 January 2029, providers should not charge different retail prices for domestic and intra-EU communications, pending a review by the European Commission of the situation and obligations, which will take place by 30 June 2027. The Act will enter into force on 12 November 2025.

Transposition in Finland of EU Directive 2022/2523, ensuring a global minimum level of taxation for multinational enterprise groups and large-scale domestic groups in the European Union, was completed in the fourth quarter of 2023, and the legislation came into force on 1 January 2024. This change is estimated to have an impact on taxes in the income statement for Elisa's Estonian business from 2024 onwards.

In July 2020, Tucana Telecom NV initiated legal proceedings against Polystar OSIX AB in the Business Court of Brussels with a claim of infringement of exclusivity included in a distribution agreement and also of wrongful termination of the distribution agreement. This case has been resolved pursuant to a judgement issued on 10 June 2022. The claim against Polystar OSIX AB was dismissed in full by the court, and consequently, no compensation or damages were awarded to the claimant. The decision has been appealed.

In December 2022, Elisa appealed a decision of Estonia's Consumer Protection and Technical Regulatory Authority, which was related to the restrictions within certain time limits to use Huawei equipment in Elisa Estonia's networks, to the Estonian Administrative Court. Elisa was being forced to replace the Huawei hardware and software currently used in its networks, but there is no compensation system in place.

In November 2024, Elisa submitted a compensation claim to the Estonian Administrative Court, demanding compensation for 4G hardware and software that must be prematurely replaced in its mobile network. The Administrative Court has suspended the proceedings until the legality of the restrictions has been clarified in parallel proceedings.

In December 2024, an arbitration proceeding was initiated against Elisa Corporation concerning a dispute on payments related to a TV solution in use in the Elisa Viihde entertainment service.

Substantial risks and uncertainties associated with Elisa's operations

Risk management is part of Elisa's internal control system. It aims to ensure that risks affecting the company's business are identified, influenced and monitored. The company classifies risks into strategic, operational, hazard and financial risks.

Strategic and operational risks:

The telecommunications industry is intensely competitive in Elisa's main market areas, which may have an impact on Elisa's business. The telecommunications industry is subject to heavy regulation. Elisa and its businesses are monitored and regulated by several public authorities. This regulation also affects the price level of some products and services offered by Elisa and may also require investments that have long payback times.

Elisa processes different kinds of data, including personal and traffic data. Therefore, the applicable data protection legislation, especially the General Data Protection Regulation, as well as other data-related legislation, might have a significant impact on Elisa and its businesses.

The rapid developments in telecommunications technology may have a significant impact on Elisa's business.

Changes in governmental relationships, including in the security environment, may increase the risk of restrictions being imposed on equipment from particular network providers that is also used in Elisa's network. This could have financial or operational impacts on Elisa's business.

Elisa's main market is Finland, where the number of mobile phones per inhabitant is among the highest in the world and growth in subscriptions is therefore limited. Furthermore, the volume of phone traffic on the fixed network has been decreasing during recent years. These factors may limit opportunities for growth. New international business expansion and possible future acquisitions abroad may increase risks.

Elisa is liable to pay direct and indirect taxes and withholding taxes in the countries in which it operates. Changes in tax authorities' interpretations of tax laws may lead to an increase in the tax burden for corporations.

Uncertainty relating to regional conflicts globally, especially Russia's war in Ukraine, is continuing. This is expected to affect the general economic environment, e.g. inflation and energy prices. Challenges in global supply chains may also result in uncertainties in volumes and prices. Disturbances related to running infrastructure may also occur, for example due to cyber incidents. Elisa's business in Russia was not essential, and Elisa withdrew from the Russian market in 2022.

Hazard risks:

The company's core operations are covered by insurance against damage and interruptions caused by accidents and disasters. Accident risks also include litigation and claims.

Financial risks:

In order to manage the interest rate risk, the Group's loans and investments are diversified into fixed- and variable-rate instruments. Interest rate swaps can be used to manage the interest rate risk.

As most of Elisa's operations and cash flow are denominated in euros, the exchange rate risk is minor. Currency derivatives can be used to manage the currency risk.

The objective of liquidity risk management is to ensure the Group's financing in all circumstances. Elisa has cash reserves, committed credit facilities and a sustainable cash flow to cover its foreseeable financing needs.

Liquid assets are invested within confirmed limits in financially solid banks, domestic companies and institutions. Credit risk concentrations in accounts receivable are minor, as the customer base is broad.

Russia's war in Ukraine and higher inflation have increased volatility in the financial markets. This might have an effect on Elisa's ability to raise funds and may increase financing costs.

A detailed description of financial risk management can be found in Note 7.1 to the consolidated financial statements.

Corporate Governance Statement and Remuneration Report

Elisa's Corporate Governance Statement and Remuneration Report for 2024 will be published during week 9 (beginning 24 February 2025) on the company website elisa.com/annualreport.

Group Sustainability Statement 2024

The Group Sustainability Statement 2024 included in the report of the board of directors includes information in accordance with the Corporate Sustainability Reporting Directive and the EU Taxonomy Regulation, and it has been prepared in accordance with the European Sustainability Reporting Standards issued by the European Financial Reporting Advisory Group. The disclosed sustainability matters and data points included in the Environment, Social and Governance sections (including upstream and downstream value chains), are based on Elisa's double materiality assessment.

The full Group Sustainability Statement can be found in the section Group Sustainability Statement 2024.

Events after the reporting period

Elisa's subsidiary camLine acquired iCADA GmbH to expand its process excellence on semiconductor processes. iCADA is a German-based software provider of durable lifecycle solutions for the semiconductor industry, and it will be integrated with camLine, part of Elisa's manufacturing software business Elisa IndustrIQ. The transaction was completed on 3 January 2025.

Outlook and guidance for 2025

The development in the general economy includes many uncertainties. Growth in the Finnish economy is expected to stall. In particular, there is continuing uncertainty relating to Russia's war in Ukraine and other conflicts. Challenges in global supply chains may also result in uncertainties in volumes and prices. Competition in the Finnish telecommunications market remains keen.

Full-year revenue is estimated to be at the same level as or slightly higher than in 2024. Mobile data and digital services are expected to increase revenue. Full-year comparable EBITDA is anticipated to be at the same level as or slightly higher than in 2024. Capital expenditure is expected to be a maximum of 12 per cent of revenue.

Elisa continues to improve productivity, for example by increasing automation and data analytics in different processes, such as customer interaction, network operations and delivery. Additionally, Elisa's continuous quality improvement measures will increase customer satisfaction and efficiency, and reduce costs.

Elisa's transformation into a provider of exciting, new and relevant services for its customers is continuing. Long-term revenue growth and profitability improvement will derive from growth in the mobile data market, as well as domestic and international digital services.

Profit distribution

According to Elisa's distribution policy, profit distribution is 80–100 per cent of the previous fiscal year's net profit. In addition, any excess capital can be distributed to shareholders. When making the distribution proposal or decision, the Board of Directors will take into consideration the company's financial position, future financial needs and financial targets. Profit distribution includes dividend payment, capital repayment and share buybacks.

The Board of Directors proposes to the Annual General Meeting a dividend of EUR 2.35 per share. The dividend payment corresponds to 100 per cent of the comparable net profit for the financial period. The Board of Directors also proposes that the dividend be paid in two instalments.

It is proposed that the first instalment of the dividend, EUR 1.18, be paid to shareholders who are listed in the company's shareholder register maintained by Euroclear Finland Ltd on 4 April 2025. The Board of Directors proposes that the payment date be 11 April 2025. It is also proposed that the second instalment of the dividend, EUR 1.17, be paid to shareholders who are listed in the company's shareholder register on 17 October 2025, and the Board of Directors proposes that the payment date be 24 October 2025. The profit for the period will be added to retained earnings.

The Board of Directors also decided to propose to the General Meeting that the Board of Directors be authorised to acquire a maximum of five million treasury shares, which corresponds to 3 per cent of the total number of shares.

BOARD OF DIRECTORS

Shares and shareholders

1. Share capital and shares

The company's paid-up share capital registered in the Trade Register stood at EUR 83,033,008 at the end of the financial year.

At the end of the financial year, the number of Elisa Corporation shares was 167,335,073, all within one share series.

2. Authorisations of the Board of Directors

On 12 April 2024, the Annual General Meeting authorised the Board of Directors to decide on a new share issue, transfer of treasury shares owned by the company and/or granting of special rights referred to in chapter 10, section 1 of the Finnish Companies Act subject to the following: The authorisation allows the Board of Directors to issue a maximum of 15,000,000 shares in one or several issues. The share issue and shares granted by virtue of special rights are included in the aforementioned maximum number. The maximum number is approximately 9 per cent of the entire stock. The share issue can be free or for consideration and can also be directed to the Company itself. The authorisation entitles the Board to make a directed issue. The authorisation may be used for making acquisitions or implementing other arrangements related to the Company's business, to finance investments, to improve the Company's financial structure, or for other purposes decided by the Board of Directors. The Board of Directors has the right to decide on all other matters related to the share issue. The authorisation is valid for 18 months, and it annuls the authorisation given by the Annual General Meeting to the Board of Directors on 5 April 2023.

On 12 April 2024, the Annual General Meeting also authorised the Board of Directors to decide on the acquisition of treasury shares subject to the following: The Board of Directors may decide to acquire or pledge on non-restricted equity a maximum of 5,000,000 treasury shares. The acquisition may take place as one or several blocks of shares. The consideration payable for the shares shall not be more than the ultimate market price. In purchasing the Company's own shares derivative, share lending and other contracts customary in the capital market may be concluded pursuant to law and the applicable legal provisions. The authorisation entitles the Board of Directors to pass a resolution to purchase the shares by making an exception to the purchase of shares relative to the current holdings of the shareholders. The treasury shares may be used for making acquisitions or implementing other arrangements related to the Company's business, to finance investments, to improve the Company's financial structure, to be used as part of the incentive compensation plan, or for the purpose of otherwise assigning or cancelling the shares. The Board of Directors has the right to decide on all other matters related to the acquisition of the Company's own shares. The authorisation is valid for 18 months, and it annuls the respective authorisation given by the Annual General Meeting to the Board of Directors on 5 April 2023.

3. Treasury shares, share issues and cancellations

At the beginning of the financial period, Elisa held 6,946,654 treasury shares.

The Annual General Meeting held on 12 April 2024 authorised the Board of Directors to acquire and assign treasury shares. The authorisation applies to a maximum of 5,000,000 treasury shares. On the basis of the authorisation, Elisa has not acquired any treasury shares.

A total of 134,178 treasury shares were disposed and 113,131 shares were transferred from the unallocated account during the financial year.

At the end of the financial period, Elisa held 6,925,607 treasury shares.

The treasury shares held by Elisa Corporation do not have any substantial impact on the distribution of holdings and votes in the Company. They represent 4.14 per cent of all shares and votes.

4. Management interests

The aggregate number of shares held by Elisa's Board of Directors and the CEO on 31 December 2024 was 194,895 shares and votes, which represented 0.12 per cent of all shares and votes.

5. Share performance

The Elisa share closed at EUR 41.80 on 31 December 2024. The highest quotation of the year was EUR 49.08 and the lowest EUR 40.18. The average price was EUR 43.23. Information is based on share trades made on the Nasdaq Helsinki stock exchange.

At the end of the financial year, the market capitalisation of Elisa's total number of shares was EUR 6,994.6 million.

6. Quotation and trading

The Elisa share is quoted on the Main List of the Nasdaq Helsinki with the ticker ELISA. The aggregate volume of trading on the Nasdaq Helsinki between 1 January and 31 December 2024 was 69,715,725 shares for an aggregate price of EUR 3,013.6 million. The trading volume represented 41.7 per cent of the total number of shares at the end of the financial year.

7. Distribution of holding by shareholder groups at 31 December 2024

		Number of shares	Proportion of all shares,%
1	Private companies	4,155,445	2.48
2	Financial and insurance institutions	5,199,568	3.11
3	Public corporations	30,687,071	18.34
4	Non-profit organisations	5,157,925	3.08
5	Households	36,196,303	21.63
6	Foreign	177,932	0.11
7	Nominee registered	78,835,222	47.11
	Elisa Corporation, treasury shares	6,925,607	4.14
		167,335,073	100.00

8. Distribution of holding by amount at 31 December 2024

Size of holding	Number of shareholders	%	Number of shares	%
1–100	54,549	30.59	2,338,180	1.40
101–1,000	119,396	66.96	26,792,279	16.01
1,001–10,000	4,124	2.31	9,661,568	5.77
10,001–100,000	203	0.11	5,014,252	3.00
100,001–1,000,000	31	0.02	8,519,539	5.09
1,000,001–	11	0.01	36,174,033	21.62
Nominee registered			78,835,222	47.11
	179,614	100.00		
Elisa Corporation, treasury shares [1]			6,925,607	4.14
Issued amount			167,335,073	100.00

[1] Elisa´s Annual General Meeting held on 12 April 2024 decided that the right of the owners of Kymen Puhelin Oy and Telekarelia Oy to have Elisa Corporation's shares as merger consideration and rights based on the shares became forfeit on 12 April 2024. On the basis of this, a total of 113,131 Elisa shares have been transferred from the common account to Elisa´s treasury shares.

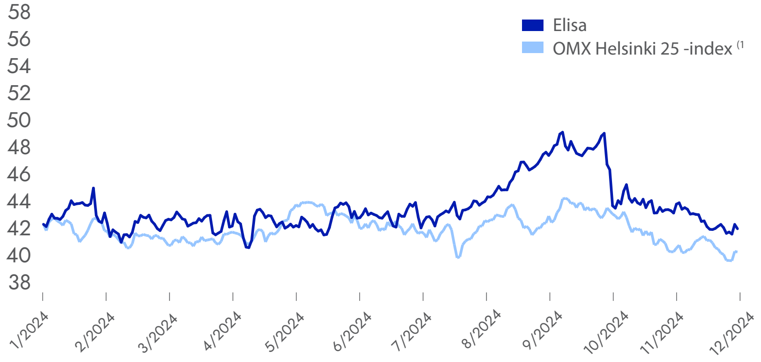
9. Largest shareholders at 31 December 2024

	Name	Number of shares	%
1	Solidium Oy	16,802,800	10.04
2	Ilmarinen Mutual Pension Insurance Company	4,801,592	2.87
3	Varma Mutual Pension Insurance Company	3,096,976	1.85
4	Elo Mutual Pension Insurance Company	2,584,000	1.54
5	The State Pension Fund	1,150,000	0.69
6	City of Helsinki	1,124,690	0.67
7	OP-Finland Fund	640,280	0.38
8	Nordea Pro Finland Fund	586,886	0.35
9	Säästöpankki Kotimaa Mutual Fund	490,100	0.29
10	Föreningen Konstsamfundet r.f.	450,000	0.27
11	Seligson OMX Helsinki 25 ETF Fund	443,754	0.27
12	OP-Henkivakuutus Ltd.	417,067	0.25
13	Evli Finland Select Fund	380,000	0.23
14	Samfundet Folkhälsan i Svenska Finland rf	368,982	0.22
15	OP-Finland Index Fund	353,644	0.21
16	The Local Government Pensions Institution	350,979	0.21
17	Danske Invest Finnish Equity Fund	348,709	0.21
18	Sigrid Juselius Foundation	330,700	0.20
19	Society of Swedish Literature in Finland	300,000	0.18
20	S-Bank Fenno Equity Fund	261,060	0.16
		35,282,219	21.08
	Nominee registered [1]	78,835,222	47.11
	Elisa Corporation, treasury shares	6,925,607	4.14
	Others	46,292,025	27.66
		167,335,073	100.00

[1] On 1 October 2024, BlackRock, Inc announced, that the direct share ownership of Elisa Corporation shares owned by BlackRock, Inc. was 10,702,416 and by its funds 181,630 shares, totaling 10,884,046 shares, which was 6.50 per cent of Elisa Corporation's entire stock.

10. Daily price development

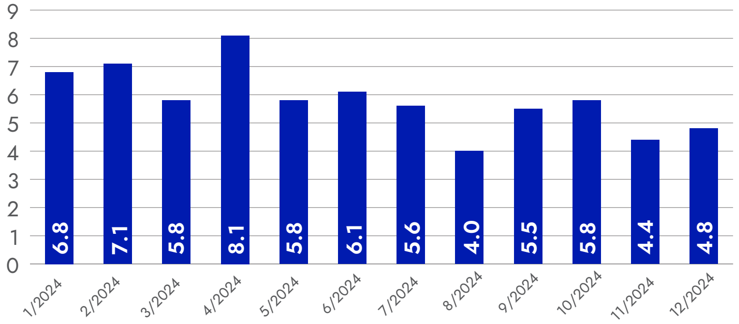
Closing price in EUR



1) Rebalanced to Elisa share.

11. Trading volume

Shares per month (million)



Share trading volumes are based on the trades made on Nasdaq Helsinki.
Elisa share is also traded in alternative marketplaces.

Board's proposal for distribution of profits

According to the balance sheet of 31 December 2024, the parent company's equity is EUR 507,972,248.33, of which distributable funds account for EUR 394,968,020.56.

The parent company's profit for the period from 1 January to 31 December 2024 was EUR 347,442,990.73.

The Board of Directors proposes to the General Meeting of Shareholders that the distributable funds be used as follows:

- A dividend of EUR 2.35 per share will be paid, for a total of EUR 376,962,245.10
- The dividend will be paid in two instalments
- No dividend will be paid on shares in the parent company's possession
- EUR 18,005,775.46 will be retained in shareholders' equity.

Investor information

Outlook and guidance for 2025

The development in the general economy includes many uncertainties. Growth in the Finnish economy is expected to stall. In particular, there is continuing uncertainty relating to Russia's war in Ukraine and other conflicts. Challenges in global supply chains may also result in uncertainties in volumes and prices. Competition in the Finnish telecommunications market remains keen.

Full-year revenue is estimated to be at the same level as or slightly higher than in 2024. Mobile data and digital services are expected to increase revenue. Full-year comparable EBITDA is anticipated to be at the same level as or slightly higher than in 2024. Capital expenditure is expected to be a maximum of 12 per cent of revenue.

Elisa continues to improve productivity, for example by increasing automation and data analytics in different processes, such as customer interaction, network operations and delivery. Additionally, Elisa's continuous quality improvement measures will increase customer satisfaction and efficiency, and reduce costs.

Elisa's transformation into a provider of exciting, new and relevant services for its customers is continuing. Long-term revenue growth and profitability improvement will derive from growth in the mobile data market, as well as domestic and international digital services.

Profit distribution

According to Elisa's distribution policy, profit distribution is 80–100 per cent of the previous fiscal year's net profit. In addition, any excess capital can be distributed to shareholders. Profit distribution includes dividend payment, capital repayment and purchase of treasury shares.

Guidance for 2025

Revenue	Same level or slightly higher than in 2024
Comparable EBITDA	Same level or slightly higher than in 2024
CAPEX/sales	Max 12%

Medium-term financial targets by the end of 2025

Revenue 2022–2025	CAGR >2%
EBTDA growth 2022–2025	CAGR >3%
CAPEX/sales	Max 12%
Net debt/EBITDA	1.5–2x
Equity ratio	>35%

Annual General Meeting

Elisa's Annual General Meeting will be held on 2 April 2025. More information on the AGM invitation and at elisa.com/agm

Payment of dividends

The Board of Directors proposes to the Annual General Meeting a dividend of EUR 2.35 per share. The dividend payment corresponds to 100 per cent of the comparable net profit for the financial period. The Board of Directors also proposes that the dividend be paid in two instalments.

It is proposed that the first instalment of the dividend, EUR 1.18, be paid to shareholders who are listed in the company's shareholder register maintained by Euroclear Finland Ltd on 4 April 2025. The Board of Directors proposes that the payment date be 11 April 2025. It is also proposed that the second instalment of the dividend, EUR 1.17, be paid to shareholders who are listed in the company's shareholder register on 17 October 2025, and the Board of Directors proposes that the payment date be 24 October 2025.

Listing of Elisa's shares

Elisa's shares are listed on the Nasdaq Helsinki and are registered in the Finnish book-entry register maintained by Euroclear Finland Ltd.

Publication dates 2025

- 17 April 2025: Interim Report Q1 2025
- 15 July 2025: Half-Year Financial Report 2025
- 23 October 2025: Interim Report Q3 2025

Financial information

Elisa publishes its financial reports and bulletins in Finnish and English. The Annual Report, Half-year report, Interim Reports, information on the AGM, stock exchange releases and other information for investors, as well as the Disclosure Policy, are available on the Elisa website at elisa.com/investors.

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SUSTAINABILITY STATEMENT 2024

Content

General information

ESRS 2

General disclosure

General basis for preparation

The reporting period for this sustainability statement is the calendar year 2024 and no comparative figures are disclosed except gross GHG emission metrics. This sustainability statement includes information in accordance with the Corporate Sustainability Reporting Directive (CSRD) and the EU Taxonomy Regulation, and it has been prepared in accordance with the European Sustainability Reporting Standards (ESRS) issued by the European Financial Reporting Advisory Group. The disclosed sustainability matters and data points included in the Environment (E), Social (S), and Governance (G) sections covering upstream and downstream value chains are based on Elisa's double materiality assessment (DMA) conducted during the years 2023–2024. Details on our process, methodology and scope of our DMA are presented in the section Double materiality assessment.

The consolidated sustainability statement is prepared for Elisa group (Elisa) and includes the parent company, Elisa Corporation (Finland), as well as subsidiaries, associates and joint arrangements, as described in Elisa's financial statements 2024. Material impacts, risks and opportunities connected with Elisa's direct and indirect upstream and downstream value chain actors are included accordingly. We have considered different sustainability topics to the extent of its materiality for each actor of the value chain. Elisa has not omitted any information corresponding to intellectual property, know-how or the results of innovation.

Consolidation of all quantitative environment, social and governance (ESG) disclosures follow the scope mentioned above, unless otherwise specified in the accounting principles placed next to each reported data point in the data tables in the ESG sections.

The financial information for the sustainability statement is derived from Elisa's consolidated financial statements, which are prepared in accordance with International Financial Reporting Standards (IFRS), including adherence to International Accounting Standards (IAS) and IFRS and the Standard Industrial Classification (SIC) and International Financial Reporting Interpretations Committee interpretations valid as of 31st December 2024.

Regarding environmental indicators, the most significant environmental impacts of the Elisa group have been calculated in accordance with ESRS guidelines. The calculation of carbon dioxide emissions is based on the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard. Regarding our own workforce, disclosures cover Elisa group, while categories and definitions in the statement are aligned with Elisa's human resource function's employee categorisation and definitions. Structural changes in the Elisa group are presented in more detail in the section group companies of Elisa's financial statements. The disclosure principles and calculation methodology, as well as the sources of the data, are described in the sections accounting principles under each data point as well as ESG reporting manual document. The document is available on the Elisa group sustainability website at elisa.com/sustainability.

Elisa uses the following definitions for time horizons in double materiality assessment: short-term (0–2 years), medium-term (3–5 years) and long-term (more than five years). The time horizons used are aligned with Elisa's strategic time horizons.

The material uncertainties regarding the accuracy of Elisa's sustainability statement disclosures relate to upstream carbon emission calculations for gross Scopes 1, 2, 3 and total GHG emission. There are gaps in the availability of accurate life cycle assessment data for products, services and capital goods and thus we use indirect information sources. We have programmes with our upstream partners to improve the accuracy and availability of data. We regularly revisit and update our data sources, and we aim to enhance our reporting accordingly. The calculation principles, including assumptions, approximations and judgements per disclosures, are explained more in detail in the accounting principles of each data point. Similarly, when using estimated indirect sources for value chain data, we have described the basis for preparation and estimated the level of accuracy alongside the data point in question.

Elisa's Sustainability Statement 2024 is published in Finnish and English, and it is available at elisa.com/annualreport. The Sustainability Statement 2024 is assured by Ernst & Young.

For this statement, we have used phased-in provisions for the data points SBM-3_09, E1-9, E5-6 and S1-14_08, S1-14_09 and S1-14_10, in accordance with ESRS.

Risk management and internal controls over sustainability reporting

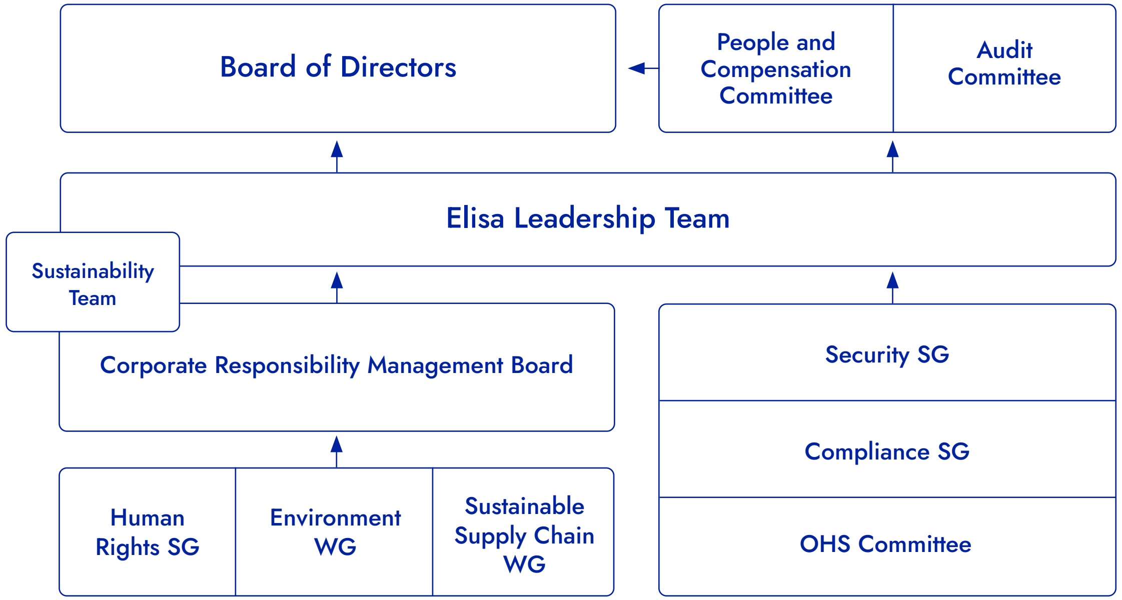
Elisa has a risk management and internal control system for the preparation and reporting of its sustainability statement. This system focuses on ensuring the harmonisation, accuracy and quality of ESG data and reporting process. The systems for internal control and risk management in relation to Elisa's sustainability reporting are designed to provide reliability in the reporting process. In addition, this also supports the preparation of sustainability statements for external purposes in accordance with accepted accounting principles, applicable legislation, the CSRD and other requirements for listed companies.

The sustainability statement for 2024 is Elisa's twelfth consecutive assured report. Elisa's sustainability reporting follows the Elisa group-level sustainability reporting principles for statutory reporting. Elisa group sustainability has overall responsibility for sustainability reporting. It controls and oversees the development of centralised sustainability data management processes and sustainability data management tools. It conducts group-level consolidation of ESG disclosures, ensuring compliance with the CSRD and with other relevant regulations. It is also responsible for the management of mandatory third-party assurance for this statement.

To mitigate the risk of human error, Elisa conducts regular group-wide competence development, including communication and training for nominated sustainability reporting participants. Further, Elisa group sustainability maintains up-to-date guidelines, manuals and instructions that are available to the experts involved in the sustainability reporting process. The potential risk of both human error and system failure is also mitigated through the four eyes principle: the roles of the data filer and approver are separated. In addition, Elisa group sustainability reviews the data as part of consolidation. Further, the final disclosures are shared for review with data approvers and Elisa's management before final assurance and publication. The sustainability reporting risk assessments and internal control evaluations are monitored annually by the Audit Committee of Elisa's Board of Directors and by Elisa's Corporate Responsibility Management Board (CRMB).

Elisa's Internal Audit function audited Elisa's sustainability reporting processes and systems in 2024. The key recommendations have been implemented in the sustainability reporting process during the year.

Sustainability governance structure



Sustainability governance

Elisa's top management for sustainability, as defined in the CSRD, includes Elisa's Board of Directors (BoD), Elisa's Corporate Executive Board (CEB) and CRMB. Elisa has an established European Works Council to improve employees' access to information and facilitate dialogue between management and personnel. Employees do not have representation in Elisa's BoD or CEB. More details of engagement with workers' representatives are provided in the section Own workforce.

The annual general meeting (AGM) of shareholders is Elisa's highest decision-making body. Among other things, it approves the income statement and balance sheet, and it declares the distribution of profits according to the proposal from the Board of Directors. The AGM appoints an auditor, assurer of the Sustainability Statement and members to the Board of Directors (including the Chair and the Deputy Chair) and approves the discharge from liability of the Board of Directors and the CEO. The Board attends to the administration and proper organisation of the company's operations in accordance with the Finnish Limited Liability Companies Act and other regulations. The Board decides on matters that under law are subject to decision by the Board. The Board has adopted a charter for itself, which tasks the Board with deciding the company's strategic guidelines and the targets for Elisa's management, and with monitoring their achievement. The Board must also appoint the Chief Executive Officer (CEO) and decide on the composition of Elisa's CEB. The Board regularly monitors financial performance and the development of the company's financial standing. It also supervises compliance with regulations and the management of operational risks and other risks. The Board addresses major investments in, and disposals of, businesses or assets, and it sets the boundaries for the company's management in executing operational investments and financial arrangements. According to the charter, the following are particularly subject to decisions of the Board of Directors:

- Elisa's strategic guidelines
- Profit distribution policy
- Convening general meetings of shareholders and submitting proposals from the Board of Directors
- Matters having to do with Elisa stock and Elisa's shareholders
- Major mergers, acquisitions and investments
- Financial statements, half-year financial reports and interim reports, and non-financial reports
- The appointment, dismissal and terms of employment of the CEO and members of the CEB

The charter also specifies other matters to be addressed by the Board, such as adopting the annual financial plan, the principles of the company's organisation and the main business policies.

According to Elisa's Articles of Association, the Board must comprise a minimum of five (5) and a maximum of nine (9) members. The members of the Board are appointed at the AGM for a one-year term of office starting at the close of the relevant general meeting and ending at the close of the next AGM. The AGM also elects the Chair and the Deputy Chair of the Board. At its organising meeting, the Board annually decides upon committees, their chairs and members. In 2024, the acting committees were the People and Compensation Committee and the Audit Committee. The duties and charters of the committees are adopted by the Board. At the Annual General Meeting of 12th April 2024, eight (8) members were elected to the Board until the next AGM.

The Board has assessed that each member of the Board of Directors is independent of the company and of any significant shareholders. According to the appointment and diversity principles for a person elected as a member of Elisa's Board, each member must have the competences required for the position and be able to devote a sufficient amount of time to the duties required. In regard to the sustainability topics, the Board has assessed its expertise in the material topics. The Board has expertise in at least following Elisa relevant sustainability topics of compliance (including anti-bribery and corruption), climate change, circular economy, consumer and end-users related matters such as privacy, health and safety, cyber security and critical infrastructure, human rights including value chain workers (e.g. forced/child labour, health and safety), personnel (including diversity, collective bargaining, health and safety), supplier management and sustainability reporting. In addition, by ensuring sufficient resources and regular reviews, Elisa's administrative, management and supervisory bodies have access to sustainability expertise.

In 2024, the sustainability-related impacts, risks and opportunities including any trade-offs associated, i.e. the results of the double materiality assessment (DMA)were monitored, assessed and discussed by the Board in two meetings. The list of topics resulted from the DMA are presented in table Material sustainability topics and description. Further, the Board approved the sustainability strategy, which has been aligned with the results of the 2024 DMA.

The Audit Committee is tasked with supervising the proper organisation of the company's sustainability reporting, administration and audits, internal auditing, and risk management, including sustainability-related impacts, risks and opportunities. Regarding sustainability reporting and auditing, the Audit Committee specifically monitors and assesses the company's sustainability reporting system, the effectiveness of internal controls and auditing, and the independence of the sustainability auditor. The sustainability reporting aspects were monitored, assessed and discussed in three (3) meetings during 2024. The Audit Committee is responsible for monitoring the implementation of Elisa's compliance framework, including compliance risks and matters related to responsible business conduct. The Audit Committee reviewed the compliance topics in five (5) meetings.

Elisa's Corporate Executive Board (CEB) consist of EVPs having experience in relevant sectors and businesses both in international and domestic markets. Based on their role and experience, the CEB members have knowledge to regularly review and assess the progress and efficiency of strategic sustainability targets and measures, as well as the management of specific sustainability initiatives. In 2024, the results of the DMA were reviewed and discussed in two (2) CEB meetings and as a part of the sustainability strategy. As part of the regular performance review, the CEB also reviews whether sufficient resources, skills and expertise for sustainability are available and further developed across the Elisa group. In 2024, based on the review by the CEB, Elisa increased its capabilities in sustainability analysis and data management.

Elisa's Corporate Responsibility Management Board (CRMB) consists of executive- and management-level representatives from business operations, Elisa Eesti As, support functions and Elisa's CEB. Its role is to monitor and guide the preparation of the DMA and the sustainability strategy. Further, the CRMB monitors the progress of sustainability measures and targets, as well as the implementation of the sustainability strategy across Elisa's operations. The CRMB is also responsible for monitoring the progress of sustainability work in topic-specific steering and working groups. CRMB in its area of influence monitors the availability of sufficient resources, skills and expertise for sustainability initiatives. It is also responsible for reviewing Elisa Corporation (Finland) ISO 14001-certified environmental management system and ISO 50001-certified energy management system. Along with these responsibilities, the CRMB reviews and approves the Environment, Energy and Human Rights Policies. The CRMB held eight (8) meetings during 2024.

Topic-specific steering and working groups consist of Elisa experts working on the specific topic area. The role of the topic-specific groups is to maintain, develop and share sustainability best practices across Elisa.

Key matters and material topics addressed by administrative bodies in 2024 were:

- Double materiality, including risks and opportunities
- The Corporate Sustainability Reporting Directive
- Climate transition progress and climate targets

Composition of Elisa's management by gender and age group in 2024

Board of Directors	**8**
Male (headcount)	5
Female (headcount)	3
Male (%)	63
Female (%)	38*
Under 30 years (headcount)	0
30–39 years (headcount)	0
40–49 years (headcount)	1
Over 49 years (headcount)	7
Corporate Executive Board	**10**
Male (headcount)	8
Female (headcount)	2
Male (%)	80
Female (%)	20
Under 30 years (headcount)	0
30–39 years (headcount)	0
40–49 years (headcount)	2
Over 49 years (headcount)	8
Corporate Responsibility Management Board	**10**
Male (headcount)	5
Female (headcount)	5
Male (%)	50
Female (%)	50
Under 30 years (headcount)	0
30–39 years (headcount)	1
40–49 years (headcount)	4
Over 49 years (headcount)	5

**40% when calculated as defined in the Finnish Limited Liability Companies Act 6:9a.*

Integration of sustainability-related performance in incentive schemes

Elisa's Remuneration Policy sets out the principles for remuneration of the Board of Directors, the CEO and any potential Deputy CEO. Remuneration of Elisa's personnel (including the CEO) is based on total remuneration, which may, among other things, include both variable and fixed components as well as personnel benefits. The personnel are mainly subject to a performance-based remuneration scheme. In addition, Elisa's personnel, as a rule, are also part of a long-term remuneration scheme, such as a personnel fund or a share-based remuneration scheme. The Remuneration Policy ensures that remuneration promotes Elisa's business strategy, long-term financial success and the favourable development of shareholder value, and also enhances commitment and supports Elisa's financial objectives

Elisa has a share-based incentive plan for CEO, members of CEB and specific key personnel, which includes sustainability targets. For example, the 2024–2026 performance period includes employee engagement and climate targets. The carbon emission reduction target is aligned with Elisa's carbon emission reduction targets in line with the Science Based Targets initiative. Further, short-term incentive scheme for 2024 for the CEO included an ESG development target, which focuses on carbon emission reduction. In addition, the conditions for Elisa's Personnel Fund for 2024 included carbon emission reduction targets. The performance in sustainability-related targets is reviewed annually by the Board.

Sustainability strategy

Elisa is a pioneer in telecommunications and digital services. Elisa serves approximately 2.8 million consumer, corporate and public administration customers in our main markets in Finland and Estonia as well as internationally. For corporate customers, Elisa offers modern information and communication technology (ICT) devices, mobile and fixed subscriptions and Internet of Things (IoT) services, among others, to support their business end and boost their efficiency and security. For consumer customers, Elisa provides mobile and fixed broadband subscriptions, telephone subscriptions, devices, data security services and entertainment services. Elisa's growing international digital businesses offer a wide range of software services for manufacturing and industries as well as telecom customers globally.

Elisa employs 6,731 people in 22 countries, and the company's total revenue in 2024 was EUR 2,191 million. More information on the breakdown of headcount by geographical area is provided in the section Own workforce.

Comprehensive, secure and fast data communication connections are a prerequisite for a competitive and equitable information society. Our business goal is to provide value and sustainable connectivity and digital solutions for our customers and society. Our mission in society is to drive sustainability through digitalisation.

As a result of the strategy process in 2024 for the period 2025–2027 as well as the result of the DMA, the sustainability focus areas and targets are redefined as follows:

- Climate transition
- Responsible digital transformation

The strategic targets and key indicators for these objectives are set both to ensure our responsible business conduct and, more importantly, to increase our positive contribution to society. Measures in these focus areas are included in our business strategies and action plans. The performance is monitored regularly by the Elisa's Corporate Executive Board (CEB).

In addition to sustainability impacts, targets and performance, Elisa also measures its sustainability communication performance through a survey of stakeholders' perceptions. The survey is conducted monthly in Finland and Estonia by an independent third party and asks 8,000 respondents to evaluate how responsible actor Elisa is in society. The results guide our actions to develop our responsible practices and stakeholder dialogue. This is also one of Elisa's strategic scorecard indicators. In addition, we have set an ambitious climate target for 2030, which has been approved by the Science Based Targets initiative. It is an important milestone on our journey towards Net-zero 2040. This indicator is described in more detail under environmental section.

Elisa's operating model, including activities, resources and relationships that Elisa uses and relies on to offer products and services to its customers, determines its value chain, from development to delivery and end of life. The upstream value chain includes our suppliers, subcontractors and service providers that supply us with the capital goods, products and services that we use in the development of our operations to serve our customers and society at large. In the figure below, Elisa's direct and indirect business relationships and material topics are illustrated. The most material impacts and risks upstream are associated with climate change mitigation and resource inflows, as well as labour and human rights related to workers. The procurement of Elisa's material products, technologies and services is mostly managed centrally by Elisa's procurement services and logistics. Centralised processes and common guidelines in the procurement process ensure that Elisa's sustainability targets, requirements and expectations are similarly embedded into supplier relationship operations. Further information about the management of relationships with suppliers is disclosed in the section Business conduct. The resources that Elisa uses, and the company's output are disclosed in the sections Climate change and Resource use and circular economy. Impacts related to workers in the value chain are disclosed in the section Workers in the value chain.

In our own operations, we operate and manage our telecommunication infrastructure and develop ICT services that we offer to our customers and society at large. The most material items in this part of the value chain are Elisa's own workforce, working facilities and infrastructure, including networks and data centres. Details of the impacts, risks and opportunities linked to own operations are disclosed in the sections Climate change, Resource use and circular economy, Own workforce and Business conduct.

Downstream, our main activities include sales of products and services to our consumers and corporate customers in domestic as well as international markets. In the downstream value chain, we have direct business relationships with our customers, logistics providers, waste management companies, societies and end users, public organisations and government, among others. Customers, public organisations, government, societies and end users receive and use our sold products and services, while our logistics partners deliver equipment and devices to these actors, and waste management partners manage the appropriate circularity of sold products after use. The main impacts and risks related to management of end-of-life sold products are disclosed in the section Resource use and circular economy, and those related to data protection and privacy in the section Consumers and end users.

In addition, to the impacts, risks and opportunities covered by material topics and related ESRS disclosure requirements, Elisa has also identified entity-specific impacts and risks with the topic of critical infrastructure. These impacts and risks are caused through the development and use of Elisa's sold products and services in our own operations as well as the downstream value chain. More information about this can be found in the section Entity-specific – Critical infrastructure.

The material impacts, risks and opportunities identified and disclosed in the 2024 reporting do not deviate substantially from the previous reporting period.

Overview of Elisa's material topic and its effect on business model and value chain

Direct relationship
Indirect relationship

Upstream value chain

PURCHASE OF PRODUCTS AND SERVICES

Technology and device resellers
(Climate change mitigation, Workers in the value chain)

Maintenance and construction providers
(Own Workforce, Workers in the value chain)

IT and software vendors (consultants)
(Own Workforce, Workers in the value chain)

Technology and device manufacturing
(Climate change mitigation, Workers in the value chain)

Sub-contractors
(Own Workforce, Workers in the value chain)

Content providers
(Workers in the value chain)

Component manufacturing
(Climate change mitigation, Workers in the value chain)

Sub-sub-contractors
(Workers in the value chain)

Logistics providers
(Workers in the value chain)

Mining and material extraction
(Resource Inflow, Workers in the value chain)

Other services (media, marketing, HR, insurances, finance, consulting)
(Workers in the value chain)

Service providers (facility management, canteens and other services)
(Workers in the value chain)

Own operations

OPERATION OF NETWORKS, DATA CENTRES. DEVELOPMENT OF SERVICES

Elisa workplace
(Business conduct)

Own employees
(Own workforce)

Elisa networks, infrastructure and data centres
(Climate change mitigation, climate change adaptation, energy, waste)

Owned and leased buildings
(Energy, waste)

Downstream value chain

SALE OF PRODUCTS AND SERVICES

Consumer customers
(Resource outflows including waste, privacy)

Logistics provider
(Workers in the value chain)

Corporate customers
(Resource outflows including waste, privacy)

Waste management partners
(Resource outflows including waste)

Public organisations and government
(Resource outflows including waste, privacy)

Societies and end users
(Privacy)

Interests and views of stakeholders

Stakeholders can greatly affect Elisa's operations. Through regular engagements with each stakeholders group, we gain better understanding of our impacts and stakeholder's expectations. The results from the engagement are reviewed and discussed within relevant Elisa's Business Management Boards. We have identified key stakeholders, and their expectations as follows:

Employees: Expect their employer to ensure their physical, mental, financial and social well-being.

Customers: Expect transparency regarding environmental and social impacts as well as company performance in these areas. Our customers, in particular, expect Elisa to take responsibility for topics having direct impacts on customers, including critical infrastructure, privacy, cyber security and device circularity.

Key partners and suppliers: Expect transparent and ethical business conduct and collaboration in common and relevant sustainability targets as well as in sustainability risk and impact mitigation. Key partners and suppliers have important roles in Elisa's operations. Our business requirements, procurement principles and sustainability targets form cornerstones of the relationship.

Shareholders: Expect short- and long-term profitability and compliance with growing sustainability regulation requirements in operations, as well as transparent, timely ESG reporting and disclosures. Our shareholders have a financial stake in Elisa and thus expect dividends, share price development, coherent and sustainable strategy, and predictable and reliable communication. We engage with shareholders to ensure an understanding of their reasoning and expectations.

Society: Expects us to contribute to society via investments and taxes, as well as by providing employment directly and indirectly through our value chain. Elisa has a key role in the development of a safe and reliable digital society. As stated in Elisa's mission, we have a responsibility to build a sustainable society. Society sets regulations and expects that digital services for individuals and businesses are technically reliable and secure.

In addition, we have a continuous dialogue regarding the needs of groups in vulnerable positions (e.g. children, young people and the elderly). These stakeholders can be divided into two groups: affected stakeholders and users of sustainability statements. The first group mostly consists of suppliers, our employees, customers (including children, young people and the elderly), local communities and society at large, as well as nature. Users of sustainability statements are often customers, investors, owners and social operators.

Stakeholder dialogue and material topics in 2024

Stakeholder group	Engagement metrics	Relevant material topics	Main topics raised that relates to Elisa's strategy and business model and actions	Nature of stakeholder
Own workforce	· Employee survey and Pulse survey · Co-operation with employee representatives · Dialogue with supervisors · Learning and development dialogue, values dialogue	· Health and safety · Social dialogue; the existence of works councils and the information, consultation and participation rights of workers; freedom of association; collective bargaining · Training and skills development · Diversity, including measures against harassment	Main topics: ethical data use and AI; energy efficiency; flexible and remote work; well-being and mental stress at work; climate; diversity, equity and inclusion. Actions: Training regarding the main topics to increase awareness and know-how, commuting survey as well as communications regarding material topics, ways of working and process development, facilitating different communities of interest (rainbow, data and AI, Digimuijat, etc.)	Affected stakeholders
Corporate customers	· Customers experience surveys · Customer requests and feedback forms · Strategic meetings · Events · Contact forms on webpages	· Cyber security, reliance and reliable infrastructure (critical infrastructure) · Climate change · Resource outflows including waste (resource use and circular economy	Main topics: cyber security, Elisa's climate actions, circularity, AI, sustainability data, circularity. Actions: development of automated customer-allocated sustainability information, cybersecurity exercises, internal training about ethical sales	Affected stakeholders, users of sustainability statements
Consumer customers	· Customers experience surveys · Customer requests and feedback forms · Contact forms on webpages · Marketing and communication	· Privacy, health and safety (consumers and end users) · Cyber security, reliance and reliable infrastructure (critical infrastructure) · Resource outflows including waste (resource use and circular economy) · Digital well-being of young people	Main topics: ethical sales procedures (e.g. selling to elderly people), cyber security, Elisa's climate actions, circularity, AI Actions: internal training about ethical sales, circularity communication (Circularity Hero video), OmaElisa development, accessibility development, collaboration with Mannerheim League for Child Welfare	Affected stakeholders
Suppliers	· Strategic and operational meetings · Feedback surveys · Audits · Training · Engagement programmes · Events	· Climate change mitigation (climate change) · Resource inflows including resource use, resource outflows including waste (resource use and circular economy) · Health and safety · Working time · Measures against violence and harassment in the workplace · Forced labour · Child labour	Main topics: energy efficiency, climate change mitigation, Scope 3 emission reductions, human rights risks, biodiversity, circularity Actions: CDP supply chain result review meetings (internal and external), development of supplier engagement platform, agreement on corrective actions from audit results, utilising common industry platform to develop sustainability practices, development of internal vendor risk management dashboard, collaboration in developing customer solutions	Affected stakeholders

Stakeholder group	Engagement metrics	Relevant material topics	Main topics raised that relates to Elisa's strategy and business model and actions	Nature of stakeholder
Owners and Investors	· Investor meetings and events · Annual General Meeting · Capital market days · Investor information requests	· Climate change mitigation (climate change) · Resource inflows including resource use, resource outflows including waste (resource use and circular economy) · Privacy, health and safety (consumers and end users) · Cyber security, reliance and reliable infrastructure (critical infrastructure) · Diversity	Main topics: sustainability in financing, energy efficiency, climate work and targets, biodiversity, ethical data use and AI, diversity Actions: development of transparent, high-quality ESG disclosures, double materiality assessment	Users of sustainability statements
Governments, policymakers, and regulators	· Surveys · Meetings, Workshops and events · Regular information request · Lobbying activities	· Privacy (consumers and end users) · Cyber security, reliance and reliable infrastructure (critical infrastructure)	Main topics: energy consumption, climate, cyber security, accessibility, safeguarding functioning society, ethical data and AI Actions: compliance review in the management system, internal regulation follow-up, feedback on emerging regulations, energy data submissions	Users of sustainability statements
Civic and non-profit organisations	· Surveys · Meetings and events · Project Cooperation	· Digital well-being · Protection of children (consumers and end users) · Climate change · Biodiversity and ecosystems	Main topics: social exclusion stemming from overuse of digital platforms, children's safety, privacy online and raising awareness, nature Actions: common project to support digital wellbeing among young people, sponsorships, collaboration in projects, charity	Affected stakeholders
Industry associations	· Joint initiatives and programs · Regular meetings and events · Inputs into strategic directions · Workshops and knowledge sharing	· Climate change · Resource inflows including resource use, resource outflows including waste (resource use and circular economy)	Main topics: human rights risk assessment, climate change, supplier due diligence development Actions: common work to develop due diligence, sharing best practices in human rights due diligence as well as supplier sustainability risk assessment, participation in expert panels	Affected stakeholders
Society and local communities	· Regular surveys · Information requests from citizens	· Cyber security, reliance and reliable infrastructure (critical infrastructure)	Main topics: network construction-related topics Actions: communication about Elisa's actions and sustainability, responding to information request	Affected stakeholders
Researchers, educational institutions and students	· Co-operation projects and events · Organisation of visits · Thesis assignments and traineeships · Workshops	· Climate change · Sustainability reporting	Main topics: climate change, emissions, green coding, ethical data and AI, regulations Actions: providing topics for thesis work and supervising, collaboration on material topics as a researcher	Users of sustainability statements

Mapping of information provided in Elisa's sustainability statement about the due diligence process

Core elements of due diligence paragraphs in the sustainability statement	Section
a) Embedding due diligence in governance, strategy and business model	Sustainability governance; Strategy and business model
b) Engaging with affected stakeholders in all key steps of due diligence	Interests and views of stakeholders
c) Identifying and assessing adverse impacts	Double materiality assessment
d) Taking action to address those adverse impacts	Disclosed as part of each material topic. Table: Stakeholder dialogue and material topics in 2024.
e) Tracking the effectiveness of these efforts and communicating them	Disclosed as part of each material topic. Table: Stakeholder dialogue and material topics in 2024.

Due diligence statement

We aim to avoid causing or contributing to adverse impacts on people, the environment and society. We seek to prevent adverse impacts that are directly linked to our operations, products or services through business relationships across the Elisa group. The location of the information provided in Elisa's Sustainability Statement about the due diligence process is disclosed in the table below. In addition, Elisa discloses topic-specific due diligence process descriptions alongside each topic.

Double materiality assessment

The company classifies risks into strategic, operational, insurable and financial risks. Insurable risks are identified, and insurance is taken out through an external insurance broker to deal with these risks. The insurance broker assists the company when the amount and likelihood of insurable risks are being estimated. ESG risks and opportunities have been updated as a result of the double materiality assessment, and they have been incorporated into the overall risk management.

This is Elisa's first double materiality assessment (DMA). It is based on desktop analysis, including industry reports, academic research and benchmarking with peer groups, the results of customer and non-customer surveys, as well as workshops with suppliers, specific interviews with stakeholder representatives, and topic specific discussions with internal and external stakeholders. For internal discussions, we engaged with subject-matter experts from the business units and group functions. Additionally, we have also had discussions with various stakeholder groups (such as vendors, partners, customers and industry associations) to understand their views on our impacts, risks and opportunities. Along with these, our continuous engagement activities in the communities in which we are present provide a solid basis for assessing the impacts and risks most material to us. The DMA results were also compared with an external scientific second opinion assessment conducted by a third party.

For our own operations, we identified and assessed impacts on people and the environment as well as potential risks to our business. We also assessed our value chain impacts and risks for most topics. Value chain assessments were based on internal knowledge, industry information, research papers and articles, etc. The scope of the assessment was Elisa group, and we considered the value chain of all Elisa companies. In our impact assessment, we considered both positive and negative impacts, as well as actual and potential impacts related to sustainability matters. In our financial assessment, we assessed actual and potential sustainability-related risks that could trigger a negative financial impact on our business as well as potential opportunities aligned with Elisa's strategy work. We also considered time horizons over the short term (0–2 years), medium term (3–5 years) and long term (more than five years).

We are engaged in continuous dialogue and feedback collection with our stakeholders through regular meetings and events, and by conducting surveys. Regular assessment of the material aspects and the social and business impact of our operations is an important part of our sustainability development in Elisa. We collect feedback from Elisa employees through various means, including staff and opinion surveys. We also regularly meet with representatives from NGOs, authorities, customers, and suppliers to gain up-to-date insights on our impacts and current issues of concern to stakeholders. In recent discussions, expectations regarding the environment, particularly concerns about energy and emissions, as well as digital security and ESG disclosure requirements, have emerged. We have incorporated these insights into the finalisation of our DMA, ensuring that our sustainability targets and actions for each material topic align with stakeholder expectations. Additionally, the results of this engagement are reflected in our policies, which are reviewed annually in line with sustainability regulations and standards, and international commitments and frameworks.

Based on the outcome of the materiality assessment, Elisa has identified the following material sustainability topics: climate change, resource use and circular economy, own workforce, workers in the value chain, customers and end users, and business conduct, as well as the entity-specific topic of critical infrastructure. Accordingly, Elisa reports the relevant data points as specified in the applicable disclosure requirements, unless specific data points have been assessed as not material or not relevant. If there are such exclusions, they are noted under each data point, in line with the disclosure requirements. Following the DMA process, the topics of pollution, water and marine resources, biodiversity and ecosystems and affected communities have been determined to not be material for Elisa, as they scored below the established thresholds for both impact and financial materiality.

Based on the double materiality assessment, pollution, water resources and marine resources, biodiversity and ecosystems, and affected communities were not material for Elisa, as their results fell below the thresholds in both impact and financial materiality assessments.

The assessment of aspects related to water bodies and biodiversity and ecosystems was conducted by examining the impacts of Elisa's 46 different geographical business locations worldwide using commercially or publicly available tools.

Elisa does not have its own manufacturing operations that could have material environmental impacts on water bodies, biodiversity, or ecosystems through various pollutants. Elisa's network operations are mainly located in the Nordic and Baltic countries, where there are strict regulations on pollution control. The network operations in our domestic markets have little direct impact on biodiversity through soil degradation, as the sites use small land areas and are often located in urban areas. The construction of new sites is carried out in accordance with local laws and building and environmental permits issued by authorities. In this context, representing local communities. In our biodiversity risk analysis, we have similarly assessed dependencies from the perspective of relevant industries, particularly telecommunications services (including wireless) and electronics and semiconductor manufacturing.

We did not consult with local communities, as the impacts based on the assessment were minimal for the office spaces and network operations we use. However, we are increasingly raising the topic in supplier discussions as part of climate transition discussions.

Impact materiality

In mapping the impacts, we have used previous materiality analysis results, recent studies, industry comparison analysis results and information obtained from Elisa's own projects. The material has been used in the preparation of and in the impact materiality workshops, to ensure sufficient information with which we could determine the impacts for each ESRS topic and sub-topic.

As per the ESRS guidance, the three parameters of scale, scope, and irremediable character or realisation of impact have been used in scoring the severity of the impacts. The irremediability character has been used for negative impacts, and realisation of impact has been used to understand the realised positive impact. Additionally, the likelihood matrix was created as an average score of three parameters, such as frequency, mitigation procedures and business continuity. The final score of impacts was calculated as severity of impacts multiplied by likelihood of impacts.

Elisa's sustainability team assessed all ESRS topics and performed a preliminary impact materiality assessment of the impacts using the results of previous materiality studies, industry reports and scientific research publications. In the next step, the assessment was supplemented with results from interviews with topic matter experts from business operations and group operations, in order to ensure alignment of the evaluation with Elisa's operational context and daily work. In addition, the organisation organised several events where internal stakeholders were familiarized with the requirements of CSRD and the objectives of the double materiality assessment.

After the identification of preliminary topics, the results were reviewed together with internal experts in workshops. As a result, some impact scores were redefined and readjusted. In the final part, the topics were reviewed by the sustainability team, whose responsibility was to harmonise the final

Double materiality assessment process

Double materiality assessment of

- Elisa's impact on environment and people
- Impact of sustainability topics on Elisa's value creation

Sustainability matters considered in the DMA

- Topical ESRS - Topics
- ESRS E1 Climate change
- ESRS E2 Pollution
- ESRS E3 Water and marine resources
- ESRS E4 Biodiversity and ecosystems
- ESRS E5 Resource use and Circular economy
- ESRS S1 Own workforce
- ESRS S2 Workers in the value chain
- ESRS S3 Affected communities
- ESRS S4 Consumers and end-users
- ESRS G1 Business conduct
- Entity Specific

Type of impacts assessed

- Value Chain
  - Upstream
  - Own operations
  - Downstream
- Negative/positive
- Financial risk/ opportunity
- Actual/Potential
- Time horizon
  - Short-term 0-2 yr
  - Medium-term 3-5 yr
  - Long-term > 5yr

Scoring Impact Materiality

- Negative impact
  - Scale how grave (0-5)
  - Scope how widespread (0-5)
  - Remediability (0-5)
- Positive impact
  - Scale how beneficial (0-5)
  - Scope how widespread (0-5)
  - Realisation of impact (0-5)
- Likelihood
  - Scale 0-1
- Assessment score
  - Severity (1-15) × Likelihood (0-1)
- Materiality threshold
  - Topics with scoring at 8 and above topics are considered material

Scoring Financial Materiality

- Risk, Opportunity
  - Scale: Effect on cashflow (0-4)
- Likelihood
  - Scale 0-1
- Assessment score
  - Effect on cashflow (or opportunity) (0-4)× Likelihood (0-1)
- Materiality threshold
  - Threshold set at a scoring point Medium and High

Results

- For each topic:
  - Average of all assessments with score > threshold
- Overall assessment
  - Control/ calibration of results
- Summary
  - Result visualisation

materiality score of topics against each other and to ensure both the rationale of the scoring as well as solid documentation and availability of relevant references for the assurance.

The final consolidated material impacts were presented, reviewed and discussed in the CRMB, CEB as well as in Audit Committee and the Board. As a result, the determined materiality threshold yielded a final list of seventeen (17) material topics that were assessed as having a score of eight (8) or higher.

Financial materiality

As part of our efforts to prepare for the CSRD, we assessed financial materiality in terms of both risks and opportunities. The results of the impact materiality assessment formed the basis for scoping sustainability risks within the context of financial materiality. Additionally, some risks are raised from external factors, such as climate change, business environmental risk, geopolitical changes, etc. The results of Elisa's strategy work as well as Elisa's development of new business, products and services formed the basis for identifying opportunities.

When scoring risks, we assessed the potential effects of risk on Elisa's annual cash flow (half of the score) and the likelihood of occurrence (the other half of the score). The assessment includes the risk mitigation actions as part of the likelihood matrix. We assessed the nature of these effects in different scenarios with assumptions based on input parameters from subject-matter experts. The materiality score for the risks was graded as high, medium, medium-low or low. The risk materiality score followed the combination of potential effects of risk on cash flow and likelihood score. The potential effects of risk took was weighted over the likelihood. However, when scoring opportunities, we only assessed the potential financial impacts of opportunities on Elisa's annual cash flow.

Cash flow was the chosen metric to evaluate the potential financial impacts of risks and opportunities on Elisa's business and operations. Before assessing impacts, the potential financial impact size (in millions of euros) was assigned to each subtopic or sub-subtopic. The indicative risk size was mostly based on possible fines or penalties imposed by various regulations, including the General Data Protection Regulation (GDPR), the Artificial Intelligence Act (AI Act), Network and Information Security 2 Directive (NIS2), Corporate Sustainability Due Diligence Directive (CSDDD), etc. or actual fines or costs incurred by industry peers for misconduct or violations of specific topics, calculated relative to Elisa's revenue. Similarly, the indicative sizes for opportunities were determined as part of Elisa's strategy and related work in 2024. After the financial impact sizes were determined and allocated, these were graded with a score of zero (0) to four (4) depending on the threshold percentage set.

We engaged relevant stakeholders to ensure appropriate consideration of sustainability risks and opportunities and that they are aligned with Elisa's other risk assessments. These included internal subject-matter experts in the business functions, as well as a steering group that included representatives from the corporate risk assessment, legal, group finance, business and sustainability teams. The initially identified financial materiality was verified and supplemented with additional possible sustainability risks and opportunities through a series of meetings with the steering group. Throughout this process, the initial magnitudes and likelihoods of each potential risk were evaluated and documented. Based on these meetings, we formulated scenarios to capture the financial effects of the identified sustainability risks, created the risk scoring and evaluated the rationale for risks being of a certain threshold. After the risk scoring was determined, a similar methodology was utilised to define the opportunities.

Consolidated overviews of the sustainability-related risks and opportunities were presented to and discussed with internal stakeholders and management. The scoring and respective materiality threshold yielded a final list of seven (7) material risks and four (4) material opportunities related to sustainability matters that were assessed as high or medium.

The identified material risks or opportunities do not have any significant effect on Elisa's financial position, performance or cash flows, which would result in significant adjustments within the next annual reporting period to the carrying amounts of assets and liabilities reported in financial statements.

Material sustainability topics and description

ESRS topic	Material impact, risk or opportunity (IRO) and time horizon	IRO occurrence	Description
E1 Climate change	**Climate change mitigation**		
	Negative impact (Short term)	Value chain	Elisa has impacts primarily through its supply chain due to the procurement of network equipment and electronic products and services, as well as the use of energy in its operations.
	Risk (Medium term)	Value chain Own operations	Tightening climate regulations and commitment to Elisa's SBTi climate targets might require an increase in operational expenses. In addition, the financial sector and other stakeholders are expecting solid performance towards climate targets. Reputational damage may emerge if we do not deliver as we have committed and as is expected from our climate actions. Further, non-compliance with regulations may lead to fines.
	Climate change adaptation		
	Opportunities (Medium term)		Elisa has a state-of-the-art IoT platform and capabilities in machine learning and predictive analysis, for example, which enable a comprehensive view of buildings and external data in Elisa's Smart Building solution. Additionally, Elisa's AI-driven software is estimated to ramp up production quickly, cost-effectively and sustainably through accurately identifying problems and optimising energy usage.
	Energy		
	Negative impact (Medium term)	Value chain Own operations	Elisa utilises energy to operate its network and data centres, and to develop services for its customers and end users.
	Opportunities (Medium term)		Elisa's Distributed Energy Storage (DES) transforms mobile networks into distributed virtual power plants that, with the help of AI, optimise energy management via efficient charging and discharging of batteries. This helps to, for example, solve challenges that renewable energy sources with variable energy output present to electricity grids.
E5 Resource use and circular economy	**Resource inflows, including use**		
	Negative impact (Medium term)	Value chain	Electronic devices and technologies utilise numerous critical metals and materials as important inputs for finished products. Many of these inputs have few or no available substitutes and are often sourced from only a few countries, many of which may be subject to geopolitical uncertainty.
	Risk (Medium term)	Value chain	The financial materiality of the topic arises from the impact of materiality. Failure to effectively manage sourcing may constrain access to necessary materials, reduce margins, impair revenue growth or increase costs of capital. Additionally, reliance on precious metals and minerals exposes the company to supply chain vulnerability, with potential disruptions in the availability and pricing of critical resources.
	Resource outflows-waste		
	Negative impact (Medium term)	Value chain Own operations	Due to the sales and use of electronic technologies and devices, the outflow from our operations includes waste from electrical and electronic equipment (WEEE). Simultaneously, battery waste also becomes significant due to its many uses in network technology and electronic products.
	Positive impact (Medium term)	Value chain	Extending equipment lifetime and reusing network equipment, modules and components, as well as warranty repairs or reuse of electronic devices, directly impact resource inflows and the use of raw and critical materials and reduce the waste generated.
	Risk (Medium term)	Value chain Own operations	Managing waste is critical from a regulatory and sustainability point of view, as inadequate waste management (especially related to WEEE and battery disposal) can lead to environmental harm, posing a risk of regulatory non-compliance, resulting in legal penalties and fees. Additionally, non-compliance with extended producer responsibility can result in substantial fines.
	Opportunities (Long term)		Opportunities related to circularity and resource outflows are already realised at Elisa. Circularity also promotes efficiency in our own operations and has a direct impact on capital expenditure.

ESRS topic	Material impact, risk or opportunity (IRO) and time horizon	IRO occurrence	Description
S1 Own workforce	**Health and safety**		
	Positive impact (Short term)	Own operations	Elisa's own employees are covered by Elisa's occupational health and safety management system, and there have been no fatalities or high-consequence work-related injuries or accidents in the last three years. Additionally, mental health support is available for employees, depending on the country, as part of occupational health services.
	Risk (Short term)	Own operations	If not managed, employee burnout and sick leave might increase, affecting operational productivity. This might result in increases in pension costs. In addition, if instructions and training in work safety are not adequate and some accidents happen, the financial risk for Elisa might be high.
	Social dialogue, freedom of association, collective bargaining		
	Positive impact (Short term)	Own operations	Elisa follows local legislation regarding working conditions and labour laws in all countries where it operates. All employees are free to choose whether they want to be members of a trade union, and Elisa follows sector-specific collective bargaining agreements or equivalent laws. All employee data is stored in the central human resource function's management system.
	Diversity (including measures against harassment and discrimination)		
	Positive impact (Short term)	Own operations	Elisa has zero tolerance towards violence, harassment or discrimination. In case of reported incidents, Elisa takes appropriate measures and processes according to its policies. Additionally, we have established targets and processes to develop diversity, equity and inclusion.
	Training and skills development		
	Positive impact (Short term)	Own operations	We see continuous learning as one of the major enablers of our business success, and our shared value of renewal guides us to be enthusiastic about learning and continuous improvement. We approach competence development through the 70-20-10 model for learning and development. (70 percent learning from the work, 20 percent learning from others, 10 percent formal training)
S2 Workers in the value chain	**Forced labour and child labour**		
	Negative impact (Short term)	Value chain	In the supply chain for the ICT and electronics sectors, there have been some cases of modern slavery and forced labour. Additionally, the mining of minerals and metals has been linked to forced and child labour. Elisa has an impact on this topic through indirect relations with the supply chain and workers in it.
	Working time		
	Negative impact (Short term)	Value chain	Excessive working hours for workers in the supply chain in software companies, as well as those manufacturing ICT and electronic products, could impact workers' physical and mental health.
	Health and safety		
	Negative impact (Short term)	Value chain	Due to the nature of work, excessive working hours or lack of health and safety standards, there could be negative impacts on the physical and mental health of workers in the supply chain.

ESRS topic	Material impact, risk or opportunity (IRO) and time horizon	IRO occurrence	Description
S4 Consumers and end users	**Privacy**		
	Positive impact (Short term)	Value chain	As a leading provider of communication networks and digital services, Elisa plays a crucial role in safeguarding people's privacy, promoting digital inclusion and offering user-friendly services. By prioritising privacy and data security, Elisa not only fosters trust among its consumers and end users, but also strengthens its position as a reliable and responsible digital service provider.
	Risk (Medium term)	Value chain	As Elisa processes various types of data, including personal, confidential and traffic data, compliance with data protection legislation – especially the GDPR – is critical. Any violation or breach of these regulations could have substantial financial implications for Elisa and its businesses, including legal penalties, fines and/or punitive measures from regulatory bodies.
	Health and safety		
	Opportunities (Short term)		Elisa has explored some business opportunities in the health business. By using existing health businesses in the B2B sector (e.g. Digihoiva, eKonsultaatio) as well as its data and AI capabilities, Elisa could develop health and safety solutions for consumers, as it has a wide B2C customer base, and the company has a high level of customer trust.
G1 Business conduct	**Anti-bribery and corruption**		
	Risk (Medium term)	Own operations	As Elisa's business and operations are expanding internationally and the supply chain networks are growing, the risk of corruption might be heightened. If this risk were to materialise in any part of Elisa's value chain, there could be reputational damage, loss of trust among stakeholders and weakening of business relationships, as well as legal procedures that could result in investigation costs and potential penalties/fines.
	Management of relationships with suppliers		
	Positive impact (Short term)	Value chain Own operations	Good management of suppliers, ensuring compliance with our code of conduct and other sustainability-related practices.
Entity-specific – Critical infrastructure	**Resilience and reliable infrastructure**		
	Positive impact (Short term)	Value chain Own operations	Telecommunication operations are a major part of Elisa's business. Resilience and reliable infrastructure are needed for all digital connections in a modern digital environment, as society and stakeholders depend on reliable and accessible network connections for various needs, in digital as well as physical environments.
	Cyber security		
	Positive impact (Short term)	Value chain Own operations	Global geopolitical instability and economic insecurity have recently increased due to emerging tensions, military conflicts and humanitarian crises. This has required Elisa to safeguard its cyber security and further improve network resilience. Thus, Elisa continuously works to improve cyber security in its operations as well as for its customers and society.
	Risk (Medium term)	Own operations	Inadequate prevention, detection and remediation of data security threats may influence customer acquisition and retention and result in decreased market share and lower demand for Elisa's products. Additionally, new and emerging data security standards and regulations may affect the operating expenses of entities through increased costs of compliance.

E – Environment

EU Taxonomy

To achieve the European Union's climate and energy targets for 2030 and fulfil the objectives of the European Green Deal, the EU Taxonomy was introduced in 2020 as a classification system for economic activities. The Taxonomy Regulation (Regulation (EU) 2020/852) establishes harmonised and scientifically based assessment criteria for environmentally sustainable economic activities. It mandates that large companies disclose the proportion of their operations that are Taxonomy-eligible and Taxonomy-aligned. In addition, companies need to disclose how much they invest and what level of operating expenditure is associated with these activities.

Taxonomy eligibility indicates whether an economic activity falls within the scope of activities recognized by the EU Taxonomy Regulation, while Taxonomy alignment refers to the proportion of eligible economic activities that meet the specified technical criteria, are compliant with the minimum safeguards and meet the do no significant harm (DNSH) requirements.

Assessment of eligibility and alignment

The telecommunication sector is not yet included in the scope of the EU Taxonomy Regulation, which limits the applicability of related financial KPIs for Elisa. In total, 10.6 percent of revenue from Elisa's economic activities were interpreted as being Taxonomy-eligible. The identified economic activities have been defined by comparing the NACE codes referred to in the Delegated Acts to Elisa's economic activities. Further, the EU Taxonomy defines six main environmental objectives against which a company's different economic activities shall be assessed. These environmental objectives are: (a) climate change mitigation (CCM), (b) climate change adaptation (CCA), (c) sustainable use and protection of water and marine resources (WTR) , (d) transition to a circular economy (CE), (e) pollution prevention and control (PPC), and (f) protection and restoration of biodiversity and ecosystem (BIO). Elisa's economic activities were deemed to contribute under the objectives climate change mitigation, climate change adaptation and transition to a circular economy.

Elisa's eligible economic activities were assessed to be the same as the previous year, except for activity 7.7 (acquisition and ownership of buildings), which was excluded from Elisa's eligible activities. Elisa buildings are leased and not owned; thus, we revised the eligibility of this activity. Elisa will continue to monitor evolving guidance on the EU Taxonomy and assess the eligibility of its economic activities as relevant regulatory updates and market practices emerge.

We have updated the methodology for reporting revenue of the project, where we sell the waste heat generated from our data centres. In 2023, this revenue was reported under 4.16 Installation and operation of electric heat pumps. In 2024, we are reporting this under 4.25 Production of heat/cool using waste heat.

For the identified eligible activities, we continued to develop an understanding of the alignment assessment of Elisa's business activities against the substantial contribution criteria. In 2024, together with the relevant business units, we reviewed each of the eligible activities against the alignment criteria presented by the regulation.

Explanations of the eligibility and alignment of Elisa's activities are presented as follows:

Climate change mitigation

CCM 4.1. Electricity generation using solar photovoltaic technology

Elisa has installed solar photovoltaic technology panels on its facilities, which partially cover the electricity used by Elisa's network. The energy data is in place and reported as part of Elisa's Annual Report. Thus, this activity meets both the eligibility and alignment criteria.

CCM 4.10. Storage of electricity

Elisa's Distributed Energy Storage (DES) system supports sustainable operations by optimising energy storage across the mobile network, allowing more efficient use of renewable energy. This activity fully meets the eligibility and alignment requirements.

CCM 4.16. Installation and operation of electric heat pumps

Elisa uses electric heat pumps for heating its telecommunications facilities, including air-to-water heating systems. While the activity meets energy efficiency requirements and aligns with Elisa's procurement practices, the refrigerants used in current heat pumps have global warming potential (GWP) values higher than the threshold of 675. This is because the systems required for Elisa's needs currently rely on technologies with high-GWP refrigerants, and alternatives are not yet widely available. As a result, the activity is eligible, but not aligned.

CCM 4.22. Production of heat/cool from geothermal energy

Elisa has transitioned from oil heating systems to geothermal solutions. While this activity meets the eligibility criteria, alignment requires completion of the life cycle assessment, which has not yet been done. Therefore, the activity is eligible, but not aligned.

CCM 4.25. Production of heat/cool using waste heat

Elisa utilises waste heat from servers to heat its buildings, an activity that complies with the EU Taxonomy requirements for producing heat/cool using waste heat. The energy data is documented and reported in Elisa's Sustainability Statement meeting both the eligibility and alignment criteria.

CCM 6.5. Transport by motorbikes, passenger cars and light commercial vehicles

Elisa's full leasing car benefit for employees has been identified as eligible under this economic activity. This service involves the leasing, financing or operation of vehicles classified under categories M1, N1 and L, as defined by relevant EU regulations.

To align with EU Taxonomy requirements, vehicles must have specific CO_2 emissions below 50 g of CO_2 per kilometre until

2025, transitioning to zero emissions from 2026 onward. Currently, while the activity meets the eligibility criteria, full alignment has not been achieved because not all leased vehicles meet the required emission thresholds.

Elisa is actively working towards enhancing its alignment by evaluating and transitioning its leased vehicle portfolio to meet the required emissions standards, which also aligns with Elisa's climate targets for 2030 and 2040.

CCM 8.1. Data processing, hosting and related activities

The activities of Elisa's Information Technology business unit (ITBU) have been identified as eligible under this economic activity. Elisa assessed the alignment of its five data centres, which provide services under this business activity to customers. Data centres with ITBU-type loads were included in the scope of the reporting.

The alignment was evaluated against the three key criteria outlined in the regulation. Firstly, Elisa reviewed and ensured the implementation of practices outlined in the EU Code of Conduct for Energy Efficiency in Data Centres together with internal data centre experts. During 2024, its third year of implementation of these practices, Elisa completed annual audits of these practices as part of its ISO certification. Lastly, Elisa reviewed the GWP values of refrigerants used in cooling systems across its five data centres. While three of the centres complied with the GWP thresholds, two were identified as exceeding the limit, requiring further improvements.

As of the end of 2024, Elisa had achieved 41 percent alignment for this business activity, reflecting continuous improvement in energy efficiency and cooling system upgrades.

Climate change adaptation

CCA 8.3. Programming and broadcasting activities

Elisa's Viihde and Elamus business activities have been identified as eligible under this economic activity. These services provide entertainment solutions to consumers, which include devices and content either produced by Elisa or sourced from external media and content producers. The alignment assessment focused on ensuring compliance with regulatory requirements and addressing climate risks associated with programming and broadcasting activities. The assessment is based on the perspectives of the operations and the delivery of the service.

To achieve alignment of this business activity, Elisa has undertaken robust climate risk and vulnerability assessments as part of its double materiality analysis. These assessments have identified physical and transitional climate risks, and Elisa has implemented appropriate adaptation measures to mitigate material risks in its entertainment services. Adaptation solutions have been implemented in line with best practices, scientific recommendations, and local and regional climate adaptation strategies. These measures are continuously monitored and evaluated to ensure effectiveness and compliance. In addition, life cycle assessments have been completed for both the Elisa Viihde and Elisa Elamus services, providing insights into their environmental footprints.

Circular economy

CE 5.1. Repair, refurbishment and remanufacturing

Elisa's Fonum repair and refurbishment businesses have been classified as eligible under this economic activity. These services involve the repair and refurbishment of products that customers (either individuals or organisations) have previously used for their intended purposes. Repair activities focus on restoring faulty products to a functional condition, enabling their reuse. Refurbishment involves testing, repairing, cleaning or modifying used products to enhance or restore their functionality and performance, or to ensure compliance with applicable technical standards and regulatory requirements. The primary aim is to deliver a fully functional product fit for its original purpose or beyond.

To address alignment requirements, sales contract clauses were reviewed to ensure they included required provisions on product quality, seller responsibilities, warranties and processes for resolving disputes. Furthermore, a waste management plan for WEEE was developed and published, outlining how materials, especially critical components, are reused, recycled or properly disposed of in compliance with local regulations.

The activity is not yet fully aligned due to partially unmet DNSH requirements. Elisa is continuously working to address these criteria and align fully with the EU Taxonomy regulations.

CE 5.5. Product as a service and other circular use- and result-oriented service models

Elisa's device-as-a-service (EPP) business has been identified as eligible under this economic activity. This service model provides customers with access to products through a use-oriented service arrangement where the product remains central, and its ownership is retained by the provider while being leased. To meet the alignment criteria, Elisa reviewed contractual clauses to ensure they align with the EU Taxonomy requirements, including provisions for maintaining product ownership as well as clear terms for leasing and result-oriented service delivery. With regard to the packaging content of the products delivered in this activity, the packaging has been designed to be reusable within a reuse system supporting circularity.

However, full alignment of this activity has not yet been achieved due to the option for customers to redeem the product at the end of its life, which impacts compliance with the criteria.

Do no significant harm

For climate adaptation, Elisa conducted climate risk assessments in alignment with technical screening criteria. Risks were integrated into the double materiality assessment as part of the CSRD. Circular economy requirements are met through adherence to EU directives on equipment and product standards as well as restricted substances, along with a robust waste management plan. At the end of their life cycle, electronic equipment, products and batteries are recycled or reused in collaboration with local waste management partners. Elisa's general terms and supplier contracts mandate compliance with applicable EU product regulations (including, but not limited to, REACH, ROHS, CE labels), ensuring compliance with pollution requirements.

For the biodiversity-related requirements, Elisa complies valid environmental permits and compliance with applicable local regulations.

For most of the eligible activities, the impact on water is not material, as water is not used in these business activities or operations. Where water is utilised (for example, in data centres), a detailed analysis identified that data centre cooling systems operate in a closed loop, significantly minimising water use and waste generation. Additionally, sensors installed in computer rooms ensure immediate response to leaks or humidity issues.

Through these activities, Elisa demonstrates compliance with DNSH criteria while aligning with sustainability goals, regulatory requirements and robust operational frameworks.

Minimum social safeguards

Elisa ensures minimum social safeguards through robust, company-level policies and guidelines addressing areas such as human rights, anti-bribery and corruption, taxation and fair competition. These policies are aligned with relevant international standards and frameworks. Elisa's approach to assessing compliance includes ongoing due diligence and follow-up mechanisms, such as grievance procedures. More details of grievance procedures are provided in the section Business Conduct.

The Accounting principles – EU Taxonomy indicators

Elisa remains dedicated to improving its alignment with the current EU Taxonomy requirements and has initiated preparations for upcoming environmental objectives. The financial information is from Elisa's consolidated financial statements and complies with IFRS accounting principles. The allocated key performance indicators for the EU Taxonomy were defined in accordance with the guidelines provided in Annexes 1–5 to Delegated Regulations (EU) 2021/4987 and 2021/2800. Data for revenue, capital expenditure (CapEx), and operating expenses (OpEx) were drawn from Elisa's group-level financial statements for 2024.

Revenue

In the calculation of the key figure for turnover, Elisa applies the same IFRS-compliant accounting principles applied in the consolidated financial statements. The overall turnover used to calculate the key figure corresponds to the turnover disclosed in the consolidated financial statements, which corresponds to external revenue in Elisa's consolidated statement of comprehensive income, i.e. revenue from contracts with customers. The accounting principles used for turnover are discussed in Note 2.3 to the consolidated financial statements.

Revenue in 2024 amounted to EUR 2,191 million (denominator). Taxonomy-aligned revenue accounts for EUR 175.3 million (numerator), or 8.0 percent of Elisa's revenue. In 2023, Taxonomy-aligned revenue was EUR 183.4 million (8.4 percent of total revenue).

There have not been any material changes to the eligible and aligned revenue compared to the previous period. The eligible revenue change is related to normal business and change in alignment was due to increase of alignment of 8.1. Data processing, hosting and related activities.

Capital expenditure

Elisa's Taxonomy-eligible CapEx is defined as additions to property, plant and equipment, intangible assets and right-of-use assets during the financial year. Additions to goodwill are not included in CapEx. Additions are defined as investments during the financial year and include additions resulting from business combinations. Elisa's CapEx measure used in the consolidated financial statements excludes additions resulting from business combinations.

In 2024, CapEx in intangible and tangible assets and lease agreements amounted to a total of EUR 369.3 million (denominator). Additions to property, plant and equipment are presented in Note 5.2, additions to intangible assets in Note 5.3, and additions to right-of-use assets related to leases in Note 5.4 of the consolidated financial statements. The Taxonomy-aligned CapEx in 2024 was EUR 12.1 million (numerator), corresponding to 3.3 percent of Group's total CapEx. In 2023, the Taxonomy-aligned CapEx was EUR 13.1 million (4.1 percent of total CapEx).

The material change compared to previous period is related to the eligible CapEx due to the exclusion of the activity 7.7 Acquisition and ownership of buildings. However, there has not been any material change to aligned CapEx.

Operational expenditure

OpEx is defined as direct non-capitalised costs that relate to research and development, building renovation measures, short-term leases, maintenance and repair, and any other direct expenditures relating to the day-to-day servicing of property, plant and equipment by the undertaking or third party to whom activities are outsourced that are necessary to ensure the continued and effective functioning of such assets. Direct non-capitalised costs related to research and development correspond to the amount of research and development expenses in Elisa's consolidated statement of comprehensive income.

In 2024, the proportion of OpEx from products or services totaled EUR 118.3 million (EUR 110.5 million in 2023) (denominator). Taxonomy-aligned Opex was EUR 0.5 million (0.4 million in 2023).

There have not been any material changes to the OpEx compared to previous period.

To ensure accuracy, we have diligently avoided double counting by classifying external revenue streams (CapEx and OpEx) into taxonomy activities only once, with third-party assurance of all calculations and results. As a part of EU Taxonomy disclosures, Elisa also reports its activities related to nuclear power or fossil gases using Template 1 presented in Annex XII to Delegated Regulation (EU) 2022/1214 and referred to in Articles 8(6) and (7) of Regulation (EU) 2021/2178.

EU Taxonomy indicators

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

Financial Year		2024		Substantial contribution criteria						DNSH criteria (Does Not Significantly Harm)									
Economic activities	Code(s)	Turnover (MEUR)	Proportion of turnover (%), 2024	Climate change mitigation	Climate change adaptation	Water and marine resources	Pollution	Circular economy	Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Water and marine resources	Pollution	Circular economy	Biodiversity and ecosystems	Minimum Safe-guards	Proportion of Taxonomy aligned or eligible turnover (%), 2023	Category (enabling activity)	Category (transitional activity)
Text		Currency	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1.Environmentally sustainable activities (Taxonomy-aligned)																			
Storage of electricity	CCM 4.10	2.2	0.1%	Y	N	N/EL	N/EL	N/EL	N/EL	N/A	Y	Y	N/A	Y	Y	Y	0.0%	E	
Production of heat/cool using waste heat	CCM 4.25	0.2	0.0%	Y	N	N/EL	N/EL	N/EL	N/EL	N/A	Y	N/A	Y	Y	Y	Y	0.0%		
Data processing, hosting and related activities	CCM 8.1	12.4	0.6%	Y	N	N/EL	N/EL	N/EL	N/EL	N/A	Y	Y	N/A	Y	N/A	Y	0.3%		T
Programming and broadcasting activities	CCA 8.3	160.5	7.3%	N/EL	Y	N/EL	N/EL	N/EL	N/EL	N/A	N/A	N/A	N/A	N/A	N/A	Y	8.1%	E	
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**175.3**	**8.0%**	**0.7%**	**7.3%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**N/A**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**8.4%**		
Of which Enabling		**162.7**	**7.4%**	**0.1%**	**7.3%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**N/A**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**8.1%**	**E**	
Of which Transitional		**12.4**	**0.6%**	**0.6%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**N/A**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**0.3%**		**T**
A.2.Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Repair, refurbishment and remanufacturing	CE 5.1	14.0	0.6%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								0.7%		
Product as a service and other circular use- and result-oriented service models	CE 5.5	23.8	1.1%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								1.1%		
Data processing, hosting and related activities	CCM 8.1	19.8	0.9%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								1.2%		
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**57.6**	**2.6%**	**0.9%**	**0.0%**	**0.0%**	**0.0%**	**1.7%**	**0.0%**								**3.0%**		
A. Turnover of Taxonomy eligible activities (A.1+A.2)		**232.9**	**10.6%**	**1.6%**	**7.3%**	**0.0%**	**0.0%**	**1.7%**	**0.0%**								**11.4%**		
B: TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy-non-eligible activities		**1,958.6**	**89.4%**																
Total (A+B)		**2,191.5**	**100.0%**																

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

Financial Year		2024		Substantial contribution criteria						DNSH criteria (Does Not Significantly Harm)									
Economic activities	Code(s)	CapEx (MEUR)	Proportion of CapEx (%), 2024	Climate change mitigation	Climate change adaptation	Water and marine resources	Pollution	Circular economy	Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Water and marine resources	Pollution	Circular economy	Biodiversity and ecosystems	Minimum Safe-guards	Proportion of Taxonomy aligned or eligible CapEx (%), 2023	Category (enabling activity)	Category (transitional activity)
Text		Currency	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1.Environmentally sustainable activities (Taxonomy-aligned)																			
Electricity generation using solar photovolatic technology	CCM 4.1	0.0	0.0%	Y	N	N/EL	N/EL	N/EL	N/EL	N/A	Y	N/A	N/A	Y	Y	Y	0.0%		
Storage of electricity	CCM 4.10	3.0	0.8%	Y	N	N/EL	N/EL	N/EL	N/EL	N/A	Y	Y	N/A	Y	Y	Y	1.8%	E	
Production of heat/cool using waste heat	CCM 4.25	0.0	0.0%	Y	N	N/EL	N/EL	N/EL	N/EL	N/A	Y	N/A	Y	Y	Y	Y	0.0%		
Data processing, hosting and related activities	CCM 8.1	4.3	1.2%	Y	N	N/EL	N/EL	N/EL	N/EL	N/A	Y	Y	N/A	Y	N/A	Y	0.5%		T
Programming and broadcasting activities	CCA 8.3	4.8	1.3%	N/EL	Y	N/EL	N/EL	N/EL	N/EL	N/A	N/A	N/A	N/A	N/A	N/A	Y	1.8%	E	
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**12.1**	**3.3%**	**2.0%**	**1.3%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**N/A**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**4.1%**		
Of which Enabling		**7.8**	**2.1%**	**0.8%**	**1.3%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**N/A**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**3.6%**	**E**	
Of which Transitional		**4.3**	**1.2%**	**1.2%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**N/A**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**0.5%**		**T**
A.2.Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Installation and operation of electric heat pumps	CCM 4.16	0.5	0.1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.2%		
Production of heat/cool from geothermal energy	CCM 4.22	0.0	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.1%		
Repair, refurbishment and remanufacturing	CE 5.1	0.0	0.0%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								0.0%		
Product as a service and other circular use- and result-oriented service models	CE 5.5	0.0	0.0%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								0.0%		
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	3.6	1.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								1.1%		
Data processing, hosting and related activities	CCM 8.1	6.2	1.7%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								2.2%		
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**10.3**	**2.8%**	**2.8%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**								**3.6%**		
A. CapEx of Taxonomy eligible activities (A.1+A.2)		**22.4**	**6.1%**	**4.8%**	**1.3%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**								**7.7%**		
B: TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
CapEx of Taxonomy-non-eligible activities		**346.9**	**93.9%**																
Total (A+B)		**369.3**	**100.0%**																

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

Financial Year		2024		Substantial contribution criteria						DNSH criteria (Does Not Significantly Harm)									
Economic activities	Code(s)	OpEx (MEUR)	Proportion of OpEx (%), 2024	Climate change mitigation	Climate change adaptation	Water and marine resources	Pollution	Circular economy	Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Water and marine resources	Pollution	Circular economy	Biodiversity and ecosystems	Minimum Safe-guards	Proportion of Taxonomy aligned or eligible OpEx (%), 2023	Category (enabling activity)	Category (transitional activity)
Text		Currency	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1.Environmentally sustainable activities (Taxonomy-aligned)																			
Electricity generation using solar photovolatic technology	CCM 4.1	0.0	0.0%	Y	N	N/EL	N/EL	N/EL	N/EL	N/A	Y	N/A	N/A	Y	Y	Y	0.0%		
Storage of electricity	CCM 4.10	0.0	0.0%	Y	N	N/EL	N/EL	N/EL	N/EL	N/A	Y	Y	N/A	Y	Y	Y	0.0%	E	
Production of heat/cool using waste heat	CCM 4.25	0.0	0.0%	Y	N	N/EL	N/EL	N/EL	N/EL	N/A	Y	N/A	Y	Y	Y	Y	0.0%		
Data processing, hosting and related activities	CCM 8.1	0.0	0.0%	Y	N	N/EL	N/EL	N/EL	N/EL	N/A	Y	Y	N/A	Y	N/A	Y	0.0%		T
Programming and broadcasting activities	CCA 8.3	0.5	0.4%	N/EL	Y	N/EL	N/EL	N/EL	N/EL	N/A	N/A	N/A	N/A	N/A	N/A	Y	0.4%	E	
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**0.5**	**0.4%**	**0.0%**	**0.4%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**N/A**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**0.0%**		
Of which Enabling		**0.5**	**0.4%**	**0.0%**	**0.4%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**N/A**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**0.4%**	**E**	
Of which Transitional		**0.0**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**N/A**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**0.0%**		**T**
A.2.Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Installation and operation of electric heat pumps	CCM 4.16	0.0	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%		
Production of heat/cool from geothermal energy	CCM 4.22	0.0	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%		
Repair, refurbishment and remanufacturing	CE 5.1	0.0	0.0%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								0.0%		
Product as a service and other circular use- and result-oriented service models	CE 5.5	0.0	0.0%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								0.0%		
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	0.0	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%		
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**0.0**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**								**0.0%**		
A. OpEx of Taxonomy eligible activities (A.1+A.2)		**0.5**	**0.4%**	**0.0%**	**0.4%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**								**0.0%**		
B: TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy-non-eligible activities		**117.8**	**99.6%**																
Total (A+B)		**118.3**	**100.0%**																

Taxonomy eligible and aligned turnover per environmental objective in 2024

Turnover	Proportion of turnover / Total turnover	
	Taxonomy-aligned per objective (%)	Taxonomy-eligible per objective (%)
Climate change mitigation (CCM)	0.7	0.9
Climate change adaptation (CCA)	7.3	0.0
Water and marine resources (WTR)	0.0	0.0
Circular economy (CE)	0.0	1.7
Pollution prevention and control (PPC)	0.0	0.0
Biodiversity and ecosystems (BIO)	0.0	0.0

Taxonomy eligible and aligned CapEx per environmental objective in 2024

CapEx	Proportion of CapEx / Total CapEx	
	Taxonomy-aligned per objective (%)	Taxonomy-eligible per objective (%)
Climate change mitigation (CCM)	2.0	2.8
Climate change adaptation (CCA)	1.3	0.0
Water and marine resources (WTR)	0.0	0.0
Circular economy (CE)	0.0	0.0
Pollution prevention and control (PPC)	0.0	0.0
Biodiversity and ecosystems (BIO)	0.0	0.0

Taxonomy eligible and aligned OpEx per environmental objective in 2024

OpEx	Proportion of OpEx/Total OpEx	
	Taxonomy-aligned per objective (%)	Taxonomy-eligible per objective (%)
Climate change mitigation (CCM)	0.0	0.0
Climate change adaptation (CCA)	0.4	0.0
Water and marine resources (WTR)	0.0	0.0
Circular economy (CE)	0.0	0.0
Pollution prevention and control (PPC)	0.0	0.0
Biodiversity and ecosystems (BIO)	0.0	0.0

Annex VII

Template 1. Nuclear and fossil gas related activities

Row	Nuclear energy related activities	
1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	No
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	No
3.	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	No
	Fossil gas related activities	
4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	No
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	No
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	No

ESRS E1

Climate change

Policies

Elisa has set Group-level policies related to climate change mitigation and adaptation. The Elisa Code of Conduct sets the foundation for our ethical business behaviour. Elisa's Environmental Policy describes our commitment to reducing the environmental impact of our business in our own operations and chain of activities. Similarly, Elisa's Energy Policy describes our goal to sustainably improving energy performance. Additionally, Elisa Code of Ethical Purchasing describes the ethical and legal duties and responsibilities of our suppliers. Elisa complies with all applicable environmental and climate legislation and regulations and requires all the stakeholders in its operations and chain of activities to similarly comply with them.

Elisa's Environmental and Energy Policy adhere to the principles and reporting guidelines of the CSRD, the UN Global Compact, and the Science Based Targets initiative (SBTi), aligned with the goals of the Paris Agreement. These policies are approved by Elisa's Corporate Responsibility Management Board (CRMB). These policies are publicly available and accessible applying to every employee in Elisa and all third parties acting on behalf of Elisa. We require our suppliers, subcontractors, and external partners to comply with these or similar principles.

The policies provide clear guidance on responsible practices and outlines commitments and strategies for achieving environmental sustainability and addressing climate change within Elisa's global operations. It addresses Elisa's commitment to climate change mitigation and adaptation, energy and resource efficiency, and circularity.

Through sustainable actions and the development of innovative solutions, Elisa aims to significantly reduce both its own carbon footprint and those of its customers.

Our approach

As a part of double materiality assessment (DMA), Elisa has evaluated impacts, risks and opportunities related to climate change. The material negative impacts lie both in our upstream supply chain and in our own operations.

Elisa's previous climate scenarios work was utilised as part of our DMA, and it is addressed while creating financial statements. Through this work, Elisa has identified physical and transitional climate risks, which pose impacts for Elisa's operations over different time horizons. Climate change resilience analysis has been conducted for the whole Elisa group of companies and key supplier categories. In the analysis, we assess which of Elisa's locations of operation have physical climate change vulnerabilities. For such identified locations, we further assess the risks and potential impacts, on which we base the development of strategies for mitigation and adaptation. Our climate change resilience analysis was revisited in 2024. When conducting our resilience analysis, we identify factors that apply to Elisa's operations over the short, medium and long term.

Based on our resilience analysis locations of operation in Elisa's main markets in Northern Europe will not be significantly affected by climate change in the short term. We have identified that Elisa has operations in areas with, for example, water scarcity vulnerabilities. Drought does not have direct impact on Elisa's operations in short term. We use resilience analysis findings in Elisa's Climate Transition Plan, to ensure alignment with related strategic and tactical actions across the organisation. It also has implications to financial planning.

Elisa's dependencies on the value chain, and especially the supply chain and its performance in climate transition, impacts on risks and, to some degree, on opportunities, as well as our corporate greenhouse gas (GHG) emissions. As an organisation, we are continuing our work on mitigating global warming by reducing our carbon footprint, to ensure actions for target of a 1.5°C global average temperature rise, while simultaneously adapting operations for a scenario of up to 3°C. We already see that regulation is a key driver of ambitious environmental targets for European companies, not only for climate, but also in aligning with planetary boundaries overall. We aim for solid, longer-term strategies that integrate sustainability with Elisa's digital business operations, enabling us to respond to emerging issues in an increasingly complex and unpredictable world. For the same reasons, we are continuing to experiment to drive rapid learning and innovation.

Potential climate-related hazards in Elisa's operations

We have identified the following climate-related hazards in Elisa's main markets in Northern Europe, over short-, medium-, and long-term time horizons:

Short term (0–2 years)
- Extreme weather events, such as severe winter storms
- Flooding of vulnerable locations during heavy rainfall
- Wildfires becoming more intense and frequent

Medium term (3–5 years)
- Longer heatwaves and extreme temperature events
- Increased precipitation and seasonally heavy rainfall

Long term (over 5 years)
- Droughts becoming more frequent and prolonged
- Rising sea levels, leading to coastal erosion and flooding

Physical climate risks for Elisa's operations

In line with climate hazards, we do not estimate the physical climate risks to be significant for Elisa's operations in the short term. However, we anticipate potential effects of physical climate risks for our own operations over the longer term.

Physical climate risks, description and its management

Physical risk type	Description	Management
Acute Acute risks would likely be caused by storms (including blizzards, dust storms and sandstorms) especially effecting Elisa's data centres and network operations in Finland and Estonia.	Reliable power supply is of utmost importance for Elisa's data centre and network operations, which are located at thousands of sites all across Finland and Estonia. Extreme weather events, such as forest fires, storms and floods, can potentially cause power outages or physical damage. Elisa has a societal obligation to provide reliable connectivity services, and interruptions can lead to loss of income as well as loss reputational damage, so we take measures to handle situations with, for example, base station towers. An increase in extreme weather events could result in higher costs related to personnel and broken equipment.	Elisa utilises a comprehensive real-time system for monitoring and rapidly identifying network disturbances. Also, in the planning phase, we already aim to mitigate risks related to physical infrastructure. Additionally, Elisa acts in close collaboration with necessary stakeholders, such as electricity distribution companies in the event of power outages. Joint development, redundant power systems, exercises with stakeholders, as well as insurance or other agreements, are examples of pre-emptively managing risks.
Chronic Chronic risks would likely be caused by the effects of rising average temperatures, especially in the Northern Hemisphere, where Elisa's network and data centre business is located.	Correct operating temperatures for equipment are important to avoid any technical failures and related service disruptions, so rising average temperatures might increase operating costs for cooling. The effects on Elisa's international operations in digital services outside of Northern Europe mainly concern office premises, which might be affected mainly by increased costs for air conditioning. Ensuring sufficient cooling, especially for mobile network base stations and data centres, will, over time, require higher investments in cooling solutions for equipment and increase operating costs. The effects on employee health of rising average temperatures and related heatwaves should also be considered. Frequent heatwaves might increase direct operating costs due to higher energy costs and maintenance requirements, but the magnitude of the impact is estimated to be low.	To mitigate these effects, we work continuously to improve energy efficiency and the design of the facilities, and we collaborate with procurement and with suppliers accordingly.

Transitional climate risks for Elisa's operations

We have identified the following transitional risks in Elisa's main markets in Northern Europe, over short-, medium-, and long-term time horizons:

Transitional climate risks, description and its management

Risk type	Description	Management
Increasing costs due to markets, regulations, and energy taxes.	Elisa has addressed energy risks as part of its strategy since 2009, and it mitigates these risks by continuous improvements in energy efficiency and using carbon-free electricity. EU legislation can also be a key driver for increased energy efficiency through carbon taxation mechanisms. Elisa's main markets are in the EU (Finland and Estonia), which may see further requirements to both cut and compensate for emissions through new taxes or more comprehensive and higher carbon pricing. If these developments are realised, they will have an impact on Elisa's operational costs through higher energy prices, carbon taxes, and voluntary (or even mandatory) compensation. A carbon tax might also affect the costs of purchased goods and services when suppliers try to cover their own development costs.	Elisa has been proactively improving energy efficiency in its mobile networks, data centres, telefacilities and other premises for over a decade. The energy consumption of networks constitutes over 90 percent of Elisa's total energy consumption. At the same time, it is expected that Elisa's energy consumption will grow, despite energy efficiency measures, due to increased data usage. Elisa has been using carbon-free electricity since 2014. Centralised energy procurement improves effectiveness and value, for instance through our ten-year wind farm power purchasing agreement.
Stakeholders expecting concrete actions from the ICT industry	Extreme events caused by climate change are increasing environmental awareness among Elisa's stakeholders in general. Both employees and customers expect Elisa to deliver high performance in sustainability and environmental responsibility. We see increasing interest among customers, investors and authorities in the environmental performance of companies, and we aim for a high level of commitment and transparency.	Elisa keeps up a transparent climate dialogue with essential stakeholders, as confusion about sustainability issues among consumers might lead to less demand for existing products. Digitalisation requires well-functioning network infrastructure that runs on electricity, as well as devices that are manufactured from raw materials, and Elisa is actively promoting resource efficiency in these areas.
Dependency on value chain commitment to climate targets	Elisa is dependent on a complex value chain, including in climate transition. An overwhelming part of Elisa's environmental impact comes through indirect supply chain GHG emissions, where devices and equipment that are needed to use and provide our services are manufactured. Equipment-related emissions are generated in Elisa's upstream supply chain, more specifically in Scope 3 from the categories Purchased goods and services and Capital goods. Elisa's stakeholder groups expect high performance in environmental sustainability, and they increasingly demand transparent climate reporting; however, many suppliers do not yet have the readiness to support this through life-cycle assessments of the products and services they provided. Furthermore, increased product development needs might create pressure for suppliers to increase prices to recoup their investment.	To achieve Elisa's ambitious near- and long-term climate transition targets, we have raised awareness and engaged with key suppliers around climate change mitigation. Naturally, also stakeholders in direct operations and downstream in the value chain must be closely involved in such efforts.

Climate change adaptation and energy-related opportunities

Climate change has been part of Elisa's strategy, since 2009. Our experience enables us to help our customers in creation of a more sustainable future through digitalisation. We see opportunities in tackling climate challenges by developing new business innovations in sustainability. For instance, our International Digital Services is built on our expertise in automation and digitalisation.

Elisa offers an IoT platform with advanced machine learning and predictive analysis capabilities. This technology can be used also to better manage energy efficiency and other relevant parameters of buildings. Furthermore, Elisa's AI-driven software helps ramp up production quickly and sustainably by identifying issues and optimising energy use. Our Distributed Energy Solution (DES) transforms radio access networks into virtual power plants, using AI to efficiently manage energy by controlling the charging and discharging of batteries. DES also has the capability of providing grid-balancing services to transmission system operators (TSOs). This helps in addressing the challenges posed by renewable energy sources. In Finland, Elisa utilises DES to participate in the automatic Frequency Restoration Reserve, providing grid-balancing services to Fingrid, the national TSO.

Transition plan for climate change mitigation

Elisa has committed to the Paris Agreement to keep global warming to 1.5°C. In 2023, we received approval from the Science Based Targets initiative (SBTi) for Elisa's updated near-term science-based target, and we are the first listed company in Finland to set a long-term net-zero target. On our ambitious journey towards Net-zero in 2040, we are currently focusing on Elisa's 2030 near-term climate target of a 42 percent absolute reduction in GHG emissions in all our Scope 1, 2 and 3 emissions compared to the base year of 2021. We publicly share a high-level overview of Elisa's climate transition planning on our website.

Elisa's climate targets are reviewed by Elisa's BOD and approved by CEB. These targets have been communicated to internal and external stakeholders.

The Elisa Climate Transition Plan (CTP) is a roadmap towards low carbon business in Elisa's own operations as well as its chain of activities. Through CTP and more concrete Climate Transition Action Plan (CTAP), we drive our ambitious near-term and long- term climate targets. This takes a long-term commitment of continuous improvement in carbon emission reduction and creates the foundation for climate actions over the three-year strategy period for 2025–2027. The CTP is integrated to Elisa's environmental management system (EMS) and energy management system (EnMS).

Scope 1 and 2 emissions are responsible for about 1percent of Elisa's total carbon emissions, resulting Scope 3 emission to be 99 percent and thus having the material impact. From Scope 3 emissions, our own operations (waste generated, business travel and employee commuting) result in only 2 percent while the remaining are from Elisa's value chain. Therefore, supply chain engagement and collaboration are crucial to drive our climate targets and keep within planetary boundaries. In 2024, Elisa launched its responsible supplier financing, which is a working capital financing solution offered by Elisa together with its finance partner.

Material efficiency is enabled mainly through circular economy solutions. To reduce the amount of waste in our operations, we repair, refurbish and reuse when feasible, and we responsibly recycle equipment at the end of its lifespan. We also offer device repair and refurbishment services to our customers, as well as specific circular economy business models, like devices-as-a-service.

Energy efficiency has been part of our operational development and monitored on a strategic level since 2009. By the end of 2024, we had improved our energy efficiency in mobile data transfers by 71percent since 2016. Similarly, Elisa's carbon footprint from Scope 1 and 2 emissions had decreased by more than 80 percent compared to 2016. In some cases, we have been able to productise innovations that we have created to address energy efficiency in our own operations, making them part of the sustainable solutions we offer to customers.

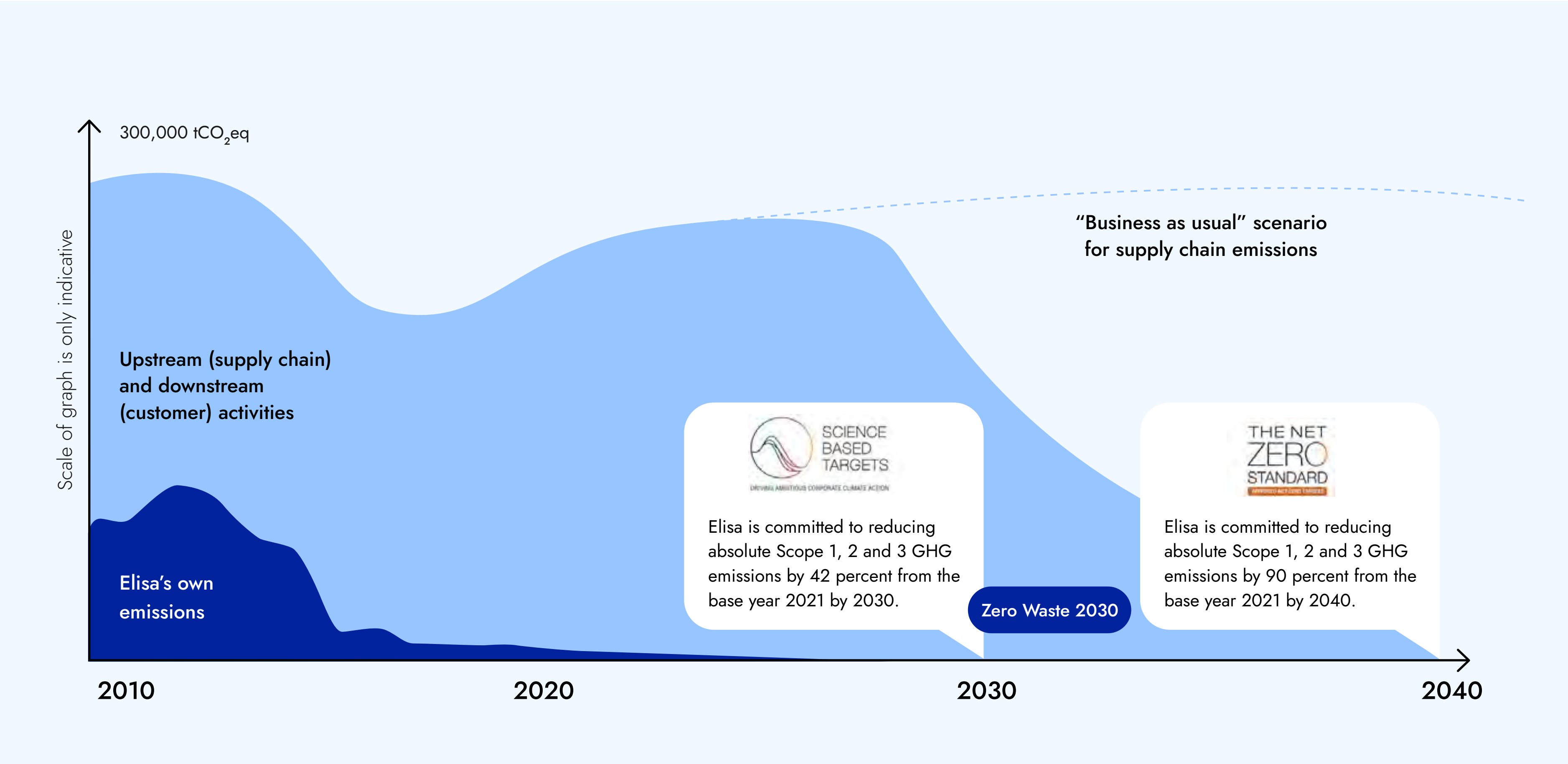
Energy efficiency initiatives throughout Elisa's operations receive substantial continuous investments i.e. through modernisation. Also, Elisa's first circular economy initiatives, in the form of building repair and refurbishment capabilities, have received significant investments. The latter is also reported according to EU Taxonomy regulations.

Elisa does not have a high-emissions infrastructure as we use only carbon-free electricity for our telecom networks and data centres. Elisa thus has very few assets with locked-in GHG emissions other than backup power generators, which use fossil fuels but are difficult to phase out due to regulatory resilience requirements.

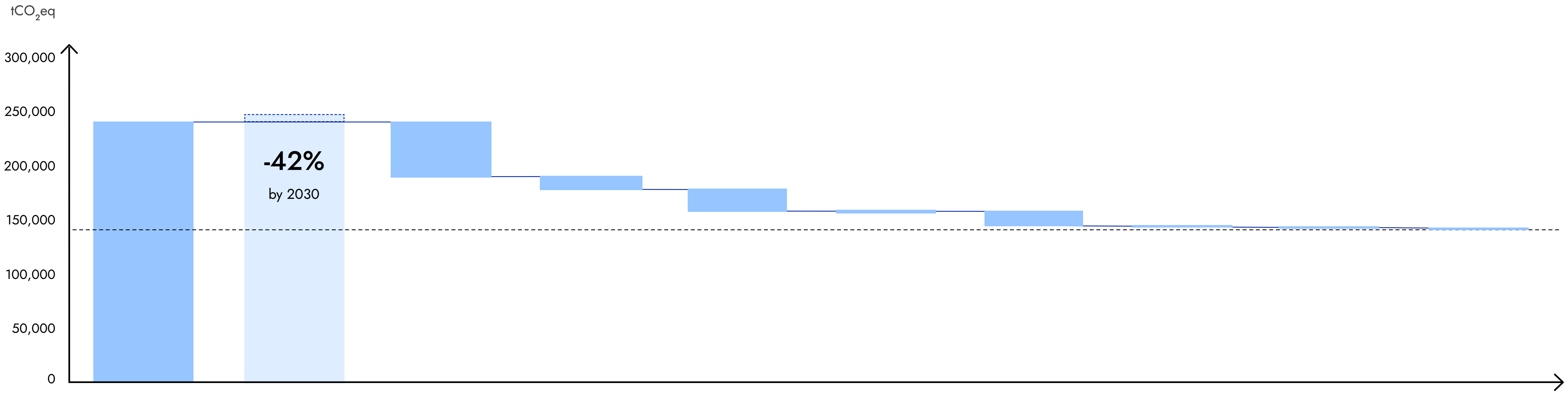
In Elisa's annual strategy process, the results of the double materiality assessment are utilised to identify the environmental issues important to the business. The strategic sustainability targets are part of Elisa's high-level strategic action plan (Key Means), each owned by a designated member of CEB. These members, along with the appointed strategy leads, are responsible for ensuring that the necessary actions, goals, and resources are in place to achieve the targets within the agreed timelines. This approach ensures ownership, delegation, sufficient resources for implementation, and regular monitoring of the strategic action plan's execution that support the target. The strategy owners and leads are responsible for reporting on performance to the relevant Elisa stakeholders. In Elisa's annual strategy process, the environmental issues important to the business are reviewed.

CRMB approves EMS as well as monitors and guides the CTAP. Elisa's relevant businesses are responsible for setting adequate actions according to CTAP. EMS development and CTAP follow up is maintained by domain experts in the Elisa Environment and Energy Working Group (EEWG). The EEWG tracks progress in implementing the CTAP, as part of the regular management of both the EMS and EnMS. The CRMB reviews the performance regularly.

Climate transition plan



Climate Transition Action Plan (CTAP)



Reporting year 2024 emissions	Despite company acquisitions, technology investments and increasing purchases of products and services, emissions have stabilised to the level of 2021
2021 base year and emission change since	Elisa is committed to reducing absolute Scope 1, 2 and 3 GHG emissions by 42 percent from the base year 2021 by 2030
Scope 3 Suppliers' actions TBD; Scope 3 Suppliers' SBTi targets	Suppliers' own climate targets and their fulfillment are crucial Supplier engagement and joint targets Setting policies for green procurement Adopting circular processes and business models
Scope 3 Use of sold products	Supplier data required to better evaluate use phase with electricity emissions factors for Elisa's markets instead of global averages
Scope 3 EOL of sold products	Recycling targets Creating awareness among customers
Scope 3 From energy production	Weigh in renewable energy production from emissions
Scope 3 Elisa's own operations	Zero waste target for 2030 Encouraging green commuting and business travel Internal carbon tax for business travel
Scope 2 Elisa's own operations	Continuing work on energy efficiency Adopting green coding principles broadly
Scope 1 Elisa's own operations	Eliminating fossil fuels throughout operations

Sustainability-related performance in incentive schemes

We have defined how climate-related considerations are factored into incentives and remuneration for members of administrative, management and supervisory bodies. Incorporating carbon emission reduction targets to remuneration shows the importance of both executive and employee roles in achieving Elisa's ambitious climate targets and other environmental commitments.

Executives in supervisory bodies and employees in management and administrative bodies have important roles in achieving Elisa's ambitious climate targets and other environmental commitments.

Elisa's climate targets are aligned with science based (SBTi) carbon emission reduction targets. The 2024 terms of Elisa's employee fund included carbon dioxide reduction targets. The CEO's short-term incentive plan for 2024 had an ESG goal focused on reducing carbon dioxide emissions. Additionally, we set a climate goal in the long-term incentive program, targeting the CEO, executive team members, and selected key personnel. This practically means reducing Scope 1 and Scope 2 emissions by 7 percent annually towards Elisa's science-based short-term climate targets, aiming for a 42 percent reduction by 2030 from the 2021 baseline.

For further information on the integration of sustainability-related performance in incentive schemes, see the section Sustainability governance.

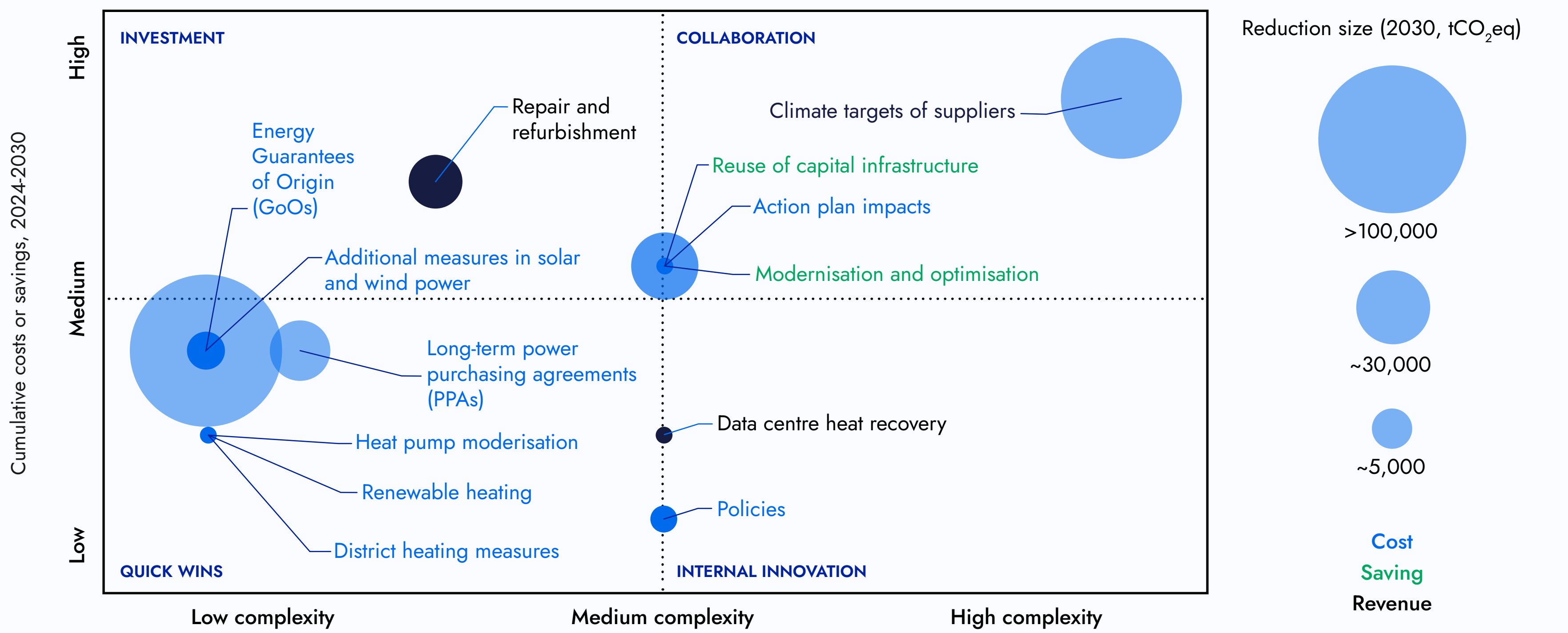
Elisa has committed to the Paris Agreement to keep global warming to 1.5°C. Elisa has set group-level science-based climate targets that are approved by the SBTi. On our journey towards Net-zero in 2040, we are currently focusing on our 2030 near-term climate target of 42 percent absolute reductions in all Scope 1, 2 and 3. The baseline for the targets is 2021. These two group-level targets are aligned with our Environmental policy where we have pledged to manage the material negative environmental impacts and risks of our operations. We have engaged the internal stakeholder in setting the targets.

The total Scope 3 emissions were still on a slightly upward trend at the end of 2024 compared to the base year, 2021. The largest emissions contributor are purchased goods and services, and capital goods. This shows the urgency of having focus on upstream value chain. Therefore, in the following years, we will continue to intensify our actions in the value chain to reduce the carbon emissions.

Targets, actions and performance in 2024

Target	Description	Performance
Near-term climate target for 2030	In its near-term climate target for 2030, Elisa is committed to reducing absolute Scope 1, 2 and 3 greenhouse gas emissions by 42 percent from the base year 2021. We will achieve this without using carbon credits or mitigation beyond the value chain.	1.8 percent decrease in the Scope 1, 2 and 3 emissions compared to the base year 2021.
Net-zero target for 2040	In its long-term climate target for 2040, Elisa is committed to reducing absolute Scope 1, 2 and 3 greenhouse gas emissions by 90 percent from the base year 2021. We will prioritise decarbonisation through direct emissions reductions, and all residual emissions will be neutralised in line with SBTi criteria before reaching net-zero emissions in 2040.	

Climate Transition Plan (CTP) levers and their estimated financial and climate impact



We have categorised our decarbonization lever categories and estimated their expected GHG emission reductions in 2030 (in percent of total GHG reduction effect of all levers):

Scope 1 (1.7% of total GHG reductions)

Elisa's own operations:

- Heat pump modernisation (42% of Scope 1, 0.7% of total GHG reductions)
- Renewable heating (38% of Scope 1, 0.7% of total GHG reductions)
- District heating (20% of Scope 1, 0.3% of total GHG reductions)

Scope 2 (52.5% of total GHG reductions)

Elisa's own operations:

- Guarantees of origin (GoOs) (85% of Scope 2, 44.8% of total GHG reductions)
- Power purchase agreements (12% of Scope 2, 6.3% of total GHG reductions)
- Modernisation and optimisation (2% of Scope 2, 0.8% of total GHG reductions)
- Data centre heat recovery (1% of Scope 2, 0.5% of total GHG reductions)

Scope 3 (45.8% of total GHG reductions)

Science-based climate targets of suppliers:

- Climate targets of suppliers (58% of Scope 3, 26.8% of total GHG reductions)
- Reuse of capital infrastructure (0.4% of Scope 3, 0.2% of total GHG reductions)

Use of sold products:

- Energy policy engagement and renewable infrastructure (20% of Scope 3, 9.1% of total GHG reductions)

End-of-life of sold products:

- Repair and refurbishment of devices (10% of Scope 3, 4.8% of total GHG reductions)

Energy production:

- Extra GoOs and switch to wind or solar GoOs (7% of Scope 3, 3.3% of total GHG reductions)

Own operations:

- Policy-based (4% of Scope 3, 1.7% of total GHG reductions)

We have assessed that energy-related levers have low to medium complexity and medium-level continued investments. Upstream value chain collaboration-related levers are of medium to high complexity that require medium- to high-level cumulative investments until 2030.

Some of the climate transition levers described above are EU Taxonomy-eligible activities (as supplemented by Commission Delegated Regulations 2021/2139 and 2021/2178), being related to data centres (marked as heat pump modernisation and disclosed in Taxonomy under activity CCM 4.16 Installation and operation of electric heat pumps), distributed energy storage (included in internal innovation quadrant in the above matrix and disclosed in Taxonomy under CCM 4.10 Storage of electricity) and device circularity (marked as repair and refurbishment and disclosed in Taxonomy under CE 5.1 Repair, refurbishment and remanufacturing). The related capital expenditure data is reported in the EU Taxonomy section of this statement, and it is also included in the table below of significant capital and operational expenditures required for implementation of Elisa's CTAP. For Elisa, the related capital expenditures are typically investments in energy efficiency of telecom infrastructure, and operational expenditures are, for example, carbon-free energy acquisition through Guarantees of Origin or Power Purchasing Agreements. These examples of expenditures are already part of well-established processes of continuous improvement in Elisa's operations. Other areas are less mature, for example mitigation of risks from dependencies on supplier performance against their own climate targets, which can require additional resources in, for example, supplier engagement with incentives, setting policies that might result in price increases, and scaling up opportunities in the circular economy. We are still forming our understanding and approach in this area, and therefore we are not yet providing financial estimates of capital or operational expenditures for such planned actions.

We see three clusters of levers in Elisa's climate transition planning – energy, supply chain, and circular economy. These are aligned with and contribute to objectives of related policies and guidelines of Elisa, especially in the areas of environmental, energy and procurement. Specific levers, such as energy efficiency improvements in mobile networks or energy attribute certificates, consist of various actions taken during the reporting year, in different parts and geographies of the Elisa group or its value chain or with other stakeholders. The key actions, summarised in the table, are mostly efforts of continuous improvement over several years, but they are all expected to have an outcome that contribute to the achievement of Elisa's near-term climate targets in 2030.

Financial resources allocated to the Climate Transition Action Plan in 2024

Instruments	Climate actions, with scope and time horizons	CapEx [mEUR]	OpEx [mEUR]
Energy efficiency	Improvements in mobile and fixed networks, for example through modernisation of 4G and 5G, as well as transforming fixed legacy networks with the latest technology. Improvements in premises and data centres, for example through modernisation in cooling, optimisation, cloudification, automation, as well as in continuous development and operation of properties. New innovations and development of solutions, for example by using machine learning and AI, distributed energy storage, smart meters, as well as implementing and developing green coding. The key actions above, are development efforts that span over several years, mainly in Elisa's telecom network operations on the home markets of Finland and Estonia. Scope 1 and 2 emission reductions of these actions often show already within the reporting year, but usually have a long-term impact.	136	1
Other climate actions	Energy generation in own direct operations, energy attribute certificates and agreements, supplier engagement for material efficiency, as well as research and beyond value chain mitigation. The key actions above, are development efforts that span over several years, and cover operations in different parts and geographies of the Elisa group or its value chain. Scope 3 emission reductions of these actions increasingly show towards Elisa's near-term climate targets in 2030, while Scope 1 and 2 emission reductions are usually immediate.	0	3

We have for the above list so far not recognised significant harm that is caused to external stakeholders from actions based on our climate transition planning but will evaluate remedy actions if such cases emerge.

We ensure consistency between climate transition targets and GHG inventory boundaries, meaning that relevant emission sources are accounted for in our reporting. This is accomplished by clearly establishing organisational boundaries for Elisa's GHG inventory, including relevant regions, facilities, assets and activities. We apply consistent methodologies and, increasingly, automation in calculating GHG emissions on a monthly, quarterly or annual basis. Additionally, we ensure that the continuous development of methodology is transparently documented, and that data is retroactively corrected, if necessary. We have built a robust ESG data management system for the management and reporting of GHG emissions, and we have developed capabilities for scenario analyses of various emission reduction lever impacts. It is important to engage with suppliers, in particular, to drive a level of transparency that is necessary for an increasingly granular analysis of Elisa's GHG inventory.

Elisa's first near-term target was approved by the SBTi in 2018 and was updated in 2023, including setting a new base year of 2021. Past progress made in meeting climate targets before this is available from Elisa's annual reports. The baseline values set are based on Elisa's assured and publicly available ESG reporting. Elisa's international expansion poses some degree of challenge regarding this baseline, as new company acquisitions increase the boundaries of our GHG inventory to some degree. Baseline values are adjusted at the latest in updated target-setting every five years, according to SBTi guidelines. The related calculation methodology ensures that such targets remain compatible with global warming of 1.5℃.

Through our double-materiality assessment (DMA), we, for example, identify parameters in Elisa's contextual environment that can highly affect operations. We conduct structured analyses of, for example, technology-related roadmaps, Elisa's competitors, and various other market factors, provided by our market intelligence experts. We continuously engage with stakeholders that are either impacted by our operations or have an impact on business strategy or operations, such as customers, employees, investors, regulators and suppliers. We also acknowledge the important perspectives of, for instance brought up by local communities and NGOs. Our scenario analysis accounts for both physical and transitional risks, based on various information sources.

In addition to climate scenarios for geographical areas of our operations, we analyse climate extremes and future changes in climate over the next three decades. We have utilised information sources and tools that consider climate change-related factors that are the most relevant for our operations including flooding, severe storms and wildfire hazards. We also cover the susceptibility of society to climate change. According to this analysis, both Finland and Estonia have relatively low climate change exposures and vulnerabilities, but some of our international offices have higher risks in some areas.

GHG removal and mitigation projects

Elisa's long-term goals (Net-zero 2040) allow us, in accordance with the recommendation of the SBTi initiative, to use only removal-type carbon credit projects for neutralisation of carbon emissions. This means that, at most, 10 percent of emissions at that point can be covered by carbon removal through carbon credits.

We prioritise abatement within our value chain, and we are continuously investigating ways to reduce carbon emissions together with various stakeholders. We are currently focused on our near-term, science-based target for 2030, with a 42 percent reduction in all scopes of emissions. We will not use carbon credits for near-term target. Elisa is nevertheless already investing in additional mitigation actions beyond the near- and long-term science-based targets.

Currently, Elisa has not developed any projects in its own operations or value chain for GHG emission removal or storage, but as part of Elisa's CTP, we are exploring opportunities in this area. However, Elisa adopted the practice of beyond-value-chain mitigation already in 2020, with the scope of annually acquiring carbon credits in an amount equal to the remaining emissions in our own operations, meaning from fuels (Scope 1) and a small portion of other energy usage (Scope 2), as well as from waste and from business travel and employee commuting, including remote working (Scope 3). Beyond-value-chain mitigation thus comprises a valuable aspect in building the sustainable service offering that Elisa provides to its customers. Our selected carbon credit projects also have co-benefits for people and nature.

Over time, Elisa has built a carbon credit portfolio with a variety of high-quality projects of different types and on different continents, according to the following motivations:

- Mitigate risks with a well-balanced portfolio
- Predictability for high-quality carbon credits
- Benefit financially from strategic procurement
- Adress Elisa's geographical value chain impacts
- Test and learn about available opportunities to support our transition

When reviewing, deciding, and procuring carbon credits, we do due diligence as follows:

- Additionality: The project reduces carbon emissions that are not reduced through other initiatives.
- Leakage prevention: Emission reductions from the project do not leak to other locations or activities.
- Permanence: The project permanently prevents the carbon emissions from entering the atmosphere.
- Verifiability: An objective third party confirms that emission reductions from the project are credible.
- Other risk assessment: The project e.g. avoids very high-risk countries.

Elisa purchased carbon credits from projects that are of high quality, verified by standard bodies like Gold Standard and Verified Carbon Standard (VCS) and in line with the UN Sustainable Development Goals. The methodologies of these standards ensure accurate quantification and verification for various mitigation technologies and processes. To further lessen risks in the quality of carbon credits, we do additional vetting to the extent possible together with selected partners. We follow developments in methodologies and actively engage in dialogue with providers and other experts or stakeholders, to continuously develop Elisa's carbon credit portfolio.

Elisa's portfolio for beyond-value-chain mitigation currently consists of both reduction and removal projects. As described below, Elisa's active carbon credit portfolio, from which cancellations have been done for the reporting year, included removal-type projects from Oxford Category 4 (forest restoration/reforestation) and Category 5 (biochar), together with reduction-type projects:

Carbon credit portfolio in 2024

Project name	Project type	Short project description	Quality standard and project ID
American BioCarbon biochar (USA)	Removal (Oxford Category 5) Technical carbon sink	American BioCarbon produces biochar in Louisiana, USA, making beneficial use of agricultural waste from the sugar cane industry (bagasse). Alongside pure carbon removal benefits, the project also produces clean energy as well as biochar, which can be used as a soil amendment. By taking an abundant, biogenic waste material and converting it to biochar, carbon dioxide is locked out of the atmosphere.	Puro.earth Puro-543800
San Jerónimo Coatlán (Mexico)	Removal (Oxford Category 4) Biogenic carbon sink	San Jerónimo Coatlán is a rural and partly indigenous community located in the south of Oaxaca, Mexico. The land is communally owned, and for the last 20 years the community has forests communally to produce pine and oak wood. The project enables the community to invest in forest restoration and reforestation, as well as maintain a forestry ranger service to control wildfires and plagues and invest in social projects to improve health and water access for the population.	Climate Action Reserve CAR1829
Borneo peatlands (Indonesia)	Reduction (Oxford Category 2)	Indonesian Borneo (Kalimantan) encompasses approximately 5.7 million hectares of peatland. The project is protecting and restoring 149,800 hectares of peatland ecosystems, covering one of Indonesia's largest remaining intact peat swamp forests, and is reforesting 4,433 hectares of non-forest areas within the project area. The project also protects wildlife and improves livelihoods for the community located in the area.	Verified Carbon Standard VCS 1477
Keio Seima (Cambodia)	Reduction (Oxford Category 2)	The Seima Protection Forest covers 292,690 hectares and is located in eastern Cambodia, mainly in Mondulkiri Province, with a small area extending into Kratie Province. The REDD project area covers 166,983 hectares of forest. The project is an Agriculture, Forestry and Other Land Use (AFOLU) project under the Reduced Emissions from Deforestation and Degradation (REDD) project category. The project also protects wildlife and improves livelihoods for the community located in the area.	Verified Carbon Standard VCS 1650
Rimba Raya (Indonesia)	Reduction (Oxford Category 2)	The project protects the Rimba Raya area in south-eastern Borneo, Indonesia from deforestation. For decades, Borneo has been suffering from deforestation, and its remaining rainforests are threatened with disappearance due to logging (including illegal logging), mineral mining and palm oil production. The reserve covers 64,000 hectares and provides a habitat for hundreds of species, including the endangered Bornean orangutan.	Verified Carbon Standard VCS 674

We see additional value also in innovation and dialogue directly with project developers and are for example supporting initiatives such as solar cooker systems for village communities in Zambia and mangrove plantations in Indonesia and the Philippines. We transparently describe all carbon credit projects in our portfolio, their cancellations, and related climate and other benefits, further on Elisa's sustainability webpages.

Carbon credits cancelled

Carbon credits cancelled in the reporting year	Comparative (2023)	N (2024)
Total amount of carbon credits cancelled in the reporting year (tCO_2eq)	**11,101**	**6,800**
Share from removal projects (%)	4	16
Share from reduction projects (%)	96	84
Verified Carbon Standard (%)	96	84
Puro.earth (%)	1	1
Gold Standard (%)	3	0
Climate Action Reserve (%)	0	15
Share from projects within the EU (%)	1	0
Share of carbon credits that qualify as corresponding adjustments (%)	0	0

Carbon credits planned to be cancelled in the future	Amount until (2040)
Total (tCO_2eq)	We have so far purchased carbon credits on the voluntary carbon market, and do not have contractual agreements that extend over several years. We expect to continue cancelling carbon credits in an amount equal to the remaining emissions in our own direct operations and increasingly prepare towards the neutralisation phase also after 2040.

Energy consumption and mix

Total energy consumption in 2024	
Fuel consumption from coal and coal products (MWh)	0
Fuel consumption from crude oil and petroleum products (MWh)	4,018
Fuel consumption from natural gas (MWh)	33
Fuel consumption from other fossil sources (MWh)	0
Consumption of purchased or acquired electricity, heat, steam and cooling from fossil sources (MWh)	11,959
Total fossil energy consumption (MWh)	**16,010**
Share of fossil sources in total energy consumption (%)	**4**
Consumption from nuclear sources (MWh)	**239,847**
Share of consumption from nuclear sources in total energy consumption (%)	**66**
Fuel consumption for renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.) (MWh)	17
Consumption of purchased or acquired electricity, heat, steam and cooling from renewable sources (MWh)	109,382
Consumption of self-generated, non-fuel renewable energy (MWh)	50
Total renewable energy consumption (MWh)	**109,449**
Share of renewable sources in total energy consumption (%)	**30**
Total energy consumption (MWh)	**365,306**

Total energy production in 2024	
Total energy produced (MWh)	**6,565**
Total renewable energy produced (MWh)	**6,565**

Contractual instruments used in 2024	
Share of contractual instruments used for sale and purchase of Energy bundled with attributes about Energy generation in relation to Scope 2 GHG emissions (%)	30.9
Types of contractual instruments used for sale and purchase of Energy bundled with attributes about Energy generation in relation to Scope 2 GHG emissions	Power Purchasing Agreements (PPA) and Renewable Energy Certificates (REC)
Share of contractual instruments used for sale and purchase of unbundled Energy attribute claims in relation to Scope 2 GHG emissions (%)	69.1
Types of contractual instruments used for sale and purchase of Energy for unbundled Energy attribute claims in relation to Scope 2 GHG emissions	Guarantees of Origin (GoO) and REC

As part of Elisa's Sustainability Linked Loan, we have committed to ensure carbon-free electricity sourcing in Elisa Corporation (Finland) and Elisa Eesti As. Carbon-free electricity is an electrical energy produced from resources that generate no carbon emissions. In 2024, 100 percent of carbon-free electricity is used in Elisa group including Elisa Corporation (Finland) and Elisa Eesti As is from carbon-free sources covered through GoOs, own production, own installations and wind PPA.

Energy intensity based on net revenue in 2024	
Total energy consumption from activities in high climate impact sectors per net revenue from activities in high climate impact sectors (MWh/EUR)	0.0002

Gross scopes 1, 2, 3 and total GHG emissions

Total GHG emissions

	Retrospective				Milestones and target years			
	Base year (2021)	Comparative (2023)	N (2024)	% N/N-1	2025	2030	2040	Annual % target (2030)/ base year (2021)
Scope 1 GHG emissions								
Gross Scope 1 GHG emissions (tCO_2eq)	**5,927**	**4,084**	**925**	**22.7**	**860**	**3,438**	**593**	**5**
Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%)	0	0	0	0	0	0	0	0
Scope 2 GHG emissions								
Gross location-based Scope 2 GHG emissions (tCO_2eq)	**53,510**	**63,047**	**44,025**	**69.8**	**40,943**	**31,036**	**5,351**	**5**
Gross market-based Scope 2 GHG emissions (tCO_2eq)	**2,328**	**1,595**	**1,432**	**89.8**	**1,332**	**1,350**	**233**	**5**
Significant Scope 3 GHG emissions								
Total gross indirect (Scope 3) GHG emissions (tCO_2eq)	**238,961**	**268,877**	**240,458**	**89.4**	**223,626**	**138,597**	**23,896**	**5**
(1) Purchased goods and services	140,994	146,646	124,520	84.9	115,803	81,777	14,099	5
(2) Capital goods	40,669	36,219	30,085	83.1	27,979	23,588	4,067	5
(3) Fuel and energy-related Activities (not included in Scope 1 or Scope 2)	24,483	28,201	29,819	105.7	27,731	14,200	2,448	5
(4) Upstream transportation and distribution	257	451	280	62.0	260	149	26	5
(5) Waste generated in operations	425	673	517	76.9	481	247	43	5
(6) Business travel	406	2,233	1,358	60.8	1,263	235	41	5
(7) Employee commuting	1,736	1,987	1,896	95.4	1,764	1,007	174	5
(8) Upstream leased assets	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
(9) Downstream transportation	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
(10) Processing of sold products	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
(11) Use of sold products	28,959	49,512	49,289	99.5	45,839	16,796	2,896	5
(12) End-of-life treatment of sold products	1,032	2,955	2,694	91.2	2,505	599	103	5
(13) Downstream leased assets	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
(14) Franchises	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
(15) Investments	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total GHG emissions								
Total GHG emissions (location-based) (tCO_2eq)	**298,398**	**336,009**	**285,408**		**265,429**	**173,071**	**29,840**	**5**
Total GHG emissions (market-based) (tCO_2eq)	**247,216**	**274,556**	**242,815**		**225,818**	**143,385**	**24,722**	**5**

GHG intensity based on net revenue

GHG intensity per net revenue	N (2024)	N-1 (2023)	% N / N-1
Total GHG emissions (location-based) per net revenue (tCO_2eq/EUR)	0.00013	0.00015	84
Total GHG emissions (market-based) per net revenue (tCO_2eq/EUR)	0.00011	0.00013	88

Accounting principles – Greenhouse gas emissions

Elisa's energy consumption and GHG emissions include data from all Elisa group companies as reported in Elisa's financial statements. GHG emissions are calculated in accordance with the GHG Protocol Corporate Accounting and Reporting Standard and the Corporate Value Chain (Scope 3) Accounting and Reporting Standard. Elisa takes general principles of calculations into account in its calculations. The boundaries of the calculation are defined so that they best correspond to Elisa's operations. Reporting covers direct GHG emissions (Scope 1), indirect GHG emissions (Scope 2) and upstream and downstream value chain emissions from relevant categories in Scope 3.

Direct energy includes fuels, oils and gas purchased by Elisa for its use in mobile (such as company cars) or stationary sources (such as heating systems or generators). Scope 1 emission calculations are based on Elisa's direct energy consumption and relevant emission factors for each fuel type. The emission factors are derived from the latest Statistics Finland database.

Indirect energy includes the consumption of procured heating, cooling and electricity in various facilities (such as office premises, shops, networks, etc.) that Elisa leases or owns. In general, consumption figures are obtained from the lessor (building management company), rental bills or relevant invoices. When the actual consumption is not available, the energy is calculated based on square meters and using facility-specific consumption intensity (kWh/m^2).

Scope 2 emission calculations are based on Elisa's indirect energy consumption. Elisa reports both location-based and market-based figures. Location-based emissions for electricity consumption are calculated by using the three-year average for the total supplier mix from the latest European Residual Mix reports. For companies outside the EU, country-specific data is used, when available. In cases where country-specific data is not available, global averages are used. Market-based electricity calculations are performed using the three-year average for the residual mix from the latest European Residual Mix reports. For companies outside the EU, country-specific data is used, when available. If country-specific data is not available, global averages are used. When available, country-specific factors are used for heating and cooling. When not available, heating and cooling heating factors from the latest UK Department for Environment Food and Rural Affairs (Defra) report is used.

Elisa's core market retail sale of information and communication equipment is categorised as high climate impact sector G47.4. We do not separate this activity in Elisa's financial statements. The total energy consumption of Elisa companies relative to revenue (energy intensity) is derived from Elisa's total energy consumption reported in table 'Total energy consumption in 2024' divided by the total revenue of the Elisa group's income statement (Note 2.3 of consolidated financial statements).

Elisa reports all the material categories of Scope 3 emission as listed in table Gross GHG emission under significant Scope 3 emissions in tonnes of CO_2 equivalent. The materiality of the specific categories and companies are based on euro-based threshold. Where the data exceeds the threshold, it is reported under relevant categories. The data used in Scope 3 are obtained either directly from Elisa's internal systems or from third-party partner reports. Where it is possible to obtain product- and supplier-specific CO_2 coefficients, they are used. For example, emissions from electronic products are calculated using supplier- and product-specific factors (e.g.: Apple products, laptops, etc.), and upstream transportation is calculated using supplier-specific emission factors. When not available, we use the general average or industry-specific factors (e.g: Defra's emission factors, emission factors from the LIPASTO transport emission database or the average of different life cycle assessment research). 0.12 percent of emissions are calculated based on primary emission data provided directly by the suppliers.

Six GHG emission categories are excluded from the calculation – upstream leased assets, downstream transportation, processing of sold products, downstream leased assets, franchising and investments – as they were assessed to be non-material. Elisa does not have significant leased assets under Scope 3 that are not already included in Scopes 1 and 2. Energy consumption at rented sites as well as energy consumption of other operators with leases is calculated and reported in Scope 2. Elisa does not engage in franchising, and emissions from investment and processing of sold products are not relevant. Emissions from downstream transportation are included in the upstream transportation categories.

Due to Elisa's growing international footprint, the boundaries of our reporting and data include new acquisitions made in 2024. Elisa continuously develops its measurements, which may imply changes in the data beyond business or operational changes. In 2024, we thoroughly developed our data collection and management processes and prioritised primary data over secondary estimated or assumed data, resulting in an overall enhancement in data quality. These improvements are noticeable, for example, indirect energy and scope 3 purchased services. Further, we have kept GHG emission factors in Scopes 1 and 2 up to date according to sources provided by third parties. Additionally, we have also updated our GHG emission factors based on the latest available knowledge for Scope 3 emissions.

Elisa's emission impact relative to revenue (emission intensity) is derived from the total emissions of Elisa companies reported in table 'Total GHG emissions' divided by the total revenue of the group's income statement (Note 2.3 of consolidated financial statements).

ESRS E5

Resource use and circular economy

Policies

Elisa updated its group-level Environmental Policy in 2024 to advance its goals of resource efficiency, circularity and waste management. The policy focuses on key areas such as reducing waste, enhancing resource efficiency and transitioning toward a circular economy. Elisa promotes reducing reliance on virgin resources and sustainable sourcing by supporting circular design solutions and prioritising circular alternatives whenever feasible. Within its operations, Elisa focuses on extending product lifespans and developing circular business models aimed at phasing out landfill use and minimising non-energy waste incineration. The company also supports its customers and stakeholders in the circular economy by providing circular offerings to customers.
At Elisa, we develop our operations with the approach of prioritising prevention, reuse, refurbishing and recycling, and other recovery methods over disposal. We are committed to minimising waste generation through responsible business practices, engaging stakeholders in circularity initiatives and ensuring that the transition to a more circular economy is fair and just for all.

More information on the scope and implementation of this policy is described in the section Climate change

Our approach

As part of double materiality assessment, Elisa has evaluated its impacts, risks and opportunities which is explained in the DMA section of this statement. Elisa does not have manufacturing operations of its own, but we recognise that our business and operations are dependent on using natural resources, which are required to produce devices and equipment that we use and sell. Additionally, we see the resource outflow aspect of the circular economy largely as an opportunity, for example through our device refurbishment and repair business for consumer customers, or by providing device-as-a-service circular economy business models for our corporate customers.

Elisa is dependent on upstream value chain climate commitments to reach its climate targets. Through circular economy actions in collaboration with our suppliers, we are continuously improving resource efficiency in our own activities, but also more widely in our value chain. Circularity actions are also important vehicles to positively contribute to our climate and other environmental impacts. We have established business models in our downstream value chain that enable our customers to engage with circular business models. Similarly, we continuously seek ways to improve the resource efficiency of our own operations, through reuse, repair and refurbishment, as well as contributing to second-hand marketplaces.

Elisa has not directly engaged with local communities regarding circularity and waste; however, we have regular dialogue and co-operation with our customers and suppliers including waste management partners. Elisa has not identified any communities directly affected or harmed by Elisa's impacts on resource use and circular economy including waste. We assess our impact to ensure that impacts of our actions do not negatively affect our stakeholders and will evaluate remedy actions if such cases emerge.

As the circular economy (including resource inflows and resource outflows-waste) is assessed to be material for Elisa, as part of our climate transition, we have set Elisa group-level Zero Waste 2030 target. Zero waste for us means the conservation of resources in all operations to avoid harmful discharges. Elisa's Zero Waste 2030 target is voluntary and is not mandated by legislation. It addresses minimising and gradually phasing out waste to landfill. Waste is managed through targeted actions in upstream direct operations and downstream, including proper treatment through circularity processes, such as materials recovery and reuse.

The target is divided into three sub-targets. The first sub-target is zero waste in capital goods deliveries, which means minimising and using recyclable packaging materials for network equipment. The second sub-target is zero waste to landfill or non-energy incineration, which means minimising waste from offices and stores as well as reusing, refurbishing and responsibly recycling network equipment. The third sub-target is zero waste until customer handover, which means reusing, refurbishing and responsibly recycling devices. The progress of performance is reviewed against the target set. The target is aligned with our Environmental policy where we have pledged to manage the material negative impacts and risks of our operations. We have engaged the internal stakeholder in setting the targets.

Targets, actions and performance in 2024

Target	Scope	Performance	Key Actions
Zero waste in capital goods deliveries (upstream) by 2030	Elisa group	The Zero Waste 2030 target was defined, and the Environmental Policy of Elisa was updated accordingly in 2024, providing a foundation for coming work.	Supplier engagement for climate transition planning, with an initial focus on logistics in Finland.
Zero waste to landfill or non-energy incineration (direct) by 2030	Elisa group	The Zero Waste 2030 target was defined, and the Environmental Policy of Elisa was updated accordingly in 2024, providing a foundation for coming work.	Promoting business opportunity to reuse of network equipment in Finland and Estonia. Updated assessment of waste stream processes in offices, with an initial focus in Finland.
Zero waste until customer handover (downstream) by 2030	Elisa group	The Zero Waste 2030 target was defined, and the Environmental Policy of Elisa was updated accordingly in 2024, providing a foundation for coming work.	Development of carbon impact calculation for refurbished and repaired devices in Finland. Improvement and development of device circularity to align with EU taxonomy requirements in Finland. Raising awareness through social media campaign among consumer regarding device circularity and reuse.

Elisa is one of Finland's largest mobile device retailers, which is why the resources used for manufacturing of devices is material for us. In our role as a service provider, we can have a positive impact on electronic waste and the environment by offering solutions that extend the lifespan and data-secure recycling of devices. The company follows statutory regulations and instructions, also when building its networks. In building and maintaining our network, we have a process for reusing equipment; if doing so is not practically feasible for technical reasons nor financially viable due to, for example, poor energy efficiency, the material of hardware is recycled. In our office premises, recycling and waste management is organised by local partner. Waste-related data is collected through Elisa's sustainability reporting and monitoring system and is based on data from partners or their own estimates. Performance against the target is monitored in CRMB as well as in relevant Elisa operations.

Elisa is committed to supporting solutions designed for circularity through eco-design and extending product lifetimes. This includes reusing, repairing and refurbishing products to enhance their durability, reparability and recyclability, all of which are key components of the transition towards a more circular economy. We are reducing our reliance on new raw material inputs, and our aim is to prioritise sourcing circular alternatives and increasing materials recovery within our own operations. Our commitment extends to seeking the sustainable sourcing of materials, prioritising circular alternatives in our supply chain and safeguarding the health and safety of the workforce. These efforts are in line with the cascading principle of renewable resource use, which emphasises responsible and efficient utilisation of resources.

Elisa engages consumers in circular thinking, for example by increasing awareness and promoting device recycling through incentives for customers. We also continue to expand our sustainable and circular offerings, for example through device-as-a-service business models.

Resource inflows

Manufactured electronic devices, network technologies and batteries make up the majority of inflowing materials. We utilise these technologies to operate our networks and to provide services and products to our customers and end users. These devices and technologies utilise metals and minerals, including some critical and rare materials. Many of these materials have few or no available substitutes and cannot be replaced. Additionally, the inflow also includes batteries, which can include some precious metals.

Resource inflows in 2024

Total weight of resource inflow products including packaging (kg)	**79,199,692**
Percentage of biological materials including packaging (%)	0.4
The absolute weight of secondary reused or recycled components, secondary intermediary products and secondary materials including packaging (kg)	0
Percentage of secondary reused or recycled components, secondary intermediary products and secondary materials (%)	0

Accounting principles – Resource inflows

The data includes Elisa Corporation (Finland) and Elisa Eesti As as the resource inflow is most relevant to these businesses. The total weight of products includes all of the manufactured materials, electronic devices and network technologies procured during 2024. The weight data is collected from Elisa's procurement system, where the supplier provided data is used when available. In case such data is not available, we have used researched estimations. The biological material used or acquired is insignificant, thus we estimate it to be close to zero. Weight and share of secondary reused or recycled materials are estimated to be negligible and thus zero, as we do not have adequate and accurate data to do any justified calculations.

To ensure accuracy, we have diligently avoided double counting by using the data from Elisa's procurement system only once and have used third party assurance of data and calculations.

Resource outflows – Waste

Elisa does not manufacture or produce any of the products it offers in the market. Elisa operates as a retailer, supplying products to customers. In this capacity, the resource inflows and outflows – including the products and their packaging volumes – are nearly equivalent. Concerning our network operations, facilities, office premises and businesses, our resource outflows result mainly from electronic waste, which typically includes network equipment, other electronics and batteries (both rechargeable and non-rechargeable) and in addition packaging. The amount of office waste is minimal in Elisa's waste volume, and we adhere to the waste management principles of reducing, reusing and recycling, in collaboration with local waste management partners.

Elisa operates under the Extended Producer Responsibility principles by recycling electronic devices, batteries and accumulators, as well as packaging material. Replaced network equipment is either reused in our own operations, sold to the second-hand market or recycled through our third-party partner. The pieces of equipment that are handed over to a third-party partner for further refurbishment and sales are first collected and examined by Elisa to assess whether they are commercially viable, before being packaged for transportation. Our shops in Finland and Estonia have WEEE collection receptacles for consumer electronic consumables, through which e.g. devices are taken for re-processing to become materials for new electronic products. Our shops in Finland have specific collection boxes for recycling mobile devices and other portable devices. We offer monetary compensation for phones eligible for reuse, for example, when purchasing a new device. Collected devices are repaired, refurbished and reintroduced to the market for consumers, contributing to the circular economy.

Additionally, Elisa also complies with local laws as part of producer responsibility, for example in Finland regarding the recycling of packing waste

Total waste generated in 2024

Total amount of waste (kg)	**838,763**
Non-recycled waste (kg)	219,803
Non-recycled waste (%)	26
Total amount of hazardous waste (kg)	**356,435**
Total waste diverted from disposal (kg)	**675,699**
Hazardous waste (kg)	356,415
Preparation for reuse (kg)	N/A
Recycling (kg)	356,415
Other recovery operations (kg)	N/A
Non-hazardous Waste (kg)	319,284
Preparation for reuse (kg)	N/A
Recycling (kg)	262,545
Other recovery operations (kg)	56,739
Total waste directed to disposal (kg)	**163,065**
Hazardous waste (kg)	20
Incineration (kg)	N/A
Landfill (kg)	N/A
Other disposal operations (kg)	20
Non-hazardous Waste (kg)	163,045
Incineration (kg)	163,045
Landfill (kg)	N/A
Other disposal operations (kg)	N/A

Accounting principles – Resource outflows – Waste

The data includes all Elisa group companies as reported in Elisa's financial statements. Elisa's waste volumes consist of materials generated directly across various facilities (such as offices, shops and network infrastructure sites) and are predominantly linked to our business operations. Most of the waste is comprised of battery waste and WEEE (encompassing technology equipment and consumer electronic products), as well as metal and packaging waste. In addition, office waste forms a minor portion of our total waste volume and typically includes materials such as paper, cardboard and biowaste. The composition of these waste streams includes several types of materials, notably minerals, metals and critical materials from technology equipment and batteries, plastics from packaging materials and biomass from office biowaste. Waste data is systematically gathered through reports from our waste management partners or building management, ensuring accuracy. In cases where actual data is unavailable, particularly in certain office locations, estimates based on office headcount are used, as this directly correlates with waste generation. However, the estimated data amounts to less than 3 percent of Elisa's total waste volume.

S – Social

ESRS S1

Own workers

Policies

Elisa acknowledges the universal and absolute nature of fundamental human rights that protect the freedom, dignity and equality of all people. Elisa is committed to respecting human rights in accordance with the United Nations Guiding Principles on Business and Human Rights (UNGPs) and the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises throughout our value chain.

Elisa is committed to respecting the human rights and labour rights of everyone working for Elisa, either directly as an employee or indirectly as non-employees. Our commitment and statement are established through our Human Rights Policy and Code of Conduct. We always comply with local labour legislation and collective labour agreements in the countries where we operate.

The Code of Conduct establishes the framework for our business operations and sets out the ethical standards for Elisa group employees, businesses and partners. More information on the Code of Conduct is described in the section Business Conduct.

Elisa's Human Rights Policy – which was updated in 2024 – sets the foundations for and guides our development of our human rights due diligence process across all our operations and chains of activities as well as the framework for Elisa's human rights commitment. It was updated according to Elisa's human rights impact assessment results. Impact assessment was conducted in alignment with the UNGPs, and it takes in consideration internationalisation of Elisa operations and the evolution of human rights due diligence process. The policy applies to Elisa, the entities that it owns or in which it holds a majority interest, and the operations that it manages.

Elisa expects its workers, business partners and other parties whose own impacts may be directly linked to Elisa's operations, products or services to respect and not infringe upon human rights. The Elisa policy on human rights highlights our dedication to ensure a workplace free from harassment, bullying and discrimination, and to treat everyone equally in recruitment, career and learning opportunities, compensation, and in termination of work relation. Elisa does not tolerate any form of human trafficking, forced labour, bonded labour or slavery, or any form of modern slavery, within Elisa or in its chain of activities. In cases where the company identifies potential adverse human rights impacts, it is committed to promptly and effectively providing and enabling remedies. Elisa's grievance and remediation approach includes addressing any adverse human rights impacts that the company has caused or contributed to that affect individuals, workers or communities.

Health and safety

Elisa's occupational health and safety practices are lead through good management and action programmes that are part of our daily work. The development of the working environment is the right and duty of every employee. Employees can participate in and influence the handling of occupational health and safety (OHS) issues in the workplace. Elisa complies the occupational health and safety legislation of each country where it operates.

Occupational healthcare operates in accordance with good occupational healthcare practice. It aims to ensure a healthy and safe working environment and a well-functioning work community, to prevent of work-related illnesses, and to maintain and promote the working ability and functional capacity of Elisa employees. An annual action plan covering all units and localities and has the key objectives of occupational health care. The functionality and effectiveness of occupational healthcare are monitored via e.g. reports on sickness-related absences and occupational healthcare costs, as well as user feedback.

Elisa's human resource functions are responsible for the procurement and development of occupational health care. In addition to that, Elisa has established a working environment committee that addresses OHS issues at the Elisa Corporation level in Finland and coordinates the activities of the OHS organisation and programs. The working environment committee monitors the implementation of occupational health care services and makes development suggestions. Additionally, the committee is responsible for drawing up the OHS action program, determining measures for monitoring the healthiness and safety of workplaces and monitoring accidents and sickness-related absences at the company level. Working environment teams monitor sickness-related absences on a location/region/activity-specific basis.

Elisa collects, records, and measures the number of work-related injuries of its subcontractors both in Finland and Estonia. Also, we follow local laws and guidance and cooperate closely with the subcontractors to ensure the safety of performing the job. 95 percent of Elisa's employees are covered with OHS, and no fatalities have occurred in the last three years.

Information about healthcare services is available on Elisa's intranet pages, and it is also included in employees' induction.

Diversity, equity and inclusion

As an employer, Elisa follows principles of non-discrimination and equality in all our operations, and we also require compliance with these principles from all of our partners. We promote equality throughout the entire life cycle of employment. Diverse workforce enriches our perspectives, promotes innovation and supports learning together. At Elisa, equality and equity are steered by several guidelines and principles, the most important of which are Elisa's values and the Elisa Code of Conduct. Every employee conducts mandatory training in the Elisa Code of Conduct, which introduces Elisa's non-discrimination principles. The occupational health and safety, human rights and remote working policies strengthen equality and equity, and they are also promoted through our daily management practices. Responsibility for implementing these practices and ensuring adequate resource allocation is assigned to Elisa's Executive Vice President of human resource function, who oversees the integration of these values into our operations.

Elisa develops workplaces and working practices to provide adequate and safe working conditions for all, making reasonable accommodations where necessary. The company also welcomes equal access to family leave. To facilitate employees', return to work after family leave or other longer absences, we usually agree with employees about sharing information on current issues. Adequate reorientation training is provided for those returning from family leave.

Elisa is committed to providing a working environment that encourages everyone to learn, grow, share ideas and develop their work. It is important that everyone can be themselves and feel heard as they are. Discrimination, bullying and harassment, including racism and sexual harassment, are not tolerated at Elisa. Elisa strives to treat everybody equally, regardless of any need a person has for special support, their ethnic origin, age, sexual orientation, gender or religious beliefs, or other personally distinguishing characteristics. It is important to recognise that implementing equality and equal treatment requires us to make evaluations based on dimensions other than, for example, just gender.

Communicating and enabling dialogue about equality and equity is an important part of promoting them. We share information and facilitate internal dialogue with employees through for example internal newsletters and separate, targeted events about equality. Elisa monitors the effectiveness of its internal communication measures through our employee engagement survey. The means for equity communication are reviewed in Equality and Equity Working Group and Sustainability Communication Group.

Each Elisa company has appropriate, compliant and updated equality and equity plans, guidelines and policies available on their intranets. Elisa Corporation (Finland) is a member of the Finnish Business & Society (FIBS) diversity network and the Inklusiiv community in Finland. Elisa Eesti As is also a member of Estonian Human Rights Center diversity network and have signed Estonian Diversity Charter.

Training and career development

Elisa sees continuous learning as one of the major enablers for its business success. The Enabling Learning process describes how we at Elisa enable daily learning for every employee. It covers our roles and main practices for learning. One of Elisa's values is we grow and develop fearlessly, which guides elisians to be enthusiastic about learning and continuous improvement. At Elisa, we approach competence development through the 70-20-10 learning model (70 percent learning from the work, 20 percent learning from others, 10 percent formal training), and we systematically develop competencies. Employees agree about how to develop their competences with their line manager in their Learning and Objective Discussions, which ensures that the direction of competence development is aligned with our strategy. Overall, the purpose of the 70-20-10 model is to expand our thinking regarding methods of competence development, as well as to help us recognise the best ways to do our daily work.

Elisa wants to foster continuous learning for all. The company takes advantage of various Elisa-supported learning methods (such as job rotation and working experiments), which also make our operations more flexible. The company wants to involve employees when developing their work and teamwork. Elisa constantly develops working community based on, for example, the results of regular employee surveys.

Working conditions

Elisa complies with applicable legislation and laws regarding working conditions and labour laws in all the countries of operation in addition to relevant Elisa-level practices. Our Human Rights Policy reaffirms our commitment to fair terms and conditions of employment. In Finland, Elisa follows industry-specific collective bargaining agreements. More than 95 percent of Elisa employees are located in Europe (e.g. in Finland, Estonia, Italy, Sweden, Germany), which has strict statutory requirements concerning working conditions in areas such as reasonable working hours, annual leave, parental leave and part-time work. Where national law allows, all employees are free to choose whether they want to be part of a trade union. Where the nature of the work permits, employees can have flexible working hours and flexibility in choosing when they work remotely.

Elisa has an established European Works Council (EWC). The goal of the EWC is to improve employees' access to information, which means the exchange of views and dialogue between management and employees. The dialogue takes place directly and openly. Strong interaction is an essential part of information and consultation, intended to clarify and communicate the needs both of Elisa and its employees.

Our approach

Elisa is an important employer in our domestic markets, Finland and Estonia, where more than 80 percent of our workforce are located. However, as an increasingly international company, we also employ a growing number of professionals in various locations globally to work in our digital service businesses. In addition to our employees, we employ more than 6,000 indirect workers (non-employees) through external employment agencies.

Elisa revisits impacts on workforce through regular assessments, employee feedback and engagement. In that process, it takes especially consideration to vulnerable or marginalised groups. These groups could include workers with different disabilities, age, gender, sexual orientation or work in unique contexts and are undertaking specific activities.

Elisa's workforce consists mainly of employees in technology development, sales and customer support roles, requiring specialised knowledge and skills in the ICT sector. These positions are mainly situated in office or store environments. The work is carried out with laptops and other smart devices. The health impacts of the work are typically related to mental and physical strain. Furthermore, employees working in retail environments, such as shops and open stalls in malls, may face safety impacts due to customer behaviour. Additionally, part of non-employee worker is involved in the construction and maintenance of Elisa's network infrastructure, requiring activities such as climbing high masts/towers, which present health and safety risks. Health and safety concerns are significant for workers engaged in network construction and maintenance due to the nature of their work. Other non-employee workers, including subcontractors, agency workers and consultants, work under Elisa's supervision but are employed and compensated by third-party companies. Nonetheless, Elisa recognises its direct and indirect impact on these non-employee workers. All these workforces that can be materially impacted by Elisa's operations and business activities are included in the scope of disclosure Elisa is committed to enhancing the wellbeing of its workforce through initiatives focused on mental health support and safe working conditions. The company actively pursues opportunities to positively impact its employees and non-employee workers by providing continuous training, development programmes, and a supportive work environment. These initiatives benefit all workers, including those in office and customer-facing roles, by improving job satisfaction and performance. Elisa also seeks opportunities to foster a positive work culture that emphasises diversity, equity and inclusion, which can enhance employee engagement and productivity.

In the autumn of 2024, Elisa decided to introduce new hybrid work principles from the beginning of the year 2025, requiring employees to work at minimum three days per week in the office location of Elisa. The new hybrid working model was introduced to proactively mitigate the potential negative impacts of too extensive remote work and to emphasise the importance of face-to-face interaction in maintaining and developing the company culture, as well as strengthening the sense of belonging and community among employees. However, the company recognizes that this change will have impact on Elisa's Scope 3 emissions that are related to employee commuting, as an increase in office days may raise commuting emissions compared to remote work. Additionally, more days in the office could contribute to slightly higher emissions from office waste, although office waste makes up only a minor proportion of Elisa's total waste volume.

Elisa recognises the importance of collective bargaining agreements and upholds the rights of workers to organise and engage in collective negotiations. We ensure that all workers, including those employed through third parties, are aware of their rights and have access to mechanisms that protect these rights.

Elisa's human rights due diligence and impact assessment showed that we do not have operations in countries or industries with significant risks of forced or compulsory labour. Similarly, there is no significant risk of child labour within our operations. Elisa has not identified any material negative impacts that would affect or harm the workforce. The company continually assesses and works to prevent any potential negative impacts of its actions. Elisa has allocated different types of financial and human resource including establishment of effective processes and systems to manage the material impacts.

If Elisa fails to uphold good employment practices and working conditions, there could be risks related to increase in lost days, loss of talents, potential revenue losses from customer boycotts, negative media coverage and loss of investor and stakeholder trust which all might impact materialised as financial risks. On the other hand, when endorsing practices according to our policies, guidelines and relevant local law, opportunities could emerge through talent attraction, employee engagement and wellbeing, upskilled employee and employee retention supporting Elisa's financial performance.

Engaging with workers and workers' representatives

Elisa maintains regular engagement between employees and senior leadership through various formal meetings, ensuring that perspectives from all groups, including those who may be particularly vulnerable or marginalised, are heard. CEO staff meetings are held every month, providing a platform for direct communication between the CEO and employees. Additionally, division and unit meetings occur weekly, ensuring ongoing dialogue and engagement at all levels. Employees also have one-on-one meetings with their managers on a weekly, bi-weekly or as-needed basis, offering all employees, including those in vulnerable or marginalised groups, the opportunity to provide feedback and express their perspectives.

Employee engagement survey

Elisa fosters a culture where everyone feels psychologically safe to voice their concerns and opinions, regardless of hierarchical position. Elisa has no global framework agreement on human resources, but there are joint statements in the company's values, mission and vision. Elisa conducts a global employee engagement survey twice a year to gather insights on various aspects of organisational functionality and employee experiences.

These surveys enable us to understand employees' experiences, further identify areas for improvement and take action to improve them. The survey covers topics related to employees' work, such as work-related information, motivation, development opportunities, tools, conditions and workload. It also examines teamwork, including collaboration, goal orientation, support, effectiveness and working methods. Leadership is another key focus, with questions about management, feedback practices and development. The survey assesses the whole organisation, including management, cooperation, communication, internal organisational image and customer orientation. Finally, it explores Elisa's corporate culture and overall working environment.

The employee engagement surveys are confidential web surveys conducted together with an external partner. The human resource functions coordinate the survey process and communicates the results through internal channels. The survey findings are reviewed at all levels of the organisation, from individual teams to the entire Elisa group. The results are used by various development groups and forums to identify strengths and development needs, leading to the formulation of action plans aimed at improving employee engagement. We consider any potential barriers related to cultural differences, geographic location, gender, age, role and employee tenure, both in the survey itself and during discussions regarding development actions. Additionally, we closely assess our employees' perceptions of equality. To ensure transparency and inclusivity, we communicate the outcomes of the survey to all employees, thereby reducing any further potential barriers to engagement. Feedback, including differing viewpoints, is discussed at all organisational levels: company, unit, profit unit, department and team. For instance, we have various ongoing initiatives aimed at enhancing competence development opportunities for different target groups. We also monitor the effectiveness of the engagement process and specific improvement actions at the team and department levels. At the group-level, we track employee response rates against a benchmark, which has consistently remained above 75 percent. This high response rate reflects the effectiveness of our engagement strategies and encourages employees to share their perspectives.

Learning and objective discussions

Elisa's Learning and Objective Discussions (LODs) are a process between employees and their managers that takes place at least once a year. It is in advance planned opportunity for employees and supervisors to set goals, plan learning and discuss other relevant topics such, as wellbeing, feedback and the dynamics of the work community. The process begins with a self-evaluation by the employee, where they assess their performance, learning and plans. This is followed by a discussion with their manager in commonly agreed suitable time and place. These discussions are integral to aligning personal development with organisational objectives and enhancing the overall work experiences of employees.

Engagement with workers' representatives

In Finland, the terms of employment for Elisa group employees are determined by collective bargaining agreements for the ICT and IT service sectors, as well as by the commerce sector collective bargaining agreement and the collective bargaining agreement for senior salaried employees in the technology industry. These agreements are subject to continuous negotiation, and in the absence of a current agreement, the terms of the previous agreement remain in effect until a new one is established. Approximately 75 percent of employees are covered by collective bargaining agreements, ensuring continuous representation and negotiation on their behalf. Elisa has an established European Works Council (EWC) to improve employees' access to information and facilitate dialogue between management and employees. The EWC includes representatives from Finland, Estonia, Germany and Romania, covering 85 percent of employees as of 2024.

Elisa has regular dialogue with employee representatives through an agreed meeting procedure and through other ongoing collaboration. In Finland, the annual Elisa CEO meeting involves selected employee representatives and chief shop stewards. In the meeting participants discuss about financial statements, production and employment prospects, profitability and significant management decisions. It serves as one of the information and influence channels per the Act on Co-operation within Elisa. In Finland, there is an employee representation in corporate and consumer business unit.

At Elisa Corporation, there are also regular monthly Chief Shop Steward Group meetings, which engage in the dialogue specified in the of Act on Co-operation within Elisa, monitor compliance with co-operation laws, and address measures impacting employees. Additionally, units and profit units meet weekly for ad hoc collaboration, while department, employees and team meetings occur as needed. Continuous collaboration happens at local levels, involving local shop stewards and human resource function's managers as part of daily operations.

Occupational health and safety committees

Elisa's Occupational Health and Safety Committee plays a crucial role in developing and implementing the company's health and safety action programmes. The primary objectives of the committee are to continuously improve employees' occupational health and safety and to prevent accidents. The committee is supported by regional teams that include an occupational health and safety manager, safety representatives, regional managers, human resource function's representatives and facility management services. A health sector representative may also attend meetings as an expert, if necessary. The OHS team is responsible for addressing issues related to working conditions, processing incident reports, investigating occupational accidents, monitoring the implementation of corrective measures and ensuring overall safety standards.

Processes to remediate negative impacts and channels for raising concerns

Compliance with applicable laws and the Elisa Code of Conduct is the responsibility of every Elisa employee. In addition, reporting misconduct is everyone's right and obligation. Elisa employees and non-employees can report any suspected misconduct, which could include, among other things, breaches of law in Elisa's operations, as well as violations or breaches of the Elisa Code of Conduct and the Elisa guidelines that apply to an employee's own supervisor or line manager. Alternatively, reports can always be made directly to the following functions: legal, human resources, corporate security, sustainability, or internal audit. Furthermore, Elisa has a confidential and secure whistleblowing channel, where known or suspected breaches can be reported anonymously. For more information on our whistleblowing channel and how we protect whistleblowers against retaliation, see the section Business Conduct.

Fair and consistent application of disciplinary measures for breaches or non-compliance is important in ensuring fair and equal treatment of employees in all situations. Elisa communicates to all employees that unethical, unlawful or non-compliant conduct will not be tolerated and will result in consequences in accordance with applicable laws, regardless of the position or title of the employee who engages in such conduct. In addition to penalties and negative consequences for violations, Elisa also provides positive incentives, such as the Elisa Values awards. Further, Elisa's performance-based bonus metrics also include compliance-related metrics that act as positive incentives.

Additionally, for matters related to equality, Elisa's Human Resources Management Board and Corporate Executive Board evaluates the situation in regard to equality every year. This is done by including questions in the employee engagement survey that evaluate how well equal treatment is realised at Elisa. Within the company, we can use these principles as a basis for drawing up more detailed instructions for implementing equality. The equality plans of Elisa Corporation and Elisa Santa Monica in Finland have been processed as required by the law and regulations. The implementation of the plans is monitored primarily at the company level in cooperative bodies and in Equality and Equity Working Group in Finland.

Targets, actions and performance in 2024

Target	Scope	Performance	Key Actions
Employee engagement target of being among the best 10 percent globally.	Elisa group	Below the target. Employee engagement survey score: 69	Strengthened the dialogue with employees through improved communication measures (initiatives to further enhance the team's dialogue through supervisor training). Leadership development by deploying Elisa Way Leadership skills and practices to a wider audience to positively impacting on Elisian's engagement. Several projects running in different business units, all aimed at improving the employee wellbeing experience by providing employees with support and tools for managing their own wellbeing.
100 percent of our employees involved in LOD process have Individual learning plans.	Elisa group	85 percent of employees involved in LOD process had individual learning plans.	Reinforced AI and data competencies by arranging trainings, workshops and events, with a wider e-learning possibilities and building communities around the topics. Updated the learning paths as well as the collections of courses and learning materials, in several areas of competence.
Share of women in supervisor position 33.5 percent by 2029.	Elisa group	29 percent of women in supervisor position	Established non-biased recruitment training for all managers, and the establishment of the Elisa Women community.

Elisa has set three group-level targets aimed at managing the material negative impacts and risks as well as promoting positive impacts. The progress of performance is reviewed against the target set. The targets for employee engagement and women in supervisor positions are set as part of Elisa's strategy work and are approved by Elisa's CEB. Targets related to individual learning plans are set by Elisa's process owner. Employees and employee representatives are not directly engaged in setting the targets. However, for employee engagement they participate to the tracking of performance and in identifying the learnings against targets as defined in section Employee engagement survey. Regarding the share of women in supervisor positions and employees participating to LOD process have individual learning plans, workers participate only to the tracking of performance. Workers participate to the tracking of the performance. We continually invest in employee development, diversity and wellbeing, ensuring that our practices do not contribute to material negative impacts on our workforce. These efforts are closely aligned with Elisa's broader sustainability goals, including the achievement of several United Nations Sustainable Development Goals, as we aim to create lasting positive impacts for our employees.

We are committed to creating a positive impact on our workforce through various action plans, initiatives and continuous improvements aimed at mitigating risks and enhancing employee wellbeing. To measure our performance as an employer, we conduct twice-yearly employee engagement surveys, with the ambitious long-term 2030 goal of being among the top 10 percent of employers globally. The insights gathered from these surveys allow us to identify and address potential negative impacts while tracking progress toward improving workforce satisfaction and inclusivity. Additionally, we will ensure that 100 percent of our employees involved in the LOD process have individual learning plans by 2030, supporting strategic competence development. Through developing competences and growing talent, we ensure a strong group of skilled professionals. This initiative is a core driver of Elisa's strategy execution.

Diversity and gender equality are key areas of focus at Elisa, and we have set a long-term, group-level target of having 33.5 percent of supervisor positions filled by women by 2029. As part of Elisa's Sustainability Linked Loan, we have committed to increase the share of women in supervisor positions at Elisa group-level. In 2024, the performance was 29 percent. For Elisa, supervisor means the person having subordinates and is calculated as share of women in supervisor position divided by all genders in supervisor position. The 2024 performance data from the newly acquired Elisa SedApta company is excluded, as the integration is ongoing and will be fully completed in 2025. We regularly monitor and review women's career development within the organisation. Leadership development is supported through our Elisa Way Leadership programme, which includes diversity and career development training, mentorship and career progression opportunities. Employee wellbeing is another cornerstone of our workforce actions. We are working to develop applicable group-level metrics and targets related to occupational health and safety in 2025. In 2024, we enhanced our mental health toolkit and launched holistic wellbeing pilot sessions for new employees. We also increased the visibility of occupational health and safety issues through internal campaigns addressing topics such as mental health, safe commuting and occupational hazard assessments. As part of our ongoing commitment to employee health, we are improving the risk group health check process, ensuring it is easier for managers to manage and monitor key health-related information.

Characteristics of employees

Headcount by gender in 2024

Gender	Number of employees (headcount)
Male	4,617
Female	2,021
Other	93
Total Employees	**6,731**

Headcount by contract and employment type, broken down by country in 2024

	Finland	Estonia	Italy	Sweden	Germany	Indonesia	France	Belgium	Romania	Others	Total
Number of employees (headcount)	4,622	948	388	145	134	70	61	54	50	259	**6,731**
Number of permanent employees (headcount)	4,587	926	388	144	129	64	57	54	50	252	**6,651**
Number of temporary employees (headcount)	35	22	0	1	5	6	4	0	0	7	**80**
Number of full-time employees (headcount)	3,708	884	363	139	102	70	59	54	45	252	**5,676**
Number of part-time employees (headcount)	914	64	25	6	32	0	2	0	5	7	**1,055**

Headcount by country in 2024

Country	Number of employees (headcount)
Finland	4,622
Estonia	948
Italy	388
Sweden	145
Germany	134
Indonesia	70
France	61
Belgium	54
Romania	50
Others	259
Total	**6,731**

Headcount by contract and employment type, broken down by gender in 2024

	Male	Female	Other	Total
Number of employees (headcount)	4,617	2,021	93	6,731
Number of permanent employees (headcount)	4,577	1,982	92	6,651
Number of temporary employees (headcount)	40	39	1	80
Number of full-time employees (headcount)	3,887	1,720	69	5,676
Number of part-time employees (headcount)	730	301	24	1,055

Employees turnover in 2024

Number of employees who left the company (headcount)	1,190
Rate of employee turnover	0.18

Accounting principles – Characteristics of employees

The data includes the Elisa group actual headcount figure i.e. all companies that are included into Elisa financial statements at the end of the reporting period. In financial statements, headcount equivalent to FTE is disclosed and can be referenced.

At Elisa, headcount means the gross total number of employees with valid contracts. When reporting headcount, only direct employees who had ongoing employment relationships with Elisa at the end of the reporting period are reported. An employee is an individual who is in an employment relationship and has a direct contract with an Elisa company, including subsidiaries (legal entity), which pays their salary, according to national law or its application.

The primary source of employee data is Elisa human resource function's information system.

Others in Gender means gender other than men or women as specified by the employees themselves.

A permanent employee is an employee with contract for full-time or part-time work for an indeterminate period. A temporary or fixed-term employee is an employee with contract that ends when a specific term of employment expires, or when a specific task that has a time estimate attached is completed, including the end of a project or work phase, or the return of replaced employees.

A full-time employee is an employee whose working hours per week, month or year are defined according to national legislation and practice regarding working time (such as national legislation which specifies that full-time means a minimum of nine months per year and a minimum of 30 hours per week). A part-time employee is an employee whose working hours per week, month or year are less than those of full-time as defined above.

The fluctuations in number of employees are mainly due to the acquisition of companies made during the reporting period.

The employee turnover is calculated as the number of employees who have left the company divided by the total number of employees in the end of reporting period.

Characteristics of non-employee workers in the workforce

Headcount of non-employee workers in 2024

	Number of non-employees (headcount)
Agency workers	381
Consultants	436
Facility management workers	184
Subcontractors / service providers	5,346
Other	6
Total	**6,353**

Accounting Principles – Characteristics of non-employees

The primary source of non-employee's data is Elisa human resource function's information system. The reported number of non-employees are the actual headcount at the end of the reporting period. Elisa has defined its non-employee workers as follows

- Agency worker: Agency workers are employed by the agency, which pays their wage. The user company (Elisa company) directs and supervises the work being done. An agency worker works full time for the user company. Agency workers most commonly work in customer service or as technical specialists.
- Consultant: A consultant is like an agency worker in relation to the contractual relationship. However, consultants are usually used in more professional tasks and in problem-solving and development-related work.
- Facility management worker: A facility management worker works on facility management, such as maintenance of workspaces, as restaurant workers, etc.
- Subcontractor / service provider: This type of contingent worker is directed and supervised by another company, and the work is typically project-based or single-task assignments, such as telecom mast equipment installation and maintenance, network hardware installation and maintenance, facility heating, ventilation, and air conditioning (HVAC)/electrics or equipment installation.

Collective bargaining coverage and social dialogue

Percentage of total employees covered by collective bargaining agreements and social dialogue in 2024

	Collective Bargaining Coverage		Social dialogue
Coverage rate	**Employees, EEA** (For countries with >50 employees representing >10% total employees.)	**Employees, non-EEA** (Estimate for regions with >50 employees representing >10% total employees)	**Workplace representation (EEA only)** (For countries with >50 employees representing >10% total employees)
0–19%	Estonia, Sweden, Germany, Belgium	Indonesia	Belgium, Sweden, France, Italy
20–39%			
40–59%			
60–79%			
80–100%	Finland, Italy, Romania, France		Finland, Estonia, Germany, Romania

Accounting Principles – Collective bargaining and social dialogue

The data includes the Elisa group actual headcount figure i.e. all companies that are included into Elisa financial statements at the end of the reporting period.

Collective bargaining agreements are either at the level of the organisation, at the industry level (in countries where that is the practice), or at both. Collective bargaining determines working conditions and terms of employment, and/or regulates the relations between employers and workers, and/or regulates relations between employers or their organisations and a workers' organisation or workers' organisations. It covers all types of negotiation, consultation or simply exchange of information between or among representatives of governments, employers, their organisations and workers' representatives on issues of common interest relating to economic and social policy. For employees not covered by collective bargaining agreements, their terms of employment are based on national local laws.

Social dialogue includes employees having country representations in European work council (EWC).

Diversity metrics

Distribution of employees by age group in 2024

	Number of employees (headcount)
Under 30 years	1,552
30–50 years	3,713
Over 50 years	1,466
Total	**6,731**

Diversity data of top management is disclosed under section Sustainability governance.

Training and skills development metrics

Employees participating in regular performance and career development reviews in 2024

Employee participation (%)	**73**
Male (headcount)	3,357
Female (headcount)	1,506
Other (headcount)	75

Average number of trainings hours per employee in 2024

Total Employees (h)	**12**
Male (h)	12
Female (h)	11
Other (h)	0.2

Accounting Principles – Trainings and skills development

The data includes the Elisa group actual headcount figure i.e. all companies that are included into Elisa financial statements at the end of the reporting period.

Regular performance and career development reviews are based on criteria known to the employee and their superior. For Elisa, this is the Learning and Objectives Discussion process. The review is undertaken with the knowledge of the employee at least once per year and can include an evaluation by the employee's direct superior, and feedback by their peers or a wider range of employees. Elisa's human resource functions monitor this process. The performance data is based on actual data and primary source is Elisa human resource function's information system.

Training hours for Elisa is defined as hours used for training, such as: vocational training and instruction, paid educational leave provided by an organisation for its employees, training or education pursued externally and paid for in whole or in part by an organisation or training on specific topics. All forms of such training should last at least one hour. The data include the minimum training hours of all employees, as there are many types of training data, which are not centrally collected. For example, we have not included on-site coaching by supervisors or peers (such as onboarding).

The training hours data are received directly from the third-party training partners, platform or Elisa's own training system. Where the data is unavailable, we estimate that based on best available proxy data.

Health and safety metrics

Employees health and safety data in 2024

Percentage covered by health and safety management system (%)	95
Number of fatalities (as a result of work-related injuries and work-related ill health)	0
Number of recordable work-related accidents	76
Rate of recordable work-related accidents	8
Number of cases of recordable work-related ill health	0
Number of days lost to work-related injuries and fatalities from work-related accidents, work-related ill health and fatalities from ill health	85

Accounting principles – Health and safety

The data includes the Elisa group actual figure i.e. all companies that are included into Elisa financial statements at the end of the reporting period. Non-employees' data are not reported in this metric. Number of days lost is due to the work-related accidents. There has not been any fatalities or cases of work-related ill health in 2024.

Incidents, complaints and severe human rights impacts

Incidents, complaints and severe human rights impacts data in 2024

Number of work-related discrimination incidents, including harassment	7
Number of complaints filed through whistleblowing channels	7
Number of fines, penalties or compensation for damages as a result of the incidents and complaints disclosed above	0
Number of severe human rights incidents connected to own workforce (e.g. forced labour, human trafficking or child labour)	0
Number of severe human rights issues and incidents connected to own workforce that are cases of non-respect of UN Guiding Principles and OECD Guidelines for Multinational Enterprises	0
Number of fines, penalties or compensation for severe human rights issues and incidents connected to own workforce	0

Accounting principles – Incidents, complaints and severe human rights impacts data

The number include confirmed cases of work-related discrimination incidents filed through Elisa's whistleblowing channel.

ESRS S2

Workers in the value chain

Policies

Sustainability related to workers in the value chain is guided by the Elisa Code of Ethical Purchasing, which describes the ethical and legal duties, responsibilities and obligations related to the organisations that supply Elisa with machinery, equipment, software, systems, material and services. The Code of Ethical Purchasing is based on international labour standards set out in the International Labour Organization (ILO) Conventions, the United Nations' Universal Declaration of Human Rights, the United Nations' Guiding Principles for Business and Human Rights, and the Convention on the Rights of the Child.

Elisa expects all its suppliers to implement the code across their business operations and supply chains. In addition to compliance with the Elisa codes and policies, suppliers are expected to comply with all applicable laws, directives and standards in all countries in which they operate. Suppliers are expected to appropriately communicate the Code of Ethical Purchasing to their employees and to ensure that adequate training and procedures are in place to enable compliance with the code. The code is applicable for all value chain workers to promote safe and fair working conditions as well as responsible management of environmental and social issues in Elisa's value chain.

The implementation of the Elisa Code of Ethical Purchasing is the responsibility of Elisa's procurement organisation. The head of Elisa's procurement unit reports to Elisa's Group CFO.

Elisa excepts the suppliers to comply with Elisa's Code of Ethical Purchasing or similar principles and requirements including:

Working conditions

- Fair employment practices including working hours and payment
- Freedom of association and right to collective bargaining
- Non-discrimination
- Compliance with local labour laws

Health and safety

- A healthy and safe working environment must be provided for employees in accordance with international standards and national laws. This includes, for example, access to clean toilet facilities, drinkable water and, if applicable, facilities for food storage.
- Where an employer provides accommodation, it must be clean and safe, and it must meet the basic needs of employees.
- Appropriate health and safety information and training must be provided to employees.

Other working condition related

- No person may be employed who is below the minimum legal age for employment.
- Children (persons under 18 years) must not be employed for any hazardous work, or for work that is inconsistent with their personal development.
- Where a child is employed, the best interests of the child must be the primary consideration.
- Policies and programmes that assist any child found to be performing child labour must be contributed to, supported or developed.
- Forced, bonded or compulsory labour, slavery and human trafficking are strictly prohibited.
- Employees must be free to leave their employment after giving reasonable notice. Employees must not be required to lodge deposits of money or identity papers with their employer.

Elisa's Code of Ethical Purchasing and Human Rights Policy set out the expectations for our suppliers, including ethical standards related to human rights and labour rights. Elisa's Human Rights Policy (which was updated in 2024) is also referred to in Elisa's Code of Ethical Purchasing for suppliers. The updated policy includes expectations from Elisa to its suppliers in relation to forced and compulsory labour. We expect our suppliers to implement in all their operations these sets of expectations concerning, for example, health and safety, freedom of association, collective bargaining, wages and working hours.

Elisa does not, under any circumstances, accept any form of forced labour, bonded labour or modern slavery within our own operations or in our supply chain. The company is committed to minimising forced or compulsory labour risks in our supply chain. Elisa proactively seeks opportunities to raise awareness and engage with its supply chain, to build and employ a risk-based approach to assess and drive improvements in the management of forced or compulsory labour risks. Similarly, Elisa does not approve of the use of illegal child labour, with no exceptions. Elisa takes actions to prevent, mitigate and remediate impacts related to child labour. The company actively engages with its suppliers to assess and monitor its supply chain for child labour risks. Accordingly, children under the legal working age are not to be recruited or employed. Further, it is not permitted for any hazardous work to be performed by an individual under the age of 18 years. If child labour is detected, we will act in the best interests of the child.

Elisa does not tolerate or accept any form of human trafficking in its operations or chain of activities. Any suspicion of the use of forced or compulsory labour or misconduct by a supplier of Elisa will lead to immediate action to investigate and act accordingly on the reported potential concern. Where actual incidents are detected and engagement does not result in timely improvement, we reserve the right to terminate our operations with relevant suppliers. We have not identified any confirmed cases of non-respect of the UN Guiding Principles on Business and Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, or the OECD Guidelines for Multinational Enterprises that involve value chain workers. However, we conduct audits according to the Joint Alliance for CSR (JAC) framework, which includes topics related to human rights and labour rights. Any identified issues are followed up with corrective action plans.

Our approach

Elisa's value chain encompasses a broad range of workers who may be materially impacted by our operations. This includes workers involved in the production and distribution of network equipment, servers, electronic components, consumer electronics and software services. These workers may be employed by our suppliers, subcontractors or logistics providers, and their treatment and working conditions are a significant focus of our impact assessments. All these value chain workers who can be materially impacted by Elisa's operations and business activities are included in the scope of the disclosure.

Significant risks associated with child labour and forced labour are present in certain geographies and commodities within our value chain. Specifically, the extraction and sourcing of metals and minerals mining especially tin, tantalum, tungsten and gold (called 3TG minerals), which are commonly used in all electronic devices, are linked to modern-day slavery and child labour. These minerals are important to electronic devices and thus they represent a significant risk area in our supply chain. Elisa's assessment has also identified that the risk of potential issues related to child and forced labour could be high in certain geographies, such as China, India and the USA. While Elisa's direct influence on these issues is limited by the scale of our procurement and the location of these issues (arising mostly at the bottom of our supply chain tiers), we acknowledge the potential for significant negative impacts, and we actively work to mitigate these risks. The other most common material negative impacts identified include excessive working hours, inadequate wages and issues in working conditions. These impacts are often linked to hazardous environments and insufficient worker protections, particularly in low-tier suppliers and subcontractors.

Elisa aims to improve the identified understanding of which groups of workers are more vulnerable and thus may be at greater risk of harm. For example, migrant workers, women and young workers are at increased risk of exploitation and abuse, especially in regions with weaker regulatory oversight. By identifying these high-risk groups, Elisa aims to implement targeted measures to protect their rights and improve their working conditions. Conversely, Elisa also engages in activities that contribute positively to value chain workers. For instance, through our membership of the JAC, we promote ethical practices and sustainability within the ICT supply chain. The JAC audits and training programmes in supply chain aim to enhance workers' working conditions and promote issues like health and safety, which can lead to positive impacts for workers across our value chain.

To track and monitor issues related to workers in the value chain, Elisa conducts and utilises audits as well as risk and impact assessments. This work enables us to identify issues or risks to be corrected and to make sure that corrective actions needed are implemented effectively in supply chain. Elisa also engages with stakeholders and suppliers to ensure that our monitoring processes are comprehensive and transparent.

Elisa has conducted a supply chain impact assessment and implemented compliance and contractual controls for supplier selection. Human and labour rights violations present a higher risk in certain regions within supply chain. Such incidents could lead to severe reputational damage, financial liability or litigation, particularly due to increasing requirements and regulations for corporations' due diligence processes. Negative media coverage, loss of investor and stakeholder trust, potential revenue losses from customer boycotts or the need to disengage from certain suppliers or markets are additional risks that we anticipate in the longer term in case of any negative impacts.

Processes for engaging with workers in the value chain

At Elisa, procurement organisation and business vendor managers have key roles in ensuring the continuous development of our responsible sourcing. The company has named responsible people for our most important over 180 suppliers to ensure continuous dialogue and improvement. Moreover, the company interacts with workers in the value chain through e.g. co-operation meetings and audit processes and other supply chain management interactions. In several joint co-operation meetings with our suppliers, we strive to address important sustainability issues, including labour and human rights impact.

As a member of the JAC, Elisa participates in a coordinated audit and supplier development programme, which follows a common methodology for verification, assessment and follow-up of corrective action plans (CAPs). Corrective actions are followed regularly through the JAC collaboration and directly with the suppliers. Through these audits, we engage directly with workers in high-risk environments 1–5 times per year to assess labour conditions and human rights concerns. This approach enhances our ability to manage potential risks and improve transparency and accountability across the ICT supply chain. Our participation in the JAC also provides access to industry best practices, facilitates collaboration with other telecom operators and significantly improves our auditing capacity. The effectiveness of these engagements is measured through regular supplier assessments, audit reports and follow-up on CAPs, ensuring continuous improvement and alignment with the JAC's CSR standards.

While the company has robust mechanisms in place, including direct and indirect engagement with supply chain workers, we recognise the need to take a risk-based approach towards further development of our processes for gathering insights from particularly vulnerable or marginalised workers. Currently, we do not have a formal global framework agreement specific to workers' rights, but we are continuously evaluating opportunities to strengthen our commitments in this area. This is a focus for future improvement.

Processes to remediate negative impacts and channels for workers in the value chain to raise concerns

Elisa encourages its suppliers or their workers to report any suspected violations, misconduct or non-compliances that they observe. Incidents can be reported through the accountable vendor manager, Elisa's whistleblowing channel or during JAC audits. All notifications are processed accurately and carefully, safeguarding and respecting the privacy of the submitter. Anonymous notifications can be submitted through Elisa's whistleblowing channel, and they are addressed according to Elisa's whistleblowing principles. Elisa Code of Ethical Purchasing guides for notifying any misconduct through the whistleblowing channel. For more information on our whistleblowing channel and process, see the section Business conduct.

When any notifications are reported through JAC audits, we investigate and if required set the appropriate CAPs. These actions are followed regularly with the suppliers. Elisa continually assesses and works to prevent any potential negative impacts of our actions.

Targets, actions and performance in 2024

Target	Scope	Performance	Key Actions
100 percent of suppliers that have committed to the Elisa Code of Ethical Purchasing or similar terms by 2030.	Elisa Corporation (Finland)	36 percent of targeted suppliers accept Elisa code of Ethical purchase.	Initiation of vendors categorisation into A, B and C categories in Elisa Eesti As (Alignment with Elisa corporation categorisation).
100 percent of suppliers assessed in the supplier database based on sustainability factors by 2030.	Elisa Corporation (Finland)	43 percent of targeted suppliers assessed.	Enhancing the coverage and transparency of the supplier database information in Elisa Corporation (Finland). Updating of sustainability-related questions (information regarding their practices in climate change mitigation as well as in human rights due diligence process) in Elisa Corporation (Finland).
100 percent of vendor managers who have completed ethical purchasing training by 2030.	Elisa Corporation (Finland)	22 percet of vendor managers completed the training.	Completion of comprehensive procurement process training for internal buyers in Elisa Eesti As.

Elisa has set three 2030 targets to improve its procurement services and operations regarding A, B and C category suppliers as well as to manage the material negative impacts and risks as well as promoting positive impacts for value chain workers. These suppliers account for more than 60 percent of Elisa's spending and are categorised from Elisa's strategy, risks and impact point of view. Elisa's targets are aligned with the UN Global Compact principles as well as Elisa Code of Ethical Purchasing. Elisa's goal is to improve working conditions and to uphold labour and human rights for workers in the value chain while ensuring a safe working environment. These actions contribute positively to the UN Sustainable Development Goals, particularly Goal 3: Good health and well-being and Goal 8: Decent work and economic growth. The progress of performance is reviewed against the target set. We have not yet engaged value chain workers or their representatives in the target setting process. This engagement is identified as an area for future development to further enhance our impact further.

The company's first target is to have 100 percent of our A, B, and C suppliers committed to Elisa's ethical purchasing or equivalent principles. With these requirements, the company sets clear expectations for our suppliers regarding ethical practices and procedures. The second target is having 100 percent of A, B and C suppliers conducted self-assessment according to Elisa's sustainability-related questions in the Elisa's supplier management tool.

The third target is for 100 percent of vendor managers to complete online training on Elisa's ethical purchasing principles. Through accessible and mandatory education, we strengthen the implementation of ethical procurement standards in our operations. The company regularly monitors progress towards this target at least annually and reminds vendor managers of the training requirement.

The effectiveness of the actions is reviewed in relation to the targets we have set regularly in CRMB and Procurement Management Board.

In 2024, targets are set at Elisa Corporation (Finland) level, but we will revisit these targets to be able to set Elisa group-level targets during 2025. To set the group-level target and to further improve supplier management and collaboration, Elisa Eesti As operations have also begun categorising the vendors into categories A, B and C.

As mentioned above, we also promote the principles of the UN Global Compact in our value chain, including by introducing Elisa's ethical principles into practice, training employees on ethical business conduct, and engaging in regular dialogue with stakeholders in the value chain through audits, ensuring that corrective actions are documented, and their implementation is effectively monitored.

Additionally, Elisa performs background checks on all suppliers to identify any known human rights violations or sanctions. Our supplier evaluations emphasise the need for companies to implement proactive measures for occupational safety, maintain a written code of conduct and provide an anonymous reporting channel for workers. For subcontractors involved in the maintenance and construction of our infrastructure, we proactively ensure the compliance of the subcontracting chain by conducting thorough background checks during the tendering process. Subcontractors are also subjected to security checks to uphold our high security standards.

ESRS S4

Customers and end users

Policies

Privacy and data protection of customers and end users is guided by Elisa's privacy-related principles, policies and guidelines. Processing of personal data is based on Elisa's Data Protection Policy, which specifies the implementation of data protection requirements at Elisa's operations. The policy is mandatory for Elisa, as well as its subsidiaries and suppliers, based on the contracts signed with them. The Data Protection Policy and the principles and guidelines complementing the policy are reviewed frequently, and they include e.g.

- Processing of personal data
- Data protection principles (serves as a privacy notice)
- Advertising and customer privacy policies, principles, and practical guidance (available in Finnish)
- Guidance on electronic direct marketing
- Requirements for the processing of traffic and location data for marketing
- Employee data protection principles (serves as a privacy notice)
- Principles for personal data processing in the staff recruitment process (serves as a privacy notice)
- Practices related to data protection organisation and assessments, and a monthly overview of EU data protection breaches with analyses

The policy aims to protect Elisa's customers, employees and other stakeholders' rights to confidentiality in their communications and personal data, as well as to ensure that employees and processes comply with the requirements. Implementation of data protection must consider the requirements of legislation and the authorities, as well as other requirements, in the correct processing of data. A high level of data protection requires high-quality and reliable operations, which benefit customers, and that the planning and implementation of data protection is part of the operations and systems.

Elisa's Security Governance Board is responsible for strategic steering and decision-making related to data protection at Elisa. Appropriate data protection is everyone's responsibility. Fulfilling the data protection requirements is a part of our normal business responsibility, and the line organisation is responsible for ensuring its implementation. Data protection requirements must always be considered when services, processes and systems are being developed. Business units are responsible for data protection, including when they acquire data processing services from external providers. Elisa has separate Data Protection Officers for operations in Finland and Estonia, who steer and provide guidance in matters related to data protection and monitor the implementation of these issues. A subsidiary of Elisa may, if the nature of the operations and operation environment requires, nominate a Data Protection Officer or acquire one as a service. The Data Protection Officer must be specifically designated if the subsidiary's core operations include, for example, processing sensitive data on a large scale, or regular and systematic monitoring of data subjects. Elisa's Data Protection Group coordinates and develops data protection-related issues and rolls out requirements for units and subsidiaries. It also prepares the data protection principles and other significant issues with regard to business operations for Elisa's Security Governance Board. Elisa's Data Protection Specialist Group and Data Protection Ambassador organisation ensure data protection awareness and competence. The Corporate Security unit steers the preparation activities and is responsible for the development of overall security, and it provides support in the implementation of data protection within units.

To ensure effective implementation, in practice, the Data Protection Policy is communicated to affected stakeholders and those involved in its application through mandatory training and via the Data Protection Ambassador organisation.

In addition to the group-level policy, each Elisa company has an additional set of principles and policies. For example, Elisa Polystar has established internal data processing policies and instructions for staff, as well as externally imposed policies, principles and contractual obligations from customers on behalf of whom personal data is processed. This includes limitations on purpose and access, geographical limitations and other technical limitations. The scope of policies is both general (covering areas like the information security framework and ISO 27001 certification) and specific to customer contractual commitments. These policies and instructions are integrated into onboarding, company-wide guidelines, and department-specific staff training. Responsibility for upholding information security while considering the interests of data subjects and customers rests with the Board of Directors, CEO, and line managers.

In Elisa Eesti As, we have developed specific privacy policies tailored to various data subject groups, all of which are publicly accessible:

- Privacy Policy for Private Customers
- Privacy Policy for Legal Entities
- Privacy Policy for Recruitment

For our employees, the privacy policies are accessible via our intranet and include detailed privacy notices and specific requirements governing the processing of personal data by staff members. Elisa's Data Protection Policy, along with guidelines for personal data processing, is communicated to employees upon their onboarding. This ensures that they are fully aware of their responsibilities regarding data privacy. The implementation of these policies is supported by regular training sessions and adherence to established protocols, which help ensure that all employees understand and comply with data protection requirements. By making policies readily available to both our customers and employees, we reinforce our commitment to accountability and transparency in our data handling practices.

Our approach

Privacy and data protection

Secure infrastructure, well-functioning networks with fast connections and reliable digital services form the foundation for a modern digital society affecting everyone. Our networks connect millions of people, homes, organisations and applications. The security of customers, networks and systems is important and a key part of what we do. We understand our special role in relation to privacy, data protection, data security and the protection of confidential communications. Elisa promotes the principle of confidential communication to all its customers as a foundational and ingrained principle of its operations.

Elisa complies with all applicable privacy and data protection regulations, including, but not limited to, the EU General Data Protection Regulation, the Finnish Data Protection Act and Act on Electronic Communications Services, as well as any applicable national data protection legislation when operating globally. Simultaneously, we respect international human rights principles, such as the United Nations Declaration of Human Rights and the Guiding Principles on Business and Human Rights, as well as other international standards, such as the OECD Guidelines for Multinational Enterprises, which aim to promote and protect people's right to privacy. These regulations and legislation describe our requirements, and the regulatory authorities oversee compliance with these laws and may require us to take corrective action, when necessary.

All of the customers and end users that use Elisa's sold products or services can be materially impacted by Elisa's operations and business activities and thus are included in the scope of disclosure. This also includes vulnerable groups such as elderly and young people as well as children. We collect and process various types of personal data to provide and improve our services. The data includes contact information, identification details, service-related data, usage data and customer interaction records. This data is collected to deliver services, communicate with our consumer and corporate customers, improve our offerings and ensure service quality. As a result of these operations, our impacts may include, for example, data breaches, unauthorised access and the misuse of personal information.

Elisa is committed to mitigating these negative impacts and risks through robust technical and organisational security protocols as well as different types of financial, human and technological resources including establishment of effective processes and systems. Additionally, we continually focus on access rights limitation, adhere to the principle of least privilege and implement additional security measures in collaboration with relevant staff, particularly those directly involved with data and systems management. The implementation of these protocols and measures leads to positive outcomes and impacts, including data minimisation, pseudonymisation, encryption, enhanced data security measures that protect consumer information, implementation of privacy-by-design principles in our product development and educational initiatives that raise awareness about data privacy among our consumers and end users

A high level of privacy is a key strategic objective for Elisa, especially because as a telecommunication operator, we have a major role in building and providing digital infrastructure.

The protection of confidential information, personal data and the confidentiality of communications is carried out by implementing security and privacy measures as part of development phases. Key services are continuously monitored to prevent and recognise incidents that occur in these services. Elisa ensures prompt and appropriate management and review of any allegations of personal data and security breaches.

Elisa has not identified material negative impacts that would have had affected or harmed the customers and end users. We continually assess and work to prevent any potential negative impacts of our actions.

In 2024, there were no confirmed severe human rights issues regarding privacy. There were eight (8) inquiries from data protection authorities or other competent authorities related to data breaches.

The Data Protection Team is primarily responsible for defining data protection requirements, providing guidance to employees and management and ensuring compliance with applicable data protection laws and regulations. Each unit is supported by a designated data protection coordinator and/or Data Protection Ambassadors positioned in the business units, who oversee compliance within their respective areas, ensuring a proactive approach to risk management.

To enhance oversight and facilitate informed decision-making, Elisa has a Data Protection Group composed of representatives from all business units. This group addresses data protection risks and aligns strategic priorities across the organisation. Furthermore, the International Data Protection Group consists of representatives from Elisa's major international businesses and subsidiaries.

Additionally, annual internal self-assessments are conducted within all units to review compliance levels and discuss key focus areas. In our commitment to fostering a culture of compliance, we have set the target, and we require all employees to participate in mandatory security and data protection training each year.

Annually, the Privacy Team provides a comprehensive report to the Elisa Security Governance Board, detailing the status of data protection compliance and highlighting any associated risks. This structured approach reflects Elisa's commitment to safeguarding personal data and managing privacy-related risks as essential elements of our overall business strategy.

Health and safety

In spring 2024, Elisa conducted a project to identify business opportunities in sustainability. One interesting business opportunity identified was digitalisation in the health and wellbeing sector. The project results were presented to the Board of Directors, and it was decided to continue exploring the business opportunity as part of the 2024 strategic work. The aim of the discovery is to leverage existing B2B health solutions, such as Digihoiva and eKonsultaatio, as well as the company's strong data and AI capabilities to develop innovative health and safety solutions for consumers. This initiative, under the ongoing discovery project on digital health and wellbeing, aligns with the company's broader sustainability goals. The project ran until the end of the year. It focused on areas like elderly home care, mental wellbeing among young people, and technologies that promote female health (femtech). The target of the project are consumers in Finland.

Processes for engaging with consumers and end users

Elisa improves its operations through continuous dialogue with customers and by regularly collecting feedback on its performance to better understand the impacts of its services and the potential related risks. The main tools to gain feedback, in addition to the Net Promoter Score, which is used in Finland and Estonia, are customer satisfaction surveys, different topic-specific customer and non-customer surveys, and focus group interviews. In Finland, we also use regional councils, which give us valuable feedback from stakeholders in each region, and we engage with non-governmental organisations that represent vulnerable groups, such as elderly people (e.g. Valli and Enter Ry) and children (e.g. the Mannerheim League for Child Welfare).

Elisa has business-specific governance and management models which guides the management of feedback and further development of its delivery as well as sales processes through experimentation as well as final implementation. Engagements with consumers and end users take place monthly, and the results are reviewed and discussed in the Consumer Customer Corporate Executive Board.

Where customers reach out through other service channels related to data protection, we have established protocols to ensure that these inquiries are promptly forwarded to the Data Protection Team. This guarantees that customers receive timely and accurate responses.

Information regarding how to contact Elisa with data protection inquiries is readily available on the Elisa website and is detailed in the company's Privacy Policy. Regular engagement occurs as needed, and it is the responsibility of the data protection team to facilitate these interactions and maintain effective communication with our customers.

Processes to remediate negative impacts and channels for consumers and end users to raise concerns

Consumers and end users can report any misconduct or non-compliance with legislation they detect in connection with their co-operation and collaboration with Elisa through Elisa's whistleblowing channel. Issues raised via the whistleblowing channel are addressed according to Elisa's whistleblowing principles. For more information on our whistleblowing channel and process, see the section Business conduct.

Targets, actions and performance in 2024

Target	Scope	Performance	Key Actions
100 percent of employees have completed security certificate training by 2030	Elisa group	83 percent employees completed the training	Enhancing Data Protection Ambassador programme to improve skills and coverage, while strengthening privacy support for our international companies.

The target for security certification training was set as a part of Elisa's strategy process and as a result of DMA findings. Elisa's Security Governance Board regularly reviews and monitors the status of performance of the targets and the effectiveness of the measures. The progress of performance is reviewed against the target set. Customers and end users were not directly engaged in setting the targets. The performance against the target as well as the Key Means are communicated annually in the Sustainability Statement. Elisa is dedicated to managing the material impacts and risks associated with consumers and end users through comprehensive action plans and resources. We have set the group-level target for 100 percent of Elisa employees to have completed security certification training by 2030. This training includes three modules, which focus on security, information security and data protection. The course content is reviewed annually and updated as needed, with each employee required to complete it once a year. The data includes all Elisa group companies as reported in Elisa financial statements. The training data is calculated as number of employees completing the training divided by total headcount in the end of reporting period. This data includes employees on longer sick leaves, absences and parental leaves as well as new hires with tenure 14 days or less. The primary data is from Elisa human resource function's information system and training platform. Newly acquired Elisa SedApta company is included in the total headcount, however as integration is still ongoing, the mandatory training programmes will be launched to the company in 2025.

Additionally, employees are required to complete training in the GDPR. We recognise that Elisa employees are required to be conscious of data protection and privacy issues, as they play a vital role in handling sensitive information and data related to society, customers and personnel. Delivering high-quality and trustworthy actions for the benefit of our customers and end users necessitates maintaining a high level of security, which is also a requirement from regulatory authorities.

We also follow several actions and performance related to privacy in each Elisa company. The key actions are carried out Elisa Security Organisation, who is responsible for establishing and promoting the programs to increase the awareness related to privacy and data protection. They are also responsible for driving the training program. While tracking the effectiveness of actions, we ensure that it does not cause or contribute to material negative impacts on consumers and end users. At Elisa Polystar, our initiatives centre on a data retention project aimed at implementing technical measures for data minimisation. Ongoing efforts will continue into 2025 and beyond to ensure departmental compliance with customer-imposed information security requirements. We also conduct reviews and privacy impact assessments for newly acquired companies and newly developed products and features, as well as customer-imposed audits, including on-premises evaluations.

G – Business conduct

ESRS G1

Role of the administrative, supervisory and management bodies

Elisa's standard for business conduct is defined in Elisa's Code of Conduct, which reflects Elisa's mission and values and further describes the general principles for how employees should treat each other, conduct profitable and ethical business, and take care of the company's assets. Elisa's Code of Conduct is approved by the Board of Directors. It is an integral part of Elisa's business system and forms the foundation of Elisa's group-level compliance framework.

The Elisa Code of Conduct and the compliance framework, which is approved by the Corporate Executive Board, form the basis of Elisa's compliance programme, the purpose of which is to ensure that Elisa operates in accordance with laws and the Code of Conduct. The compliance programme is steered by the Compliance Steering Group, which has members from legal, sustainability, human resources, corporate security, finance, investor relations and communications functions. The Compliance Steering Group annually reviews the Elisa Code of Conduct and defines Elisa's groupwide compliance focus areas, targets and objectives. The compliance programme is regularly reported to the Board's Audit Committee.

Internal Audit independently assesses examines and investigates Elisa's operations, including the effectiveness of the compliance framework and programme, risk management and internal control processes.

Policies

Code of Conduct

Elisa's governance, operations and decision-making are guided by Elisa's mission and values as well as the Elisa Code of Conduct (COC). The Code of Conduct establishes a framework for Elisa's business operations and a foundation for work at Elisa. Its purpose is to help the personnel make the right decisions in their everyday work. Elisa is committed to working according to the Code of Conduct which applies throughout the Elisa group, to all operations, business units and subsidiaries, as well as to every employee, officer, and director of Elisa.

The Elisa Code of Conduct is part of our ever-internationalising business culture. In order for us to act appropriately and consistently, we have set out general principles for how we treat each other, conduct profitable and ethical business as well as take care of the company's assets. This is also vital in creating our ownership value and risk management. The Code of Conduct is complemented by policies and internal instructions.

According to the Elisa Code of Conduct it is the right and duty of everyone at Elisa to report any known or suspected breaches of the Code of Conduct to Elisa for us to be able to remedy any defects and make better choices in the future. This is part of Elisa's open business culture.

All Elisians have a role in upholding Elisa's values by acting in accordance with them and ensuring compliance with laws and the Code of Conduct. The Code of Conduct online training is mandatory for all employees, and it is part of the induction programme for new Elisa employees. In the end of 2024, 90 percent of employees had completed the Code of Conduct training.

Anti-bribery and corruption

Elisa is committed to maintaining the highest standards of ethical business conduct. Elisa's Anti-Bribery and Corruption (ABC) Policy outlines Elisa's zero-tolerance stance on bribery and corruption. It is applicable to all employees, directors and officers within Elisa group and its affiliates, as well as members of the Board of Directors and third parties acting on behalf of Elisa. The policy was most recently revisited and approved by the Board in 2022.

Elisa requires its suppliers, subcontractors and external partners to comply with similar principles and to have zero tolerance for corruption and bribery. The zero-tolerance policy aims to prevent and detect corruption within Elisa's global business environment, reinforcing the principles set out in the Elisa Code of Conduct.

Offering, accepting or authorising bribes or improper payments is strictly prohibited. This includes using intermediaries to facilitate such actions. Employees are not permitted to accept or offer gifts or hospitality that could influence business decisions. All transactions must be transparent, reasonable and documented. Elisa makes donations to non-profit organisations as part of its corporate social responsibility; however, such donations must not be used to gain improper business advantages. Sponsorships must be transparent and align with Elisa's values. While Elisa prohibits all corruption and bribery, whether involving public officials or private sector employees, it is important to note that public officials and authorities are often subject to more stringent anti-bribery and corruption rules and restrictions than those within the private sector. We take specific attention when dealing with public officials. All interactions must comply with applicable laws and be fully documented. We recognise that we may operate in countries where there are more stringent anti-bribery and corruption laws or regulations. In such cases, the provisions of the locally applicable laws will take precedence over the principles that are set out in Elisa's ABC Policy.

All employees must familiarise themselves with the requirements of the ABC Policy and participate in and complete all ABC training that is assigned to them. In addition, regular tailored training is given to employees that are considered to be at the highest risk of facing corruption and bribery risks in their work.

It is the responsibility and obligation of all Elisa employees to report any suspected or actual non-compliance with the ABC Policy or applicable laws to their own manager, Internal Audit, their local legal counsel, or Elisa's Group Legal or Group Sustainability functions. Actual or suspected violations can also be reported anonymously via Elisa's whistleblowing channel, available on Elisa's website. The reported violations of ABC policy or applicable regulation are investigated according to Elisa's main principles of processing the reports of suspected misconduct. Reports are investigated by Elisa

Corporation's Chief Compliance Officer, General Counsel and Director of Internal Audit ensuring the separation from the chain of management involved in the matter. Reports are included in regular misconducting reporting to the Audit Committee.

We assess bribery risks by operations and country. In Elisa's business, function at risk of bribery is associated with international sales and procurement, especially when operating in high-risk countries. Bribery-related risks are assessed, and necessary mitigation measures are implemented as part of supplier onboarding, international sales, and mergers and acquisitions due diligence processes.

Targets, actions and performance in 2024

Target	Scope	Performance	Key Actions
100 percent of employees have completed anti-bribery and corruption training by 2030.	Elisa group	86 percent of employees completed the training.	Tailored training in business sales for the Elisa 's International Digital Services business. Tailored training for the Elisa Eesti As business. Update of Elisa group risk assessment interview tool. Risk assessment interviews in Elisa's CamLine business operations. Internal webinar organised about ABC Policy in Finland. Launch of a new targeted Code of Conduct e-learning including tailored ABC training content for personnel working in Consumer Customer interface in Finland.

Anti-bribery and corruption disclosures in 2024

Number of convictions for violation of anti-corruption and anti-bribery laws	No confirmed violation of anti-corruption or anti-bribery laws
Amount of fines for violation of anti-corruption and anti-bribery laws	No fines for violation of anti-corruption or anti-bribery laws
Number of confirmed incidents of corruption or bribery	No confirmed incidents of corruption or bribery
Information about the nature of confirmed incidents of corruption or bribery	Not applicable
Number of confirmed incidents in which own workers were dismissed or disciplined for corruption or bribery-related incidents	Not applicable
Number of confirmed incidents relating to contracts with business partners that were terminated or not renewed due to violations related to corruption or bribery	Not applicable
Information about details of public legal cases regarding corruption or bribery brought against undertaking and own workers and about outcomes of such cases	Not applicable

Anti-corruption and bribery training completion in 2024

Share of employees completing the training (%)	86
Percentage of functions at risk covered by training (%)	64
Percentage of functions at risk completing the training (%)	58

Accounting principles – Anti-bribery and corruption

The data includes all Elisa group companies as reported in Elisa financial statements. The training data is calculated as number of employees completing the training divided by total headcount in the end of reporting period. This data includes employees on longer sick leaves, absences and parental leaves as well as new hires with tenure 14 days or less. The primary data is from Elisa human resource function's information system and training platform. Newly acquired Elisa SedApta company is included in the total headcount, however as integration is still ongoing, the mandatory training programmes will be launched to the company in 2025. Additionally, other ABC related data is centrally collected and received from Elisa's legal department.

Whistleblowing principles

According to the Elisa Code of Conduct it is the duty of everyone at Elisa to immediately report any known or suspected breaches of the Code of Conduct to Elisa. This principle is supported by providing multiple ways and channels for employees to report known or suspected breaches of the Code of Conduct or applicable laws without having to fear retaliation or other negative consequences. All employees should feel comfortable reporting their concerns.

Suspected breaches of the Code of Conduct and other concerns can be reported to one's own or line manager. Alternatively, reports can always be made directly to the following functions: legal, human resource, corporate security, sustainability or internal audit.

Furthermore, Elisa has a confidential and secure whistleblowing channel, where known or suspected misconduct can be reported anonymously. The channel is available on Elisa's website, and it is open to all employees as well as suppliers, customers and other stakeholders. Elisa employees are also regularly reminded about the whistleblowing channel and how to use it. All reports are taken seriously and managed confidentially in accordance with Elisa's whistleblowing principles which apply to all Elisa group companies.

By maintaining the whistleblowing channel, Elisa ensures compliance with EU Whistleblowing Protection Directive as well as any mandatory and applicable national legislation on whistleblower protection in force in any country at any given time. The whistleblowing channel is Elisa's reporting channel for reports falling within the scope of the mandatory whistleblower protection Legislation. In addition, Elisa wants to receive reports of possible misconduct more extensively than required by the mandatory Whistleblower Protection Legislation. Therefore, people can also report misconduct that falls outside the scope of the Whistleblower Protection Legislation to the whistleblowing channel.

Misconduct can be reported in any suspected breaches of law in Elisa group companies' operations as well as any violations of the Elisa Code of Conduct, for example, in the following matters:

- Bribery and corruption
- Conflicts of interest
- Fraud and financial irregularities
- Violations of tax legislation
- Violations of insider legislation
- Violations of competition and/or consumer protection laws
- Violations of data protection legislation
- Human rights violations
- Environmental violations
- Breaches of trade secrets protection
- Violation of Elisa's contractual principles

The main principles of processing the reports of suspected misconduct include anonymity, confidentiality, protection for whistleblowers, no conflicts of interest and case-specific corrective actions. Elisa Corporation's Chief Compliance Officer, General Counsel and Director of Internal Audit are responsible for handling reports made to the whistleblowing channel, and they are informed of each report received via the channel. Depending on the notification, designated experts may participate in processing the notification, for example experts from Elisa group's legal, compliance, human resource, sustainability and corporate security functions, internal audit, or the business unit in question. External experts may also be appointed to assist in processing the report. All designated experts treat reports confidentially, as described in Elisa's whistleblowing principles.

Notifications submitted to the whistleblowing channel and any measures taken as a result of such reports are regularly reported to the Audit Committee and, if necessary, the members of the CEB as part of the implementation of Elisa's Compliance Programme.

Management of relationships with suppliers

Our suppliers play a vital role in supporting the realisation of our mission — a sustainable future through digitalisation — as well as achieving our climate targets and mitigating and preventing negative human rights impacts. This is done by setting out our social and environmental requirements – and accountability – with our suppliers and by raising awareness, as well as through collaboration and during contractual negotiations. In 2024, we paid EUR 1,234 million to our suppliers and subcontractors. At Elisa, our procurement organisation and our business vendor managers have key roles in ensuring the continuous development of our responsible sourcing. Currently, we have named responsible people for 254 suppliers to ensure continuous dialogue and improvement, especially with our category A, B and C vendors. These vendors account for more than 60 percent of Elisa's spending and are important from the points of view of Elisa's strategy, risks and impact.

Our procurement consists mainly of purchases of consumer electronics and equipment, equipment for network construction, and various services, both in Finland and internationally. Responsibility for purchasing is guided by Elisa's Code of Ethical Purchasing and compliance with the Finnish Act on Contractor's Obligations and Liability, as well as other applicable Elisa policies, instructions and principles. We require compliance with laws and statutes and the prevention of bribery from all our partners and subcontractors. In addition to compliance with our Code of Ethical Purchasing, we expect suppliers to comply with all applicable laws, directives and standards in all countries in which they operate. We also expect our suppliers to appropriately communicate to their employees and to ensure that adequate training and procedures are in place to enable compliance with the requirements of Elisa's Code of Ethical Purchasing. The requirements are applied to promote safe and fair working conditions as well as responsible management of environmental and social issues in the supply chain. We encourage our suppliers and their subcontractors to report any suspected violations or non-compliance with the Code of Ethical Purchasing to Elisa's whistleblowing channel, which is available on our website.

Elisa manages and treats all vendors equally, and we engage with all our suppliers to promote social and environmental sustainability for mutual benefit. Thus, we do not have specific procedures or practices to support vulnerable suppliers. We encourage our suppliers to take climate action with the sustainable supply chain financing facility that we launched in 2024.

Entity-specific

Critical infrastructure

As a provider of critical national infrastructure, we always design, produce and develop our services with security in mind. At Elisa, we follow the principle of security by design, where information security, service security and safe use are taken into account at all stages of development. Developers and service owners ensure built-in security, data integrity and information security. We protect society's most crucial functions, telecommunications connections and data, ensuring that they keep operating. We also want to proactively block a wide range of criminal activity and scam attempts and to develop new ways of combating these increasingly diverse threats. Being able to rapidly adapt to unexpected situations is important in all circumstances.

Cyber security

At Elisa, cyber security is based on requirements from legislation, industry regulations and our agreements with our customers and partners, as well as on the targets that Elisa sets for itself. The most important of those targets are the confidentiality of information and ensuring the continuity of business operations. Information security is a vital part of all of our operations. We implement information security through both administrative and technical measures. We utilise the Cybersecurity Framework from the US National Institute of Standards and Technology, which is widely recognised and used in the industry. The core of the framework comprises five continuous functions: identify, protect, detect, respond and recover. Taken together, these functions provide a strategic picture of cybersecurity risk management and help in developing operations.

In Finland, we also use MITRE ATT&CK, a global knowledge base of real-world attack techniques and tactics, as the basis for developing threat models and methods. In evaluating and developing our own cybersecurity operations, we use Kybermittari, the cybermeter developed by the Finnish Transport and Communications Agency's National Cyber Security Centre. We regularly measure cyber maturity in all our profit units, and based on the results, we produce unit-specific development plans over both the short and long term. Evaluating cyber maturity gives us a valuable point of comparison with other operators in the sector, both nationally and internationally. Cyber security is a key component of our activities and the quality of our services. Our guiding principles are the development of a cybersecurity culture, transparency, clear communication, strong stakeholder cooperation, layered cyber security and continuous development.

Elisa's policies on cyber security are decided by the Elisa Security Steering Group, which also monitors the management of key security risks. The expert groups on data protection, cyber security and operational security are led by the security organisation, and their task is to develop our security activities on an ongoing basis and to put them into practice.

Resilience and reliable infrastructure

Our role in Finnish and Estonian society is to ensure comprehensive and reliable mobile and data communication connections and a securely functioning society. We comply with the universal service obligations defined in Finnish and Estonian legislation. Based on legislation, regulations governing the sector and obligations imposed by the authorities, Elisa must prepare contingency and continuity plans. We have identified the most critical systems, processes and services for business continuity, and comprehensive continuity management plans have been prepared for possible exceptional circumstances, taking into account the restoration of services in different circumstances. We conduct exercises simulating exceptional circumstances, apply what we learn from them into practice and update our plans, as necessary. We are the market leader in mobile networks in Finland, and second in Estonia. In Finland, we handle the majority of country's network traffic, and we are important operator also in Estonia.

As part of Elisa's Sustainability Linked Loan, we are committed to decrease of the share of population without access to high-speed connection in Elisa Corporation (Finland) and Elisa Eesti As. High-speed connection is defined as broadband connection of atleast 100 MBs. It is calculated as share of population in Finland and Estonia without high-speed connection. The coverage with high-speed connection percentage is calculated by dividing the number of residents in buildings that are within high-speed connection network coverage by the total population. The coverage without the high-speed is then calculated as 100 percent minus the total coverage percentage. In 2024, 8 percent of population were without the high-speed connection.

Elisa's Business Continuity Management Policy ensures the continuity of business operations for prioritised products and services in varying degrees of incident situations in accordance with Elisa's strategy as well as legal, regulatory and customer requirements under normal conditions, in situations of disruption to normal conditions and in exceptional conditions, as defined by Finland's Emergency Powers Act and the Emergency Act in Estonia. The development of the business continuity management model is based on the ISO 22301 standard. The Business Continuity Management Policy imposes obligations on Elisa Corporation, its subsidiaries and Elisa's suppliers and subcontractors, in accordance with valid agreements and completed risk analyses.

The Elisa Security Governance Group approves the Business Continuity Management Policy and the related principles. Corporate Security supports and develops business continuity management methods and supervises and verifies the implementation of policies and principles at the Elisa group-level (Elisa Corporation). Each member of Elisa's staff must understand their role in business continuity and must report any events that may affect the continuity of Elisa's services.

Processes for engaging with stakeholders about impacts

We regularly share up-to-date and topical information about the situational picture (Cyber Security Outlook and Cyber Threat Intelligence) with our important stakeholders. This information is gathered from both external and internal sources and deals with the most critical issues for the organisation. We make use of this information in our operations at various levels and in different parts of the organisation, and we share appropriate parts of it with our customers, as well.

Elisa offers its corporate customers Security Operations Center services 24/7. These services give our customers access to a broad range of expert services in various aspects of cyber security. Elisa's services make it possible to have comprehensive monitoring in different operating environments, as well as continuously developed, secure services for long-term development and strengthening of information security. Customer organisations can take advantage of our versatile IT and network management services and our complementary expert and training services. Our certified experts are all Finnish citizens who have received security clearances from the Finnish authorities.

As a pioneer in cyber security in Finland, we already set up our internal computer emergency response team in 2004, which has expanded to become the Cyber Security and Service Operations Center. In 2015, we launched the Elisa

Security Operations Center for corporate customers, a service independent of operators and manufacturers. We promote co-operation and continuous improvement both through internal cyber exercises and in partnership with our customers and the authorities. Co-operation with our customers, communities, public authorities and other businesses and business organisations is important in terms of preparedness and cyber security.

We provide our customers and end users services for cyber risks management and to prepare for exceptional situations.

Processes to remediate negative impacts, and channels to raise concerns

Elisa's network is designed to be resilient, and our operations are based on the Information Technology Infrastructure Library model (incident management process). In our operations, we focus on automation and proactively monitoring services. Elisa's network design principles are based on optimal redundancy. This covers the use of alternative physical locations and routes, as well as redundancy in equipment. Redundancy is also implemented in utility services using e.g. generators and batteries.

In Finland, the authorities set requirements for redundancy (regulation TRAFICOM/54045/03.04.05.00/2020), and in addition to those requirements, our design principles also require the utilisation of redundancy to avoid major or business-critical incidents. Elisa's network and services are built using equipment only from selected vendors, and all new systems and software are tested before deployment. The purpose of this testing is to verify compliance with the existing network infrastructure as well as the functionality of the equipment being tested. Elisa's operations are both proactive and automated. The aim is to handle all incidents before they affect customer services. If an incident cannot be avoided, the recovery time is typically short thanks to automated recovery actions.

Due to the criticality of the business, every employee needs to know and be able to identify their own responsibilities and know how to act when the situation demands it. We have already worked for a long time on raising awareness, implementing operating models and providing a range of different training courses, and we will continue to use all these measures in the coming years as well. Information and skills play critical roles in developing and improving the information security of the entire Elisa group. Training employees is one of the most effective and important ways of combatting cyber threats. In addition to compulsory basic training, we implement customised, in-depth training for a variety of target groups.

To understand the customer experience, Elisa has a Cyber Security and Service Management Center (cSOC), which monitors service availability, and the customer experience 24/7. Based on situational awareness, the cSOC is responsible for both internal and external incident communication and acts as a centralised management function for recovery from major and business-critical incidents and escalation cases.

Every incident in Elisa's network is managed using a trouble ticket system. Incident-specific trouble tickets are populated with relevant information, such as the time and nature of the incident, any mitigation measures and information about the final resolution. This information is used in improving the process and other aspects that affect quality by analysis, classification and machine learning algorithms.

At Elisa, we have a defined process for learning from successes and mistakes. At each meeting, predefined criteria are reviewed, and the findings are translated into improvement tasks for the relevant stakeholders. The execution of these tasks is supervised by the Resolution Management function.

Targets, actions and performance in 2024

Target	Scope	Performance	Key Actions
Cyber Security Maturity of 69 percent by 2027	Elisa Corporation (Finland) Elisa Eesti As Elisa Santa Monica Oy	Cyber Security Maturity of 60 percent	Renewal of cyber security target Raising awareness and building competences through trainings, events and communications. Cyber exercises

Elisa annually assesses the cyber maturity of its business units to track and develop cyber security across the whole organisation. For this, we have set Cyber security maturity target. Elisa's Security Governance Board regularly reviews the status of performance of the target. The progress of performance is reviewed against the target set. The scale of the target is 0-100 percent and the maturity is assessed annually in all U.S. National Institute of Standards and Technology Cyber Security Framework (NIST CSF) categories of identify, protect, detect, response and recovery. The assessments are done using the Cybermeter (Kybermittari) tool, and a consolidated view of the results is presented to the senior leadership. Until 2024, the performance of the target is measured through self-assessment and starting from 2025 Elisa is looking to develop the process further by conducting the cyber maturity assessment (CMA) through facilitated interviews by external party. Additionally, our strategic target for developing cybersecurity awareness and a cybersecurity culture is to ensure that the entire workforce at Elisa is equipped with the knowledge and skills necessary to protect our digital assets and maintain a secure working environment. We focus on enhancing our employees' competences in security measures, increasing engagement in our security culture, and improving real threat detection capabilities. Through comprehensive training programmes, including online courses, micro-training solutions and AI-powered phishing simulations, we are building a more resilient organisation capable of adapting to the ever-evolving cyberthreat landscape.

Prevention of fraudulent calls and scam text messages

Elisa has prevented over 23 million fraudulent calls since it deployed new technical controls to block spoofed calls coming from abroad. Ongoing scam call attacks on Finnish citizens started in 2021, and scam text message campaigns grew in volume during 2023. Both attack types remain active, as attackers change tactics based on the preventive controls used. Co-operation with the authorities and other stakeholders has been critical in successfully blocking malicious traffic. During 2024, our scam mitigation activities prevented 1.4 million scam messages. The prevention and mitigation process are ongoing, as new scam campaigns are launched against Finnish customers.

Distributed denial-of-service prevention and mitigation

Distributed denial-of-service (DDoS) attacks were ongoing during 2024. If not effectively mitigated, DDoS can have serious impacts on online services and websites. Elisa has a continuous prevention and mitigation process in place, which protects against denial-of-service attacks at the application layer and the system level with firewalls and load balancers. Packet scrubbing protects against malicious traffic, allowing the traffic load to be reduced to an appropriate level to ensure that affected services remain functional. Elisa is actively engaged in information sharing with relevant stakeholders and authorities. Mitigation actions are intended to prevent attacks on a larger scale and keep all services up and running. In 2024, Elisa prevented and mitigated 309,700 DDoS attacks.

Continuous threat exposure management

As cyber threats evolve and the overall attack surface expands, there is a need for continuous modern threat exposure management. This requires up-to-date information on how exposed the organisation's operations are to various cyber threats and how those threats evolve over time. In addition to the methods already in use, there are ongoing development projects to enhance the security of our operations. During 2024, the measures taken in continuous threat exposure management included, for example, purple team exercises, automated external attack surface management, a bug bounty programme for external vulnerability management and a development project for continuous threat exposure management that extends beyond standard vulnerability management. In 2024, 667 people signed up for Elisa's bug bounty program. Elisa received 234 reports on vulnerabilities and paid USD 21,750 in monetary rewards.

Assurance report on the Sustainability Statement

(Translation of the Finnish original)

To the Annual General Meeting of Elisa Corporation

We have performed a limited assurance engagement on the group sustainability statement of Elisa Corporation (business identity code 0116510-6) that is referred to in Chapter 7 of the Accounting Act and that is included in the report of the Board of Directors for the financial year 1.1.—31.12.2024.

Opinion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the group sustainability statement does not comply, in all material respects, with

1) the requirements laid down in Chapter 7 of the Accounting Act and the sustainability reporting standards (ESRS);

2) the requirements laid down in Article 8 of the Regulation (EU) 2020/852 of the European Parliament and of the Council on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088 (EU Taxonomy).

Point 1 above also contains the process in which Elisa Corporation has identified the information for reporting in accordance with the sustainability reporting standards (double materiality assessment) and the tagging of information as referred to in Chapter 7, Section 22 of the Accounting Act.

Our opinion does not cover the tagging of the group sustainability statement with digital XBRL sustainability tags in accordance with Chapter 7, Section 22, Subsection 1(2), of the Accounting Act, because sustainability reporting companies have not had the possibility to comply with that provision in the absence of the ESEF regulation or other European Union legislation.

Basis for Opinion

We performed the assurance of the group sustainability statement as a limited assurance engagement in compliance with good assurance practice in Finland and with the International Standard on Assurance Engagements (ISAE) 3000 (Revised) *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*.

Our responsibilities under this standard are further described in the *Responsibilities of the Group Sustainability Auditor* section of our report.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter

We draw attention to the fact that the group sustainability statement of Elisa Corporation that is referred to in Chapter 7 of the Accounting Act has been prepared and assurance has been provided for it for the first time for the financial year 1.1.—31.12.2024. Our opinion does not cover the comparative information that has been presented in the group sustainability statement. Our opinion is not modified in respect of this matter.

Group sustainability auditor's Independence and Quality Management

We are independent of the parent company and of the group companies in accordance with the ethical requirements that are applicable in Finland and are relevant to our engagement, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

The group sustainability auditor applies International Standard on Quality Management ISQM 1, which requires the sustainability audit firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director of Elisa Corporation are responsible for:

- the group sustainability statement and for its preparation and presentation in accordance with the provisions of Chapter 7 of the Accounting Act, including the process that has been defined in the sustainability reporting standards and in which the information for reporting in accordance with the sustainability reporting standards has been identified as well as the tagging of information as referred to in Chapter 7, Section 22 of the Accounting Act and
- the compliance of the group sustainability statement with the requirements laid down in Article 8 of the Regulation (EU) 2020/852 of the European Parliament and of the Council on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088;
- such internal control as the Board of Directors and the Managing Director determine is necessary to enable the preparation of a group sustainability statement that is free from material misstatement, whether due to fraud or error.

Inherent Limitations in the Preparation of a Sustainability Statement

The preparation of the group sustainability statement requires a materiality assessment from the company in order to identify relevant disclosures. This significantly involves management judgment and choices. Group Sustainability reporting is also characterized by estimates and assumptions, as well as measurement and estimation uncertainty.

The determination of greenhouse gases is subject to inherent uncertainty due to the incomplete scientific data used to determine the emission factors and the numerical values needed to combine emissions of different gases.

In addition, when reporting forward-looking information, the company must make assumptions about possible future events and disclose the company's possible future actions in relation to these events. The actual outcome may be different because predicted events do not always occur as expected.

Responsibilities of the Group Sustainability Auditor

Our responsibility is to perform an assurance engagement to obtain limited assurance about whether the group sustainability statement is free from material misstatement, whether due to fraud or error, and to issue a limited assurance report that includes our opinion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of the group sustainability statement.

Compliance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised) requires that we exercise professional judgment and maintain professional skepticism throughout the engagement. We also:

- Identify and assess the risks of material misstatement of the group sustainability statement, whether due to fraud or error, and obtain an understanding of internal control relevant to the engagement in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the parent company's or the group's internal control.
- Design and perform assurance procedures responsive to those risks to obtain evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Description of the Procedures That Have Been Performed

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. The nature, timing and extent of assurance procedures selected depend on professional judgment, including the assessment of risks of material misstatement, whether due to fraud or error. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Our procedures included for ex. the following:

- We have interviewed the key persons responsible for collecting and reporting the information included in the group sustainability statement.
- Through interviews, we gained an understanding of the group's control environment related to the group sustainability reporting process.
- We evaluated the implementation of the company's double materiality assessment process against the requirements of ESRS standards and the compliance of the information provided for the double materiality assessment with ESRS standards.
- We assessed whether the group sustainability statement in material respect meets the requirements of ESRS standards for material sustainability topics:
  - We have tested the accuracy of the information presented in the group sustainability statement by comparing the information on a sample basis with supporting company documentation.
  - We have on a sample basis performed analytical assurance procedures and related inquiries, recalculation and inspected documentation, as well as tested data aggregation to assess the accuracy of the group sustainability statement.
- We gained an understanding of the process by which a company has defined taxonomy-eligible and taxonomy-aligned economic activities and evaluate the regulatory compliance of the information provided.

Helsinki, 30 January, 2025

Ernst & Young Oy
Authorized Sustainability Audit Firm

Terhi Mäkinen
Authorized Sustainability Auditor

Appendix 1

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FINANCIAL STATEMENTS

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Consolidated income statement

EUR million	Note	2024	2023
Revenue	2.1, 2.3	**2,191.5**	2,180.5
Other operating income	2.4	**6.1**	9.8
Materials and services	2.5	**−783.9**	−817.9
Employee expenses	4.1	**−433.3**	−417.1
Other operating expenses	2.5	**−213.5**	−199.3
EBITDA	2.1	**766.8**	755.9
Depreciation, amortisation and impairment	2.1, 5.1	**−279.2**	−274.1
EBIT	2.1	**487.6**	481.8
Financial income	7.4.1	**9.4**	8.7
Financial expenses	7.4.1	**−47.9**	−32.0
Share of associated companies' profit		**−1.2**	−0.4
Profit before tax		**447.9**	458.1
Income taxes	8.1.1	**−91.5**	−84.1
Profit for the period		**356.4**	374.0
Attributable to			
Equity holders of the parent		**358.4**	375.2
Non-controlling interests		**−2.0**	−1.2
		356.4	374.0
Earnings per share (EUR)			
Basic	2.6	**2.23**	2.34
Diluted	2.6	**2.23**	2.34
Average number of outstanding shares (1,000 shares)			
Basic	2.6	**160,509**	160,376
Diluted	2.6	**160,668**	160,530

Consolidated statement of comprehensive income

EUR million	Note	2024	2023
Profit for the period		**356.4**	374.0
Other comprehensive income, net of tax			
Items which may be reclassified subsequently to profit or loss			
Cash flow hedge		**−0.5**	−0.1
Translation differences		**−1.5**	−0.4
Items which are not reclassified subsequently to profit or loss			
Remeasurements of the net defined benefit liability	4.3	**−0.2**	1.2
Other comprehensive income		**−2.3**	0.8
Total comprehensive income		**354.1**	374.8
Total comprehensive income attributable to			
Equity holders of the parent		**356.0**	376.0
Non-controlling interests		**−1.9**	−1.2

Consolidated statement of financial position

EUR million	Note	31 Dec. 2024	31 Dec. 2023
ASSETS			
Non-current assets			
Property, plant and equipment	5.2	**874.5**	815.6
Right-of-use assets	5.3	**94.1**	87.3
Goodwill	5.4.1	**1,262.9**	1,157.2
Intangible assets	5.4	**234.6**	210.3
Investments in associated companies	8.3.2	**11.7**	20.8
Other financial assets	7.4.3	**15.6**	16.0
Trade and other receivables	6.2.2, 7.4.4	**105.1**	107.9
Deferred tax assets	8.1.2	**11.1**	11.5
		2,609.6	2,426.6
Current assets			
Inventories	6.1	**75.6**	77.1
Trade and other receivables	6.2.1	**573.0**	555.8
Tax receivables		**8.3**	1.7
Cash and cash equivalents		**89.9**	63.4
		746.8	698.0
TOTAL ASSETS	2.1	**3,356.4**	3,124.6

EUR million	Note	31 Dec. 2024	31 Dec. 2023
EQUITY AND LIABILITIES			
EQUITY			
Share capital		**83.0**	83.0
Treasury shares		**–118.8**	–121.7
Reserve for invested non-restricted equity		**90.9**	90.9
Other reserves		**374.3**	375.1
Retained earnings		**856.1**	863.1
Equity attributable to equity holders of the parent	4.2, 7.3	**1,285.5**	1,290.4
Non-controlling interests		**7.3**	3.3
TOTAL EQUITY		**1,292.8**	1,293.7
LIABILITIES			
Non-current liabilities			
Deferred tax liabilities	8.1.2	**38.1**	24.7
Interest-bearing financial liabilities	7.4.2, 7.4.3	**1,007.6**	996.7
Interest-bearing lease liabilities	7.4.2, 7.4.3	**75.5**	67.8
Trade payables and other liabilities	6.3, 7.4.3, 7.4.4	**19.4**	19.4
Pension obligations	4.3	**6.2**	9.3
Provisions	8.2	**3.3**	3.4
		1,150.1	1,121.3
Current liabilities			
Interest-bearing financial liabilities	7.4.2, 7.4.3	**458.5**	282.2
Interest-bearing lease liabilities	7.4.2, 7.4.3	**21.0**	20.8
Trade and other payables	6.3, 7.4.3	**424.2**	402.5
Tax liabilities		**3.3**	3.1
Provisions	8.2	**6.5**	1.0
		913.6	709.6
TOTAL LIABILITIES		**2,063.7**	1,830.9
TOTAL EQUITY AND LIABILITIES		**3,356.4**	3,124.6

Consolidated cash flow statement

EUR million	Note	2024	2023
Cash flow from operating activities			
Profit before tax		**447.9**	458.1
Adjustments			
Depreciation, amortisation and impairment	5.1	**279.2**	274.1
Financial income (–) and expenses (+)	7.4.1	**38.5**	23.3
Gains (–) and losses (+) on the disposal of fixed assets		**–2.7**	–4.2
Increase (+) / decrease (–) in provisions on the income statement		**5.3**	0.7
Other adjustments		**–19.7**	–19.6
		300.7	274.4
Change in working capital			
Increase (–) / decrease (+) in trade and other receivables		**29.9**	–2.4
Increase (–) / decrease (+) in inventories		**5.5**	15.0
Increase (+) / decrease (–) in trade and other payables		**–19.8**	2.4
		15.5	15.1
Dividends received		**1.2**	0.5
Interest received		**5.1**	5.4
Interest paid		**–33.0**	–24.0
Taxes paid		**–86.5**	–81.6
Net cash flow from operating activities		**650.9**	647.8

EUR million	Note	2024	2023
Cash flow from investing activities			
Equity investments	3	**–86.8**	
Contingent consideration of subsidiaries		**–0.6**	–4.1
Investments in associates			–0.3
Other investments		**0.0**	–0.3
Capital expenditure		**–306.7**	–304.7
Loans granted		**–3.8**	
Proceeds from disposal of subsidiaries and businesses		**0.1**	3.7
Proceeds from disposal of other investments			0.3
Proceeds from disposal of tangible and intangible assets		**3.0**	4.6
Net cash flow used in investing activities		**–394.9**	–300.8
Cash flow before financing activities		**256.1**	347.0
Cash flow from financing activities			
Proceeds from long-term borrowings		**99.8**	298.2
Repayment of long-term borrowings		**–266.3**	–201.7
Increase (+) / decrease (–) in short-term borrowings		**323.0**	–90.5
Repayment of lease liabilities		**–25.4**	–25.4
Acquisition of non-controlling interests			–7.3
Dividends paid		**–359.8**	–343.5
Net cash used in financing activities		**–228.8**	–370.1
Change in cash and cash equivalents		**27.3**	–23.1
Translation differences		**–0.8**	1.1
Cash and cash equivalents at the beginning of the period		**63.4**	85.4
Cash and cash equivalents at the end of the period		**89.9**	63.4

Consolidated statement of changes in equity

	Equity attributable to equity holders of the parent company							
EUR million	**Share capital**	**Treasury shares**	**Reserve for invested non-restricted equity**	**Other reserves**	**Retained earnings**	**Total**	**Non-controlling interests**	**Total equity**
Balance at 1 January 2023	83.0	–124.5	90.9	373.9	823.2	1,246.5	5.4	1,251.9
Profit for the period					375.2	375.2	–1.2	374.0
Other comprehensive income								
Translation differences					–0.4	–0.4	0.0	–0.4
Cash flow hedging				–0.1		–0.1		–0.1
Remeasurements of the net defined benefit liability				1.2		1.2		1.2
Total other comprehensive income				1.2	–0.4	0.8	0.0	0.8
Total comprehensive income				1.2	374.8	376.0	–1.2	374.8
Dividend distribution					–344.8	–344.8	–0.2	–345.1
Share-based compensation		2.8				2.8		2.8
Acquisition of non-controlling interests							–0.6	–0.6
Other changes					9.9	9.9	–0.1	9.8
Balance at 31 December 2023	83.0	–121.7	90.9	375.1	863.1	**1,290.4**	3.3	**1,293.7**
Profit for the period					358.4	**358.4**	–2.0	**356.4**
Other comprehensive income								
Translation differences					–1.6	**–1.6**	0.0	**–1.5**
Cash flow hedging				–0.5		**–0.5**		**–0.5**
Remeasurements of the net defined benefit liability				–0.2		**–0.2**		**–0.2**
Total other comprehensive income				–0.8	–1.6	**–2.3**	0.0	**–2.3**
Total comprehensive income				–0.8	356.8	**356.0**	–1.9	**354.1**
Dividend distribution					–361.2	**–361.2**	–0.1	**–361.3**
Share-based compensation		2.9				**2.9**		**2.9**
Acquisition of subsidiary with non-controlling interests							0.2	**0.2**
Acquisition of non-controlling interests					–6.0	**–6.0**	6.0	**0.0**
Other changes					3.3	**3.3**	–0.1	**3.2**
Balance at 31 December 2024	83.0	–118.8	90.9	374.3	856.1	**1,285.5**	7.3	**1,292.8**

Notes to the consolidated financial statements

1. General accounting principles

1.1 Basic information about the Group

Information about the parent company:

Elisa Corporation

Domicile: Helsinki, Finland

Registered address: Ratavartijankatu 5, 00520 Helsinki

Business ID: 0116510-6

Elisa Corporation ("Elisa" or "the Group") engages in telecommunications activities and provides ICT and online services in Finland and in selected international market areas.

The shares of the parent company, Elisa Corporation, have been listed on the Nasdaq Helsinki since 1997.

On 30 January 2025, Elisa Corporation's Board of Directors accepted these financial statements for publication. According to the Finnish Companies' Act the Annual General Meeting has the right to approve, reject or make changes to the financial statements after the publication. A copy of these financial statements is available from Elisa's head office at Ratavartijankatu 5, Helsinki, or on the company's website at www.elisa.com.

1.2 Basis of preparation of financial statements

Elisa's consolidated financial statements are prepared in accordance with International Financial Reporting Standards (IFRS), including adherence to IAS and IFRS accounting standards and SIC and IFRIC interpretations valid as at 31 December 2024. In the Finnish Accounting Act and the provisions issued pursuant to it, the International Financial Reporting Standards refer to standards and interpretations that have been approved for application in the EU according to the procedures provided for in EU regulation (EC) No. 1606/2002 ("IFRS"). The notes to the consolidated financial statements are also compliant with Finnish accounting and corporate legislation.

The consolidated financial statements have been prepared under the historical cost convention, with the exception of financial assets and liabilities, share-based payments, pension liabilities and derivatives recognised at fair value through profit or loss or statement of comprehensive income. The financial statements are presented in EUR million and the figures are rounded to one decimal place.

1.2.1 Accounting principles, structure and presentation of the consolidated financial statements

The accounting policies and descriptions of conclusions based on the judgement of Elisa's management are mainly found in the notes to the financial statements, which are listed in the table below. Only some general accounting policies are described in this section.

Summary of notes, related to material accounting principles for the consolidated financial statements of Elisa Group

Accounting principle	Note
Operating segments	2.1
Revenue from contracts with customers	2.3
Other operating income	2.4
Research and development costs	2.5
Earnings per share	2.6
Business acquisitions and disposals	3
Share-based incentives	4.2
Pension obligations	4.3
Property, plant and equipment	5.2
Right-of-use assets	5.3
Intangible assets	5.4
Goodwill	5.4.1
Inventories, trade and other receivables, trade and other liabilities	6
Financial assets and liabilities	7.4
Derivative instruments	7.4.4
Income taxes	8.1.1
Deferred tax assets and liabilities	8.1.2
Provisions	8.2
Consolidation principles, subsidiaries	8.3.1
Consolidation principles, associated companies	8.3.2
Off-balance sheet leases	8.4

The symbols below indicate the figures mentioned in the notes that match the balances in the income statement, the statement of financial position and the cash flow statement.

I/S = Income Statement

B/S = Balance Sheet

C/F = Cash Flow Statement

Consolidation principles

The consolidated financial statements include the parent company, Elisa Corporation, subsidiaries, associates and joint arrangements as described in detail in Notes 8.3.1 and 8.3.2.

Foreign-currency items

Functional currency

The consolidated financial statements are presented in euros, which is the functional and presentation currency of the parent company.

Transactions in foreign currencies

Foreign-currency transactions are translated into the functional currency using the exchange rates prevailing on the dates of the transactions. Monetary items have been translated into the functional currency at the exchange rates prevailing at the end of the reporting period. Non-monetary items denominated in foreign currencies are translated at the exchange rate on the date of the transaction, excluding items measured at fair value, which are translated at the exchange rates prevailing on the valuation date. Gains and losses arising from the currency translations are recognised through profit or loss. Foreign exchange gains and losses resulting from operating activities are included in the respective items above operating profit. Foreign exchange gains and losses from the liabilities denominated in foreign currencies are included in financial income and expenses, with the exception of exchange rate differences on foreign currency items that constitute a part of the net investment made in a foreign unit. These exchange rate differences are recognised in other comprehensive income, and accumulated exchange rate differences are included in the translation difference presented in shareholders' equity.

Translation of foreign Group companies' financial statements

The income statements of foreign subsidiaries that use a functional currency other than the Group's presentation currency have been converted into euros at the average exchange rate prevailing during the year, and statements of financial position at the exchange rate prevailing at the end of the reporting period. The different exchange rates applicable to the conversion of profit or loss on the income statement and balance sheet result in a translation difference recognised in shareholders' equity on the balance sheet, and any change in this difference is recognised in other comprehensive income. Translation differences arising from the elimination of the acquisition cost of foreign subsidiaries, as well as translation differences arising from equity items accumulated after the acquisition, are recognised in other comprehensive income. When a subsidiary is divested in full or in part, accumulated translation differences are recognised in the income statement as part of the sales gain or loss.

Goodwill arising from the acquisition of foreign entities and the fair value adjustments made to the book values of the assets and liabilities of such foreign entities upon acquisition are treated as assets and liabilities belonging to the foreign entities. These are converted into euros at the exchange rate prevailing at the end of the reporting period.

1.2.2 Accounting principles that require the judgement of the management and key sources of uncertainty in estimates

Preparation of the financial statements requires the Group's management to make certain estimates and considerations. In addition, judgement is required in applying the accounting policies. This applies particularly to cases in which valid IFRS standards provide for alternative methods of recognition, measurement or presentation.

The estimates made in connection with the preparation of financial statements are based on the management's best view at the end of the financial period, and the outcome may differ from the estimates and assumptions. Estimates are based on historical experience and assumptions concerning the future that are believed to be reasonable at the end of the financial period. The Group regularly assesses the realisation of estimates and assumptions, as well as changes in the underlying factors. Any changes in estimates and assumptions are recorded for the financial year during which the estimate or assumption was adjusted, and for all subsequent periods.

Significant areas of estimation and uncertainty in applying accounting policies that have the most significant impact on amounts recognised in the financial statements are related to business combinations (3), impairment of intangible assets (5.4.1), share-based payments (4.2), recognition of net defined pension liability (4.3) and recognition of deferred tax assets (8.1.2).

The potential climate change-related risks and opportunities to which the Group is exposed are disclosed in the Group's 2024 Sustainability Report on sections Physical climate risks for Elisa's operations and Transitional climate risks for Elisa's operations. Management has exercised judgement in concluding that there is no other material financial impact from climate-related risks and opportunities that needs to be recognised in the consolidated financial statements. As the future impact of climate change will depend on environmental, regulatory and other factors outside of the Group's control that are not currently known, management will continue to monitor these estimates.

1.3 Applied new and revised standards

The consolidated financial statements have been prepared in accordance with the same accounting policies used in 2023, with the exception of the new amendments to existing standards listed below, which the Group has applied since 1 January 2024. These revisions did not have a material impact on the consolidated financial statements.

- Amendments to IFRS 16 *Leases*. The amendments introduce a new accounting model for variable payments and will require seller-lessees to reassess and potentially restate sale-and-leaseback transactions entered into since 2019.
- Amendments to IAS 1 *Presentation of Financial Statements*. The amendments are intended to promote consistency in application and clarify the requirements for determining if a liability is current or non-current. The amendments specify that covenants to be complied with after the reporting date do not affect the classification of debt as current or non-current on the reporting date. The amendments require companies to disclose information about these covenants in the notes to the financial statements. The amendments also clarify transfer of a company's own equity instruments is regarded as settlement of a liability. Liability with any conversion options might affect classification as current or non-current unless these conversion options are recognized as equity under IAS 32.
- Amendments to IAS 7 *Statements of Cash Flows* and IFRS 7 *Financial Instruments: Disclosures*. The amendments enhance the transparency of supplier finance arrangements and their effects on a company's liabilities, cash flows and exposure to liquidity risk. Amendments require to disclose quantitative and qualitative information about supplier finance programs.

On 1 January 2025, the Group will adopt the following new amendment, provided it is approved by the EU by the planned date of adoption. This revision is not expected to have a material impact on the consolidated financial statements.

- Amendments to IAS 21 *The Effects of Changes in Foreign Exchange Rates*. The amendments require to apply a consistent approach in assessing whether a currency can be exchanged into another currency and, when it cannot, in determining the exchange rate to use and the disclosures to provide.

On 1 January 2026, the Group will adopt the following new amendments, provided these are approved by the EU by the planned date of adoption. These amendments are not expected to have a material impact on the consolidated financial statements.

- Amendments to IFRS 9 *Financial Instruments* and IFRS 7 *Financial Instruments: Disclosures*. Amendments clarify the classification of financial assets with environmental, social and corporate governance (ESG) and similar features and require providing new disclosures.

On 1 January 2027, the Group will adopt the following new standard, provided it is approved by the EU by the planned date of adoption.

- IFRS 18 *Presentation and Disclosure in Financial Statements*, which replaces IAS 1. Standard introduces new requirements for presentation within the statement of profit and loss, including specified totals and subtotals. It also requires disclosure of management-defined performance measures and includes new requirements for aggregation and disaggregation of financial information of the primary financial statements and the notes. Elisa has started an analysis of the impact of the implementation of the new standard on the accounting policies.

2. Operational result

2.1 Operating segments and geographical areas

The Group has two reporting segments: Consumer Customers and Corporate Customers. The organisational and management structure of Elisa Group is based on a customer-oriented operating model. The reportable segments are based on the internal reporting provided to management.

The Consumer Customers segment provides consumers with telecommunications and communications services, such as fixed and mobile subscriptions with supplementary digital services, cable TV subscriptions and the Elisa Viihde entertainment service.

The Corporate Customers segment provides corporate and public administration organisations with services such as IT and communication solutions for the digital environment as well as fixed and mobile subscriptions. The Corporate Customers segment provides worldwide services such as solutions for automating network management and operations for mobile operators, and IoT solutions for industry.

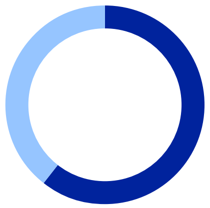
Operating segments:

2024 EUR million	Consumer Customers	Corporate Customers	Unallocated	Group Total
Revenue	**1,328.5**	**862.9**		**2,191.5**
Other operating income	**4.6**	**1.5**		**6.1**
Materials and services	**−477.4**	**−306.5**		**−783.9**
Employee expenses	**−190.2**	**−243.1**		**−433.3**
Other operating expenses	**−126.3**	**−87.3**		**−213.5**
EBITDA	**539.3**	**227.5**		**766.8**
Depreciation, amortisation and impairment	**−183.7**	**−95.5**		**−279.2**
EBIT	**355.6**	**132.0**		**487.6**
Financial income			**9.4**	**9.4**
Financial expenses			**−47.9**	**−47.9**
Share of associated companies' profit			**−1.2**	**−1.2**
Profit before tax				**447.9**
Investments	**229.5**	**108.2**		**337.6**
Assets	**1,929.0**	**1,290.8**	**136.7**	**3,356.4**

2023 EUR million	Consumer Customers	Corporate Customers	Unallocated	Group Total
Revenue	1,334.7	845.8		2,180.5
Other operating income	5.5	4.3		9.8
Materials and services	−516.2	−301.7		−817.9
Employee expenses	−187.4	−229.7		−417.1
Other operating expenses	−115.8	−83.5		−199.3
EBITDA	520.8	235.1		755.9
Depreciation, amortisation and impairment	−179.3	−94.9		−274.1
EBIT	341.6	140.3		481.8
Financial income			8.7	8.7
Financial expenses			−32.0	−32.0
Share of associated companies' profit			−0.4	−0.4
Profit before tax				458.1
Investments	213.0	108.4		321.4
Assets	1,900.5	1,110.7	113.4	3,124.6

Revenue 2024

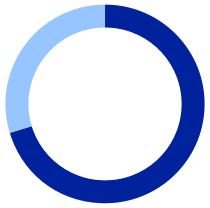
EUR million



- Consumer Customers 1,328.5
- Corporate Customers 862.9

EBITDA 2024

EUR million



- Consumer Customers 539.3
- Corporate Customers 227.5

Geographical areas

2024 EUR million	Finland	Rest of Europe	Other countries	Group total
Revenue	**1,833.0**	**311.4**	**47.0**	**2,191.5**
Assets	**2,707.2**	**606.6**	**42.6**	**3,356.4**

2023 EUR million	Finland	Rest of Europe	Other countries	Group total
Revenue	1,821.6	312.8	46.0	2,180.5
Assets	2,597.3	497.3	30.0	3,124.6

Accounting Principles – Operating Segments:

The segments are controlled by segment-specific performance reporting that includes external revenue, EBITDA, EBIT and capital investments. Financial items, share of associated companies' profit and income taxes are not allocated to operating segments. The costs of production and support functions are allocated to operating segments on the matching principle. Operations in Estonia are divided into the Consumer Customers and Corporate Customers operating segments on the basis of customer accounts.

Segment assets consist of intangible and tangible assets, right-of-use assets, inventories, trade and other non-interest bearing receivables. Deferred tax assets, investments in associated companies, other investments, interest-bearing receivables, financial items and income tax receivables are not included in segment assets. Liabilities are not allocated to operating segments.

The accounting principles of the segments are the same as those used in the preparation of the financial statements.

The reported geographical areas are Finland, Rest of Europe and Other Countries. Revenues are presented on the basis of customer location. The assets are presented on the basis of their location.

2.2 Items affecting comparability

Elisa uses comparable key figures in its financial reporting to describe the financial development of its business and increase comparability between different periods.

Exceptional transactions outside the ordinary course of business are treated as items affecting comparability. Such items, as identified by the Group, are, for example, capital gains and losses from divestments of the assets and businesses, acquisition costs of assets and businesses, impairments, restructuring expenses and costs of legislative changes, damages or litigation.

Income statement

EUR million	2024	2023
Restructuring costs	–16.6	
Items affecting comparability in EBITDA	**–16.6**	
Impairment losses of fixed assets		–5.6
Items affecting comparability in EBIT	**–16.6**	–5.6
Impairment losses of loan receivables	–5.0	
Items affecting comparability in profit before tax	**–21.6**	–5.6
Income taxes on items affecting comparability	3.3	1.1
Items affecting comparability in profit for the period	**–18.3**	–4.5

EUR million	2024	2023
Comparable EBITDA		
I/S EBITDA	766.8	755.9
Items affecting comparability in EBITDA	16.6	
	783.4	755.9
Comparable EBIT		
I/S EBIT	487.6	481.8
Items affecting comparability in EBIT	16.6	5.6
	504.2	487.4
Comparable profit before tax		
I/S Profit before tax	447.9	458.1
Items affecting comparability in profit before tax	21.6	5.6
	469.5	463.7
Comparable profit for the period		
I/S Profit for the period	356.4	374.0
Items affecting comparability in profit for the period	18.3	4.5
	374.7	378.5
Comparable profit for the period attributable to equity holders of the parent		
Comparable profit for the period	374.7	378.5
Non-controlling interests	–2.0	–1.2
	376.6	379.7
Comparable earnings per share, EUR		
Comparable profit for the period attributable to equity holders of the parent	376.6	379.7
Average number of outstanding shares, basic (1,000 shares)	160,509	160,376
	2.35	2.37

Cash flow

EUR million	2024	2023
Acquisitions and disposals of shares and business combinations	101.3	13.8
Items affecting comparability in cash flow before financing	**101.3**	13.8

The main items affecting comparability in 2024 were the acquisitions of sedApta Group, Moontalk Oy and Leanware Oy and the acquisition of Koillisnet Oy and Kaisanet Oy's fibre network business.

The main items affecting comparability in 2023 were the acquisition of Elenia's optical fibre network business, payment of camLine contingent consideration and Sulake purchase price receivable.

	2024	2023
Comparable cash flow after investments		
C/F Cash flow before financing	256.1	347.0
Items affecting comparability in cash flow before financing	101.3	13.8
	357.3	360.8

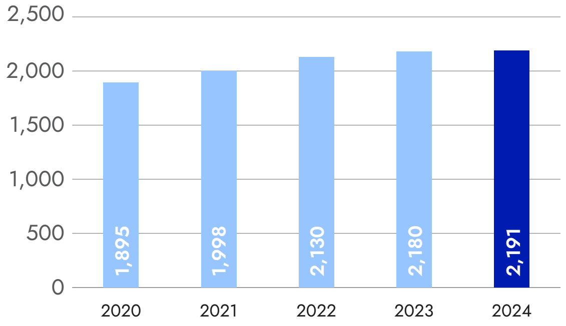
2.3 Revenue from contracts with customers

Division of Group's revenue

EUR million	2024	2023
Rendering of services	**1,800.9**	1,781.4
Sale of equipment	**390.1**	398.7
Interest revenue	**0.5**	0.4
I/S	**2,191.5**	2,180.5

EUR million	2024	2023
Mobile telecommunications	**1,301.9**	1,290.2
Fixed-network broadband and others	**889.6**	890.2
I/S	**2,191.5**	2,180.5

Development of revenue, EUR million



Accounting Principles – Revenue from contracts with customers:

Revenue from consumer customers mainly consists of fixed and mobile subscriptions with supplementary digital services, cable TV subscriptions and the Elisa Viihde entertainment service. Consumer customer contracts are typically standard contracts that are treated as separate performance obligations.

Customer contracts may include several performance obligations, and Elisa may agree on the delivery or rendering of several products, services or access rights (service bundle). In that case, prices specified in the contract are used as the transaction price, which is allocated to performance obligations on a relative standalone selling price basis.

Revenue from corporate customers mainly consists of fixed and mobile subscriptions with supplementary digital services, IT and communication solutions for the digital environment, solutions for automating network management, operations for mobile operators and IoT solutions for industry. Contracts with corporate customers typically meet the criteria laid down for a contract negotiated as a single package, in which case, the revenue will be allocated to the goods and services based on the prices agreed with each customer.

A performance obligation may be fulfilled and revenue recognised over time or at certain points in time. The key criterion for the revenue recognition is the transfer of control. For performance obligations that are satisfied at a certain point of time, such as equipment, the customer is deemed to gain control when they enter into the contract, and revenue is recognised when the equipment is transferred to the customer. Service contracts mainly comprise performance obligations that are satisfied over time. The performance is carried out, and revenue is recognised over time as the services are provided.

Fixed-term service contracts are recognised over the contract period, and the opening fees and related expenses, as well as discounts granted, are allocated to the entire contract period. Incremental costs of obtaining a fixed-term contract, such as sales and represent commissions, are capitalised and accrued as an expense during the contract period when these commissions relate directly to a contract that can be specifically identified. Service contracts valid until further notice are recognised over time. The opening fees and related expenses are recognised at the time when the service is connected.

In the 2024 financial year, Elisa launched Elisa Etuohjelma, a loyalty programme for consumer customers that provides benefits based on the member's tier in the programme, such as special offers and discounts. Benefits under Elisa Etuohjelma do not generally constitute a separate performance obligation under IFRS 15; rather, they are interpreted as offers that Elisa accounts for in bookkeeping only when the customer exercises their option to purchase additional goods or services.

The Group provides consumer customers with various payment methods granting them the possibility to purchase equipment with 12–36 months' credit. Revenue for equipment is recognised at the time of the sale, regardless of whether the customer pays for the device fully at the time of sale or in monthly payments. If revenue accumulated by installment contract is higher than the cash selling price of the device, the difference is taken into account as a financing component. In this case, the transaction price is adjusted to take account of the financing component, and the interest revenue is recognised over time during the customer's contract period. Interest revenue is presented as part of the Group's revenue.

Revenue from prepaid mobile phone cards is recognised over the period of realised use of the cards. Service fees invoiced from a customer on behalf of a third-party content service provider are not recognised as revenue.

As a rule, the customer has four weeks to cancel a service contract entered into through distance sales and return the purchased equipment. In principle, there is no right of cancellation for equipment bought from an Elisa shop. Based on historical experience, the number of refunds is expected to be low, due to which the Group has not recognised a refund liability for the amounts expected to be refunded, and revenue has not been adjusted by the estimated number of refunds.

2.4 Other operating income

EUR million	2024	2023
Gain on disposals of property, plant and equipment	**1.7**	4.2
Gain on disposal of subsidiaries and businesses	**0.5**	0.5
Government grants	**0.2**	0.0
Other items [1]	**3.7**	5.1
I/S	**6.1**	9.8

[1] Other items include rental income from the real estate and other income not associated with ordinary operating activities.

Accounting Principles – Other operating income:

Other operating income includes non-operating income, such as capital gains on the disposal of tangible and intangible assets, subsidiaries and businesses, and rental income from real estate.

Government grants associated with development projects are recognised as other operating income when the related costs are recognised as expenses. Government grants associated with capitalised development costs are recorded as a reduction of capital expenditure.

2.5 Operating expenses

Materials and services

EUR million	2024	2023
Purchases of materials, supplies and goods	**502.1**	529.0
Change in inventories	**5.6**	11.2
External services	**275.9**	277.7
Foreign exchange gains and losses	**0.4**	0.0
I/S	**783.9**	817.9

Gains and losses arising from foreign currency translations are recognised in accordance with their nature, either in materials and services or financial income and expenses.

Employee expenses

More detailed analysis of employee expenses is included in Note 4.

Audit fees

EUR million	2024	2023
Auditing	**0.4**	0.4
Tax advisory services	**0.0**	0.0
Other services	**0.1**	0.1
	0.5	0.5

The Annual General Meeting of 12 April 2024 elected Ernst & Young Oy as Elisa's auditor. In 2023, Elisa's auditor was KPMG Oy Ab. Fees charged by Ernst & Young were EUR 0.5 million in 2024 and fees charged by KPMG were EUR 0.5 million in 2023. In 2024, non-audit fees charged by Ernst & Young Oy were EUR 0.1 million. In 2023, non-audit fees charged by KPMG Oy Ab were EUR 0.1 million.

Research and development costs

EUR million	2024	2023
Research and development costs recognised as expenses	**18.3**	15.5
Capitalised development costs	**8.4**	8.9
	26.8	24.4

The focus areas for the research and development activities in 2024 were the development of corporate customers new services and platforms, production and quality management software for the manufacturing industry, as well as the development of network software solutions for telecom operators.

Accounting Principles – Research and development:

Research costs are recorded as expenses in the income statement. Development costs are capitalised from the date the product is technically feasible, it can be utilised commercially and the asset is expected to generate future economic benefit, and the Group has both the intention and the resources to complete the development and use or sell the asset. Capitalised development costs include those material, labour and testing costs and any capitalised borrowing costs that are directly attributable to bringing the asset to its working condition for its intended use. Otherwise, development costs are recorded as an expense. Development costs initially recognised as expenses cannot be subsequently capitalised.

2.6 Earnings per share

Earnings per share, basic	2024	2023
I/S Net profit for the period attributable to equity holders of the parent (EUR million)	**358.4**	375.2
Weighted average number of shares outstanding (1,000 shares)	**160,509**	160,376
Earnings per share, basic (EUR/share)	**2.23**	2.34

Diluted earnings per share	2024	2023
I/S Net profit for the period attributable to equity holders of the parent (EUR million)	**358.4**	375.2
Weighted average number of shares outstanding (1,000 shares)	**160,509**	160,376
Impact of share-based incentive plans	**159**	154
Weighted average number of shares outstanding adjusted by dilutive effect (1,000 shares)	**160,668**	160,530
Diluted earnings per share (EUR/share)	**2.23**	2.34

Accounting principles – Earnings per share:

Basic earnings per share are calculated by dividing the net profit for the period attributable to the parent company's equity holders by the weighted average number of shares outstanding during the period.

Diluted earnings per share are calculated on the same basis as earnings per basic share, except for the dilutive effect of converting all dilutive potential shares into basic shares.

3. Business acquisitions and disposals

Acquired businesses in 2024

Acquisition of Romaric Automation Design Inc.

On 15 February 2024, camLine acquired Romaric Automation Design Inc. Romaric is a US-based software provider of material control systems (MCS). The acquisition strengthens camLine's manufacturing excellence software portfolio and improves its footprint in the US market.

The acquisition price was EUR 14.5 million including the contingent consideration of EUR 2.8 million. EUR 0.4 million of the total acquisition price was allocated to customer base and EUR 1.7 million to software, both of which will be amortised over four years. The acquisition resulted in EUR 11.3 million of goodwill related to the Group's growth in digital services internationally and acceleration of the development of the software business. Goodwill is not tax deductible. The calculation of the purchase price allocation is preliminary, as the valuation of the acquired net assets has not been fully completed.

The acquired company has been consolidated from 1 February 2024 onwards. External revenue after the acquisition was EUR 2.7 million, and the impact on the Group's profit for the period was EUR –0.2 million. Had the acquisition been made as of the beginning of the year 2024, the impact on Group revenue would have been EUR 2.8 million and the effect on profit for the period EUR –0.4 million.

Consideration transferred

EUR million	Preliminary
Cash paid	11.7
Contingent consideration	2.8
Total acquisition price	14.5

Net assets acquired

EUR million	
Right-of-use assets	0.2
Intangible assets	2.1
Trade and other receivables	0.6
Tax receivables	0.2
Cash and cash equivalents	2.4
Deferred tax liabilities	–0.5
Lease liabilities	–0.2
Trade payables and other liabilities	–1.6
	3.2

Effects of acquisition on cash flow

EUR million	Preliminary
Purchase price paid in cash	–11.7
Cash and cash equivalents of the acquired entity	2.4
	–9.3

Goodwill arising from business combination

EUR million	
Consideration transferred	14.5
Identifiable net assets of the acquired entity	3.2
Goodwill	11.3

EUR 0.3 million of acquisition-related costs, such as professional fees, are recorded in other operating expenses. EUR 0.1 (0.2) million of these are recorded in the year 2024.

Acquisition of Moontalk Oy

On 5 March 2024, Elisa acquired a majority stake of 64.5 per cent in Moontalk. Moontalk is a software supplier in the mobile communications service software market.

The acquisition price was EUR 16.6 million including the contingent consideration of EUR 1.0 million. EUR 1.5 million of the total acquisition price was allocated to customer base, which will be amortised over four years. The acquisition resulted in EUR 16.0 million of goodwill related to strengthening Elisa's application development expertise, especially in accelerating SaaS-based application development. Goodwill is not tax deductible. The calculation of the purchase price allocation is preliminary, as the valuation of the acquired net assets has not been fully completed.

On 1 June 2024, Elisa transferred the Ring business to Moontalk in exchange for new shares in Moontalk Oy issued by the company. As a result of the directed share issue, Elisa Corporation's holding in Moontalk Oy increased to 92.7 per cent.

The acquired company has been consolidated from 1 March 2024 onwards. External revenue after the acquisition was EUR 3.9 million, and the impact on the Group's profit for the period was EUR –0.4 million. Had the acquisition been made as of the beginning of the year 2024, the impact on Group revenue would have been EUR 4.6 million and the effect on profit for the period EUR –0.5 million.

Consideration transferred

EUR million	Preliminary
Cash paid	15.6
Contingent consideration	1.0
Total acquisition price	16.6

Net assets acquired

EUR million	
Tangible assets	0.2
Right-of-use assets	0.1
Intangible assets	3.7
Trade and other receivables	0.9
Cash and cash equivalents	0.5
Deferred tax liabilities	–0.3
Interest-bearing liabilities	–1.6
Lease liabilities	–0.1
Trade payables and other liabilities	–3.1
	0.3

Effects of acquisition on cash flow

EUR million	Preliminary
Purchase price paid in cash	–15.6
Cash and cash equivalents of the acquired entity	0.5
	–15.1

Goodwill arising from business combination

EUR million	
Consideration transferred	16.6
Identifiable net assets of the acquired entity	0.3
Non-controlling interest's proportionate share of identifiable net assets acquired	0.3
Goodwill	16.0

EUR 0.6 million of acquisition-related costs, such as professional fees and transfer tax, are recorded in other operating expenses. EUR 0.4 (0.2) million of these are recorded in the year 2024.

Acquisition of Leanware Oy

On 8 May 2024, Elisa acquired Lean Group Oy. Lean Group's subsidiary Leanware Oy is a Finnish provider of production, supply chain and logistics software for companies. With the acquisition, Leanware Oy's name changed to Elisa IndustrIQ Finland Oy.

The acquisition price was EUR 16.1 million. EUR 1.6 million of the total acquisition price was allocated to customer base, which will be amortised over four years. The acquisition resulted in EUR 26.0 million of goodwill related to acceleration of the growth of Elisa IndustrIQ's industrial software business and to strengthening Elisa's foothold in the Finnish manufacturing customer base. Goodwill is not tax deductible. The calculation of the purchase price allocation is preliminary, as the valuation of the acquired net assets has not been fully completed.

The acquired companies have been consolidated from 1 May 2024 onwards. External revenue after the acquisition was EUR 6.7 million, and the impact on the Group's profit for the period was EUR –0.1 million. Had the acquisition been made as of the beginning of the year 2024, the impact on Group revenue would have been EUR 10.5 million and the effect on profit for the period EUR –0.5 million.

Consideration transferred

EUR million	Preliminary
Cash paid	16.1
Total acquisition price	16.1

Net assets acquired

EUR million	
Tangible assets	0.1
Right-of-use assets	0.4
Intangible assets	3.6
Trade and other receivables	1.2
Cash and cash equivalents	1.4
Deferred tax liabilities	–0.3
Interest-bearing liabilities	–12.8
Lease liabilities	–0.4
Trade payables and other liabilities	–3.1
	–9.9

Effects of acquisition on cash flow

EUR million	Preliminary
Purchase price paid in cash	–16.1
Cash and cash equivalents of the acquired entities	1.4
	–14.7

Goodwill arising from business combination

EUR million	
Consideration transferred	16.1
Identifiable net assets of the acquired entities	–9.9
Goodwill	26.0

EUR 0.6 million of acquisition-related costs, such as professional fees and transfer tax, are recorded in other operating expenses.

Acquisition of Kaisanet Oy's fiber network business and Koillisnet Oy and it's fiber network business

EElisa acquired Kaisanet's fiber network business in North Karelia and Koillisnet Oy and its fiber network business in the Kuusamo area on 3 July 2024.

The acquisition price was EUR 14.8 million. EUR 1.0 million of the total acquisition price was allocated to customer base, which will be amortised over five years. The acquisition resulted in EUR 4.2 million of goodwill related to strengthening Elisa's fiber network. Goodwill is not tax deductible. The calculation of the purchase price allocation is preliminary, as the valuation of the acquired net assets has not been fully completed.

The acquired companies have been consolidated from 1 July 2024 onwards. External revenue after the acquisition was EUR 1.0 million, and the impact on the Group's profit for the period was EUR –0.1 million. Had the acquisition been made as of the beginning of the year 2024, the impact on Group revenue would have been EUR 1.9 million and the effect on profit for the period EUR –0.2 million.

Consideration transferred

EUR million	Preliminary
Cash paid	14.8
Total acquisition price	14.8

Net assets acquired

EUR million	
Tangible assets	14.3
Right-of-use assets	1.1
Intangible assets	1.0
Trade and other receivables	0.1
Cash and cash equivalents	0.2
Deferred tax liabilities	–0.2
Interest-bearing liabilities	–4.7
Lease liabilities	–1.1
Trade payables and other liabilities	–0.2
	10.6

Effects of acquisition on cash flow

EUR million	Preliminary
Purchase price paid in cash	–14.8
Cash and cash equivalents of the acquired entities	0.2
	–14.5

Goodwill arising from business combination

EUR million	
Consideration transferred	14.8
Identifiable net assets of the acquired entities	10.6
Goodwill	4.2

EUR 0.2 million of acquisition-related costs, such as professional fees and transfer tax, are recorded in other operating expenses.

Acquisition of sedApta Group

Elisa acquired the remaining share capital (81 per cent) of sedApta Group on 30 October 2024. Elisa acquired a minority share (19 per cent) of sedApta in 2021.

Italy-based sedApta is an international, industrial software provider specialising in IT solutions for manufacturing operation and supply chain management.

The acquisition price was EUR 61.8 million. The fair value of previously held shares in sedApta at the time of acquisition was EUR 7.8 million. EUR 3.6 million of the total acquisition price was allocated to customer base and EUR 2.2 million to software, both of which will be amortised over five years. Including previous ownership, the business combination resulted in EUR 48.6 million of goodwill related to accelerating the growth of the Elisa IndustrIQ business, strengthening the software offering in industrial automation and Elisa's foothold in the global manufacturing customer base. Goodwill is not tax deductible. The calculation of the purchase price allocation is preliminary, as the valuation of the acquired net assets has not been fully completed.

The acquired companies have been consolidated from 1 November 2024 onwards. External revenue after the acquisition was EUR 7.5 million, and the impact on the Group's profit for the period was EUR –1.0 million. Had the acquisition been made as of the beginning of the year 2024, the impact on Group revenue would have been EUR 44.1 million and the effect on profit for the period EUR –3.6 million.

Consideration transferred

EUR million	Preliminary
Cash paid	61.8
Previous ownership	7.8
Settlement of pre-existing relationship	0.5
Total acquisition price	70.1

Net assets acquired

EUR million	Preliminary
Tangible assets	4.4
Intangible assets	11.5
Deferred tax assets	0.2
Inventories	4.6
Trade and other receivables	17.2
Tax receivables	1.5
Cash and cash equivalents	18.3
Deferred tax liabilities	–1.4
Interest-bearing liabilities	–9.1
Trade payables and other liabilities	–23.5
Tax liabilities	–1.8
	21.9

Effects of acquisition on cash flow

EUR million	
Purchase price paid in cash	–61.8
Cash and cash equivalents of the acquired entities	18.3
	–43.5

Goodwill arising from business combination

EUR million	
Consideration transferred	70.1
Identifiable net assets of the acquired entities	21.9
Non-controlling interest's proportionate share of identifiable net assets acquired	–0.5
Goodwill	48.6

EUR 0.4 million of acquisition-related costs, such as professional fees, are recorded in other operating expenses.

Disposals of businesses in 2024

There were no significant disposals during the reporting period.

Acquired businesses in 2023

Changes in ownership interests

On 30 November 2023, the Group acquired an additional 43.5 per cent of shares in Sutaria Services Inc. The acquisition price was EUR 7.3 million. Following the acquisition, the Group owns the entire share capital of the company. Due to the acquisition the share of non-controlling interests decreased by EUR 0.6 million and the liability for the redemption EUR 7.3 (6.6) million was paid to non-controlling interests. Initial recognition and changes of liability for the redemption has been treated as equity transactions.

Disposals of businesses in 2023

Disposal of Elisa Videra business

The businesses of Elisa Corporation's subsidiary Elisa Videra and the German company MVC Mobile VideoCommunication GmbH (owned by KLP Vermögensverwaltungs GmbH) was combined into MVC on 20 December 2023. After combination Elisa has 37.5 per cent holding of MVC Mobile Video Communication GmbH and Elisa became a minority shareholder of the company. The transaction was conducted as a share swap.

As a result of a share swap, Elisa lost control of Elisa Videra Oy and its subsidiaries. The change in ownership was recorded in the Group as a sale of a subsidiary, and it resulted in a profit of EUR 0.5 million, recorded in other operating income.

The Group has consolidated the result of the companies as a subsidiary until 30 November 2023 and, starting from 1 December 2023, as an associated company.

Net assets of the sold entity

EUR million	Carrying amount
Tangible and intangible assets	1.0
Inventories	2.4
Trade and other receivables	23.6
Cash and cash equivalents	2.2
Deferred tax liabilities	–1.1
Lease liabilities	–0.3
Trade payables and other liabilities	–6.9
	20.9

Effects of disposal on cash flow

EUR million	
Cash and cash equivalent of a sold entity	–2.2
	–2.2

Effects of disposal on consolidated income statement and balance sheet

EUR million	
Selling price	11.0
Net assets of a sold entity	–20.9
Pre-existing relationships between the Group and the sold entity [1]	10.4
Profit from the sale	0.5

[1] As a result of the loss of control, the Group's net assets increased as the net receivables, totalling EUR 10.4 million and previously eliminated as intra-group items, were treated as the external receivables in comparison year.

Accounting principles – Business acquisitions and disposals:

Subsidiaries are consolidated from the date the Group obtains control, and divested companies until the loss of control.

Acquisitions are measured at amortised cost. Identifiable assets acquired and assumed liabilities are measured at their fair value on the acquisition date.

Possible investments in non-controlling interests are measured either at a proportionate share of the acquiree's identifiable net assets or at fair value. The method to be used is selected on a case-by-case basis. Subsequent changes in non-controlling interests are treated as equity transactions.

In business combinations carried out in stages, any previously held equity share in the acquiree is measured at fair value, and the resulting gain or loss is recognised through profit or loss.

The acquisition price consists of the fair value of cash and any contingent consideration transferred. The amount of the acquisition price that exceeds the fair value of the acquired net assets is recognised as goodwill. Additional information regarding valuation and impairment testing of goodwill is available under note 5.4.1.

Any changes in contingent consideration are expensed through profit and loss. Acquisition-related costs, such as consulting fees and transfer tax, are accounted for as expenses for the periods when the costs were incurred and the services received. The costs are presented as other operating expenses in the income statement.

In connection with loss of control, any investment retained in a former subsidiary is measured at fair value through profit or loss on the date of the transaction. Changes in ownership interest that do not result in a loss of control are accounted for as equity transactions.

Accounting policies that require management's judgement – Acquisitions:

The identifiable assets and liabilities acquired in a business combination are measured at fair value at the acquisition date. When determining the fair value of the acquired net assets, consideration and estimates may be required. Estimates and judgement are based on the management's best view of the situation at the time of the acquisition.

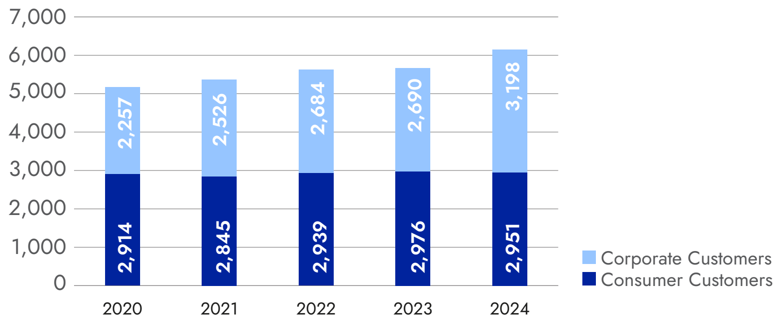
4. Personnel

4.1 Employee expenses

EUR million	2024	2023
Salaries and wages	**353.7**	331.0
Share-based payments	**9.7**	15.4
Pension expenses - defined contribution plans	**44.2**	45.8
Pension expenses - defined benefit plans	**0.3**	0.5
Other employee costs	**25.4**	24.3
I/S	**433.3**	417.1

Number of personnel at the end of the reporting period	2024	2023
Consumer Customers	**2,951**	2,976
Corporate Customers	**3,198**	2,690
	6,149	5,666

Number of personnel at the year end



Employee bonus and incentive schemes

All employees are included in the scope of performance-, incentive-, commission- or provision-based bonus schemes. The Group also has a personnel fund. The costs of the performance-based bonus scheme and personnel fund are recognised on an accrual basis, and the costs are based on the best available estimate of realised amounts.

Performance-based bonus scheme

Rewards are based on financial and operational metrics of Elisa Corporation and its units. Targets are set, and the maximum amount of reward is confirmed semi-annually. Some of the Group's key personnel also participated in the share-based compensation plan.

Personnel fund

The objective of the personnel fund is to secure the commitment of the personnel to Elisa's long-term objectives and to reinforce their interest in the company's financial success and its metrics.

The evaluation metrics for the performance-based bonus schemes are earnings per share (EPS) and achievement of defined strategic goals. The Board of Directors decides on the performance-based bonus schemes and sets the earning criteria for the profit share reward annually.

The members of the personnel fund are the employees of Elisa Group, with the exception of those employees who are part of the share incentive plan. In 2024, EUR 0.9 (1.5) million was recognised in the Group's personnel fund.

Remuneration of management

EUR million	2024	2023
Managing Directors	**7.6**	7.9
Members and deputy members of Boards of Directors	**0.8**	0.8

Employment benefits for key management

Key management consists of Elisa's Board of Directors, the CEO and the Executive Board. Elisa's previous CEO, Veli-Matti Mattila, served as the CEO of the Group until 29 February 2024. The new Group CEO, Topi Manner, started in his role on 1 March 2024.

The remuneration of the Board members and CEO is presented under note 4 for the parent company.

Benefits recognised on the income statement [1]

EUR million	2024	2023
Remuneration and other short-term employee benefits	4.8	4.8
Post-employment benefits	0.1	0.3
Share-based compensation [2]	4.3	5.7
	9.2	10.8

1) Based on remuneration of Veli-Matti Mattila until 29 February 2024 and remuneration of Topi Manner starting from 1 March 2024.

2) In 2024, the share-based compensation expenses were EUR 9.7 (15.4) million, of which EUR 0.9 million is allocated to the current CEO, EUR 0.3 (1.5) million to the former CEO and EUR 3.1 (4.2) million to the Executive Board. The terms and conditions of share-based incentive plans are described under Note 4.2.

Benefits paid

EUR million	2024	2023
Board of Directors	0.8	0.8
CEO [1]	0.9	
Former CEO	0.3	1.0
Executive Board	2.7	3.1
Share-based compensation [2]	4.6	5.3
	9.4	10.1

1) Includes compensation for loss of income related to previous role of EUR 0.2 million

2) The reward paid to the former CEO under the share-based compensation plans was EUR 1.2 (1.4) million, and the reward paid to the Executive Board members EUR 3.4 (3.9) million.

Elisa's new CEO Topi Manner, started in his role on 1 March 2024. The period of notice for the termination of the CEO's employment contract is six months, for both parties. In the event of termination for reasons attributable to Elisa, the CEO is entitled to receive severance pay equivalent to 18 months' total salary, less the salary for the period of notice.

The period of notice for other members of the Executive Board is six months if the service contract is terminated by the Elisa. Should the contract be terminated by Elisa, the member of the Executive Board is entitled to receive a severance payment that equals the total salary of 15 months less the salary for the period of notice.

Pension commitments for key management

The pension and retirement age for the CEO, Topi Manner, are specified in accordance with the Finnish Employees Pensions Act. The executive agreements of the Group Management Board members appointed before 2013 expire mainly at the age of 62, when they have the right to retire. Pension provisions are cash-based, and they are covered by management supplementary pension insurance, which includes vested rights.

The former CEO Veli-Matti Mattila's supplementary pension coverage is based on a defined contribution scheme and the pension arrangements included a right to a paid-up policy. The company's pension liability of EUR 1.7 million was included in the pension obligations on the balance sheet. During the financial year 2024, the liability and related assets were transferred to the insurance company, and no further liabilities are expected to arise for the company. In addition, 20.7 per cent of annual earnings under employer's pension insurance (TyEL) were accrued for the management group's pension insurance in line with the relative length of service.

Share-based compensation granted to the management

The reward paid in 2024 to the former CEO under the 2021 plan's 2021–2023 performance period equals the value of 13,171 shares and for the rest of the Executive Board 38,069 shares.

The reward paid in 2023 to the former CEO under the 2017 plan's 2020–2022 performance period equals the value of 12,057 shares and for the rest of the Executive Board 34,848 shares.

The maximum reward granted to the CEO under the 2021 plan's 2022–2024 performance period equals the value of 3,586 shares. The maximum reward granted to the former CEO equals the value of 32,000 shares, of which a portion that corresponds to his working time during the performance period will be paid. The maximum reward granted for the rest of the Executive Board equals the value of 88,000 shares. The reward will be paid after the publication of the 2024 financial statements.

The maximum reward granted to the CEO under the 2021 plan's 2023–2025 performance period equals the value of 3,586 shares. The maximum reward granted to the former CEO equals the value of 38,430 shares of which a portion that corresponds to his working time during the performance period will be paid. The maximum reward granted for the rest of the Executive Board equals the value of 111,000 shares. The reward will be paid after the publication of the 2025 financial statements.

The maximum reward granted to the CEO under the 2024 plan's 2024–2026 performance period equals the value of 44,000 shares. The maximum reward granted to the former CEO equals the value of 2,444 shares. The maximum reward granted for the rest of the Executive Board equals the value of 133,500 shares. The reward will be paid after the publication of the 2026 financial statements.

The maximum reward granted to the CEO under the 2023 committed share-based incentive plan's 2024 performance period equals the value of 4,782 shares. The reward will be paid after the publication of the 2024 financial statements.

The maximum reward granted to the CEO under the 2023 committed share-based incentive plan's 2024–2025 performance period equals the value of 7,172 shares. The reward will be paid after the publication of the 2025 financial statements.

Elisa shares held by key members of the management

The members of Elisa's Board of Directors, the CEO, the members of the Executive Board and their related parties held a total of 194,895 shares and votes, corresponding to 0.12 per cent of all shares and votes.

4.2 Share-based incentives

The Group has share-based incentive plans in place. The aim of the plans is to align the objectives of the shareholders and the key employees to increase the value of the Company over the long term, to retain the key employees at the Company, and to offer them a competitive reward plan that is based on earning and accumulating the Company´s shares. The potential rewards are based on the accomplishment of the goals set.

4.2.1 Share-based incentive plan 2024

On 31 January 2024, the Board of Directors of Elisa Corporation has appoved a share-based incentive plan for the Group key employees for years 2024–2028.

The Performance Share Plan includes three three-year performance periods, calendar years 2024–2026, 2025–2027 and 2026–2028. The Board of Directors decided the performance criteria for the plan and required performance levels for each criterion at the beginning of each perfomance period. After the end of each performance period, the reward is paid as a combination of company shares and cash after the financial statements are completed. The cash proportion is intended to cover taxes and tax-related costs arising from the reward to the participant. As a rule, no reward will be paid if a participant's employment or service ends before the reward is paid.

The performance criteria for the performance period 2024–2026 are based on Group's earnings per share (EPS), the International Digital services growth, Employee Engagement and annual progress in specific key business growth and ESG (climate) targets. The rewards to be paid on the basis of the performance period 2024–2026 correspond to the value of a maximum total of 460,000 Elisa Corporation shares, including also the proportion to be paid in cash.

The CEO of the company and members of the Corporate Executive Board must retain a minimum of 50 per cent of the net shares given on the basis of the plan. For the CEO, this obligation remains in place until the CEO's shareholding in the company corresponds to the value of his annual salary, and for members of the Corporate Executive Board, until their total shareholding corresponds to the value of half of their annual salary.

Amount of share incentives and terms and assumptions in the fair value calculation	Performance period 2024–2026
Maximum number of shares granted	460,000
Grant date	1.2.2024
Share price on the grant date, EUR	42.97
Performance period starts	1.1.2024
Performance period ends	31.12.2026
Estimated realisation of earning criteria at the beginning of performance period, %	68
Estimated realisation of earning criteria on the closing date, %	64
Number of participants in the plan on the closing date	189

4.2.2 Share-based incentive plan 2021

On 4 March 2021, the Board of Directors of Elisa Corporation has appoved a share-based incentive plan for the Group key employees for years 2021–2025.

The Performance Share Plan includes three three-year performance periods, calendar years 2021–2023, 2022–2024 and 2023–2025. The Board of Directors decided the performance criteria for the plan and required performance levels for each criterion at the beginning of each perfomance period. After the end of each performance period, the reward is paid as a combination of company shares and cash after the financial statements are completed. The cash proportion is intended to cover taxes and tax-related costs arising from the reward to the participant. As a rule, no reward will be paid if a participant's employment or service ends before the reward is paid.

The performance criteria for the performance period 2023–2025 are based on Group's earnings per share (EPS), the International Digital services growth, Employee Engagement and annual progress in specific key business growth targets. The rewards to be paid on the basis of the performance period 2023–2025 correspond to the value of a maximum total of 395,800 Elisa Corporation shares, including also the proportion to be paid in cash.

The performance criteria for the performance period 2022–2024 are based on Group's EPS, the International Digital services growth, Employee Engagement and annual progress in specific key business growth targets. The rewards to be paid on the basis of the performance period 2022–2024 correspond to the value of a maximum total of 360,500 Elisa Corporation shares, including also the proportion to be paid in cash.

The performance criteria for the performance period 2021–2023 are based on Group's EPS, the International Digital services growth and on annual progress in specific key business growth targets. The rewards to be paid on the basis of the performance period 2022–2024 correspond to the value of a maximum total of 410,700 Elisa Corporation shares, including also the proportion to be paid in cash.

The CEO of the company and members of the Corporate Executive Board must retain a minimum of 50 per cent of the net shares given on the basis of the plan. For the CEO, this obligation remains in place until the CEO's shareholding in the company corresponds to the value of his annual salary, and for members of the Corporate Executive Board, until their total shareholding corresponds to the value of half of their annual salary.

Amount of share incentives and terms and assumptions in the fair value calculation	Performance period 2023–2025	Performance period 2022–2024	Performance period 2021–2023
Maximum number of shares granted	395,800	360,500	410,700
Grant date	31.12.2022	31.12.2021	31.12.2020
Share price on the grant date, EUR	49.46	54.12	49.70
Performance period starts	1.1.2023	1.1.2022	1.1.2021
Performance period ends	31.12.2025	31.12.2024	31.12.2023
Estimated realisation of earning criteria at the beginning of performance period, %	41	44	46
Estimated realisation of earning criteria on the closing date, %	49	65	
Realisation of earning criteria, %			76
Number of shares transferred			129,271
Average exchange rate on the day of transfer, EUR			42.26
Number of shares distributed as a proportion of the maximum amount of share rewards granted, %			31
Number of participants in the plan on the payment date			154
Number of participants in the plan on the closing date	174	163	

4.2.3 Committed share-based incentive plan 2019

On 31 January 2019, Elisa's Board of Directors decided on a committed share-based incentive plan for 2019–2025.

The rewards granted under the plan have a restriction period of 1–3 years. The potential reward is based on the validity of the key person's contract of employment. The maximum number of rewards paid under the plan equals the value of 500,000 Elisa shares.

Amount of share incentives and terms and assumptions in the fair value calculation	Restriction period 2023	Restriction period 2022–2023	Restriction period 2022–2023
Maximum number of rewards granted	2,500	8,000	2,500
Grant date	1.1.2023	1.8.2022	1.8.2022
Share price on the grant date, EUR	49.78	54.16	54.16
Restriction period started	1.1.2023	1.8.2022	1.8.2022
Restriction period ends	31.12.2023	31.12.2023	31.8.2023
Estimated realisation of earnings criteria at the beginning of performance period, %	100	100	100
Realisation of earning criteria, %	100	100	100
Number of shares transferred	1,175	3,732	1,185
Average exchange rate on the day of transfer, EUR	42.26	42.26	44.98
Number of shares distributed as a proportion of the maximum amount of share rewards granted, %	47	47	47
Number of participants in the plan on the payment date	6	4	5

4.2.4 Committed share-based incentive plan 2023

On 1 February 2023, Elisa's Board of Directors decided on a committed share-based incentive plan for 2023–2027.

The rewards granted under the plan have a restriction period of 1–3 years. The potential reward is based on the validity of the key person's contract of employment. The maximum number of rewards paid under the plan equals the value of 500,000 Elisa shares.

Amount of share incentives and terms and assumptions in the fair value calculation	Restriction period 2024–2025	Restriction period 2024	Restriction period 2023–2024
Maximum number of rewards granted	7,172	4,782	334
Grant date	1.3.2024	1.3.2024	1.11.2023
Share price on the grant date, EUR	42.04	42.04	40.78
Restriction period started	1.3.2024	1.3.2024	1.11.2023
Restriction period ends	31.12.2025	31.12.2024	31.12.2024
Estimated realisation of earnings criteria at the beginning of performance period, %	100	100	100
Estimated realisation of earning criteria on the closing date, %	100	100	
Realisation of earning criteria, %			100
Number of shares transferred			0 [1]
Number of participants in the plan on the payment date			1
Number of participants in the plan on the closing date	1	1	

[1] Paid in full in cash during the financial year 2024

Amount of share incentives and terms and assumptions in the fair value calculation	Restriction period 2024–2027	Restriction period 2024–2026
Maximum number of rewards granted	14,750	13,630
Grant date	1.11.2024	1.6.2024
Share price on the grant date, EUR	43.22	41.90
Restriction period started	1.11.2024	1.6.2024
Restriction period ends	31.1.2027	31.5.2026
Estimated realisation of earnings criteria at the beginning of performance period, %	100	100
Estimated realisation of earning criteria on the closing date, %	100	100
Number of participants in the plan on the closing date	13	13

Expenses of share-based incentive plans

In 2024, EUR 9.7 (15.4) million of expenses were recognised for the share incentive plans.

The Group expects to pay EUR 6.2 million in taxes and tax-related costs arising from the reward to the participant in 2025.

Accounting principles – Share-based payments:

In the share-based payment scheme, the total reward amount is the gross earning of shares granted less the applicable withholding tax, with the remaining net amount being paid to the reward recipient in shares. Compensation costs for the share-based incentive plans are entirely treated as equity-settled arrangements. Share-based incentive costs are recognised based on the number of gross shares issued, even though the employee ultimately receives only net shares. The Group settles a cash payment for each portion with the Finnish Tax Administration, as required to meet withholding tax obligations. The withholding tax paid to the Tax Administration is recognised directly in equity.

Share-based incentive plans are measured at the fair value on the grant date. If the assumption regarding the realised number of shares changes, an adjustment will be recorded through profit and loss. The share-based incentive plans do not include any other non-market-based terms and conditions. Transfer restrictions related to the share-based incentive plans are out of the scope of the fair value measurement and expense recognition.

Accounting policies that require management's judgement – Share-based payments:

The expense recognition for the share-based incentive plans is based on an estimate of the fulfilment of the share incentive plan criteria and the development of Elisa Group's share price. The fulfilment of the share incentive plan criteria and the development of the share price might deviate from the estimates.

4.3 Pension obligations

The Group's pension obligations are classified as either defined contribution plans or defined benefit plans. Under a defined contribution plan, the Group pays fixed contributions to pension insurance companies. If the pension insurance company does not hold sufficient assets to pay all employees the benefits in question, the Group will have no legal or constructive obligation to pay further contributions. The contributions for defined contribution pension plans are recognised as expenses during the financial year in which the payment obligation has arisen. All other plans not meeting the above criteria are classified as defined benefit plans.

The pension schemes for the Group's personnel in Finland are covered by the Employees Pensions Act (TyEL) and are arranged through pension insurance companies. The Finnish Employees Pensions Act (TyEL) is a defined contribution plan. Supplementary pensions are arranged through life insurance companies. Some supplementary pension plans and pension plans under the responsibility of some Group companies have been classified as defined benefit plans. The defined benefit plans are mainly funded by yearly contributions to the insurance companies, based on actuarial valuation. Local tax and other legislation are applied to the pension plan arrangements. Only Elisa Corporation has defined benefit plans. The pension plans in foreign subsidiaries are defined contribution plans.

Post-employment benefits of key management are described in Note 4.1.

The net defined benefit related to pension liability

EUR million	2024	2023
Present value of unfunded obligations	**–1.0**	–2.8
Present value of funded obligations	**–38.7**	–41.2
Fair value of plan assets	**33.6**	34.7
B/S Net pension liability (–) / receivable (+) in the statement of financial position	**–6.2**	–9.3

Pension expenses recognised in the statement of comprehensive income

EUR million	2024	2023
Expense recognised in profit or loss		
Service cost	**0.0**	0.2
Net interest	**0.3**	0.4
Settlements	**–1.8**	
	–1.4	0.5
Remeasurements	**0.3**	–1.5
Tax effect of the remeasurements	**–0.1**	0.3
I/S	**0.2**	–1.2

Reconciliation of the net defined benefit obligations in the statement of financial position

EUR million	2024	2023
Net defined benefit obligation at the beginning of the period	**9.3**	12.9
Pension expenses recognised in profit or loss	**–1.4**	0.5
Remeasurements	**0.3**	–1.5
Contributions paid by the employer	**–2.0**	–2.6
Net defined benefit obligation at the end of period	**6.2**	9.3

Changes in the present value of the defined benefit obligations

EUR million	2024	2023
Obligation at the beginning of the period	**–44.0**	–50.6
Current service cost	**0.0**	–0.2
Interest expenses	**–1.5**	–1.5
Remeasurements		
Actuarial gain (+) or loss (–) arising from changes in economic assumptions	**–0.6**	2.4
Gain (+) or loss (–) arising from experience adjustments	**0.0**	1.5
Benefits paid	**4.6**	4.5
Settlements	**1.8**	
Obligation at the end of period	**–39.7**	–44.0

Changes in the fair value of plan assets

EUR million	2024	2023
Fair value of plan assets at the beginning of the period	**34.7**	37.7
Interest income	**1.2**	1.2
Remeasurements, gain (+) or loss (–)	**0.2**	–2.3
Benefits paid	**–4.6**	–4.5
Contributions paid by the employer	**2.0**	2.6
Fair value of plan assets at the end of period	**33.6**	34.7

The principal actuarial assumptions used	2024	2023
Discount rate, %	**3.3**	3.8
Future pension increase, %	**2.4**	2.7
Inflation, %	**2.1**	2.4

Sensitivity analysis of net defined benefit obligation

	Effect on the net defined benefit obligation, EUR million	
Change in actuarial assumptions	2024	2023
Discount rate +0.5%	**–0.5**	–0.6
Future pension increase +0.5%	**0.6**	0.7
Expected mortality +1 year	**0.5**	0.6

When calculating a change in one assumption of the sensitivity analysis, the other assumptions are assumed to remain unchanged. In practice, this is not likely to happen, and some changes in the assumptions may correlate with each other. The figures in the sensitivity analysis have been calculated using the same method that is applied when calculating defined benefit obligations.

Defined benefit obligations expose the Group to various risks. Decreases in the gain of corporate bonds, higher inflation and a higher expected retirement age may predispose the Group to the growth of defined benefit obligations. On the other hand, since the fair value of assets is calculated using the same discount rate that is used when calculating the obligation, the change in the discount rate will only affect the net defined benefit obligation. Similarly, a rise in life expectancy will increase the assets and affect the net defined benefit obligation.

The weighted average duration of the obligation is 12.2 (12.7) years.
The Group expects to contribute EUR 0.7 (1.4) million to defined benefit pension plans in 2025.
The assets of the defined benefit obligations are 100 per cent acceptable insurances.

Accounting principles – Pension obligations:

The Group's defined benefit obligation has been calculated separately for each plan using the projected unit credit method. Pension expenses calculated by authorised actuaries are recognised in profit or loss over the employees' working lives. The rate used to discount the present value of the defined benefit obligation is determined by reference to market yields of high-quality corporate bonds. If such information is not available, the market yields on government bonds are used. The maturity of corporate bonds and government bonds are substantially consistent with the maturity of pension obligations. The present value of a defined benefit obligation is reduced by the fair value of the plan assets at the end of the reporting period. The net defined benefit pension liability is recognised in the statement of financial position.

The current service cost and net interest of the net defined benefit liability are recorded in employee expenses on the income statement. The remeasurements of the net defined benefit liability, for example actuarial gains and losses and the return on plan assets, are recognised in other comprehensive income during the financial period in which they incur.

Accounting policies that require management's judgement – Pension obligations:

The book value of defined pension obligations is based on actuarial valuations. Assumptions and estimates used in the valuations include, among others, the discount rate used on the valuation of the pension obligation and plan assets, as well as the development of inflation and salary levels.

5. Tangible and intangible assets

5.1 Depreciation, amortisation and impairment

EUR million	2024	2023
Tangible assets		
Land and water areas		
Right-of-use assets	**1.3**	1.2
Buildings and constructions		
Owned buildings and constructions	**12.5**	12.3
Right-of-use assets	**21.9**	21.5
Telecom devices, machinery and equipment		
Owned telecom devices, machinery and equipment	**174.7**	176.0
Right-of-use assets	**3.1**	2.9
Other tangible assets	**0.1**	0.1
	213.6	213.9
Intangible assets		
Customer base	**2.6**	2.6
Other intangible assets	**62.9**	57.6
	65.6	60.2
I/S	**279.2**	274.1

EUR 0.1 (5.6) million of impairment losses have been recorded for the assets. In the comparison year, the impairment losses were related to the ramp down of the 3G network.

5.2 Property, plant and equipment

2024 EUR million	Land and water areas	Buildings and structures	Telecom devices, machinery and equipment	Other tangible assets	Tangible assets under construction	Total
Acquisition cost at 1 Jan.	11.7	351.3	3,875.3	36.6	38.3	**4,313.3**
Business acquisitions	0.0	3.8	5.2		0.3	**9.2**
Additions	0.3	13.9	193.3	0.0	29.6	**237.1**
Disposals	0.0	−0.2	−2.9			**−3.1**
Reclassifications		11.4	−36.1		−27.6	**−52.2**
Translation differences	0.0	0.0	0.0	0.0	0.0	**0.0**
Acquisition cost at 31 Dec.	12.0	380.2	4,034.8	36.7	40.6	**4,504.3**
Accumulated depreciation and impairment at 1 Jan.	−0.1	217.4	3,244.5	35.9		**3,497.7**
Depreciation and impairment	0.0	12.5	174.7	0.1		**187.3**
Accumulated depreciation on business acquisitions			0.3			**0.3**
Accumulated depreciation on disposals and reclassifications	0.0	6.7	−62.2			**−55.5**
Translation differences		0.0	0.0	0.0		**0.0**
Accumulated depreciation and impairment at 31 Dec.	−0.1	236.7	3,357.3	36.0		**3,629.8**
B/S Book value at 1 Jan.	11.9	133.9	630.8	0.8	38.3	**815.6**
B/S Book value at 31 Dec.	12.1	143.5	677.5	0.7	40.6	**874.5**

2023 EUR million	Land and water areas	Buildings and structures	Telecom devices, machinery and equipment	Other tangible assets	Tangible assets under construction	Total
Acquisition cost at 1 Jan.	11.7	334.8	4,045.9	36.6	32.7	4,461.7
Additions	0.3	14.8	190.8	0.1	30.6	236.6
Business disposals		−0.5	−9.5			−10.0
Disposals	−0.2	−1.2	−374.6	−0.1	0.0	−376.2
Reclassifications	0.0	3.4	22.7		−24.9	1.3
Translation differences	0.0	0.0	−0.1	0.0	0.0	−0.1
Acquisition cost at 31 Dec.	11.7	351.3	3,875.3	36.6	38.3	4,313.3
Accumulated depreciation and impairment at 1 Jan.	−0.1	206.7	3,452.6	35.9		3,695.0
Depreciation and impairment	0.0	12.3	176.0	0.1		188.4
Accumulated depreciation on disposals and reclassifications	0.0	−1.1	−374.6	−0.1		−375.8
Accumulated depreciation on business disposals		−0.4	−9.5			−9.9
Translation differences		0.0	0.0	0.0		0.0
Accumulated depreciation and impairment at 31 Dec.	−0.1	217.4	3,244.5	35.9		3,497.7
B/S Book value at 1 Jan.	11.8	128.1	593.3	0.8	32.7	766.7
B/S Book value at 31 Dec.	11.9	133.9	630.8	0.8	38.3	815.6

On 31 December 2024, the investment commitments for tangible and intangible assets were EUR 81.9 (73.5) million.

Accounting principles – Property, plant and equipment:

Property, plant and equipment are recognised in the statement of financial position at the original cost. Property, plant and equipment are valuated at acquisition cost less accumulated depreciation and impairments. Depreciation is recorded on a straight-line basis over the useful lives of tangible assets. The residual value and the useful life of an asset are reviewed at year-end and adjusted, if necessary.

Subsequent costs, such as renewals and major renovation projects, are capitalised when it is probable that future economic benefit will flow to the Group. Ordinary repair, service and maintenance costs are recognised as expenses during the financial period in which they incur.

Government grants, such as grants received in connection with the acquisition of fixed assets, are recorded as a deduction from the carrying amount of the fixed assets. Government grants are recognised in profit and loss in the form of lower depreciation over the useful life of the fixed asset.

Expected useful life of property, plant and equipment:

Buildings and structures	25–40 years
Machinery and equipment in buildings	10–25 years
Telecommunications network (line, backbone, area, subscription, cable TV)	8–15 years
Exchanges and concentrators (fixed and mobile core)	6–10 years
Equipment for the network and exchanges	3–8 years
Telecommunication terminals	2–4 years
Other machinery and equipment	3–5 years

Land and water areas are not depreciated.

5.3 Right-of-use assets

2024 EUR million	Land and water areas	Buildings and structures	Telecom devices, machinery and equipment	Total
Acquisition cost at 1 Jan.	18.7	135.7	14.7	**169.1**
Business acquisitions	0.0	0.6	0.1	**0.7**
Additions	1.7	27.3	3.6	**32.6**
Reclassifications	–0.3	–6.2	–2.9	**–9.3**
Translation differences		0.0	0.0	**0.0**
Acquisition cost at 31 Dec.	20.1	157.5	15.4	**193.0**
Accumulated depreciation and impairment at 1 Jan.	4.9	68.9	8.0	**81.8**
Depreciation and impairment	1.3	21.9	3.1	**26.3**
Accumulated depreciation on disposals and reclassifications	–0.2	–6.1	–2.8	**–9.2**
Translation differences		0.0	0.0	**0.0**
Accumulated depreciation and impairment at 31 Dec.	6.0	84.7	8.3	**98.9**
B/S Book value at 1 Jan.	13.8	66.8	6.7	**87.3**
B/S Book value at 31 Dec.	14.2	72.8	7.2	**94.1**

2023 EUR million	Land and water areas	Buildings and structures	Telecom devices, machinery and equipment	Total
Acquisition cost at 1 Jan.	17.2	143.6	20.9	181.7
Additions	1.8	17.7	3.8	23.3
Business disposals		–0.9	–0.1	–1.0
Disposals		–0.5		–0.5
Reclassifications	–0.2	–24.2	–9.9	–34.3
Translation differences		0.0	0.0	0.0
Acquisition cost at 31 Dec.	18.7	135.7	14.7	169.1
Accumulated depreciation and impairment at 1 Jan.	4.0	72.2	15.1	91.3
Depreciation and impairment	1.2	21.5	2.9	25.6
Accumulated depreciation on disposals and reclassifications	–0.2	–24.2	–9.9	–34.3
Accumulated depreciation on business disposals		–0.7	–0.1	–0.7
Translation differences		0.0	0.0	0.0
Accumulated depreciation and impairment at 31 Dec.	4.9	68.9	8.0	81.8
B/S Book value at 1 Jan.	13.2	71.4	5.9	90.4
B/S Book value at 31 Dec.	13.8	66.8	6.7	87.3

On 31 December 2024, the lease commitments for lease contracts commencing in the future in accordance with IFRS 16 were EUR 2.5 (2.8) million.

Accounting principles – Right-of-use assets:

A lease contract is a contract or a part of a contract that conveys the right to use the underlying asset for a specified period in exchange for consideration. When a new contract is made, Elisa assesses whether the contract in question is a lease contract or contains a lease contract.

The Group's leases mainly consist of leases for business premises, telecom and equipment premises, retail facilities and vehicles. Last-mile rentals from other operators and indefeasible right to use (IRU) contracts mainly do not fulfil the definition of a lease.

The right-of-use assets and lease liabilities recognised on the balance sheet are measured at the present value of future lease payments at the time of initial recognition. The lease payments are discounted using industry-specific interest rates considering the length of the lease contracts. The depreciation costs of the right-of-use assets and the interest portion of the lease liabilities are expensed. The depreciation of right-of-use assets is recorded on a straight-line basis starting at the commencement of the agreement over the useful life of the right-of-use asset or over the lease period, depending on which of these is shorter.

The right-of-use asset is adjusted in certain cases with remeasurements of the lease liability. Lease liabilities are mainly remeasured when future payments change due to index or interest rate changes or when the Group's assessment of using a possible extension option changes. When a lease liability is remeasured, the book value of the right-of-use asset is usually adjusted accordingly.

Short-term and low-value leases are recognised in the income statement and presented as off-balance sheet commitments. Leases with a lease term of 12 months or less are classed as short-term leases, and leases for which the underlying asset is of low value are classed as low-value leases. Rental expenses for short-term and low-value leases are described under Note 8.4 (Off-balance sheet leases and other commitments).

The Group separates the service components included in the lease agreements of business premises, retail facilities and vehicles and recognises their share as an expense in the income statement.

5.4 Intangible assets

2024 EUR million	Goodwill	Customer base	Other intangible assets	Intangible assets under construction	Total
Acquisition cost at 1 Jan.	1,178.4	44.3	961.8	14.8	**2,199.3**
Business acquisitions	106.1	8.0	25.3	1.0	**140.4**
Additions			59.7	8.2	**67.9**
Disposals			–1.8		**–1.8**
Reclassifications	–2.5	–14.7	7.3	–7.6	**–17.5**
Translation differences	–0.3	–0.2	0.2		**–0.4**
Acquisition cost at 31 Dec.	1,281.7	37.3	1,052.5	16.4	**2,387.9**
Accumulated amortisation and impairment at 1 Jan.	21.2	40.9	769.7		**831.8**
Amortisation and impairment	0.0	2.6	62.9		**65.6**
Accumulated amortisation on business acquisitions			12.2		**12.2**
Accumulated amortisation on disposals and reclassifications	–2.5	–14.7	–1.9		**–19.1**
Translation differences	0.1	–0.3	0.1		**–0.1**
Accumulated amortisation and impairment at 31 Dec.	18.8	28.6	843.1		**890.5**
Book value at 1 Jan.	1,157.2	3.4	192.0	14.8	**1,367.5**
Book value at 31 Dec.	1,262.9	8.8	209.4 [1]	16.4	**1,497.5**

2023 EUR million	Goodwill	Customer base	Other intangible assets	Intangible assets under construction	Total
Acquisition cost at 1 Jan.	1,178.4	44.3	906.4	19.0	2,148.1
Additions			51.5 [2]	10.0	61.6
Disposals			–1.4		–1.4
Business disposals			–7.9	–0.1	–8.0
Reclassifications			13.1	–14.1	–1.0
Translation differences	–0.1	0.0	0.0		0.0
Acquisition cost at 31 Dec.	1,178.4	44.3	961.8	14.8	2,199.3
Accumulated amortisation and impairment at 1 Jan.	21.1	38.3	720.8		780.2
Amortisation and impairment		2.6	57.6		60.2
Accumulated amortisation on disposals and reclassifications			–1.3		–1.3
Accumulated amortisation on business disposals			–7.4		–7.4
Translation differences	0.1	0.0	0.0		0.1
Accumulated amortisation and impairment at 31 Dec.	21.2	40.9	769.7		831.8
Book value at 1 Jan.	1,157.3	6.0	185.5	19.0	1,367.9
Book value at 31 Dec.	1,157.2	3.4	192.1 [1]	14.8	1,367.5

[1] Includes software in carrying amount of EUR 116.9 (96.8) million.
[2] Includes Estonian 26 GHz spectrum licence in a carrying amount of EUR 1.63 million.

Accounting principles – Intangible assets:

An intangible asset is recognised only if it is probable that the expected future economic benefits attributable to the asset will flow to the Group and the cost of the asset can be measured reliably. Subsequent costs related to the intangible assets are capitalised only if the future economic benefits that will flow to the Group exceed the level of performance originally assessed. In other cases, the costs are recognised when the expense is incurred.

In connection with the business combinations, intangible assets, such as customer base and brand, are measured at fair value. Other intangible assets are measured at original acquisition cost and amortised on a straight-line basis over their estimated useful life.

Amortisation periods for intangible assets:

Customer base	3–5 years
Brand	10 years
Development expenses	3 years
IT software	5 years
Other intangible assets	3–10 years

Research costs are recorded as expenses in the income statement. Development expenses capitalised from the date the product is technically feasible, it can be utilised commercially and the asset is expected to generate future economic benefit. Otherwise, development costs are recorded as an expense. Development costs initially recognised as expenses cannot be capitalised subsequently.

Public grants related to research and development projects are recognised as other operating income when research and development costs are recognised as an annual expense. If the public grant relates to the product development cost to be capitalised, the grant received reduces the capitalised acquisition costs.

Implementation costs of a SaaS arrangement are generally recognised as an expense and capitalised as an intangible asset only if the capitalisation conditions are met.

The Group assesses at each balance sheet date whether there is any indication that an asset may be impaired. If such evidence exists, the recoverable amount of the asset is assessed. Additionally, regardless of any existence of impairment indications, the recoverable amount of intangible assets under construction is assessed annually. The Group does not have any intangible assets with an indefinite useful life.

The recoverable amount of the asset is its fair value less the cost of disposal or its value in use, if it is higher. Value in use is the discounted present value of future net cash flows expected to be derived from an asset. An impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. An impairment loss is recognised immediately in the income statement. An impairment loss is reversed if there are indications that a change in circumstances has taken place and the recoverable amount of the asset has changed since the impairment loss was recognised. However, the reversal of an impairment loss will never exceed the carrying amount of the asset had no impairment loss been recognised.

5.4.1 Goodwill

Goodwill is allocated to the Group's cash generating units as follows:

EUR million	2024	2023
Consumer Customers	**643.7**	641.0
Corporate Customers	**619.2**	516.2
B/S	**1,262.9**	1,157.2

The reported operating segments based on Elisa's organisational and management structure are Consumer Customers and Corporate Customers.

Impairment testing:

In annual impairment tests, the recoverable amount of the segments is determined based on the value in use, which is calculated on the basis of projected discounted cash flows (DCF model). Covering a five-year period, the cash flow projections are based on plans approved by the management. The projections are mostly consistent with information from external sources and reflect actual development. The discount rate before taxes that is used is 5.9 per cent (6.9 per cent for the Consumer Customers and 6.8 per cent for the Corporate Customers in comparison period). Cash flows after five years have been projected by estimating the change in future cash flows as 2 per cent growth.

Usage of the DCF model requires forecasts and assumptions concerning market growth, prices, volume development, investment needs and general interest rates. The major sensitivities are associated with forecast revenue and profitability levels, horizon growth and discount rate.

As a result of the impairment tests performed, there was no need for impairment of the segments' goodwill.

Sensitivity analysis Projection parameters applied	Consumer Customers 2024	Corporate Customers 2024	Consumer Customers 2023	Corporate Customers 2023
Amount in excess of CGU carrying value, EUR million	**7,548**	**3,146**	5,478	2,847
EBITDA margin on average, % [1]	**39.3**	**29.0**	39.1	28.9
Horizon growth, %	**2.0**	**2.0**	2.0	2.0
Pre-tax discount rate, %	**5.9**	**5.9**	6.9	6.8

[1] On average during a five-year projection period.

Change in projection parameters that makes the fair value equal to book value	Consumer Customers 2024	Corporate Customers 2024	Consumer Customers 2023	Corporate Customers 2023
EBITDA margin on average, %	**–20.0**	**–13.0**	–18.1	–13.8
Horizon growth, %	**–39.0**	**–19.0**	–30.6	–29.4
Pre-tax discount rate, %	**19.2**	**13.1**	17.1	16.4

Accounting principles – Goodwill:

Goodwill arising from business combinations prior to 2010 is accounted for in accordance with the previous IFRS standards. Goodwill arising from business combinations incurred after 1 January 2010 represents the excess of the consideration transferred over the Group's interest in the net fair value of the identifiable net assets acquired and the amount of non-controlling interest, and in a business combination achieved in stages, the acquisition-date fair value of the equity interest.

Goodwill is not amortised. Goodwill is tested for impairment annually, or more frequently if there is any indication of a potential impairment. For the purpose of impairment testing, goodwill is allocated to the cash-generating units (CGUs) – Consumer Customers and Corporate Customers. Goodwill is carried at its cost less any accumulated impairment losses.

An impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. An impairment loss is recognised immediately in the income statement. If an impairment loss is allocated to a CGU, it is first allocated to reduce the carrying amount of any goodwill allocated to the CGU, and then to the other assets of the unit on a pro rata basis. An impairment loss recognised for goodwill is never reversed under any circumstances.

Accounting policies that require management's judgement – Goodwill impairment testing:

The recoverable amount of cash-generating units is determined by calculations based on value in use, the preparation of which requires estimates and assumptions. The main uncertainties are associated with the estimated levels of revenue and profitability and the discount rate. Any changes may lead to the recognition of impairment losses.

6. Inventories, trade and other receivables, trade and other liabilities

6.1 Inventories

EUR million	2024	2023
Materials and supplies	**21.1**	25.2
Finished goods	**54.5**	51.9
B/S	**75.6**	77.1

An impairment on inventories of EUR 0.7 (1.1) million was recognised during the financial period.

6.2 Trade and other receivables

6.2.1 Current receivables

EUR million	2024	2023
Trade receivables	**446.7**	441.5
Impaired trade receivables	**–6.2**	–6.1
Contract assets related to revenue	**3.8**	3.8
Contract assets related to costs	**5.8**	5.8
Accrued income	**87.0**	75.2
Finance lease receivables	**17.4**	17.2
Loan receivables	**0.0**	0.1
Receivables from associated companies	**3.7**	7.0
Other receivables	**14.8**	11.4
B/S	**573.0**	555.8

Accrued income includes interest receivables as well as income and cost accruals from the operating activities.

Aging of trade receivables

	2024			2023		
EUR million	Nominal value	Impairment	Carrying amount	Nominal value	Impairment	Carrying amount
Not past due	**396.2**	**0.0**	**396.2**	394.9	0.0	394.9
Past due						
Past due less than 30 days	**28.4**	**–0.2**	**28.2**	28.2	–0.2	28.1
Past due 31–60 days	**8.8**	**–0.6**	**8.2**	5.9	–0.7	5.2
Past due 61–90 days	**3.3**	**–0.6**	**2.6**	3.0	–0.7	2.4
Past due 91–180 days	**3.6**	**–2.0**	**1.6**	3.1	–1.8	1.3
Past due more than 181 days	**6.3**	**–2.7**	**3.6**	6.4	–2.8	3.6
	446.7	**–6.2**	**440.4**	441.5	–6.1	435.5

The book value of trade receivables approximates their fair value. The credit risk associated with trade receivables is described in note 7.1. The maximum exposure to credit risk is the carrying amount of the trade receivables on the closing date: EUR 440.4 million.

6.2.2 Non-current receivables

EUR million	2024	2023
Loan receivables	**0.0**	0.0
Trade receivables	**91.3**	94.7
Receivables from associated companies	**6.3**	4.2
Finance lease receivables	**5.5**	5.7
Accrued income	**0.2**	1.3
Non-current derivatives	**0.4**	1.0
Other non-current receivables	**1.3**	1.1
B/S	**105.1**	107.9

The effective interest rate on receivables (current and non-current) was 0.00 (0.00) per cent.

Gross finance lease receivables – maturity of minimum lease receivables

EUR million	2024	2023
Within one year	**17.8**	17.4
Later than one year, not later than five years	**5.6**	5.7
	23.4	23.1
Future finance income	**–0.5**	–0.2
Present value of finance lease receivables	**22.9**	22.9

Maturity of present value of future minimum lease receivables

EUR million	2024	2023
Within one year	**17.4**	17.2
Later than one year, not later than five years	**5.5**	5.7
	22.9	22.9

Lease periods vary from one to five years, and conditions vary in terms of index clauses.

6.3 Trade and other liabilities

EUR million	2024	2023
Non-current		
Advances received	**4.6**	4.8
Derivative instruments	**0.0**	
Other liabilities [1]	**14.7**	14.6
B/S	**19.4**	19.4
Current		
Trade payables [2] [3]	**177.7**	191.2
Advances received	**14.0**	11.0
Contract liabilities, from revenue	**34.8**	34.7
Accrued employee-related expenses	**69.1**	62.0
Other accruals	**20.6**	11.1
Liabilities to associated companies	**0.0**	0.5
Other liabilities [1]	**108.0**	92.2
B/S	**424.2**	402.5
	443.6	421.9

[1] Other non-current liabilities include EUR 7.6 (8.7) million and other current liabilities include EUR 4.1 (1.1) million of contingent considerations and contingent redemption obligations for non-controlling interests related to business acquisitions.

[2] Current trade payables include liabilities of EUR 0.0 (1.4) million for the 26 GHz spectrum licence.

[3] Trade payables include accounts payable under vendor financing agreements of EUR 5.2 (1.4) million. Under the arrangements, the bank offers Elisa's vendors the option to receive earlier payment of Elisa's accounts payable. Vendors utilising these arrangements pay a credit fee to the bank. Due dates for the payables within the vendor financing arrangements are 60–75 days after the date of the invoice. The majority of the other accounts payable have payment due dates 30–40 days after the date of the invoice.

Other accruals consist of accrued interest expenses as well as income and cost accruals from the operating activities.

Accounting principles – Inventories, trade and other receivables, trade and other liabilities:

Inventories:
Inventories are measured at their acquisition cost or at the net realisable value, if lower than the cost. In the ordinary course of business, net realisable value is the estimated selling price less estimated necessary costs associated with the eventual sale. The cost is determined using a weighted average price.

Trade and other receivables:
Trade receivables are valued at amortised cost and recognised at the original invoiced amount. The Group records the provision for the impairment losses arising from trade receivables based on historical default rates over the expected life and recognises the impairment loss when the trade receivables are stated as lost. The impairment loss is adjusted by the amount of factored receivables.

Trade receivables and other receivables are classified as non-current receivables if they mature in more than 12 months. In other cases, they are classified as current receivables.

The Group offers consumer customers various payment methods, granting the possibility to purchase equipment on 12–36 months' credit. At the time of the sale of the equipment, such transactions are recorded as revenue and trade receivables. The trade receivables are classified as non-current if their maturity exceeds 12 months.

Finance lease receivables:
The Group acts as a lessor in the lease arrangements for data terminal equipment, which is accounted for as finance leases. At the time of the sale of the equipment, the proceeds is recorded as revenue and receivables at present value. Rental income received are recorded as financial income and a reduction of the receivables, reflecting a constant periodic rate of return on the net investment.

Trade payables:
The current value of trade payables and other liabilities is a reasonable estimate of their fair value. The payment terms of the Group's trade payables correspond to conventional corporate payment terms.

7. Capital structure

7.1 Financial risk management

Elisa's central treasury department manages the exchange rate, interest rate, liquidity and refinancing risks for the entire Group. The financing policies, covering funding and investment principles, are annually discussed and ratified by the Audit Committee of the Board of Directors. Funding risks are monitored as a part of the regular business monitoring procedure.

7.1.1 Market risks

Interest rate risk

Elisa is exposed to interest rate risk mainly through its financial liabilities. In order to manage the interest rate risk, the Group's borrowings and investments are diversified into fixed- and variable-rate instruments. Derivative financial instruments may also be used in managing the interest rate risk. The purpose is to minimise the negative effects caused by changes in the interest rate level.

Timing of interest rate changes for interest-bearing financial liabilities (EUR million)
31 Dec. 2024, at nominal value

Time of interest rate change	Less than 1 year	Between 1 and 5 years	Over 5 years	Total
Variable-rate financing instruments				
Commercial paper	307.0			307.0
Bank loans	150.0			150.0
Fixed-rate financing instruments				
Bonds		900.0		900.0
Bank loans			100.0	100.0
Lease liabilities	21.0	32.3	43.3	96.6
	478.0	932.3	143.3	1,553.6

On 31 December 2024, the Group's interest-bearing financial assets consisted of commercial papers and bank deposits amounting to EUR 0.0 million and cash in the bank amounting to EUR 89.9 million.

Lease contracts contain index-linkages, which affect the amounts of lease liabilities, right-of-use assets and depreciation.

The sensitivity analysis includes the financial liabilities at the balance sheet date. The change in interest rate level is assumed to be one percentage point, and the effect on income is calculated before taxes. The interest rate position is assumed to include interest-bearing financial liabilities and receivables, as well as interest rate swaps on the balance sheet date, assuming that all the contracts will be valid and stay unchanged for the entire year.

EUR million	2024	2023
Change in interest rate level +/– 1%	**–4.6 / 4.6**	–1.3 / 1.3

Foreign exchange risk

Most of Elisa Group's cash flows are denominated in euros, which means that the company's exposure to exchange rate risk (economic risk and transaction risk) is low. Business-related exchange rate risks arise from Elisa Polystar Sweden AB and its subsidiaries, international interconnection traffic and, to a minor extent, other acquisitions. The most essential currencies are the US dollar (USD), Swedish krona (SEK), Canadian dollar (CAD), British pound (GBP) and Swiss franc (CHF). The impact of other currencies is insignificant.

During the financial year, exchange rate hedges have been used against changes in the value of the Swedish krona and US dollar. The Group has hedged Swedish krona- and US dollar-denominated expenses with foreign currency forward contracts. The Group's financial liabilities do not include exchange rate risk.

The translation difference exposure from the foreign subsidiaries included in consolidated equity mainly consists of the Elisa Polystar subgroup. The translation difference exposure has not been hedged during the reporting period.

Foreign currency position	2024		2023	
EUR million	Trade receivables	Trade payables	Trade receivables	Trade payables
USD	**9.6**	**5.5**	10.1	5.8
SEK	**3.4**	**0.3**	4.0	0.2
GBP	**0.1**	**0.3**	0.4	0.7
CAD	**1.4**	**0.0**	2.5	0.0
CHF	**0.8**	**0.0**	0.1	0.0

The Group-level currency exposure is the basis for the sensitivity analysis of foreign exchange risk. If the euro were to appreciate or depreciate by 20 per cent against all other currencies, the impact on cash flows would be:

EUR million	2024	2023
USD	**+/– 0.8**	+/– 0.9
SEK	**+/– 0.6**	+/– 0.8
GBP	**–/+ 0.0**	–/+ 0.0
CAD	**+/– 0.3**	+/– 0.5
CHF	**+/– 0.2**	–-/+ 0.0

Commodity risks

Elisa is investing strongly in the use of renewable energy and has signed a wind power purchase agreement for the Puutikankangas wind farm. The agreement is valid until March 2033 and it covers about half of the electricity consumption of Elisa's mobile network in Finland.

Elisa hedges electricity purchases with physical purchase contracts and derivatives. The electricity price risk is assessed for a five-year period. Hedge accounting is applied to contracts hedging future purchases. The effective portion of derivatives that qualify for hedge accounting is recognised in the revaluation reserve of equity, and the ineffective portion is recognised in the income statement under other operating income or expenses. The change in the revaluation reserve, recognised in equity, is presented in the statement of comprehensive income under "Cash flow hedge".

At the end of the year, the ineffective portion of hedge accounting was EUR 0.0 (0.0) million.

Hedging rate for purchases in the following years, %	2024	2023
0–1 years	**92.0**	93.1
1–2 years	**71.6**	77.4
2–3 years	**42.1**	38.8
3–4 years	**41.1**	42.3
4–5 years	**34.5**	41.1

If the market price of electricity derivatives changed by +/– 10 per cent from the balance sheet date 31 December 2024, it would contribute EUR +0.3/–0.3 (+0.4/–0.4) million to equity. The impact has been calculated before tax.

7.1.2 Liquidity risk

The objective of liquidity risk management is to ensure the Group's financing under all circumstances. The Group's most important financing arrangement is an EMTN programme of EUR 1,500 million, under which the Company issued bonds for EUR 900 million. On 18 March 2024, Elisa paid back the remaining EUR 248 million of the bonds maturing in March 2024.

Furthermore, the Company has a EUR 350 million commercial paper programme and committed credit limit of EUR 300 million, out of which a EUR 130 million credit limit will fall due on 22 September 2028, and EUR 170 million will fall due on 17 May 2028. Both credit lines were fully undrawn on 31 December 2024. The loan margin is determined based on the Company's credit rating.

Elisa has issued EUR 100 million of short-term financing under the credit facility, which was arranged by Landesbank Baden-Württemberg. The limit is non-committed and is valid until further notice. The used amount of the limit was EUR 50 million on 31 December 2024.

On 10 April 2024, Elisa signed a new, EUR 100 million loan from the Nordic Investment Bank (NIB). The interest margin of the seven-year loan is linked to sustainability targets. The arrangement has fixed interest.

Elisa has financial covenant in its two committed credit facilities, totally EUR 300 million and in its two term loans with Nordic Investment Bank, totally EUR 200 million. Financial covenant is Equity Ratio, which shall not at any time be less than 30 per cent. Equity Ratio is tested quarterly and it is shared with debtors. Based on Elisa´s financial forecasts the covenant will not be breached.

As part of ensuring its financing, Elisa has acquired international credit ratings. Moody's Investor Services have rated Elisa's long-term commitments as Baa2 (outlook stable). S&P Global has rated the company's long-term commitments as BBB+ (outlook stable) and short-term commitments as A-2.

Cash and undrawn committed limits

EUR million	2024	2023
Cash and cash equivalents	**89.9**	63.4
Credit limits	**300.0**	300.0
	389.9	363.4

On 31 December 2024, cash and cash equivalents, as well as undrawn committed credit limits less commercial papers issued by Elisa, were EUR 82.9 (328.9) million.

Contract-based cash flows for financial liabilities are presented under Note 7.4.2

7.1.3 Credit risk

Financial instruments contain an element of risk of the respective parties failing to fulfil their obligations. Liquid assets are invested within confirmed limits in investment targets with good credit ratings. Investments and the limits specified for them are reviewed annually, or more often, if necessary. Derivative contracts are only signed with Finnish and foreign banks with good credit ratings.

The business units are liable for credit risk associated with trade receivables. The units have written credit policies that are mainly consistent with uniform principles. The credit ratings of new customers are always reviewed from external sources when selling products or services invoiced in arrears. In the case of additional sales to existing customers, creditworthiness is reviewed on the basis of the company's own accounts. The Group may also collect advance or guarantee payments in accordance with its credit policy.

Credit risk concentrations in trade receivables are minor, as the Group's customer base is wide; the ten largest customers represent approximately 7 per cent of customer invoicing. EUR 6.2 (6.1) million of uncertain receivables have been deducted from consolidated trade receivables. The Group's previous experience in the collection of trade receivables corresponds to the recognised impairment. Furthermore, the Group regularly sells past-due trade receivables from defined customer groups. Based on these facts, the management is confident that the Group's trade receivables do not involve any substantial credit risk. The maximum credit risk is the value of the trade receivables. On 31 December 2024, short-term trade receivables were EUR 440.4 (435.5) million and long-term trade receivables EUR 91.3 (94.7) million. The aging of short-term trade receivables is described in note 6.2.1.

7.2 Capital management

Elisa's capital consists of equity and liabilities. To develop its business, Elisa may carry out expansion investments and acquisitions, which may be financed through equity or liabilities, directly or indirectly.

The target for the company's equity ratio is over 35 per cent and for comparable net debt / EBITDA 1.5 to 2.0.

The company's distribution of profit to shareholders consists of dividends, capital repayment and acquisition of treasury shares. Effective profit distribution is 80—100 per cent of profit for the period. Furthermore, additional profit distribution to the shareholders may occur. When proposing or deciding on the profit distribution, the Board takes into account the company's financial position, future financing needs, and set financial objectives.

7.2.1 Capital structure and key indicators

EUR million	2024	2023
Interest-bearing net debt	**1,472.8**	1,304.1
B/S Total equity	**1,292.8**	1,293.7
Total capital	**2,765.5**	2,597.7
Gearing ratio, %	**113.9**	100.8
Net debt / EBITDA	**1.9**	1.7
Equity ratio, %	**38.7**	41.6

7.2.2 Available sources of financing

With regard to capital financing, the company's objective is to maintain sufficient flexibility for the Board of Directors to issue shares. The Annual General Meeting 2024 authorised the Board of Directors to pass a resolution concerning the share issue, right of assignment of treasury shares and/or granting of special rights referred to in the Limited Liability Companies Act. The authorisation entitles the Board of Directors to issue the shares in a proportion other than that of the current shareholdings (directed share issue). A maximum aggregate of 15 million of the company's shares can be issued under the authorisation.

Shareholders' equity	2024	2023
Treasury shares, 000s	**6,926**	6,947
Share issue authorisation, 000s	**15,000**	14,999

On 31 December 2024, the maximum amount of the share issue authorisation at the share closing price was EUR 627.0 (628.0) million.

With regard to capital financing, the company maintains loan programmes and credit arrangements that allow quick issuance. The arrangements are committed and non-committed, and allow issuances for different maturities.

Debt capital	2024	2023
Commercial paper programme (non-committed) [1]	**43.0**	315.5
Credit facility (non-committed)	**50.0**	100.0
Revolving credits (committed) [2]	**300.0**	300.0
EMTN programme (non-committed) [3]	**600.0**	352.0
Total, EUR million	**993.0**	1,067.5

On the closing date, the share issue authorisation as well as committed and non-committed credit arrangements totalled EUR 1,620.0 (1,695.5) million.

1) The commercial paper programme amounted to EUR 350 million, of which EUR 307 million was in use on 31 December 2024.

2) Elisa has two committed revolving credit facilities of EUR 300 million in total. Both credit facilities were undrawn on 31 December 2024.

3) Elisa has a European Medium Term Note programme (EMTN) for a total of EUR 1,500 million, of which EUR 900 million was in use on 31 December 2024. The programme was updated on 19 July 2024, and it is valid for one year as of the update.

7.3 Equity

7.3.1 Share capital and treasury shares

EUR million	Number of shares, 000s	Share capital	Treasury shares
1 Jan. 2023	167,335	83.0	–124.5
Disposal of treasury shares			2.8
B/S 31 Dec. 2023	167,335	83.0	–121.7
Disposal of treasury shares			2.9
B/S 31 Dec. 2024	167,335	83.0	–118.8

At the end of the reporting period, the company's paid-in share capital registered in the Trade Register was EUR 83,033,008 (83,033,008).

According to its Articles of Association, Elisa Corporation has only one series of shares, each share entitling to one vote. All issued shares have been paid for. Shares do not have a nominal value.

Treasury shares include the acquisition cost of treasury shares held by the Group, and they are deducted from shareholder's equity in the consolidated financial statements.

Treasury shares	Number of shares	Accounting countervalue, EUR	Holding, % of shares and votes
Treasury shares held by the Group at 1 Jan. 2023	7,075,378	3,510,859	4.23
Disposal of treasury shares	–128,724		
Treasury shares held by the Group at 31 Dec. 2023	6,946,654	3,446,986	4.15
Disposal of treasury shares	–134,178		
Transfer from unallocated account	113,131		
Treasury shares held by the Group at 31 Dec. 2024	6,925,607	3,436,542	4.14

7.3.2 Dividends

The Annual General Meeting has proposed a total dividend of EUR 2.35 per share to be paid for the 2024 result. A dividend of EUR 2.25 per share was paid for the 2023 result.

7.3.3 Other reserves

EUR million	Reserve for invested non-restricted equity	Contingency reserve	Fair value reserve	Other reserves	Total
1 Jan. 2023	90.9	3.4	–10.5	381.0	464.8
Cash flow hedge			–0.1		–0.1
Remeasurements of the net defined benefit liability			1.2		1.2
B/S 31 Dec. 2023	90.9	3.4	–9.4	381.0	465.9
Cash flow hedge			–0.5		–0.5
Remeasurements of the net defined benefit liability			–0.2		–0.2
B/S 31 Dec. 2024	90.9	3.4	–10.1	381.0	465.2

The reserve for invested non-restricted equity includes the proportion of share subscription prices that was not recognised as share capital in accordance with the share issue terms.

The contingency reserve includes the amount transferred from distributable equity under the Articles of Association or by a decision of the General Meeting.

The fair value reserve includes changes in the fair value of other investments, the remeasurements of the net defined benefit liability and the effective portion of the changes in the fair values of derivatives designated as cash flow hedges.

Other reserves were formed through share issues in business acquisitions by the amount exceeding the par value of the share received by the Company.

7.4 Financial assets and liabilities

7.4.1 Financial income and expenses

EUR million	2024	2023
Financial income		
Dividend income from other financial assets	**0.6**	0.5
Interest and financial income from loans and other receivables	**5.0**	4.7
Gain on disposal of financial assets	**0.8**	0.2
Foreign exchange gain	**2.8**	2.1
Other financial income	**0.2**	1.2
I/S	**9.4**	8.7
Financial expenses		
Interest expenses on financial liabilities measured at amortised cost	**–34.5**	–24.3
Interest expenses on lease liabilities	**–3.9**	–3.3
Other financial expenses on financial liabilities measured at amortised cost	**–2.2**	–2.1
Other interest expenses	**–0.2**	–0.1
Impairments	**–5.0**	–0.1
Loss on disposal of financial assets	**0.0**	–0.3
Foreign exchange loss	**–2.0**	–1.9
Other financial expenses	**–0.1**	0.0
I/S	**–47.9**	–32.0

Accounting principles – Financial income and expenses:

Interest income and expenses are recognised using the effective interest rate method, and dividend income is recognised when the right to dividend is incurred.

Foreign exchange rate gains and losses are recognised in accordance with their nature either in materials and services or in financial income and expenses.

7.4.2 Financial liabilities

EUR million	2024 Balance sheet values	2024 Fair values	2023 Balance sheet values	2023 Fair values
Non-current				
Bonds	**895.8**	**885.1**	893.7	870.5
Bank loans	**111.8**	**111.8**	103.0	103.0
Lease liabilities	**75.5**	**75.5**	67.8	67.8
B/S	**1,083.1**	**1,072.4**	1,064.5	1,041.4
Current				
Bonds			247.7	246.5
Bank loans	**151.5**	**151.5**	0.0	0.0
Lease liabilities	**21.0**	**21.0**	20.8	20.8
Commercial paper	**307.0**	**307.0**	34.5	34.5
B/S	**479.6**	**479.6**	303.0	301.8
	1,562.7	**1,552.0**	1,367.5	1,343.2

The financial liabilities include a total of EUR 96.6 (88.6) million of secured lease liabilities. In practice, lease liabilities are secured liabilities, as the rights to the leased property will revert to the lessor if the payments are neglected.

Material parts of the financial liabilities are denominated in euros. Financial liabilities are measured at amortised cost. The fair values of financial liabilities are based on quoted market prices.

The average maturity of non-current liabilities was 2.2 (2.8) years, and the effective average interest rate was 2.4 (2.0) per cent.

Contract-based cash flows on the repayment of financial liabilities and costs

2024 EUR million	2025	2026	2027	2028	2029	2030–	Total
Bonds	17.0	317.0	313.2	12.0	312.0	0.0	971.2
Financial costs	17.0	17.0	13.2	12.0	12.0	0.0	71.2
Repayments	0.0	300.0	300.0	0.0	300.0	0.0	900.0
Bank loans	158.7	8.3	6.0	5.7	4.1	108.3	291.0
Financial costs	7.2	3.8	3.7	3.7	3.7	5.6	27.6
Repayments	151.5	4.5	2.3	2.0	0.4	102.7	263.4
Commercial paper	307.0						307.0
Financial costs	3.7						3.7
Repayments	303.3						303.3
Lease liabilities	25.4	19.3	15.2	8.5	6.9	70.3	145.6
Financial costs	4.4	6.6	5.5	3.0	2.5	27.0	49.0
Repayments	21.0	12.7	9.7	5.5	4.4	43.3	96.6
Derivatives	–0.4	0.0					–0.4
Electricity derivatives	–0.4	0.0					–0.4
Currency derivatives	0.0						0.0
Contingent considerations	5.4						5.4
Trade payables	177.7						177.7
Total	**690.9**	**344.6**	**334.4**	**26.2**	**323.0**	**178.6**	**1,897.6**
Financial costs	**32.0**	**27.4**	**22.4**	**18.7**	**18.2**	**32.6**	**151.2**
Repayments	**658.9**	**317.2**	**312.0**	**7.5**	**304.8**	**146.0**	**1,746.4**

2023 EUR million	2024	2025	2026	2027	2028	2029–	Total
Bonds	258.3	16.1	316.1	312.8	12.0	312.0	1,227.3
Financial costs	10.3	16.1	16.1	12.8	12.0	12.0	79.3
Repayments	248.0	0.0	300.0	300.0	0.0	300.0	1,148.0
Bank loans	4.7	104.7	0.2	0.2	0.2	2.1	112.1
Financial costs	4.5	4.4	0.0	0.0	0.0	0.1	9.1
Repayments	0.3	100.3	0.2	0.2	0.2	1.9	103.0
Commercial paper	34.5						34.5
Financial costs	0.6						0.6
Repayments	33.9						33.9
Lease liabilities	24.4	19.7	12.9	6.6	4.5	68.5	136.6
Financial costs	3.6	7.0	5.0	2.5	1.7	28.1	47.9
Repayments	20.8	12.7	7.8	4.1	2.8	40.4	88.6
Derivatives	−0.9	−0.2					−1.1
Electricity derivatives	−0.8	−0.2					−1.0
Currency derivatives	−0.1						−0.1
Contingent considerations	1.1						1.1
Trade payables	191.2						191.2
Total	513.3	140.4	329.2	319.5	16.7	382.5	1,701.7
Financial costs	18.0	27.4	21.2	15.3	13.7	40.2	135.8
Repayments	495.3	113.0	308.0	304.2	3.0	342.3	1,565.9

Future financial costs of variable-rate financial liabilities have been calculated at the interest rate prevailing on the period end date.

The company has EUR 300 million in credit facilities. Both EUR 130 million and EUR 170 million credit facilities mature in 2028 and were fully undrawn on 31 December 2024.

Bonds

In the framework of its bond programme, the parent company has issued the following bonds:

	31 Dec. 2024					
	Fair value EUR million	Balance sheet value EUR million	Nominal value EUR million	Nominal interest rate, %	Effective interest rate, %	Maturity date
EMTN programme 2001 / EUR 1,000 million						
I/2019	295.0	298.7	300.0	1.125	1.236	26.2.2026
I/2020	280.1	299.0	300.0	0.250	0.322	15.9.2027
I/2023	310.0	298.2	300.0	4.000	4.092	27.1.2029
	885.1	895.8	900.0			

The fair value of bonds is based on market quotes.

Maturity of lease liabilities' cash flows

EUR million	2024	2023
Within one year	**21.0**	20.8
Later than one year, but not later than five years	**32.3**	27.4
Later than five years	**43.3**	40.4
	96.6	88.6

7.4.3 Financial assets and liabilities recognised at fair value

Carrying amounts of financial assets and liabilities by category

2024 EUR million	Financial assets/liabilities measured at fair value through profit or loss	Financial assets/liabilities measured at fair value through other comprehensive income	Financial assets/liabilities measured at amortised cost	Book values	Fair values	Note
Non-current financial assets						
Other financial assets [1]	0.6		15.0	15.6	15.6	
Trade and other receivables		0.4	104.7	105.1	105.1	6.2.2
Current financial assets						
Trade and other receivables			573.0	573.0	573.0	6.2.1
	0.6	0.4	692.6	693.6	693.6	
Non-current financial liabilities						
Financial liabilities			1,083.1	1,083.1	1,072.4	7.4.2
Trade and other liabilities [2]	1.3		13.4	14.7	14.7	6.3
Current financial liabilities						
Financial liabilities			479.6	479.6	479.6	7.4.2
Trade and other liabilities [2]	4.1		406.2	410.3	410.3	6.3
	5.4		1,982.3	1,987.7	1,977.0	

2023 EUR million	Financial assets/liabilities measured at fair value through profit or loss	Financial assets/liabilities measured at fair value through other comprehensive income	Financial assets/liabilities measured at amortised cost	Book values	Fair values	Note
Non-current financial assets						
Other financial assets [1]	0.6		15.4	16.0	16.0	
Trade and other receivables		1.0	106.9	107.9	107.9	6.2.2
Current financial assets						
Trade and other receivables			555.8	555.8	555.8	6.2.1
	0.6	1.0	678.1	679.7	679.7	
Non-current financial liabilities						
Financial liabilities			1,064.5	1,064.5	1,041.4	7.4.2
Trade and other liabilities [2]			14.6	14.6	14.6	6.3
Current financial liabilities						
Financial liabilities			303.0	303.0	301.8	7.4.2
Trade and other liabilities [2]	1.1		390.4	391.5	391.5	6.3
	1.1		1,772.5	1,773.6	1,749.3	

1) Other investments contain the Group's listed and unlisted equity investments

2) Excluding advances received

The fair values of financial asset and liability items are presented in detail under the specified note number.

Financial assets and liabilities recognised at fair value

EUR million	2024	Level 1	Level 2	Level 3
Financial assets and liabilities measured at fair value through other comprehensive income				
Electricity derivatives	**0.4**		0.4	
Currency derivatives	**0.0**		0.0	
Financial assets and liabilities measured at fair value through profit or loss				
Listed equity investments	**0.6**	0.6		
Contingent considerations in business combinations	**–5.4**			–5.4
	–4.5	0.6	0.4	–5.4

EUR million	2023	Level 1	Level 2	Level 3
Financial assets and liabilities measured at fair value through other comprehensive income				
Electricity derivatives	1.0		1.0	
Currency derivatives	0.1		0.1	
Financial assets and liabilities measured at fair value through profit or loss				
Listed equity investments	0.6	0.6		
Contingent considerations in business combinations	–1.1			–1.1
	0.5	0.6	1.0	–1.1

Items measured at fair value are categorised using a three-level value hierarchy. Level 1 includes financial instruments with quoted prices in active markets, such are listed shares owned by the Group. Level 2 includes instruments with observable prices based on market data, such are electricity and currency derivatives. Level 3 includes instruments with prices that are not based on observable market data, but instead, on the company's internal information, such are Group's contingent considerations relating to business combinations.

Level 3 reconciliation

Contingent considerations related to business acquisitions

EUR million	2024	2023
At the beginning of the period	**1.1**	4.9
Increase in contingent consideration	**4.9**	0.6
Payment of contingent consideration	**–0.6**	–4.2
Release of unused contingent consideration		–0.1
Translation differences	**0.1**	0.0
At the end of the period	**5.4**	1.1

According to the management's estimation for the financial instruments valued at Level 3, replacing one or more of the pieces of fair value measurement data with a possible alternative assumption would not significantly change the fair value of the items, considering the small total amount of underlying liabilities.

7.4.4 Derivative instruments

Nominal values of derivatives

	2024			2023		
	Period of validity			Period of validity		
EUR million	Less than 1 year	1–5 years	Over 5 years	Less than 1 year	1–5 years	Over 5 years
Electricity derivatives	**2.4**			3.5		
Currency derivatives	**4.0**			3.3		
	6.4			6.8		

Fair values of derivatives

	2024			2023		
EUR million	Positive fair value	Negative fair value	Total	Positive fair value	Negative fair value	Total
Electricity derivatives	**0.4**		**0.4**	1.0		1.0
Currency derivatives	**0.0**		**0.0**	0.1		0.1
	0.4		**0.4**	1.0		1.0

Determination of fair value and categorisation

The fair value of derivative instruments is determined using quoted prices in active markets.

The Group recognises the derivative instruments at the fair value hierarchy Level 2. Please see note 7.4.3.

Accounting principles – Derivative instruments:

Derivatives are recognised at fair value as financial assets or liabilities on the date of acquisition. Gains and losses arising from the fair value remeasurements are recognised in accordance with the nature of the derivative contracts. Outstanding derivatives that do not qualify for hedge accounting are measured at fair value at the end of the reporting period, and the fair value changes are immediately recognised in financial items on the income statement. The fair value of derivatives is expected to approximate the quoted market prices or, if the quoted market prices are not available, the value is estimated using commonly used valuation methods.

The Group applies hedge accounting for electricity price risk and the Swedish krona, and treats electricity derivative contracts as cash flow hedges. The change in fair value of effective portion of derivatives that qualify for hedge accounting is recognised in other comprehensive income and presented in the equity hedge revaluation reserve (as a part of "Other reserves"). Gains or losses on derivative instruments accumulated in equity are expensed when any hedged item affects profit or loss. The ineffective portion of the derivatives is recognised in other operating income and expenses on the income statement. The hedge accounting is discontinued when the hedge contract is expired, sold, terminated or completed. Any cumulative gain or loss arising from the hedge instrument remains in equity until the expected transaction is realised.

Accounting principles – Financial assets and liabilities:

Financial assets:
Acquisition and sale of financial assets are recognised on the settlement date. The Group derecognises financial assets when its contractual rights to the cash flows from the financial asset expire or when it has transferred substantially all the risks and rewards to an external party.

Cash and cash equivalents include cash at hand and bank deposits as well as highly liquid short-term investments with maturities of up to three months.

Investments in shares, excluding investments in associated companies and mutual real-estate companies, are classified as other financial assets and generally measured at fair value. Investments in unlisted companies are recognised at original acquisition cost less any impairment. Investments in listed companies are measured at fair value, based on share transactions. Equity investments are included in non-current assets. On 31 December 2024, the Group's equity investments consisted mainly of investments in unlisted companies.

Financial liabilities:
Financial liabilities are initially recognised at fair value equalling the net proceeds received and subsequently measured at amortised cost, using the effective interest rate method. The transaction costs are included in the original acquisition cost of financial liabilities. Financial liabilities are recognised in non-current and current liabilities, and they may be non-interest-bearing or interest-bearing.

In cases where the terms of the financial liability measured at amortised cost are amended in such a way that the change does not result in derecognition of the liability from the balance sheet, the Group must nevertheless recognise the profit or loss in the income statement. The profit or loss is calculated as the difference between the original contractual cash flows and the cash equivalents, discounted at the original effective interest rate of amended agreements.

Lease liabilities:
Lease liabilities are initially measured at the present value of future lease payments. The estimated lease term includes the non-cancellable period of the lease together with periods covered by termination and extension options, if exercise of these options is reasonably certain. The company has discounted the future lease payments using the borrowing rate based on the duration of the estimated lease term. The lease liability is initially measured using the actual value of an index at the commencement date. The lease liabilities are remeasured if the changes are reflected in the cash flow or if the Group reassesses whether it is reasonably certain to exercise a possible option.

Classification of assets and liabilities:
The Group's financial assets and liabilities are classified as financial assets and liabilities measured at amortised cost, financial assets and liabilities measured at fair value through other comprehensive income, and financial assets and liabilities measured at fair value through profit or loss. Financial assets and liabilities measured at amortised cost include fixed-term contracts the cash flow of which include payments of principal and interest on the principal amount outstanding. Financial assets and liabilities measured at fair value through other comprehensive income include financial items that are expected both to collect contractual cash flows and to sell financial assets/liabilities. Financial assets and liabilities measured at fair value through profit or loss include items that do not meet the criteria of the other groups.

The Group categorises electricity and currency derivatives that qualify for hedge accounting as financial assets or liabilities measured at fair value through other comprehensive income. Contingent considerations in business combinations and listed equity investments are recognised as financial assets or liabilities measured at fair value through profit or loss. Other financial assets and liabilities are measured at amortised cost.

8. Other notes

8.1 Taxes

8.1.1 Income taxes

EUR million	2024	2023
Taxes for the period	**–80.1**	–82.7
Taxes for previous periods	**0.0**	0.0
Deferred taxes	**–11.4**	–1.4
I/S	**–91.5**	–84.1

Income taxes recognised directly in comprehensive income:

	2024			2023		
EUR million	Before taxes	Tax effect	After taxes	Before taxes	Tax effect	After taxes
Remeasurements of the net defined benefit liability	**–0.3**	**0.1**	**–0.2**	1.5	–0.3	1.2
Cash flow hedge	**–0.7**	**0.1**	**–0.5**	–0.1	0.0	–0.1
	–1.0	**0.2**	**–0.8**	1.5	–0.3	1.2

Translation differences do not include a tax effect.

Reconciliation of the tax expense on the income statement and taxes calculated at the Group's domestic statutory tax rate 20 (20):

EUR million	2024	2023
I/S Profit before tax	**447.9**	458.1
Tax according to the domestic tax rate	**–89.6**	–91.6
Tax effects of the following:		
Tax-free income	**0.0**	0.1
Non-deductible expenses	**–2.1**	–1.8
Tax effect related to the foreign subsidiaries	**2.7**	11.0
Usage of tax losses, for which no deferred tax was recognised	**0.2**	0.7
Loss for the period, for which no deferred tax asset is recognised	**–2.0**	–2.4
Taxes for previous periods	**0.0**	0.0
Other items	**–0.8**	0.0
I/S Taxes on the income statement	**–91.5**	–84.1
Effective tax rate, %	**20.4**	18.4

Accounting principles – Income taxes for the period and deferred taxes:

Taxes recognised on the income statement include current and deferred taxes. Income taxes for the financial year are calculated on the net profit for the period at the current tax rate and are adjusted by taxes for the prior periods.

Deferred taxes are recognised from temporary differences arising between the tax bases of assets and liabilities and their carrying values. Please refer to note 8.1.2 for details.

The global minimum tax regulation (OECD pillar 2) entered into force in 2024. As Elisa mainly operates in countries with local tax rates above the 15 per cent minimum rate, no significant top-up taxes are expected to be paid. Elisa's Estonian subsidiaries are subject to a profit distribution tax system, whereby corporate tax is only levied on the distribution of profits at a tax rate not lower than the minimum tax rate. For the 2024 financial period, a deferred profit distribution tax of EUR 8.5 million (corresponding to the global minimum tax rate of 15 per cent) was recognised in the taxable income of Elisa's subsidiaries in Estonia. The regulation requires that the profit distribution tax will be realised within the next four financial years. No deferred tax has been recognised on the results of the Estonian subsidiaries for the financial year 2023, totalling EUR 54.9 million.

The reporting period as well as prior reporting periods may be subject to a tax audit, which may subsequently result in a change in tax decisions, additional tax payments or refunds.

8.1.2 Deferred tax assets and liabilities

Change in deferred tax assets and liabilities during 2024

Deferred tax assets

EUR million	1 Jan. 2024	Recognised on the income statement	Recognised on the comprehensive income	Business combina-tions	Translation differences	31 Dec. 2024
Lease liabilities	16.4	1.2				**17.6**
Right-of-use assets	–14.6	–1.0				**–15.6**
Lease contracts total	1.8	0.2				**2.0**
Internal margins	2.4	–0.5				**1.9**
Share-based incentive plans	3.6	–0.8				**2.8**
Pension obligations	2.1	–0.3	0.1			**1.9**
Provisions	1.0	0.8				**1.8**
Other temporary differences	0.6	–0.2	0.1	0.2	0.0	**0.8**
B/S	11.5	–0.8	0.2	0.2	0.0	**11.1**

Deferred tax liabilities

EUR million	1 Jan. 2024	Recognised on the income statement	Business combina-tions	Translation differences	31 Dec. 2024
Fair value measurement of tangible and intangible assets in business combinations	2.0	–1.1	2.7	0.0	**3.7**
Accumulated depreciation differences	18.0	3.2	0.1		**21.4**
Finance lease agreements	0.9	0.0			**0.9**
Customer contracts	1.7	0.0			**1.7**
Bonds	0.5	–0.2			**0.3**
Profit distribution tax liability		8.5			**8.5**
Other temporary differences	1.6	0.1			**1.6**
B/S	24.7	10.6	2.8	0.0	**38.1**

Deferred income tax assets recognised for tax losses are carried forward to the extent that the realisation of the related tax benefit through future profits is probable. On 31 December 2024, the Group had no deferred tax assets recognised for confirmed tax losses. At the end of the reporting period, the Group had EUR 24.1 (20.1) million of unused tax losses for which no tax assets have been recognised.

Change in deferred tax assets and liabilities during 2023

Deferred tax assets

EUR million	1 Jan. 2023	Recognised on the income statement	Recognised on the comprehensive income	Translation differences	31 Dec. 2023
Lease liabilities	17.3	–0.9			16.4
Right-of-use assets	–15.6	1.0			–14.6
Lease contracts total	1.7	0.1			1.8
Internal margins	2.8	–0.4			2.4
Share-based incentive plans	3.9	–0.3			3.6
Pension obligations	2.8	–0.4	–0.3		2.1
Provisions	0.8	0.2			1.0
Confirmed losses	0.3	–0.3			0.0
Other temporary differences	0.8	–0.2	0.0	0.0	0.6
B/S	13.1	–1.3	–0.3	0.0	11.5

Deferred tax liabilities

EUR million	1 Jan. 2023	Recognised on the income statement	Business disposals	Translation differences	31 Dec. 2023
Fair value measurement of tangible and intangible assets in business combinations	3.0	–1.0		0.0	2.0
Accumulated depreciation differences	17.4	0.6			18.0
Finance lease contracts	1.3	0.7	–1.1		0.9
Customer contracts	1.8	–0.1			1.7
Bonds	0.7	–0.2			0.5
Other temporary differences	1.6	0.0			1.6
B/S	25.7	0.1	–1.1	0.0	24.7

Accounting principles – Deferred tax assets and liabilities:

Deferred taxes are recognised for all temporary differences arising between the carrying amount and the tax base, with the exception of situations where a deferred tax asset or liabilty arises from initial recognition of goodwill or from the initial recognition of an asset or liability in a transaction which is not a business combination, and at the time of the transaction, does not affect either the accounting or the taxable profit, and does not give rise to equal taxable and deductible temporary differences. No deferred tax is recognised on valuation differences of shares for which the sales profit would be tax-deductible.

Leases are typically transactions in which equal taxable and deductible temporary differences arise upon initial recognition of the asset and liability. Elisa recognises the tax arising from this difference as an expense or income and presents it as deferred tax receivables on the balance sheet.

Deferred tax assets are recognised only to the extent that it is probable that they can be utilised against future taxable income. Deferred tax liabilities are recognised on the balance sheet in total, with the exception of the Estonian subsidiaries, where no tax liability has been recognised for the untaxed retained earnings accrued before the 2024 financial period, totalling EUR 251.8 million, as no profit distribution decision or plans for profit distribution exist for the time being. From the 2024 financial period onwards, a deferred profit distribution tax liability has been recorded for the taxable income of the subsidiaries in Estonia in accordance with the global minimum tax regulation.

Deferred tax liabilities and assets are not offset.

Accounting policies that require management's judgement – Deferred tax assets:

Particularly at the end of each financial period, the Group assesses the probability of subsidiaries generating taxable income against which unused tax losses can be utilised. The appropriateness of recognising other deferred tax assets is also determined at the end of each financial period. Changes in the estimates may lead to the recognition of significant tax expenses.

8.2 Provisions

EUR million	Termination benefits	Other	Total
1 Jan. 2023	2.0	1.7	3.7
Increase in provisions	4.4		4.4
Utilised provisions	–3.3		–3.3
Release of unused provisions	–0.3		–0.3
31 Dec. 2023	2.8	1.7	4.5
Increase in provisions	15.5		15.5
Utilised provisions	–8.5		–8.5
Release of unused provisions	–1.7		–1.7
31. Dec 2024	8.1	1.7	9.8

EUR million	2024	2023
B/S Long-term provisions	**3.3**	3.4
B/S Short-term provisions	**6.5**	1.0
	9.8	4.5

Termination benefits

As a part of the Group's rationalisation, Elisa carried out statutory employee negotiations leading to personnel reductions in 2024. The restructuring provision includes provisions for both unemployment pensions and other expenses due to redundancies. The provisions associated with redundancies will be realised during 2025–2026, and the provision associated with unemployment pensions will be realised in 2025–2026.

Other provisions

Other provisions include environmental provisions made for telephone poles.

Accounting principles – Provisions and contingent liabilities:

A provision is recognised when the Group has a legal or constructive obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation, and the amount of the obligation can be reliably estimated.

Contingent liabilities are potential liabilities arising from past events that may occur depending on the outcome of uncertain future events that are beyond the control of the Group. Also, a present obligation that is unlikely to require settlement of a payment obligation or the amount of which cannot be reliably measured is a contingent liability. Contingent liabilities are not recognised in the statement of financial position. Contingent liabilities are presented in note 8.4.

8.3 Related party details

The Group's related parties include the parent company, subsidiaries, associates and joint ventures. The related parties also include Elisa's Board of Directors, the CEO, the Executive Board as well as entities controlled by them and close members of their family.

Transactions carried out with related parties:

2024 EUR million	Revenue	Purchases	Receivables	Liabilities
Associates	**1.6**	**0.9**	**10.0**	**0.0**

2023 EUR million				
Associates	0.7	0.9	11.6	0.5

The employee benefits of the Group's related parties are presented in Note 4.1.

8.3.1 Group companies

The parent company of the Group is Elisa Corporation.

Subsidiaries	Domicile	Group's ownership, %
Banana Fingers Limited	Bristol, UK	100
Digiset Oy	Helsinki, Finland	100
Elisa Eesti AS	Tallinn, Estonia	100
Elisa Finance Oü	Tallinn, Estonia	100
Elisa France SAS	Les Sorinieres, France	100
Elisa IndustrIQ Oy	Helsinki, Finland	100
Elisa camLine Holding GmbH	Petershausen, Germany	100
camLine GmbH	Petershausen, Germany	100
camLine Solutions S.r.l.	Iași, Romania	100
camLine USA Inc.	Atlanta GA, USA	100
Romaric Automation Design Inc.	Utah, USA	100
camLine Hungary Kft.	Szombathely, Hungary	60
camLine Pte. Ltd.	Singapore, Singapore	100
camLine Taiwan	New Taipei City, Taiwan	100
camLine sdn. Bhd.	Bayan Lepas, Malaysia	100
PT Elisa camLine Indonesia	Surabaya, Indonesia	100
Suzhou camLine Technology Co. Ltd	Suzhou, China	100

Subsidiaries	Domicile	Group's ownership, %
sedApta s.r.l.	Genova, Italy	100
Aimesys S.r.l.	Genova, Italy	51
Atomos Hyla S.p.A.	Genova, Italy	100
Nextchain S.r.l.	Milan, Italy	78
Best Solutions and Processes Consultant S.r.l.	Torino, Italy	100
Atomos Hyla Informatica SA	Belo Horizonte, Brazil	69
Novigo Technology S.R.L.	Genova, Italy	60
sedApta GmbH	Chemnitz, Germany	100
SedApta Ltd.	London, UK	100
sedApta Osys S.A.	Changé, France	100
TenForce NV	Leuven, Belgium	50
Process Data Control Corporation	Arlington TX, USA	50
Corporate Car Solutions Italia S.r.l.	Rome, Italy	50
Elisa IndustrIQ USA Inc.	Murphy TX, USA	100
Elisa Santa Monica Oy	Helsinki, Finland	100
Elistar AB	Stockholm, Sweden	100
Elisa Polystar Finland Oy	Helsinki, Finland	100
Elisa Polystar UK Ltd.	Guildford, UK	100
Elisa Polystar Poland SP. z.o.o.	Lublin, Poland	100
Elisa Polystar Slovakia s.r.o.	Bratislava, Slovakia	100
Polystar Egypt LLC	Cairo, Egypt	100
Elisa Polystar Canada Inc.	Toronto, Canada	100
Elisa Polystar USA Inc.	Frisco TX, USA	100
Elisa Polystar Sweden AB	Stockholm, Sweden	100
Polystar Asia Private Ltd.	Singapore, Singapore	100
Elisa Polystar Australia Pty	Sydney, Australia	100
Elisa Polystar Spain S.L.	Bilbao, Spain	100
Enia Oy	Helsinki, Finland	100
Epic TV SAS	Sallanches, France	100
Fenix Solutions Oy	Turku, Finland	100
Fonum Oy	Helsinki, Finland	100
Karelsat Oy	Joensuu, Finland	100
Kepit Systems Oy	Vaasa, Finland	70
Kiinteistö Oy Raision Luolasto	Espoo, Finland	100
Kiinteistö Oy Rinnetorppa	Kuusamo, Finland	100
Kiinteistö Oy Tapiolan Luolasto	Espoo, Finland	100

Subsidiaries	Domicile	Group's ownership, %
Koillisnet Oy	Kuusamo, Finland	100
Lean Group Oy	Tampere, Finland	100
Elisa IndustrIQ Finland Oy	Tampere, Finland	100
LNS Kommunikation AB	Stockholm, Sweden	100
Moontalk Oy	Oulu, Finland	93
Preminet Oy	Helsinki, Finland	100
Joint arrangements		
Kiinteistö Oy Brahenkartano	Turku, Finland	60

Significant changes in ownership of subsidiaries are presented in note 3. Other changes in group structure is described below.

On 30 April 2024, Watson Nordic Oy merged with Elisa Oyj, on 1 July 2024 TenForce USA LLC merged with Process Data Control Corporation, and on 22 August 2024 Elisa Deutschland GmbH merged with camLine GmbH.

Accounting principles – Consolidation principles, subsidiaries:

The consolidated financial statements include the parent company, Elisa Corporation, and those subsidiaries over which the Group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

Subsidiaries are consolidated from the date the Group obtains control and divested companies until the loss of control. The acquisition method is used in the accounting for the elimination of internal ownership. All intra-group transactions, gains on the sale of inventories and fixed assets, intra-group receivables, payables and dividends are eliminated.

Profit for the period attributable to the equity holders of the parent and non-controlling interests is presented separately in the consolidated income statement. Non-controlling interests are presented separately from the equity of the owners of the parent in the consolidated statement of financial position. Losses of subsidiaries are allocated to non-controlling interests even if they exceed their share of ownership.

Accounting principles – Consolidation principles, joint arrangements:

Joint arrangements are arrangements over which the Group exercises joint control with one or more parties. A joint arrangement is either a joint venture or a joint operation. A joint venture is a joint arrangement, where the Group has rights to the net assets of the arrangement. A joint operation is a joint arrangement where the Group has rights to the assets and obligations for the liabilities relating to the arrangement.

The only joint arrangement owned by the Group, Kiinteistö Oy Brahenkartano, is a joint operation, which is consolidated using the proportional consolidation method. Sixty per cent of the assets, liabilities, income and expenses of the joint operation are consolidated to the Group's financial statements. The company owns and manages a building and a site in Turku. Elisa is mainly entitled to manage office and telecom facilities with the shares owned.

8.3.2 Investments in associated companies

Aggregated financial information of associates

EUR million	2024	2023
I/S **Group's share of associated companies' profit**	**–1.2**	–0.4
B/S **Group's investments in associated companies**	**11.7**	20.8

EUR million	2024	2023
Balance at the beginning of the period	**20.8**	9.9
Additions [1]	**0.0**	11.5
Reclassifications [2]	**–7.8**	–0.2
Share of profits for the period	**–1.2**	–0.4
Dividends received	**0.0**	0.0
Impairment	**0.0**	–0.1
B/S Balance at the end of the period	**11.7**	20.8

1) In comparison year, the businesses of Elisa Corporation's subsidiary Elisa Videra and the German company MVC Mobile Video Communication GmbH (owned by KLP Vermögensverwaltungs GmbH) was combined into MVC. After combination Elisa has 37.5% holding of MVC Mobile Video Communication GmbH and Elisa became a minority shareholder of the company. The transaction was conducted as a share swap and acquistion price for the shares was EUR 11.4 million.

2) On 30 October 2024, Elisa purchased the remaining share capital (81 per cent) in sedApta Group. Elisa had purchased a minority holdiing (19 per cent) in sedApta in 2021.

Associates	Domicile	Group's ownership,%
FNE-Finland Oy	Kontiolahti, Finland	45.9
KE-Masto Oy	Kajaani, Finland	49.5
Kiinteistö Oy Helsingin Lauttasaarentie 19	Helsinki, Finland	41.7
Kiinteistö Oy Helsingin Sentnerikuja 6	Helsinki, Finland	50.0
Kiinteistö Oy Helsingin Stenbäckinkatu 5	Helsinki, Finland	40.0
Kiinteistö Oy Herrainmäen Luolasto	Tampere, Finland	50.0
Kiinteistö Oy Pohjanplassi	Lapua, Finland	39.3
Kiinteistö Oy Riihimäen Maisterinkatu 9	Riihimäki, Finland	35.0
Kiinteistö Oy Runeberginkatu 43	Helsinki, Finland	29.6
MVC Mobile Video Communication GmbH	Kronberg im Taunus, Germany	37.5
Suomen Numerot NUMPAC Oy	Helsinki, Finland	33.3

Accounting principles – Consolidation principles, associated companies

Associated companies are entities over which the Group exercises significant influence. Significant influence is presumed to exist when the Group owns over 20 per cent of the voting rights of the company or when the Group otherwise exercises significant influence, but does not exercise control. Associated companies are consolidated in accordance with equity method. If the Group's share of losses of an associated company exceeds its interest in the associated company, the investment is recognised on the balance sheet at zero value and the Group discontinues recognising its share of further losses unless the Group has other obligations for the associated company. Associated companies are consolidated from the date the Group obtains significant influence and divested associated companies are consolidated until the loss of significant influence.

8.4 Off-balance sheet leases and other commitments

Leases

Group as a lessee

Lease payments related to off-balance sheet lease commitments:

EUR million	2024	2023
Lease payments associated with short-term leases	**39.9**	34.9
Lease payments associated with low-value assets	**14.7**	14.2
	54.6	49.1

Future minimum lease payments under non-cancellable off-balance sheet leases:

EUR million	2024	2023
Within one year	**14.9**	14.4
Later than one year, but not later than five years	**3.8**	5.1
Later than five years	**0.6**	1.4
	19.3	20.9

Lease payments are presented without value added tax.

Group as a lessor

Future minimum lease receivables under non-cancellable operating leases:

EUR million	2024	2023
Within one year	**2.9**	3.0
Later than one year, but not later than five years	**0.2**	0.4
	3.1	3.5

Accounting principles – Leases:

The group as a lessee
The Group recognises rental expenses for short-term leases and low-value assets in the income statements and presents such contracts as off-balance sheet liabilities.

The group as a lessor
The Group acts as a lessor in two different types of lease arrangements that are accounted for as operating leases: rental income from telecom premises and carrier services is recognised as revenue over the lease period, and rental income from real estate is recognised as other operating income. The lease contract periods are mainly short with durations of 1–6 months.

Rental income is recognised over the lease period.

Collateral, commitments and other liabilities

EUR million	2024	2023
On behalf of own commitments		
Mortgages	**3.8**	3.8
Guarantees	**2.8**	0.8
Deposits	**0.6**	0.5
On behalf of others		
Guarantees	**0.5**	0.5
	7.6	5.6
Other contractual obligations		
Venture capital investment obligation	**0.2**	0.2
	0.2	0.2

Real estate investments

VAT refund liability for real estate investments indicates the amount that may become completely non tax-deductible if the intended use of the property was to change.

On 31 December 2024, the VAT refund liability for real estate investments was EUR 59.5 (39.7) million.

8.5 Events after the end of the reporting period

Elisa's subsidiary camLine acquired iCADA GmbH to expand its process excellence on semiconductor processes. iCADA is a German-based software provider of durable lifecycle solutions for the semiconductor industry, and it will be integrated with camLine, part of Elisa's manufacturing software business Elisa IndustrIQ. The transaction was completed on 3 January 2025.

9. Key Indicators

9.1 Key indicators describing the Group's financial development

	2024	2023	2022	2021	2020
INCOME STATEMENT					
Revenue, EUR million	**2,191**	2,180	2,130	1,998	1,895
Change of revenue, %	**0.5**	2.4	6.6	5.5	2.8
EBITDA, EUR million	**767**	756	733	697	685
EBITDA as % of revenue	**35.0**	34.7	34.4	34.9	36.2
EBIT, EUR million	**488**	482	470	431	409
EBIT as % of revenue	**22.3**	22.1	22.1	21.6	21.6
Profit before tax, EUR million	**448**	458	456	418	398
Profit before tax as % of revenue	**20.4**	21.0	21.4	20.9	21.0
Return on equity (ROE), %	**27.6**	29.4	30.4	28.8	28.1
Return on investment (ROI), %	**17.7**	18.5	18.3	16.9	16.7
Research and development costs, EUR million	**27**	24	21	16	10
Research and development costs as % of revenue	**1.2**	1.1	1.0	0.8	0.5
BALANCE SHEET					
Gearing ratio, %	**113.9**	100.8	101.9	101.2	101.9
Current ratio	**0.8**	1.0	1.0	1.4	1.3
Equity ratio, %	**38.7**	41.6	40.6	39.9	39.1
Non-interest-bearing liabilities, EUR million	**501**	463	488	491	430
Interest-bearing net debt	**1,473**	1,304	1,276	1,219	1,207
Balance sheet total, EUR million	**3,356**	3,125	3,101	3,028	3,041
INVESTMENTS					
Investments in shares, EUR million	**114**	12	25	28	70
CAPITAL EXPENDITURE					
Gross investments, EUR million	**338**	321	290	265	266
Gross investments as % of revenue	**15.4**	14.7	13.6	13.3	14.1
PERSONNEL					
Average number of employees during the period	**5,781**	5,721	5,523	5,391	5,097
Revenue/employee, EUR 1,000	**379**	381	386	371	372

The order book is not presented, as the information is not relevant due to the nature of the Group's business.

Formulae for financial summary indicators

EBITDA: EBIT + depreciation, amortisation and impairment

EBIT: Profit for the period + income taxes + financial income and expenses + share of associated companies' profit

Return on equity (ROE),%: $$\frac{\text{Profit for the period}}{\text{Total shareholders' equity on average}} \times 100$$

Return on investment (ROI),%: $$\frac{\text{Profit before taxes + interest and other financial expenses}}{\text{Total equity + interest-bearing liabilities on average}} \times 100$$

Gearing ratio,%: $$\frac{\text{Interest-bearing liabilities – cash and cash equivalents and financial assets at fair value through profit or loss}}{\text{Total shareholders' equity}} \times 100$$

Current ratio: $$\frac{\text{Current assets}}{\text{Current liabilities – advance payments received}}$$

Equity ratio,%: $$\frac{\text{Total shareholders' equity}}{\text{Balance sheet total – advance payments received}} \times 100$$

9.2 Alternative performance measures [1]

	2024	2023	2022	2021	2020
INCOME STATEMENT					
Comparable EBITDA, EUR million	**783**	756	735	706	685
Comparable EBITDA as % of revenue	**35.7**	34.7	34.5	35.3	36.2
Comparable EBIT, EUR million	**504**	487	472	439	415
Comparable EBIT as % of revenue	**23.0**	22.4	22.2	22.0	21.9
Comparable profit before tax, EUR million	**469**	464	458	427	399
Comparable profit before tax as % of revenue	**21.4**	21.3	21.5	21.4	21.0
Comparable return on equity (ROE), %	**29.0**	29.7	30.5	29.3	28.1
Comparable return on investment (ROI), %	**18.5**	18.7	18.4	17.2	16.7
Comparable earnings per share (EPS)	**2.35**	2.37	2.34	2.19	2.05

[1] other than the financial indicators defined by IFRS

Formulae for alternative performance measures

Comparable EBITDA: EBIT + depreciation, amortisation and impairment +/– items affecting comparability

Comparable EBIT: Profit for the period + income taxes + financial income and expenses + share of associated companies' profit +/– items affecting comparability

Comparable profit for the period: Profit for the period +/– items affecting comparability

Comparable EPS:

$$\frac{\text{Profit attributable to owners of the parent company +/– items affecting comparability}}{\text{Average number of shares during the period adjusted for share issues}}$$

Comparable return on equity (ROE), %:

$$\frac{\text{Profit for the period +/– items affecting comparability}}{\text{Total shareholders' equity on average}} \times 100$$

Comparable return on investment (ROI), %:

$$\frac{\text{Profit before taxes + interest and other financial expenses +/– items affecting comparability}}{\text{Total equity + interest-bearing liabilities on average}} \times 100$$

Comparable cash flow after investments: Net cash flow from operating activities – net cash used in investing activities +/– items affecting comparability

9.3. Per-share indicators [1]

	2024	2023	2022	2021	2020
Share capital, EUR	**83,033,008**	83,033,008	83,033,008	83,033,008	83,033,008
Number of shares at year-end	**160,409,466**	160,388,419	160,259,695	160,187,301	160,082,908
Average number of shares	**160,508,759**	160,376,432	160,253,348	160,174,453	160,065,712
Number of shares at year-end, diluted	**160,568,849**	160,542,095	160,416,729	160,187,301	160,082,908
Average number of shares, diluted	**160,668,143**	160,530,108	160,410,382	160,174,453	160,065,712
Market capitalisation, EUR million [2]	**6,995**	7,006	8,276	9,056	7,508
Earnings per share (EPS), EUR	**2.23**	2.34	2.33	2.15	2.05
Dividend per share, EUR	**2.35**[6]	2.25	2.15	2.05	1.95
Payout ratio, %	**105.3**	96.2	92.1	95.6	95.1
Equity per share, EUR	**8.01**	8.05	7.78	7.48	7.39
P/E ratio	**18.7**	17.9	21.2	25.2	21.9
Effective dividend yield, % [3]	**5.6**	5.4	4.3	3.8	4.3
Share performance on Nasdaq Helsinki					
Mean price, EUR	**43.23**	48.86	51.99	51.00	51.08
Closing price at year-end, EUR	**41.80**	41.87	49.46	54.12	44.87
Lowest price, EUR	**40.18**	39.41	45.57	45.10	40.79
Highest price, EUR	**49.08**	56.52	56.90	56.18	58.88
Trading of shares on Nasdaq Helsinki [4]					
Total trading volume, 1,000 shares	**69,716**	64,380	71,229	81,557	122,497
Percentage of shares traded [5]	**42**	38	43	49	73

1) The numbers of shares are presented without treasury shares held by Elisa Group.
2) Calculated on the basis of the closing price on the last trading day of the year and the total number of shares at the end of the period (167,335,073).
3) Calculated on the basis of the closing price on the last trading day of the year.
4) Elisa share is also traded in alternative marketplaces. According to Bloomberg, the trading volumes in these markets in 2024 were approximately 229 (289) per cent of the volumes on the Nasdaq Helsinki.
5) Calculated in proportion to the total number of shares at the end of the period.
6) The Board of Directors proposes a dividend payment of EUR 2.35 per share.

Formulae for per-share indicators

Earnings per share (EPS) $= \dfrac{\text{Profit for the period attributable to the equity holders of the parent}}{\text{Average number of shares during the period adjusted for share issues}}$

Dividend per share [1] $= \dfrac{\text{Dividend adjusted for share issues}}{\text{Number of shares at the balance sheet date adjusted for share issues}}$

Effective dividend yield, % [1] $= \dfrac{\text{Dividend per share}}{\text{Share price at the balance sheet date adjusted for share issues}} \times 100$

Payout ratio, % [1] $= \dfrac{\text{Dividend per share}}{\text{Earnings per share}} \times 100$

Equity per share $= \dfrac{\text{Equity attributable to equity holders of the parent}}{\text{Number of shares at the balance sheet date adjusted for share issues}}$

P/E ratio (price/earnings) $= \dfrac{\text{Share price on the balance sheet date}}{\text{Earnings per share}}$

1) The calculation formulae apply also to the capital repayment indicators.

Income statement, parent company, FAS

EUR million	Note	2024	2023
Revenue	1	**1,776.4**	1,771.6
Other operating income	2	**11.2**	10.3
Materials and services	3	**−654.4**	−666.3
Employee expenses	4	**−265.8**	−271.9
Depreciation, amortisation and impairment	5	**−268.8**	−267.9
Other operating expenses		**−182.4**	−174.0
Operating profit		**416.2**	401.7
Financial income and expenses	7	**23.5**	−37.3
Profit before tax and appropriations		**439.8**	364.4
Appropriations	8	**−14.7**	0.8
Income taxes	9	**−77.6**	−80.8
Profit for the period		**347.4**	284.3

Balance sheet, parent company, FAS

EUR million	Note	31 Dec. 2024	31 Dec. 2023
ASSETS			
Non-current assets			
Intangible assets	10	**223.2**	247.7
Property, plant and equipment	10	**788.9**	741.0
Investments	11	**972.1**	851.5
		1,984.2	1,840.2
Current assets			
Inventories	12	**49.8**	52.8
Non-current receivables	13	**167.7**	109.3
Current receivables	14	**487.0**	465.0
Cash and bank receivables		**47.3**	37.9
		751.7	665.1
TOTAL ASSETS		**2,735.9**	2,505.3
EQUITY AND LIABILITIES			
Equity	15		
Share capital		**83.0**	83.0
Treasury shares		**−118.6**	−121.5
Reserve for invested non-restricted equity		**77.8**	77.8
Contingency reserve		**3.4**	3.4
Retained earnings		**114.9**	194.1
Profit for the period		**347.4**	284.3
		508.0	521.2
Accumulated appropriations		**104.3**	87.3
Provisions	16	**8.5**	5.4
Liabilities			
Non-current liabilities	17	**1,007.1**	1,005.8
Current liabilities	18	**1,108.1**	885.6
		2,115.2	1,891.4
TOTAL EQUITY AND LIABILITIES		**2,735.9**	2,505.3

Cash flow statement, parent company, FAS

EUR million	2024	2023
Cash flow from operating activities		
Profit before appropriations and taxes	**439.8**	364.4
Adjustments:		
Depreciation and amortisation	**268.8**	267.9
Other income and expenses with no payment relation	**5.5**	1.1
Other financial income (–) and expenses (+)	**–11.2**	18.0
Gains (–) and losses (+) on the disposal of fixed assets	**–1.5**	–3.9
Gains (–) and losses (+) on the disposal of investments	**0.3**	16.6
Change in provisions in the income statement	**3.1**	0.4
Cash flow before changes in working capital	**704.6**	664.5
Change in working capital		
Increase (–) / decrease (+) in current non-interest-bearing trade receivables	**–15.2**	0.9
Increase (–) / decrease (+) in inventories	**2.5**	10.8
Increase (+) / decrease (–) in trade and other payables	**–11.3**	–4.0
Cash flow before financial items and taxes	**680.6**	672.2
Dividends received	**1.4**	5.0
Interests received	**4.7**	5.3
Interests paid	**–38.0**	–28.5
Income taxes paid	**–83.0**	–77.8
Net cash flow from operating activities	**565.7**	576.1

EUR million	2024	2023
Cash flow from investing activities		
Capital expenditure	**–293.6**	–292.5
Proceeds from disposal of property, plant and equipment and intangible assets	**3.6**	4.0
Investments in shares and other investments	**–42.7**	–4.7
Proceeds from disposal of shares and other investments	**0.2**	0.3
Loans granted	**–109.5**	–13.4
Repayment of loan receivables	**4.7**	5.2
Net cash flow used in investing activities	**–437.2**	–301.2
Cash flow after investing activities	**128.5**	275.0
Cash flow from financing activities		
Increase in long-term borrowings (+)	**100.0**	300.0
Decrease in long-term borrowings (–)	**–248.0**	–202.0
Increase (+) / decrease (–) in short-term borrowings	**383.9**	–39.5
Group contributions received (+) / paid (–)	**4.6**	–5.3
Dividends paid	**–359.6**	–343.2
Net cash flow used in financing activities	**–119.2**	–290.0
Change in cash and cash equivalents	**9.3**	–15.0
Cash and cash equivalents at the beginning of the period	**37.9**	53.0
Cash from business transfers and mergers		0.0
Cash and cash equivalents at the end of the period	**47.3**	37.9

Notes to the financial statements of the parent company

ACCOUNTING PRINCIPLES

Elisa Corporation's financial statements have been prepared in accordance with the accounting principles based on Finnish accounting legislation.

Foreign currency items

Transactions denominated in foreign currencies are recorded at the exchange rates prevailing on the dates of transactions. At the end of the reporting period, assets and liabilities denominated in foreign currencies are valued at the exchange rates quoted by the European Central Bank on the closing date.

Fixed assets

The carrying value of intangible and tangible assets is stated at cost less accumulated depreciation, amortisation and impairment. Internally generated fixed assets are measured at variable costs.

The difference between depreciation according to plan and total depreciation is presented under appropriations of the parent company's income statement, and the accumulated depreciation difference is presented under accumulated appropriations in shareholders' equity and liabilities on the balance sheet. Depreciation according to plan is recognised on a straight-line basis over the useful life from the original acquisition cost.

The useful life according to plan for the different asset groups:

Intangible rights	3–5 years
Goodwill	5–20 years
Other expenditure with long-term effects	5–10 years
Buildings and structures	25–40 years
Machinery and equipment in buildings	10–25 years
Telephone exchanges (fixed and mobile network)	6–10 years
Cable network	8–15 years
Telecommunication terminals	2–4 years
Other machines and equipment	3–5 years

Inventories

Inventories are stated at the lowest of variable cost, acquisition price or the likely disposal or repurchase price. Cost is determined using a weighted average price.

Marketable securities

Investments in money market funds are recognised at the repurchase price. Investments in certificates of deposit and commercial paper are recognised at the acquisition cost, as the difference between the repurchase price and cost of acquisition is not significant.

Revenue recognition principles

Revenue from deliverables is recognised at the time of ownership transfer, and revenue from services is recognised when the services have been performed.

Interconnection fees that are invoiced from the customers and paid as such to other telecommunication companies are presented as an adjustment to revenue (Finnish Accounting Standards Board 1995/1325).

Profit from the sale of business operations and fixed assets, subsidies received and rental income from premises is presented under other operating income.

Losses from the sale of fixed assets are presented under other operating expenses. The profit or loss from the sale of shares is presented in financial income and expenses.

Research and development

Research costs are expensed as they incur, with the exception of development costs, which are capitalised. The capitalisation criteria are met when the product is technically and commercially feasible, and it is expected to generate future economic benefit. Development costs initially recognised as expenses cannot be capitalised subsequently.

Public grants associated with development projects are recognised as other operating income when the related costs are recognised as expenses. Public grants, associated with capitalised development costs, are recorded as a reduction of cost.

Future expenses and losses

Probable future expenses and losses related to the reporting period or a prior financial period without corresponding income are recognised on the income statement. Such items are recognised on the balance sheet under provisions if a reliable estimate of the amount or timing of the obligation cannot be made. Otherwise the obligation is recognised as accrual.

Income taxes

Income taxes for the financial year are recognised on the income statement. No deferred tax liabilities or receivables have been recognised in the financial statements.

1. Revenue

EUR million	2024	2023
Revenue	**1,834.3**	1,838.4
Interconnection fees and other adjustments	**–57.8**	–66.8
	1,776.4	1,771.6
Geographical distribution		
Finland	**1,756.8**	1,747.1
Rest of Europe	**18.5**	23.2
Other countries	**1.2**	1.4
	1,776.4	1,771.6

2. Other operating income

EUR million	2024	2023
Gain on disposals of fixed assets	**1.5**	3.9
Profit from mergers	**2.6**	
Other income [1]	**7.1**	6.5
	11.2	10.3

[1] Other income includes rental income from real estate, management fee income charged from subsidiaries and other income not associated with ordinary operating activities.

3. Materials and services

EUR million	2024	2023
Materials, supplies and goods		
Purchases during reporting period	**339.2**	346.5
Change in inventories	**3.0**	11.8
	342.2	358.4
External services	**312.2**	308.0
	654.4	666.3

4. Employee expenses

EUR million	2024	2023
Salaries and wages	**226.2**	226.7
Pension costs	**34.2**	38.7
Other social security costs	**5.4**	6.5
	265.8	271.9
Personnel on average	**3,240**	3,361

CEO remuneration, EUR / Manner	2024	2023
Fixed salaries	**586,014.00**	
Compensation for loss of income related to previous role	**200,000.00**	
Performance-based bonus	**113,256.00**	
Fringe benefits	**17,315.53**	
Share-based payments [1]	**0.00**	
	916,585.53	

[1] The maximum award allocated to the CEO under the share-based compensation plans equals the value of 63,126 shares. See note 4.1 of the consolidated financial statements.

CEO remuneration, EUR / Mattila	2024	2023
Fixed salaries	**183,940.00**	668,040.00
Performance-based bonus	**161,924.40**	294,218.10
Fringe benefits	**3,589.64**	20,903.10
Share-based payments [1]	**1,180,154.26**	1,351,749.69
	1,529,608.30	2,334,910.89

[1] The maximum award allocated to the CEO under the share-based compensation plans equals the value of 40,500 shares. See note 4.1 of the consolidated financial statements.

The pension and retirement age for the CEO, Topi Manner, are specified in accordance with the Finnish Employees Pensions Act.

The former CEO Veli-Matti Mattila's supplementary pension coverage is based on a defined contribution scheme and the pension arrangements included a right to a paid-up policy. The company's pension liability of EUR 1.7 million was included in the pension obligations on the balance sheet. During the financial year 2024, the liability and related assets were transferred to the insurance company, and no further liabilities are expected to arise for the company.

Remuneration of Board members, EUR	2024	2023
Clarisse Berggårdh		2,400.00
Maher Chebbo	**92,000.00**	93,400.00
Kim Ignatius	**99,000.00**	98,000.00
Katariina Kravi	**99,000.00**	97,200.00
Pia Kåll	**83,200.00**	83,000.00
Topi Manner		78,200.00
Eva-Lotta Sjöstedt	**92,000.00**	93,400.00
Anssi Vanjoki	**157,200.00**	148,000.00
Antti Vasara	**84,000.00**	82,200.00
Christoph Vitzthum	**80,800.00**	
	787,200.00	775,800.00

For the year 2024, the following compensations were decided by the Annual General Meeting for the Members of the Board: remuneration fee for the Chair EUR 150,000, for Deputy Chair and the Chairs of the Committees EUR 87,000, and other Board members EUR 72,000; and additionally EUR 800 per meeting of the Board and of a committee. However, if a Board member lives permanently outside Finland and is physically present at a Board or committee meeting that is held in a country other than his/her permanent home country, the meeting fee is EUR 1,600. According to the decision of the Board on 12 April 2024, the annual remuneration was paid in Company shares on 24 April 2024. The outstanding remuneration amounts were paid net of tax, 60 per cent.

5. Depreciation, amortisation and impairment

EUR million	2024	2023
Intangible assets	**84.4**	83.7
Property, plant and equipment	**184.3**	184.3
	268.8	267.9

EUR 0.1 (5.6) million of impairment losses have been recorded for the assets.

Specification of depreciation, amortisation and impairment by balance sheet items is included in note 10.

6. Audit fees

EUR million	2024	2023
Auditing	**0.2**	0.2
Tax advisory services		0.0
Other services	**0.1**	0.1
	0.3	0.3

7. Financial income and expenses

EUR million	2024	2023
Interest income and other financial income		
Dividends received		
From Group companies	**0.3**	4.5
From associated companies	**0.0**	0.0
From others	**0.4**	0.4
	0.8	4.9
Other interest and financial income		
From Group companies	**1.4**	1.0
Capital gains from investments	**74.6**	0.1
From others	**5.2**	4.9
	81.2	5.9
	82.0	10.8
Interest costs and other financial expenses		
To Group companies	**–9.3**	–8.6
Impairment of investments in subsidiaries		–0.1
To others [1]	**–49.2**	–39.4
	–58.5	–48.2
	23.5	–37.3

[1] Interest costs and other financial expenses include EUR 12.8 million credit loss on intra-group loan receivables.

8. Appropriations

EUR million	2024	2023
Change in appropriations	**–17.3**	–3.9
Group contributions received	**11.7**	10.4
Group contributions paid	**–9.1**	–5.7
	–14.7	0.8

9. Income taxes

EUR million	2024	2023
Income taxes for the reporting period	**–77.7**	–80.8
Taxes for previous periods	**0.1**	0.0
	–77.6	–80.8

10. Intangible assets and property, plant and equipment

2024 EUR million	Development costs	Intangible rights	Goodwill	Other intangible assets	Intangible assets under construction	Total
	Intangible assets					
Acquisition cost at 1 Jan.	86.7	166.0	886.3	646.6	14.8	**1,800.5**
Additions	9.9	2.7		40.2	8.0	**60.8**
Disposals	–0.9	–0.1		–6.0		**–7.0**
Reclassifications	1.8	0.0		6.7	–7.6	**0.8**
Acquisition cost at 31 Dec.	97.5	168.7	886.3	687.5	15.2	**1,855.2**
Accumulated amortisation and impairment at 1 Jan.	67.4	104.1	829.0	552.4		**1,552.8**
Accumulated amortisation on disposals and reclassifications	–0.9	–0.1		–4.2		**–5.2**
Amortisation and impairment for the period	10.8	9.1	28.8	35.7		**84.4**
Accumulated amortisation and impairment at 31 Dec.	77.2	113.2	857.8	583.8		**1,631.9**
Book value at 31 Dec.	20.3	55.5	28.5	103.7	15.2	**223.2**

2024 EUR million	Land and water areas	Buildings and constructions	Machinery and equipment	Other assets	Assets under construction	Total
	Property, plant and equipment					
Acquisition cost at 1 Jan.	9.5	258.1	3,958.9	35.1	35.8	**4,297.5**
Additions	0.2	11.4	192.1	0.0	29.1	**232.7**
Disposals	0.0	–0.2	–3.2			**–3.4**
Reclassifications		3.4	23.2		–27.5	**–0.8**
Acquisition cost at 31 Dec.	9.6	272.8	4,171.0	35.1	37.4	**4,526.0**
Accumulated depreciation and impairment at 1 Jan.	0.0	158.5	3,363.4	34.6		**3,556.5**
Accumulated depreciation on disposals and reclassifications		–0.2	–3.6			**–3.7**
Depreciation and impairment for the period		8.5	175.8	0.0		**184.3**
Accumulated depreciation and impairment at 31 Dec.	0.0	166.8	3,535.7	34.6		**3,737.1**
Book value at 31 Dec.	9.6	106.0	635.3	0.5	37.4	**788.9**

Intangible assets

2023 EUR million	Development costs	Intangible rights	Goodwill	Other intangible assets	Intangible assets under construction	Total
Acquisition cost at 1 Jan.	74.0	163.2	886.3	603.3	18.8	1,745.6
Additions	8.3	1.8		35.3	9.9	55.4
Disposals				−0.1		−0.1
Reclassifications	4.4	1.1		8.0	−13.9	−0.4
Acquisition cost at 31 Dec.	86.7	166.0	886.3	646.6	14.8	1,800.5
Accumulated amortisation and impairment at 1 Jan.	58.2	95.1	797.5	518.4		1,469.2
Accumulated amortisation on disposals and reclassifications				−0.1		−0.1
Amortisation and impairment for the period	9.2	9.1	31.4	34.0		83.7
Accumulated amortisation and impairment at 31 Dec.	67.4	104.1	829.0	552.4		1,552.8
Book value at 31 Dec.	19.4	61.9	57.3	94.2	14.8	247.7

Property, plant and equipment

2023 EUR million	Land and water areas	Buildings and constructions	Machinery and equipment	Other assets	Assets under construction	Total
Acquisition cost at 1 Jan.	9.4	243.8	4,114.8	35.1	31.3	4,434.3
Additions	0.2	12.7	188.1		29.4	230.4
Disposals	0.0	−1.0	−372.2			−373.3
Reclassifications	0.0	2.6	28.3		−24.9	6.1
Acquisition cost at 31 Dec.	9.5	258.1	3,958.9	35.1	35.8	4,297.5
Accumulated depreciation and impairment at 1 Jan.		151.2	3,554.3	34.6		3,740.0
Accumulated depreciation on disposals and reclassifications		−1.0	−366.8			−367.8
Depreciation and impairment for the period	0.0	8.3	176.0	0.0		184.3
Accumulated depreciation and impairment at 31 Dec.	0.0	158.5	3,363.4	34.6		3,556.5
Book value at 31 Dec.	9.5	99.7	595.5	0.5	35.8	741.0

11. Investments

2024 EUR million	Investments in Subsidiaries	 Associates	 Other companies	Receivables from Group companies	 Other companies	 Total
Acquisition cost at 1 Jan.	846.2	17.8	23.1	1.5		**888.6**
Additions [1]	128.2		0.0			**128.2**
Disposals [2]	–7.6			0.0		**–7.6**
Acquisition cost at 31 Dec.	966.8	17.8	23.1	1.5		**1,009.2**
Impairment at 1 Jan.	–32.6	–0.2	–4.3			**–37.1**
Impairment at 31 Dec.	–32.6	–0.2	–4.3			**–37.1**
Book value at 31 Dec.	934.2	17.6	18.8	1.5		**972.1**

1) On 5 March 2024, Elisa acquired a majority stake of 64.5 per cent in Moontalk. On 1 June 2024, Elisa transferred the Ring business to Moontalk in exchange for new shares in Moontalk Oy issued by the company. As a result of the directed share issue, Elisa Corporation's holding in Moontalk Oy increased to 92.7 per cent. Acquisition price for the shares was then EUR 94.8 million.
On 8 May 2024, Elisa acquired Lean Group Oy. With the acquisition, Leanware Oy's name changed to Elisa IndustrIQ Finland Oy. Acquisition price for the shares was EUR 28.5 million.
On 3 July 2024, Elisa acquired the share capital of Koillisnet Oy. Acquisition price for the shares was EUR 4.9 million.

2) On 30 April 2024, Watson Nordic Oy merged with Elisa. The acquisition price for the shares was EUR 7.6 million.

A list of the Group and associated companies is available under note 8.3 of the consolidated financial statements.

2023 EUR million	Investments in Subsidiaries	 Associates	 Other companies	Receivables from Group companies	 Other companies	 Total
Acquisition cost at 1 Jan.	842.2	6.3	23.3	1.5		873.3
Additions	4.1	11.5	0.3	0.0		16.0
Disposals	–0.2		–0.5			–0.6
Acquisition cost at 31 Dec.	846.2	17.8	23.1	1.5		888.6
Impairment at 1 Jan.	–5.1	–0.1	–4.3			–9.6
Disposals	–27.4	–0.1	0.0			–27.5
Impairment at 31 Dec.	–32.6	–0.2	–4.3			–37.1
Book value at 31 Dec.	813.6	17.6	18.7	1.5		851.5

12. Inventories

EUR million	2024	2023
Materials and supplies	6.7	13.1
Finished goods	43.0	39.7
	49.8	52.8

13. Non-current receivables

EUR million	2024	2023
Receivables from Group companies		
Loan receivables	77.1	17.2
Receivables from associated companies		
Loan receivables	6.3	4.2
Receivables from others		
Trade receivables	73.1	74.5
Prepayments and accrued income [1]	11.1	13.5
	84.3	87.9
	167.7	109.3
[1] Breakdown of prepayments and accrued income		
Rent advances	8.3	8.8
Transaction costs and losses related to loan issuance	2.9	4.6
	11.1	13.5

14. Current receivables

EUR million	2024	2023
Receivables from Group companies		
Loan receivables	61.5	41.8
Trade receivables	8.2	3.7
Prepayments and accrued income	2.0	1.2
Other receivables	12.6	10.8
	84.2	57.6
Receivables from associated companies		
Loan receivables		6.8
Trade receivables	3.6	0.2
	3.6	6.9
Receivables from others		
Trade receivables	326.7	340.7
Prepayments and accrued income [1]	64.0	52.9
Other receivables	8.4	7.0
	399.1	400.5
	487.0	465.0
[1] Breakdown of prepayments and accrued income		
Interests	2.1	0.2
Rent advances	1.4	1.4
Transaction costs and losses related to loan issuance	2.0	2.2
Income taxes	3.1	
Other business expense advances paid	55.4	49.0
	64.0	52.9

15. Equity

EUR million	2024	2023
Share capital at 1 Jan.	83.0	83.0
Share capital at 31 Dec.	83.0	83.0
Treasury shares at 1 Jan.	–121.5	–124.4
Disposal of treasury shares	2.9	2.8
Treasury shares at 31 Dec.	–118.6	–121.5
Reserve for invested non-restricted equity at 1 Jan.	77.8	77.8
Reserve for invested non-restricted equity at 31 Dec.	77.8	77.8
Contingency reserve at 1 Jan.	3.4	3.4
Contingency reserve at 31 Dec.	3.4	3.4
Retained earnings at 1 Jan.	478.4	541.6
Dividend distribution	–361.2	–344.8
Withdrawal of dividend liabilities	0.5	0.2
Disposal of treasury shares	–2.9	–2.8
Retained earnings at 31 Dec.	114.9	194.1
Profit for the period	347.4	284.3
Total equity	508.0	521.2
Distributable earnings		
Retained earnings	114.9	194.1
Treasury shares	–118.6	–121.5
Reserve for invested non-restricted equity	77.8	77.8
Development costs	–26.6	–23.9
Profit for the period	347.4	284.3
	395.0	410.8

16. Provisions

EUR million	2024	2023
Provision for unemployment pensions	2.5	4.3
Other provisions [1]	6.0	1.0
	8.5	5.4

[1] Other provisions consist of salaries, including related statutory employee costs for employees not required to work during their severance period, and a provision for other operating expenses.

Provisions of EUR 8.1 (1.3) million were used and EUR 3.9 (2.9) million were reversed as unused in 2024.

17. Non-current liabilities

EUR million	2024	2023
Interest-bearing		
Liabilities to others		
Bonds	900.0	900.0
Loans from financial institutions	100.0	100.0
	1,000.0	1,000.0
Non-interest bearing		
Liabilities to others		
Accruals and deferred income [1]	7.1	5.8
	7.1	5.8
	1,007.1	1,005.8
Liabilities maturing after five years		
Bonds		300.0
Loans from financial institutions	100.0	
	100.0	300.0
[1] Breakdown of accruals and deferred income		
Rent advances	7.1	5.8

18. Current liabilities

EUR million	2024	2023
Interest-bearing		
Liabilities to Group companies		
Cash Pool account	335.5	283.8
	335.5	283.8
Liabilities to others		
Loans from financial institutions	150.0	
Bonds		248.0
Commercial paper	307.0	34.5
	457.0	282.5
	792.5	566.4
Non-interest bearing		
Liabilities to Group companies		
Trade payables	9.9	7.1
Other liabilities	9.1	5.8
	19.1	12.9
Liabilities to associates		
Trade payables	0.0	0.4
	0.0	0.4
Liabilities to others		
Advances received	4.4	4.7
Trade payables	147.1	163.4
Accrued liabilities [1]	67.4	65.5
Other liabilities	77.7	72.3
	296.6	305.9
	315.6	319.2
	1,108.1	885.6

[1] Breakdown of accrued liabilities		
Salaries, wages and social security costs	45.6	48.8
Interests	15.2	8.2
Direct taxes	0.0	2.2
Rent advances	1.2	1.0
Income received in advance	4.7	4.8
Others	0.7	0.6
	67.4	65.5

19. Lease commitments and other liabilities

Collateral

EUR million	2024	2023
On behalf of own commitments		
Bank deposits	0.3	0.3
Guarantees	0.5	0.5
	0.8	0.8

Lease commitments

EUR million	2024	2023
Real estate leases [1]		
Within one year	29.8	29.8
Later than one year, but not later than five years	35.1	34.7
Later than five years	65.6	63.7
	130.5	128.2
Other lease commitments [2]		
Within one year	5.4	4.9
Later than one year, but not later than five years	6.1	6.4
	11.5	11.3
Total leases	142.0	139.5

Other commitments

EUR million	2024	2023
Venture capital investment obligation	0.2	0.2

[1] Real estate leases comprise rental contracts relating to business, office and telecom premises.
[2] Lease liabilities consist mainly of car and IT equipment leases.

Real estate leases are presented at nominal values.

Rental liabilities are exclusive of value added tax, except for vehicle lease liabilities.

Derivative instruments

EUR million	2024	2023
Currency derivatives		
Nominal value	**4.0**	3.3
Fair value	**0.0**	0.1
Electricity derivatives		
Nominal value	**2.4**	3.5
Fair value	**0.4**	1.0

Elisa hedges electricity purchases through physical purchase agreements and derivatives. The electricity price risk is assessed over a five-year period. Electricity derivatives are subject to hedge accounting.

The hedging rate for purchases during the coming years, %

	2024	2023
0–1 years	**92.0**	93.1
1–2 years	**71.6**	77.4
2–3 years	**42.1**	38.8
3–4 years	**41.1**	42.3
4–5 years	**34.5**	41.1

Real-estate investments

On 31 December 2024, the VAT refund liability of real-estate investments was EUR 59.5 (39.7) million.

Signatures to the board of directors' report and financial statements

The financial statements provide a true and fair view of the assets, liabilities, financial position and profit or loss of Elisa Corporation and of the undertakings included in its consolidated accounts, taken as a whole.

The management report includes a fair review of the development and performance of the business of Elisa Corporation and of the undertakings included in its consolidated accounts, together with a description of the principal risks and uncertainties as well as other aspects of the company's situation.

The sustainability report included in the management report has been prepared in accordance with the reporting standards referred to in chapter 7 of the Finnish Accounting Act as well as Article 8 of the EU Taxonomy Regulation.

Helsinki, 30 January 2025

Anssi Vanjoki
Chairman of the Board of Directors

Maher Chebbo

Kim Ignatius

Katariina Kravi

Pia Kåll

Eva-Lotta Sjöstedt

Antti Vasara

Christoph Vitzthum

Topi Manner
President and CEO

Auditor's note

A report on the audit performed has been issued today.

Helsinki, 30 January 2025

Ernst &Young Oy

Authorised Public Accountants

Terhi Mäkinen

APA

Auditor's report (Translation of the Finnish original)

To the Annual General Meeting of Elisa Corporation

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Elisa Corporation (business identity code 0116510-6) for the year ended 31 December, 2024. The financial statements comprise the consolidated income statement, statement of comprehensive income, balance sheet, statement of cash flows, statement of changes in equity and notes, including material accounting policy information, as well as the parent company's income statement, balance sheet, statement of cash flows and notes.

In our opinion

- the consolidated financial statements give a true and fair view of the group's financial position, financial performance and cash flows in accordance with IFRS Accounting Standards as adopted by the EU.
- the financial statements give a true and fair view of the parent company's financial performance and financial position in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements.

Our opinion is consistent with the additional report submitted to the Audit Committee.

Basis for Opinion

We conducted our audit in accordance with good auditing practice in Finland. Our responsibilities under good auditing practice are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report.

We are independent of the parent company and of the group companies in accordance with the ethical requirements that are applicable in Finland and are relevant to our audit, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

In our best knowledge and understanding, the non-audit services that we have provided to the parent company and group companies are in compliance with laws and regulations applicable in Finland regarding these services, and we have not provided any prohibited non-audit services referred to in Article 5(1) of regulation (EU) 537/2014. The non-audit services that we have provided have been disclosed in note 2.5 to the consolidated financial statements note 6 to the parent company financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

We have also addressed the risk of management override of internal controls. This includes consideration of whether there was evidence of management bias that represented a risk of material misstatement due to fraud.

KEY AUDIT MATTER	HOW OUR AUDIT ADDRESSED THE KEY AUDIT MATTER
Valuation of Goodwill and intangibles with indefinite lives *We refer to the Group's accounting policies and the note 5.4.1* At the balance sheet date 31 December 2024, the value of goodwill amounted to EUR 1 263 million representing 38 % of total assets and 98 % of total equity. The valuation of goodwill was a key audit matter as: • the management's annual impairment test involves significant judgments related to key assumptions used and; • the goodwill is significant to the financial statements. The cash flows of the cash generating units are based on the value in use. Changes in the assumptions used can significantly impact the value in use. The value in use is dependent on several assumptions such as the revenue growth, operating profit and discount rate used. Changes in these assumptions can lead to an impairment in goodwill.	Our audit procedures included, among others: • involving our internal valuation specialist to assist us in evaluating the methodologies, impairment calculations and underlying assumptions applied by management in impairment testing; • comparing the key assumptions applied by management to approved budgets and long-term forecasts, information available in external sources, as well as our independently calculated industry averages for example related to the weighted average cost of capital used in discounting; • checking the mathematical accuracy of the underlying calculations and comparing the discounted cash-flows to Elisa market capitalization; • comparing the groups' disclosures related to impairment tests in note 5.4.1 in the financial statements with presentation requirements in applicable accounting standards and we reviewed the information provided on sensitivity analysis.

KEY AUDIT MATTER	HOW OUR AUDIT ADDRESSED THE KEY AUDIT MATTER
Revenue Recognition *We refer to the Group's accounting policies and the note 2.3* Elisa Group revenue streams comprise of several streams such as fixed and mobile subscriptions, different kind of digital services, solutions for automating network management and operations for mobile operators and IoT solutions for industry. Goods and services can be sold separately or bundled. Revenue is recognised over time or at certain points of time. The key criterion for the revenue recognition is the transfer of control. There is an inherent risk around the accuracy of revenue recognized given the complexity of IT systems, high volume of different types of customer contracts and transactions, and changing business and pricing models (tariff structures, incentive arrangements, discounts etc.). The application of revenue recognition accounting standards is complex and requires significant judgements and estimates on behalf of management as to when, and to which amount revenues are recognized. Revenue recognition was determined to be a key audit matter and a significant risk of material misstatement referred to in EU Regulation No 537/2014, point (c) of Article 10(2) due to the identified risk of material misstatement in revenue recognition.	Our audit procedures, addressing the significant risk of material misstatement related to revenue recognition, included amongst other: • assessing the application of group's accounting policies over revenue recognition and comparing the group's accounting policies over revenue recognition with applicable accounting standards; • testing the IT general controls and application controls over the main billing systems and applications; • testing the revenue recognized on a sample basis including testing of group's controls on revenue recognition, when applicable; • testing the end-to-end reconciliation from billing system to accounting system; • testing the accruals for deferred and unbilled revenue on a sample basis; • assessing the revenue recognized with substantive analytical procedures and • assessing the group's disclosures on revenue recognition.

Responsibilities of the Board of Directors and the Managing Director for the Financial Statements

The Board of Directors and the Managing Director are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU, and of financial statements that give a true and fair view in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors and the Managing Director are responsible for assessing the parent company's and the group's ability to continue as going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting. The financial statements are prepared using the going concern basis of accounting unless there is an intention to liquidate the parent company or the group or cease operations, or there is no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance on whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with good auditing practice will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with good auditing practice, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the parent company's or the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the parent company's or the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the parent company or the group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events so that the financial statements give a true and fair view.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Reporting Requirements

Information on our audit engagement

We were first appointed as auditors by the Annual General Meeting on 12.4.2024.

Other information

The Board of Directors and the Managing Director are responsible for the other information. The other information comprises the report of the Board of Directors and the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon. We have obtained the report of the Board of Directors prior to the date of this auditor's report, and the Annual Report is expected to be made available to us after that date.

Our opinion on the financial statements does not cover the other information.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. With respect to report of the Board of Directors, our responsibility also includes considering whether the report of the Board of Directors has been prepared in compliance with the applicable provisions, excluding the sustainability report information on which there are provisions in Chapter 7 of the Accounting Act and in the sustainability reporting standards.

In our opinion, the information in the report of the Board of Directors is consistent with the information in the financial statements and the report of the Board of Directors has been prepared in compliance with the applicable provisions. Our opinion does not cover the sustainability report information on which there are provisions in Chapter 7 of the Accounting Act and in the sustainability reporting standards.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Helsinki 30.1.2025

Ernst & Young Oy

Authorized Public Accountant Firm

Terhi Mäkinen

Authorized Public Accountant

CORPORATE GOVERNANCE STATEMENT 2024

Contents

Corporate Governance Statement 2024

I. INTRODUCTION

Elisa Corporation copies with the recommendations of the Finnish Corporate Governance Code, which entered into force on 1 January 2025. Elisa does not depart from the recommendations of the Code. The Corporate Governance Statement 2024 has been prepared in accordance with the Corporate Governance Code. The Finnish Corporate Governance Code is available at cgfinland.fi.

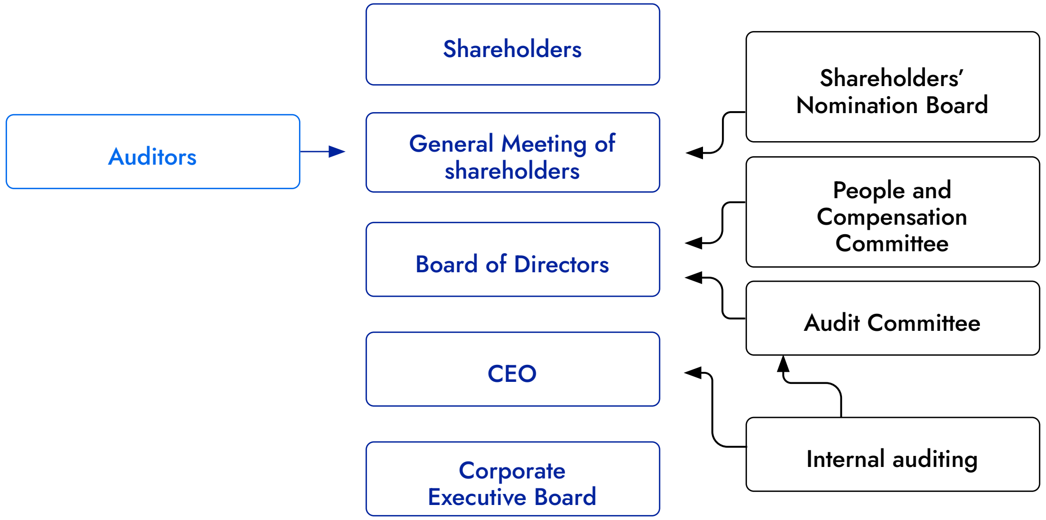
Elisa publishes its Corporate Governance Statement as part of the Annual Report. Annual Report includes Annual review, Report of the Board of Directors, Sustainability statements, Financial statements and Governance and Remuneration reports.

The Audit Committee of Elisa's Board has reviewed the Statement. The Statement is not updated during the financial year, but updated information is available on Elisa's website at elisa.com/investors. The Annual General Meeting held on 12 April 2024 reviewed Elisa's Remuneration Policy, and it is available on the company website. Elisa publishes Remuneration Report from 2024.

Elisa's financial statements, including a report of the Board of Directors, are published on Elisa's website at elisa.com.

II. DESCRIPTIONS OF GOVERNANCE

Elisa's governance structure



General Meeting of Shareholders and Articles of Association

The General Meeting of Shareholders is Elisa's highest decision-making body. Among other things, it approves the income statement and balance sheet. It declares the distribution of profits according to the proposal of the Board of Directors. The General Meeting appoints an auditor and sustainability reporting assurer and members to the Board of Directors, including the Chair and the Deputy Chair, and approves the discharge from liability.

Notices of General Meetings of Shareholders are posted on Elisa's website no later than three weeks prior to the meeting. A stock exchange release is also issued for each notice and can be found on Elisa's website. The agenda for the meeting is specified in the notice. Proposals from the Board of Directors for the meeting may be viewed on Elisa's website prior to the meeting.

Elisa's Articles of Association may be examined on Elisa's website at elisa.com. Any decisions to amend the Articles of Association are taken by a General Meeting of Shareholders. Elisa's Annual General Meeting 2024 was held on 12 April 2024 in Helsinki.

Shareholders' Nomination Board

Elisa's Annual General Meeting decided in 2012 to establish a Shareholders' Nomination Board, which is the body with responsibility of preparing the proposals to the Annual General Meeting for the election and remuneration of the members of the Board of Directors of Elisa, and it also accepted a charter for the Shareholders' Nomination Board. The Shareholders' Nomination Board has been established for the time being. The term of each Shareholders' Nomination Board expires when the next Shareholders' Nomination Board has been appointed.

The biggest shareholders were determined according to the shareholder register of Elisa on 31 August 2024, and they named the members of the nomination board. The composition of the Shareholders' Nomination Board has been as follows:

Name	Position	Nominated by	Gender
Pauli Anttila	Investment Director	Solidium Oy	Male
Jouko Pölönen	President and CEO	Ilmarinen Mutual Pension Insurance Company	Male
Markus Aho	Chief Investment Officer	Varma Mutual Pension Insurance Company	Male
Jonna Ryhänen	Chief Investment Officer, Deputy CEO	Elo Mutual Pension Insurance Company	Female
Anssi Vanjoki	Chair of Elisa's Board of Directors		Male

Mr Pauli Anttila has acted as chair of the Nomination Board.

The Shareholders' Nomination Board convened four times in 2024. The Shareholders' Nomination Board discussed the size of the Board, its composition and diversity, and the areas of expertise that are seen as best for the company. The Shareholders' Nomination Board surveyed possible candidates and interviewed a selection of appropriate candidates. The Shareholders' Nomination Board also examined the remuneration of Board members. When preparing the proposal, the Nomination Board considered developments in remuneration in relevant markets and fees paid in similar companies as well as the nature of the work that members of the Board do and how demanding it is. Additionally, the Shareholders' Nomination Board reviewed and discussed the self-evaluation of the Board.

On 13 December 2024, the Shareholders' Nomination Board announced its proposal to Elisa's Board for the notice of the Annual General Meeting 2025 as follows:

- The amount of annual remuneration for the members of the Board of Directors be changed, but that the level of remuneration for participating in meetings should remain unchanged. The proposal does not include share transfer restrictions; however, the Nomination Board does require that members of the Board hold shares in the Company.
- The Chair be paid annual remuneration of EUR 160,000 (EUR 150,000 in 2024), the Deputy Chair and the Chairs of the Committees EUR 89,000 (EUR 87,000 in 2024), and other Board members EUR 73,000 (EUR 72,000 in 2024).In addition, a meeting fee of EUR 800 (EUR 800 in 2024) per meeting of the Board and of a Committee would be paid. However, if a Board member is physically present at a Board or Committee meeting that is held in a country other than his/her permanent home country, then the meeting fee would be EUR 1,600 (EUR 1,600 in 2024).
- According to the proposal, the annual remuneration will be paid partly in Company shares and partly in cash so that 40% of the remuneration is used to acquire Company shares in the name of and on behalf of the Board members, and the remainder will be paid in cash in order to cover mainly withholding tax on the annual remuneration. The shares will be acquired for the Board members on the third trading day following the publication of the interim report for the first quarter of 2025.
- The number of members of the Board of Directors would be eight 8 (in 2024, eight members).
- Mr Maher Chebbo, Mr Kim Ignatius, Ms Katariina Kravi, Ms Pia Kåll, Ms Eva-Lotta Sjöstedt and Christoph Vitzthum be re-elected. The Shareholders' Nomination Board further proposes that Mr Tuomas Hyyryläinen and Mr Urs Schaeppi are elected as new members of the Board.
- Mr Christoph Vitzthum be elected as the Chair of the Board and Ms Katariina Kravi be elected as the Vice Chair.

Based on the evaluation of the Shareholders' Nomination Board, the proposed candidates are deemed independent of Elisa and of Elisa's significant shareholders, with the exception of Tuomas Hyyryläinen who is deemed independent of Elisa but not independent of its significant shareholder Solidium due to his position as a member of Solidium's Board of Directors.

With regard to the selection procedure for the members of the Board of Directors, the Shareholders' Nomination Board recommends that shareholders take a position on the proposal as a whole at the General Meeting. This recommendation is based on the fact that at Elisa, in line with a good Nordic governance model, the Shareholders' Nomination Board is separate from the Board of Directors. The Shareholders' Nomination Board, in addition to ensuring that individual nominees for membership of the Board of Directors possess the required competences, is also responsible for making sure that the proposed Board of Directors as a whole also has the best possible expertise and experience for the company and that the composition of the Board of Directors also meets other requirements of the Finnish Corporate Governance Code for listed companies.

Charter and operations of the Board of Directors

The Board attends to the administration and proper organisation of the company's operations in accordance with the Finnish Limited Liability Companies Act and other regulations. The Board decides on matters that under law are subject to decision by the Board. The company's Board has adopted a charter for itself.

The charter tasks the Board with deciding the company's strategic guidelines and the targets for Elisa's management, and with monitoring their achievement. The Board must also appoint the CEO and decide on the composition of the Executive Board. The Board regularly monitors financial performance and the development of the company's financial standing. The Board also supervises the compliance of Elisa's administration with regulations, and the management of operational risks and other risks. The Board addresses major investments in and disposal of businesses or assets, and also sets the boundaries for the company's management in executing operational investments and financial arrangements.

According to the charter, the following are particularly subject to the Board's decision:

- Elisa's strategic guidelines
- Distribution policy
- Convening General Meetings and submitting Board proposals
- Matters having to do with Elisa's shares and Elisa's shareholders
- Major mergers and acquisitions, as well as investments
- Financial statements, half-year financial reports and interim reports, and sustainability statements
- Appointment, dismissal and terms of employment of the CEO and members of the Executive Board

The charter also specifies other matters to be addressed by the Board, such as adopting the annual financial plan, the principles of the company's organisation and the main business policies.

Members of the Board of Directors are not allowed to participate in decision-making for which they must legally disqualify themselves due to a conflict of interests.

The Board conducts an annual self-evaluation of its activities executed in the form of a questionnaire or by external evaluation. In 2024 the performance evaluation was carried out as a self-assessment in which the members evaluated, in particular, the performance of the Board and the committees, as well as the performance of the members and the Chair of the Board. The results were presented to Elisa's Shareholders' Nomination Board. In addition, the Board of Directors continuously evaluates its own performance.

During 2024, the Board focused, in particular, on the company's strategy and monitoring its implementation, on changes in the operating environment and markets, and on geopolitical and economic challenges and their impact on Elisa's operations. Other focus areas included customer satisfaction, cyber security, the development of the 5G and fibre markets and on internationalisation, including M&As. The Board prepared for new sustainability reporting regulation and approved on the updated values of the company.

Composition of the Board of Directors

According to Elisa's Articles of Association, the Board comprises a minimum of five and a maximum of nine members. The members of the Board are appointed at the Annual General Meeting for a one-year term of office starting at the close of the relevant General Meeting and ending at the close of the next Annual General Meeting. The Annual General Meeting also elects the Chair and the Deputy Chair of the Board.

At its organising meeting, the Board annually decides upon committees, their chairs and members. In 2024, the acting committees were the People and Compensation Committee and the Audit Committee. The duties and charters of the committees are adopted by the Board.

At the Annual General Meeting of 12 April 2024, eight (8) members were elected to the Board until the next Annual General Meeting. Mr Maher Chebbo, Mr Kim Ignatius, Ms Katariina Kravi, Ms Pia Kåll, Ms Eva-Lotta Sjöstedt, Mr Anssi Vanjoki and Mr Antti Vasara were re-elected as members of the Board. Mr Christoph Vitzthum was elected as a new member of the Board.

60%* men

40%* women

100% independence of Board members

4,6 years Length of Board membership

45-68 years Age distribution of Board members

** Calculated in accordance with the Limited Liability Companies Act 6:9a §*

Information on the members of the Board of Directors

Name	Year of birth and gender	Nationality	Terms on the Board*	Committee membership	Independence of the company	Elisa holdings, pcs**
Anssi Vanjoki (Chair)	1956 Male	Finnish	7	-	Independent	7,891
Katariina Kravi (Deputy Chair)	1967 Female	Finnish	3	People and Compensation (Chair)	Independent	1,932
Maher Chebbo	1965 Male	French	4	People and Compensation	Independent	2,269
Kim Ignatius	1956 Male	Finnish	6	Audit (Chair)	Independent	3,796
Pia Kåll	1980 Female	Finnish	3	Audit	Independent	1,684
Eva-Lotta Sjöstedt	1966 Female	Swedish	5	People and Compensation	Independent	2,350
Antti Vasara	1965 Male	Finnish	8	Audit	Independent	4,795
Christoph Vitzthum	1969 Male	Finnish	1	Audit	Independent	671

**) Term on the Board begins from the decision of the AGM.*
***) Elisa holdings of Elisa's current Board members and legal entities controlled by them, number of shares 31 Dec 2024.*

Back, from left: Christoph Vitzthum, Pia Kåll, Antti Vasara, Kim Ignatius and Maher Chebbo. Front, from left: Katariina Kravi, Anssi Vanjoki and Eva-Lotta Sjöstedt.

Anssi Vanjoki

- Chair of the Board since 2019, member since 2018
- Helsinki School of Economics
- Key Employment history: Lappeenranta University of Technology, Professor 2013–2019. Nokia Oyj, Executive Vice President and General Manager 1998–2011, Senior Vice President 1994–1998, Vice President 1991–1994. 3M Corporation, various positions 1981–1991.

Katariina Kravi

- Deputy Chair of the Board since 2023, member since 2022
- LLM, trained on the Bench, University of Turku
- Key Employment History: EVP, People and Communication, Stora Enso Oyj, 2020–. EVP, Human Resources, Tieto Oyj, 2012–2020. Several managerial and leadership roles in Human Resources, Nokia Oyj 1996–2012.
- Main Board memberships and public duties currently undertaken: Member of the Supervisory Board, Varma.

Maher Chebbo

- Member of the Board since 202
- PhD (Scientific), MinesParisTech (1990). Leading Global Businesses, Harvard Business School.
- Key employment history: CTS, Founder & Board advisory roles 2020–. Univers Europe, MD 2022–. GE Digital, General Manager Global Power Digital Solutions 2017–2020. SAP, General Manager EMEA Energy & Industries Digital 2005–2017. SAP, Director SAP Corporate Venturing 2002–2004, Global Field Operations 2000–2001. SAP, Sales BU Head & Strategic Advisor to President Southwest Europe 1996–2000. Cap Gemini, Director Utilities, Telecom & Media Software Engineering 1990–1995. ARMINES, Data Science R&D Engineer 1987–1990.
- Main Board memberships and public duties currently undertaken: Member of the CEET (Council of Engineers for Energy transition advising the UN-secretary General). Digital Group Chair: EU Batteries Europe. Member of the Supervisory Board of EIT Manufacturing.

Kim Ignatius

- Member since 2019
- B.Sc (Econ.), Helsinki School of Economics
- Key employment history: Sanoma Corporation, Executive Vice President in 2017, CFO in 2008–2016. TeliaSonera AB, Executive Vice President and CFO 2003–2008. Sonera Oyj, Executive Vice President and CFO 2000–2002. Tamro Oyj, Group CFO 1997–2000.
- Main Board memberships and public duties currently undertaken: Member of the Board and Chair of the Audit Committee: Duell Corporation. Vice Chair of the Board and Chair of the Audit Committee: Yliopiston Apteekki. Member of the Board and Chair of the Audit Committee: Pihlajalinna Group.

Pia Kåll

- Member of the Board since 2022
- M.Sc (Eng.) Helsinki University of Technology
- Key employment history: CapMan, CEO 2023–, Managing Partner CapMan Buyout 2016–2023. Outotec, Senior Vice President Strategy, Marketing and Operational Excellence 2013–2016. McKinsey&Company, Management consultant 2006–2013.
- Main Board memberships and public duties currently undertaken: -

Eva-Lotta Sjöstedt

- Member of the Board since 2020
- IHM Business School Bachelors degree (KY) Economics, Marketing. The Wharton School Executive education course 2013.
- Key employment history: Senior advisory roles 2017–. Georg Jensen, CEO 2016–2018. Karstadt, CEO 2014–2015. IKEA Group, Global Deputy Retail Manager 2012–2013, CEO IKEA Netherlands 2009–2012, Various Executive roles for starting up IKEA Japan 2005–2009. Various positions in design and fashion.
- Main board memberships and public duties currently undertaken: Metro AG: Member of Supervisory Board. Alliance Pharma PLC: Non-executive director and Chair of ESG Committee.

Antti Vasara

- Member of the Board since 2017
- D.Sc. (Tech.), Helsinki University of Technology
- Key employment history: VTT Technical Research Centre of Finland Ltd, CEO 2015–. Tieto Corporation, EVP 2012-2015. Nokia Corporation, SVP 2003-2012. SmartTrust Ltd, CEO 2000–2003. McKinsey & Company, Management consultant 1993–2000. Helsinki University of Technology, Researcher 1986–1991.
- Main Board memberships and public duties currently undertaken: Member of the Board: Jane and Aatos Erkko Foundation. President and Member of the Board: European Association of Research and Technology Organisations (EARTO). Member of the Supervisory Board: Ilmarinen.

Christoph Vitzthum

- Member of the Board since 2024
- M.Sc (Econ), Hanken School of Economics
- Key employment history: President and CEO, Fazer Group 2013–. President Services, Executive Vice President, Wärtsilä Corporation 2009–2013. President Power Plants, Executive Vice President, Wärtsilä Corporation 2006–2009. President, Wärtsilä Propulsion 2002–2006.
- Main Board memberships and public duties currently undertaken: Board Member, Oras Invest Oy. Chair of the Supervisory Board, Varma. Board Member, Finnish Food and Drink Industries' Federation. Board Member, Finnish-Swedish Chamber of Commerce. Chair of the Board: ETLA Economic Research, and Finnish Business and Policy Forum (EVA). Chair of the Board, Svenska handelshögskolan.

Attendance at meetings by the Board members

Attendance at board meetings by Elisa's Board members in 2024	Board meetings	Audit committee meetings	People and Compensation Committee meetins
Anssi Vanjoki, Chair	13/14		
Katariina Kravi, Deputy Chair	14/14		5/5
Maher Chebbo, Member	13/14		4/5
Kim Ignatius, Member	14/14	5/5	
Pia Kåll, Member	14/14	4/5	
Eva-Lotta Sjöstedt, Member	13/14		4/5
Antti Vasara, Member	14/14	5/5	
Christoph Vitzthum, Member (from 12 April 2024)	10/11	4/4	

Appointment and diversity principles for Board members

At Elisa, diversity is seen as an essential part of corporate responsibility and as a factor in success that enables achievement of strategic targets and continuous improvement of customer intimacy.

In planning the composition of the Board, the Shareholders' Nomination Board takes into account the requirements of Elisa's business operations, the phase of development and the competence requirements of the Board committees. In appointing members of the Board, the target is to ensure that the Board as a whole supports the development of Elisa's current and future business operations. Diversity plays a part in supporting this goal.

Diversity is considered from different perspectives. From Elisa's point of view, it is important to have Board members with diverse backgrounds in terms of competence, training and experience of differing business operations, of varying stages of business development, and of leadership, as well as diverse personal characteristics. Experience of international business environments and different cultures in addition to consideration of age and gender will support the diversity of the Board. The objective is that a minimum of 40% of directors are from the under-represented sex.

A person elected as an Elisa Board member must have the competence required for the position and be able to devote a sufficient amount of time to the duties required. In forming the composition of the Board, long-term needs and successor planning will be taken into account.

According to the Articles of Association of Elisa, the Board comprises no less than five (5) and no more than nine (9) members. The number of Board members and the composition of the Board shall be such that the Board is capable of efficiently carrying out its tasks. The proposal regarding the number of members and composition of the Board is prepared by the Shareholders' Nomination Board of Elisa. Members of the Board are elected at the Annual General Meeting.

In 2024, at the Annual General Meeting, eight members were elected to the Board. The competence, training, experience and personal characteristics of the Board are different and complement each other. The members of the Board have industry experience and strong expertise in e.g. the areas of finance, management, strategy, risk management, international business and sustainability (ESG). The sustainability expertise of the Board is described on the Sustainability Statements. The Board is composed of three different nationalities. The Board consists of three women and five men between 45 and 68 years of age. The composition of the Board as a whole is in accordance with Elisa's updated diversity principles.

The principles concerning the election of the Board and its diversity are available on the company's website at elisa.com.

Board committees

People and Compensation Committee

According to its charter, the People and Compensation Committee deals with and prepares remuneration, performance evaluation and succession planning especially within management, Elisa's Remuneration Policy and report, long-term incentive schemes, and other matters relating to developing management and personnel.

In 2024, the People and Compensation Committee comprised Ms Katariina Kravi, Committee Chair, and members Mr Maher Chebbo and Ms Eva-Lotta Sjöstedt. Chair of the Board has also participated in the Committee meetings.

In 2024, the People and Compensation Committee focused e.g. on employee satisfaction, on preparing the Remuneration Policy and Report, on monitoring the implementation of the Remuneration Policy, and on long- and short-term remuneration, including a comparison of the remuneration of senior management with general market practice.

Audit Committee

The Audit Committee is tasked with supervising the proper organisation of the company's accounting and financial administration, financing, internal and financial auditing, sustainability reporting and risk management. As regards financial and sustainability reporting and auditing, the Audit Committee specifically monitors and assesses the company's reporting system, the effectiveness of internal control and auditing and risk management systems, the independence of the auditor and the sustainability reporting auditor, and in particular the provision of non-audit services. The Audit Committee also monitors and assesses execution of the related party policy.

According to its charter, the following in particular are addressed and prepared by the Audit Committee:

- Significant changes in recognition principles
- Significant changes in items measured on the balance sheet
- Follow-up to ensure the independence of the auditor and the sustainability reporting auditor

- Matters reported by internal auditing
- Financial statements, half-year financial reports, interim reports and Corporate Governance Statement
- Risk reports and organisation of risk management
- Organisation of financial administration and financing
- Related party policy
- Compliance and Protection of Privacy reports
- Sustainability and sustainability reporting

The Committee also regularly reviews reports from internal auditing and the financial auditors, and prepares proposals on the audit and the sustainability reporting assurance.

In 2024, the Chair of the Audit Committee was Mr Kim Ignatius, and the members were Ms Pia Kåll, Mr Antti Vasara and Mr Christoph Vitzthum (from 12 April 2024). The principal auditor, internal auditor and the Chair of the Board have also attended Committee meetings.

In 2024, the Audit Committee made its recommendation to the Board of Directors on the selection of the auditor and the sustainability reporting assurer. During the year, the Audit Committee focused, among other things, especially for the preparation of sustainability reporting under the new regulation, on financial performance, financial management controls and regulatory developments, financial and other risks and the related controls, impairment testing, tax matters, financial arrangements, internal audit activities, Elisa's sustainability (ESG), as well as performing a review of past corporate restructuring. The Audit Committee approved the Internal Audit Charter and Non-audit Services Policy. In addition, the Audit Committee discussed Elisa's risk management and compliance reporting (including following up on cases reported to the whistleblowing channel).

Name	Position	Gender and year of birth	Nationality	Member of the Executive Board since	Holdings in Elisa*
Topi Manner	Chief Executive Officer (Since 1 March 2024)	1974 Male	Finnish	2024	5,847
Eveliina Dahl	Executive Vice President, HR (Since 1 January 2025)	1983 Female	Finnish	2025	0
Timo Katajisto	Executive Vice President, Corporate Customers	1968 Male	Finnish	2008	31,282
Jari Kinnunen	Chief Financial Officer	1962 Male	Finnish	2005	64,122
Sami Komulainen	Executive Vice President, Production	1976 Male	Finnish	2019	6,975
Henri Korpi	Executive Vice President, International Digital Services	1973 Male	Finnish	2017	23,584
Antti Nieminen	Executive Vice President, Marketing (until 31 March 2025)	1975 Male	Finnish	2020	3,976
Vesa-Pekka Nikula	Executive Vice President, Consumer Customers	1964 Male	Finnish	2014	15,379
Eliisa Tapio	Executive Vice President, Communications and Sustainability (until 1 March 2025)	1972 Female	Finnish	2023	823
Sami Ylikortes	Executive Vice President, Administration (until 1 March 2025)	1967 Male	Finnish	2000	17,519

**) Holdings in Elisa of the member of the Corporate Executive Board and legal entities controlled by them*

Information of the CEO and the Corporate Executive Board at the time of publication of the statements 26 February 2025

Veli-Matti Mattila served as the CEO until 1 March 2024. Merja Ranta-aho served as Executive Vice President, HR until 31 December 2024. Kati Nyman has been appointed Executive Vice President, Corporate Chief of Staff and a member of the Elisa Corporate Executive Board as of 1 March 2025. Stuart Wells has been appointed Executive Vice President and Chief Marketing Officer, and a member of the Elisa Corporate Executive Board as of 1 April 2025.

Duties of the CEO

Elisa's Chief Executive Officer (CEO) manages the company's business and administration in accordance with instructions and orders from the Board of Directors, the Articles of Association and the Finnish Limited Liability Companies Act. The CEO prepares the company's strategy plans and objectives for the Board and is responsible for their implementation. The CEO is also responsible for ensuring that the company's accounting practices comply with the law and that financial matters are handled in a reliable manner. The CEO is appointed by the Board of Directors. Mr Topi Manner served as CEO in 2024 (Mr Veli-Matti Mattila until 28 February 2024).

Duties of the Corporate Executive Board

Elisa's Corporate Executive Board prepares the company strategy, directs the company's regular operations, monitors the development of results, and deals with issues having substantial financial or other impact on Elisa, including significant mergers and acquisitions, as well as organisational changes. In addition, the Executive Board monitors risk management and is responsible for the proper organisation of administration under the CEO's guidance. Matters stipulated in the charter of the Board as requiring a decision by the Board of Directors are submitted for decision-making by the Board.

Topi Manner

- Chief Executive Officer
- M.Sc. (Econ.)
- Key employment history: Finnair Oyj, CEO 2019–2024. Nordea, member of Nordea's Group Executive Management and Head of Personal Banking 2016–2018, various executive roles 2006–2016.
- Main Board memberships and public duties currently undertaken: Member of the Board: UPM-Kymmene Corporation and Service Sector Employers PALTA. Chair: Finnish National Emergency Supply Council.

Eveliina Dahl

- Executive Vice President, People and Culture
- M.Sc. (Eng.)
- Key employment history: Fortum Corporation: Executive Vice President, People and Procurement 2021–2024, Vice President, People, City Solutions division & People Service 2018–2021, Business People Partner, TNV & eNext 2016–2018, Development positions in Strategy and Procurement 2007–2016.
- Main Board memberships and public duties currently undertaken: Member of the Board of Directors of Mutual Pension Insurance Company Varma.

Timo Katajisto

- Executive Vice President, Corporate Customers
- M.Sc. (Tech.)
- Key employment history: Elisa, Executive Vice President, Production 2008–2014. Nokia Siemens Networks, Member of the Executive Board, responsible for strategic projects and quality 2007. Nokia Networks, Member of the Executive Board, responsible for production and network installation 2005–2007. Various positions at Nokia Networks and its predecessor Nokia Telecommu-nications, 1992–2005.
- Main Board memberships and public duties currently undertaken: Member of the Economic Policy Committee of Service Sector Employers Palta. Deputy Chair of the Board: FiCom.

Jari Kinnunen

- Chief Financial Officer
- M.Sc. (Bus. Finance and Accounting)
- Key employment history: Yomi Plc, CEO and President 2004. Elisa Kommunikation GmbH, CFO 1999–2004. Polar International Ltd, Managing Director 1996–1999 and Controller, 1990–1996. Oy Alftan Ab, Controller 1987–1990.
- Main Board memberships and public duties currently undertaken: Member of the Economy and tax Committee of the Confederation of Finnish Industries EK.

Sami Komulainen

- Executive Vice President, Production
- M.Sc. (Tech.)
- Key employment history: Elisa, Vice President, Production Unit, Network Services 2018–2019, and Vice President, Mobile Services and Logistics 2013–2018. Various positions at Elisa 1999–2013.

Henri Korpi

- Executive Vice President, International Digital Services
- LLM
- Key employment history: Elisa, Vice President, subscription business of Consumer Customer unit 2011–2017, Senior Business Controller of Consumer Customer unit 2006–2011. Saunalahti Group, Finance Manager 2002–2006. Riot Entertainment Oy, CFO 2000–2002. Takomo Bros Oy, Finance Manager at 1998–2000.

Antti Nieminen

- Executive Vice President, Marketing
- M.Sc.
- Key employment history: F-Secure Plc. Vice President, Brand 2018–2020. OP Financial Group, Head of Marketing 2015–2018. Finnair Plc. Brand and Marketing Leadership roles 2008–2015. Unilever, Brand and Marketing Management roles 2005–2007. Brand and Marketing Management roles at Carat, Hartwall and Kauppalehti 1999–2005.

Vesa-Pekka Nikula

- Executive Vice President, Consumer Customers
- M.Sc. (Tech.), MBA
- Key employment history: Elisa, Executive Vice President, Production 2014–2019, Director of Consumer Customer services 2010–2014 and Director, Development, 2009–2010. Nokia Siemens Networks, Director of Managed Services business West South Europe 2007–2009. Nokia Networks, Director of Managed Services business, EMEA (Europe, Middle East, Africa) 2005–2007. Ericsson, several positions in Finland, the Netherlands and Great Britain 1994–2005.

Eliisa Tapio

- Executive Vice President, Communications and Sustainability
- Key employment history: Elisa, Vice President, Communications 2022–2023, Head of International Communications 2020–2022. Nokia, Head of Communications for Global Services business group 2013–2020. Nokia Siemens Networks, Head of Global Restructuring Communications 2011–2013, various Communication Head roles 2007–2011. Nokia, various positions in Communications 1999–2007.

Sami Ylikortes

- Executive Vice President, Administration
- M.Sc.(Econ. & Bus. Adm.), LLM
- Key employment history: Unilever Finland Oy, Positions in accounting management 1991–1996.
- Main Board memberships and public duties currently undertaken: Member of the EU and trade policy committee of the Confederation of Finnish Industries (EK).

III. DESCRIPTIONS OF INTERNAL CONTROL PROCEDURES AND MAIN FEATURES OF RISK MANAGEMENT SYSTEMS

The objective of the internal control and risk management systems associated with Elisa's financial reporting process is to obtain reasonable assurance that the company's financial statements and financial reporting are reliable, that they have been prepared in compliance with laws, regulations and generally accepted accounting principles, and that they provide a true and fair view of the financial situation of the company. Internal control and risk management procedures are integrated into the company's operations and processes. Elisa's internal control can be described using the international COSO Framework.

Control environment

Elisa's control environment is based on the company's values, Code of Conduct, compliance framework and supplementary policies, guidelines and practices, as well as goal-oriented management. Elisa's key processes have been documented, and they are both controlled and developed systematically.

Annual business and strategy planning processes and targets, as well as rolling monthly financial forecasts, represent a key element in Elisa's business and performance management. Financial results are assessed against the forecast, the annual plan, the previous year's results and the strategic plan.

Targets are set for the Elisa Group and for each unit, and individual targets are based on the scorecard and performance-based bonus system and specified in semi-annual learning and objectives discussions.

Risk assessment

Risk assessment is an integral part of Elisa's planning and performance review processes. The purpose of risk assessment is to identify and analyse risks that could affect the achievement of specified targets and to identify measures to reduce those risks.

The key risks associated with the accuracy of financial reporting have been identified in a process-specific risk analysis. Risk assessment also covers risks related to misuse and the resulting financial losses, as well as the misappropriation of the company's other assets.

Controls

Control measures consist of automatic and manual reconciliation, control and instructions integrated into the processes, with the objective of ensuring the accuracy of financial reporting and the management of the risks involved. The reporting control mechanism processes have been documented. Key control mechanisms also include access rights management of information systems, authorisation, and the controlled and tested implementation of information system changes.

The financial development of business operations is constantly monitored on a unit basis. Financial management discusses any exceptional items and recognitions at its meetings and investigates the causes of and reasons for any changes in the rolling monthly forecasts. Financial reporting is also ensured through comprehensive analytical reporting of operational metrics, drivers and key figures, and continuous development of the reporting.

Auditing

The Board of Directors' Audit Committee is tasked with supervising the proper organisation of the company's accounting and financial administration, internal and financial auditing, and risk management. Elisa's Board of Directors reviews and approves the interim reports, half-year financial statement and financial statement releases. Elisa's Board and Executive Board monitor the Group's and the business units' results and performance on a monthly basis.

Elisa's Finance unit is responsible for the internal auditing of the financial reporting and continuously evaluates the functionality of controls. In addition, Elisa's internal auditing function controls the reliability of financial reporting within the framework of its annual audit plan as part of internal auditing procedure. A description of Elisa's internal auditing function can be found in the "Internal auditing" section.

Risk management

The company classifies risks into strategic, operational, insurable and financial risks. Insurable risks are identified, and insurance is taken out through an external insurance broker to deal with these risks. The insurance broker assists the company when the amount and likelihood of insurable risks are being estimated.

Additional information on risk management available at elisa.com/investors.

Financial communication and training

Key instructions, policies and procedures are available to the personnel on the company's intranet. In addition, regular information and training are available, particularly regarding any changes in accounting, reporting and disclosure requirements.

Elisa's Disclosure Policy is available on the company's website at elisa.com/investors.

IV. OTHER INFORMATION TO BE PROVIDED IN THE STATEMENT

Internal auditing

The purpose of internal auditing is to estimate the appropriateness and profitability of the company's internal control system and risk management, as well as the management and administration processes.

Internal auditing supports the development of the organisation and improves the management of the supervision obligation of the Board of Directors.

Internal auditing is also intended to support the organisation in achieving its goals by evaluating and investigating its functions and by monitoring compliance with corporate regulations. For this purpose, internal auditing produces analyses, assessments, recommendations and information for use by the company's Board and senior management. Reports on completed audits are submitted to the CEO and the management of the unit audited, as well as to the Audit Committee on a regular basis.

Internal auditing is based, where applicable, on international standards (IIA). Internal auditing is independent of the rest of the organisation. The starting point for internal auditing is business management, and the work is coordinated with financial auditing. An annual auditing plan and auditing report are presented to the Audit Committee of the Board. Internal auditing may also carry out separately agreed audits on specific issues at the request of the Board and Elisa's Executive Board.

Code of Conduct and compliance

Elisa's governance, operations and decision-making are guided by Elisa's mission and values as well as the Elisa Code of Conduct. The Code, approved by the Board, establishes a framework for Elisa's business operations and for the work of all Elisa employees. The Code of Conduct is supplemented by Elisa's internal policies and guidelines. It is the duty of every Elisa employee to comply with the Elisa Code of Conduct and internal guidelines and to notify Elisa of any deficiencies observed. Suspected breaches of the Code of Conduct can be reported anonymously through Elisa's whistleblowing channel.

The Elisa Code of Conduct and the Compliance Framework, approved by the Executive Board, form the basis of Elisa's Compliance Programme, the purpose of which is to ensure that Elisa operates in accordance with laws and the Code of Conduct. The compliance programme is regularly reported to the Board's Audit Committee.

Principles on related party transactions

Elisa complies with legislation concerning related party transactions and ensures that requirements related to monitoring, assessing, decision-making and disclosure of related party transactions are complied with. The Board has adopted a Related Party Transaction Policy, which contains principles for monitoring and assessing Elisa's related party transactions.

Elisa has defined the parties that are related to the company, and Elisa's Legal Affairs department maintains a list of individuals and legal persons who are considered to be related parties. Elisa maintains up-to-date guidelines on related party regulation. Requirements regarding related party transactions have also been taken into account in Elisa's Anti-Corruption and Bribery Policy and Elisa's Conflicts of Interest guidelines.

Elisa may enter into transactions with its related parties as long as the transactions are part of Elisa's ordinary business operations and made according to ordinary business terms and conditions. In such situations, Elisa's internal guidelines and decision-making processes must be complied with.

Related party transactions that deviate from normal business operations or are not made according to ordinary business terms are decided on by the Board, respecting provisions on disqualification.

Potential related party transactions are regularly monitored in Elisa's business and support units and through surveys conducted to the related parties. The Internal Audit function monitors any potential conflicts of interest. The results of the monitoring of related party transactions are reported regularly to the Audit Committee.

Main procedures relating to insider administration

Elisa complies with the guidelines from Nasdaq Helsinki Ltd for insiders in force at any given time. In addition, Elisa's Board of Directors has approved insider guidelines for Elisa Group to complement Nasdaq Helsinki's guidelines for insiders.

According to the Market Abuse Regulation, the members of Elisa's Board of Directors and Elisa's Corporate Executive Board are defined as persons discharging managerial responsibilities within Elisa. A person discharging managerial responsibilities within Elisa must not conduct any transactions relating to Elisa's shares or other financial instruments during a closed period of 30 calendar days before the announcement of an interim financial report or a year-end report. It is advisable for a person discharging managerial responsibilities to make long-term investments in Elisa and to conduct the transactions after the publication of Elisa's financial results. Transactions made by persons discharging managerial responsibilities in Elisa and persons closely associated with them are disclosed according to the Market Abuse Regulation.

Insider lists include persons who have access to specific inside information (insider projects). A person listed on the insider lists must not make any transactions in Elisa shares or other financial instruments during the time they are registered on the list.

Elisa's Legal Affairs department monitors compliance with insider guidelines and maintains the list of persons discharging managerial responsibilities and persons closely associated with them as well as the insider lists.

Auditors

The auditors' principal duty is to ensure that the financial statements have been prepared in accordance with valid regulations and that they give a true and adequate view of the company's performance and financial position, as well as other necessary information, to the company's stakeholders.

Other main targets are to ensure that internal auditing and risk management has been properly organised, and that the organisation operates in compliance with instructions and within the framework of issued authorisations. The division of labour between external and internal auditing is organised so that internal auditing ensures that the organisation operates in accordance with the company's internal guidelines.

In accordance with the Articles of Association, an Authorised Public Accountants Organisation shall be elected as the company's auditor. The auditor designates an Authorised Public Accountant who has principal responsibility. The term of office of the auditor is the financial year during which the auditor is appointed. The duties of the auditor end at the conclusion of the first Annual General Meeting following the expiry of its term of office.

In 2024, the Annual General Meeting elected Ernst & Young Oy, Authorised Public Accountants Organisation, as the company's auditor, with Terhi Mäkinen (APA) serving as the responsible auditor.

Elisa's Board of Directors selected the auditor Ernst & Young Oy as the ESG assurance provider, with Terhi Mäkinen (APA) serving as the responsible auditor.

For the 2024 financial period, the auditing fees of the Finnish group companies totalled EUR 201,285 of which the parent company accounted for EUR 185,185. The auditing fees for the foreign group companies were EUR 182,180.

The auditing firm has been paid fees of EUR 122,494 for non-audit services, of which the parent company accounted for EUR 114,194 and foreign group companies accounted for EUR 8,300. These services had to do mainly with with other auditing and expert services.

REMUNERATION REPORT 2024

1. Introduction

This is the 2024 Remuneration Report for Elisa Corporation (hereinafter “Elisa”) pursuant to legislation and the Finnish Corporate Governance Code. It describes the remuneration of Elisa’s Board of Directors (“Board”) and the CEO for the 2024 financial year. The People and Compensation Committee of the Board has prepared this Remuneration Report for 2024, which will be presented to Elisa’s Annual General Meeting in 2025.

The Board presented the 2023 Remuneration Report to the Annual General Meeting on 12 April 2024. The Annual General Meeting approved the report. The minutes of the Annual General Meeting (including voting results) are available on Elisa’s website. In the process of compiling the report for 2024, shareholder feedback was collected and analysed, and their concerns were discussed to enhance Elisa’s understanding of them.

Improvements for the 2024 Remuneration Report

The main changes and improvements compared to the 2023 Remuneration report are:

- More detailed information of STI metrics, including individual treatment of each performance metric, the performance targets set and their achievement levels
- More detailed information on LTI metrics, including individual treatment of each performance metric, the set performance targets and their achievement levels
- Information on the CEO’s remuneration, both disaggregated and combined, for the current and previous CEO, during financial year 2024
- Some structural changes to further improve understanding and readability

The remuneration of the Board and CEO is based on Elisa’s Remuneration Policy. It was not approved on 12 April 2024 by an advisory resolution of the Annual General Meeting. The updated Remuneration Policy will be presented to the 2025 Annual General Meeting. The People and Compensation Committee has monitored the implementation of the Remuneration Policy. In assessing the remuneration, external advisors and benchmark data have been used, and these are described in more detail in section 3. No deviations were made from the Remuneration Policy during the 2024 financial year except regarding the remuneration of the new CEO (see section 3), and there were no situations during the financial year that warranted any clawback of remuneration.

Mr Veli-Matti Mattila served as CEO until 29 February 2024. Elisa did not have a deputy CEO during the financial year. The Board appointed Mr Topi Manner as the new CEO as of 1 March 2024. This Remuneration Report includes information on the remuneration of both Mr Mattila and Mr Manner.

In addition, one new member was appointed to Elisa’s Board during the financial year.

Elisa’s long-term financial success and remuneration

According to Elisa’s Remuneration Policy, remuneration promotes Elisa’s business strategy and long-term financial success and the favourable development of shareholder value when it is fair, competitive, enhances commitment and supports Elisa’s objectives. CEO remuneration has been based on the most relevant financial and operational criteria that measure success in the implementation of Elisa’s strategy and that affect Elisa’s long-term financial performance. Developments in Elisa’s key financial criteria have been positive. The average growth rate of revenue was 3.7 per cent during 2020—2024, and growth in comparable earnings per share (EPS) was 3.4 per cent. Elisa’s long-term financial development and growth in shareholder value have been positive: total shareholder return was approximately 3.7 per cent from 2020 to 2024. The share-based remuneration of management is aligned with shareholders’ interests.

Development of management and personnel remuneration and of the company's performance

The remuneration of the Board and the CEO has developed as follows, compared to the average development of the remuneration of the company's employees and the company's financial development over the last five financial years:

	2024	2023	2022	2021	2020
Chair of the Board					
Annual fee, EUR	150,000	140,000	130,000	126,000	123,000
Meeting fee, EUR	800*	800*	800*	800*	750
Deputy chair of the Board & chairs of committees					
Annual fee, EUR	87,000	86,000	85,000	84,000	82,000
Meeting fee, EUR	800*	800*	800*	800*	750
Member of the Board					
Annual fee, EUR	72,000	71,000	70,000	69,000	67,000
Meeting fee, EUR	800*	800*	800*	800*	750
Actual compensation paid (average of all Board members), EUR	98,400	96,975	91,556	91,550	89,107
CEO's salary in cash and taxable fringe benefits, EUR*	990,860**	688,943	694,717	684,543	684,146
CEO's performance bonus, EUR*	275,234***	294,218	365,377	251,031	198,238
Total value of CEO's share-based incentive, EUR*	1,180,154***	1,351,749	715,958	865,204	2,269,493
Salaries and bonuses according to financial statements, Personnel Fund profit bonus and share-based incentives paid to all Group personnel (excl. CEO), per FTE, EUR	63,010	60,249	58,411	58,286	56,148
Salaries and bonuses according to financial statements, Personnel Fund profit bonus and share-based incentives paid to all Group personnel (excl. CEO), total, EUR	364,198,354,	344,684,682	322,605,898	314,160,449	286,130,772
Average rise in salary, %. Two largest personnel groups, Elisa Corporation, incl. general and company-specific increases based on collective agreements and merit raises based on decisions of the company	2.5	4.0	2.0	2.6	1.9
Elisa Group revenue, EUR million	2,191.5	2,180.5	2,129.5	1,997.9	1,894.6
Comparable earnings per share, EUR	2.35	2.37	2.34	2.19	2.05
Share price (year-end closing price), EUR	41.80	41.87	49.46	54.12	44.87
Dividend per share, EUR	2.25	2.15	2.05	1.95	1.85

** The meeting fee is EUR 800 per meeting, or EUR 1,600 if a Board member is physically present at a Board or Committee meeting that is held in a country other than his/her permanent home country, based on decisions of the AGM in 2021, 2022, 2023 and 2024.*
*** Combined value including both Mr Veli-Matti Mattila and Mr Topi Manner. Includes a cash part of EUR 200,000 that was paid to Mr Manner in March 2024 as compensation for forfeiting previous employer awards.*
**** Combined value including both Mr Veli-Matti Mattila and Mr Topi Manner.*

2. Remuneration of the Board for the financial year 2024

On 25 January 2024, the Shareholders' Nomination Board announced its proposal for the remuneration of the Board. The Shareholders' Nomination Board considered developments in remuneration in relevant markets and fees paid in similar companies as well as the nature of the work that members of the Board do and how demanding it is.

The remuneration of the Board is decided annually by Elisa's General Meeting in accordance with the company's Remuneration Policy. The Annual General Meeting in 2024 decided on the following remuneration based on the proposal of the Shareholders' Nomination Board:

- The annual fee for the Chair is EUR 150,000.
- The annual fee for the Deputy Chair and the chairs of the committees is EUR 87,000.
- The annual fee for a member is EUR 72,000.
- The meeting fee is EUR 800 per meeting of the Board and of a committee. However, if a Board member is physically present at a Board or committee meeting that is held in a country other than his/her permanent home country, then the meeting fee is EUR 1,600.

In accordance with the decision of the General Meeting, the annual fee was paid partly in company shares and partly in cash in such a way that shares in the company were acquired in the name of and on behalf of Board members equivalent to 40 per cent of the amount of the fee, and the rest was paid in cash for tax withholding purposes. The shares were acquired for the Board members through the stock exchange on 24 April 2024, the third trading day following the publication of the interim report concerning the first quarter of 2024. In addition, Board members were reimbursed for any travel and other expenses incurred due to Board work according to the actual costs.

Shares acquired as part of the annual fee do not include any share transfer restrictions, although the Shareholders' Nomination Board does require Board members to have shareholdings in the company. The chair of the Board has not been paid a fee for participating in the meetings of the Shareholders' Nomination Board.

The following table presents the fixed annual fees decided on by Elisa's Annual General Meeting on 12 April 2024, the meeting-specific fees for 2024, the number of shares acquired for the Board members with the annual fee, and the Board's shareholdings on 31 December 2024.

Remuneration of Board members in 2024

Name	Position on the Board	Fixed fees, EUR*	Fees for Board meetings, EUR**	Fees for committee meetings, EUR**	Fees in total, EUR	Elisa shares acquired with fixed fees, no.*	Shareholdings of the Board on 31 Dec 2024, number of shares***
Anssi Vanjoki	Chair	150,000	7,200	-	157,200	1,399	7,891
Maher Chebbo	Member of the People and Compensation Committee	72,000	14,400	5,600	92,000	671	2,269
Kim Ignatius	Chair of the Audit Committee	87,000	8,000	4,000	99,000	811	3,796
Katariina Kravi	Deputy Chair, Chair of the People and Compensation Committee	87,000	8,000	4,000	99,000	811	1,932
Pia Kåll	Member of the Audit Committee	72,000	8,000	3,200	83,200	671	1,684
Eva-Lotta Sjöstedt	Member of the People and Compensation Committee	72,000	14,400	5,600	92,000	671	2,350
Antti Vasara	Member of the Audit Committee	72,000	8,000	4,000	84,000,	671	4,795
Christoph Vitzthum	Member of the Audit Committee from 12 April 2024	72,000	5,600	3,200	80,800	671	671
Total		**684,000**	**73,600**	**29,600**	**787,200**	**6,376**	**25,388**

** Elisa shares were acquired with fixed fees on 24 April 2024 for Board members elected at the AGM of 12 April 2024 based on the decision of the AGM of 12 April 2024.*
*** Based on the number of meetings. The meeting fee is EUR 800 per meeting, or EUR 1,600 if a Board member is physically present at a Board or Committee meeting that is held in a country other than his/her permanent home country, based on decisions of the AGM 2023 and 2024.*
**** Shareholdings on 31 December 2024 (including legal entities controlled). Up-to-date information on changes in shareholdings is available on Elisa's website and in Elisa's Management Transactions releases.*

3. CEO's remuneration for the financial year 2024

The CEO's remuneration consists of a fixed salary, a short-term incentive scheme, a long-term incentive scheme and fringe benefits. Elisa's Remuneration Policy states that the short- and long-term incentives based on performance are dimensioned at the target level to be greater than the fixed salary. The remuneration of Elisa's Corporate Executive Board (including the CEO) was benchmarked in 2024 by independent consultants against its peer group in Finnish large-cap companies with a similar size of market capitalisation and similar number of personnel, and internationally against relevant European telecom industry peers. Both the target compensation and the compensation paid were benchmarked, as well as the dimensioning of fixed vs. variable pay.

The following table shows the actual remuneration received by Mr Topi Manner and Mr Veli-Matti Mattila, who both served as Elisa's CEO during 2024. Both individual and aggregate figures are presented for comparison purposes.

CEO's salary and financial benefits and their proportions paid during financial years 2024 and 2023

Financial year	Salary in cash, EUR	Taxable fringe benefits, EUR	Performance bonuses, EUR	Total value of performance-based incentive, EUR	Supplementary pension, EUR	Total, EUR	Portion of performance-based remuneration paid as Elisa shares
Mr Mattila, until 29 February 2024	183,940	3,590	161,978	1,180,154*	30,648	1,560,310	13,171
	11.8%	0.2%	10%	76%	2%	100%	
Mr Manner, from 1 March 2024	786,014***	17,316	113,256	0	0	916,586	0
	86%	2%	12%	0%	0%	100%	
2024 (Mr Mattila and Mr Manner combined)	969,954	20,906	275,234	1,180,154*	30,648	2,476,896	13,171
	39%	1%	11%	48%	1%	100%	
2023	668,040	20,903	294,218	1,351,750**	219,074	2,553,985	12,057
	26%	1%	12%	53%	8%	100%	

** According to the share price on the date of the transfer on 31 January 2024.*
*** According to the share price on the date of the transfer on 1 February 2023.*
**** Including a cash part of EUR 200,000 that was paid in March 2024 as compensation for forfeiting previous employer awards.*

3.1 Hiring and 2024 remuneration arrangements for Mr Manner

Mr Topi Manner was appointed as CEO from 1 March 2024. His remuneration arrangements are summarised below.

Mr Manner's remuneration consists of a fixed salary, a short-term incentive scheme, a long-term incentive scheme and fringe benefits. In addition, separately agreed compensation was paid for forfeiting previous employer awards. Elisa's Remuneration Policy 2020 did not explicitly mention this kind of compensation; however, its deviations from the policy in the situation of a change of CEO.

Fixed salary and fringe benefits

The CEO was paid a total salary of EUR 60,000 per month. The total taxable value of the fringe benefits is included in the total salary. Fringe benefits include the taxable value of the CEO's company car, mobile phone and health insurance.

During the 2024 financial year, the CEO was paid a total salary composed of a fixed monetary salary and taxable fringe benefits (telephone, car, health insurance). The fixed monetary salary was EUR 583,614. In addition, the CEO was paid EUR 2,400 in holiday bonus. The taxable fringe benefits amounted to EUR 17,316. Holidays and other equivalent terms have been treated in accordance with the company's normal policy.

Variable pay components: short-term incentive scheme

The CEO's short-term incentive scheme is based on earnings criteria set by the company's Board in line with the Remuneration Policy: earnings per share, revenue development, development of personnel and customer satisfaction and ESG development (CO_2 reduction). The maximum limit for each six-month earnings period is 100% of the earnings for the period. The short-term incentive was paid from 1 March 2024 onwards. In March 2025, the CEO will be paid the performance bonus for the second half of the 2024 financial year.

Maximum limit, targets and date of payment for short-term incentive scheme

Period	1H 2024*					
Maximum limit from six-month earnings period	100%					
Targets	Weighting	Threshold	Target 50%	Maximum 100%	Achievement	Performance outcome (% of maximum)
Financial targets	70%					
Earnings per share	50%	1.03	1.15	1.26	1.14 Between threshold and target	45.7%
Service revenue development, EURm	20%	N/A*	N/A*	N/A*	*N/A Between threshold and target	47.5%
Non-financial targets	30%					
Employee Engagement Score	10%	76	77	79	76 Below threshold	0%
Customer satisfaction development, NPS	10%	25.9	27.9	29.9	29.6 Between target and maximum	93.4%
ESG development (CO_2 reduction) target	10%	3,024	2,977	2,945	2,974 Between target and maximum	55%
Total target realisation, %	47.19%					
Performance bonus EUR	113,256					
Payment	September 2024					

Period	2H 2024					
Maximum limit from six-month earnings period	100%					
Targets	Weighting	Threshold	Target 50%	Maximum 100%	Achievement	Performance outcome (% of maximum)
Financial targets	70%					
Earnings per share	50%	1.14	1.25	1.39	1.2 Between threshold and target	27.6%
Service revenue development, EURm	20%	N/A*	N/A*	N/A*	*N/A Between threshold and target	28.0%
Non-financial targets	30%					
Empoloyee Engagement Score	10%	76	77	78	69 Below threshold	0%
Customer satisfaction development NPS	10%	29.2	31.2	33.2	31.1 Between threshold and target	47.5%
ESG development (CO_2 reduction) target	10%	2,927	2,898	2,794	1,905 Maximum	100%
Total target realisation, %	34.15%					
Performance bonus EUR	122,940					
Payment	March 2025					

Period	1H 2025
Maximum limit from six-month earnings period	100%
Targets	Weighting
Financial targets	70%
EBITDA	50%
Service revenue development, EURm	20%
Non-financial targets	30%
Employee Engagement Score	5%
Customer satisfaction development, NPS	5%
ESG development (CO_2 reduction)	5%
Strategic projects	15%

** Manner was appointed as CEO from 1 March 2024.*
*** Commercially sensitive information, the disclosure of which may be detrimental to the company.*

Variable pay components: long-term incentive scheme

The CEO's long-term incentive consists of performance-based incentive schemes. Such performance-based incentive schemes are designed to align the goals of shareholders and key personnel in increasing the value of the company in the long term, to secure the commitment of key employees to the company and to offer them a competitive remuneration scheme based on the earnings and accumulation of shares in the company. The Board decides the scheme's earnings criteria at the beginning of each earnings period.

The payout value for the performance-based incentive scheme is based on the following:

1) The maximum allocation of shares, decided at the beginning of the earnings period

2) The actualisation of the targets (0–100%)

3) The development of the share price

In addition, dividend adjustments may increase the payout value.

The potential incentives are paid partly as shares in the company and partly in cash. The cash portion covers the taxes and tax-like charges incurred by the participant as a result of the remuneration. In the event of termination of the participant's employment or service relationship before the incentive is paid, the amount of incentive paid depends on the cause of termination. According to the rules of the performance-based scheme, the CEO must hold at least half of the net shares paid on the basis of the scheme until the holding in the company is equal to the value of the annual gross salary and must hold these shares throughout their tenure.

Performance-based incentive scheme 2024–2028

On 31 January 2024, the Board decided on a performance-based incentive scheme for the Group's key personnel. The Performance Share Plan 2024–2028 consists of three performance periods, covering the financial years 2024–2026, 2025–2027 and 2026–2028.

2024–2026		2025–2027	
Financial year in which reward is paid	2027	Financial year in which reward is paid	2028
Maximum number of shares	44,000	Maximum number of shares	
Targets	Weighting	Targets	Weighting
Financial targets	**86.67%**	**Financial targets**	90%
Earnings per share (EPS)	60%	Earnings per share (EPS)	60%
Growth in international digital services	20%	Revenue growth of strategic focus areas	30%
Annual progress in specific key business growth	6.6 %		
Non-financial targets	**13.33%**	**Non-financial targets**	10%
Employee engagement	10%	Employee engagement	5%
ESG development (CO_2 reduction) target	3.33%	CO_2 emission reduction2	5%

Information on how fixed and variable pay components are divided

In accordance with Elisa's Remuneration Policy, short- and long-term incentives based on performance are dimensioned, at the target level, to be greater than the fixed salary. In performance-based incentive schemes, the dimensioning takes place at the beginning of the earnings period. The realisation depends on the fulfilment of the earnings criteria. As the value of the shares changes, the value of the remuneration to be paid increases or decreases. In variable remuneration, the weight of the long-term incentive at an annual level is greater than that of the short-term incentive.

Other financial benefits, such as fringe benefits, signing bonuses, retention bonuses or severance packages

The CEO's pension and retirement age are determined in accordance with the Employees' Pensions Act. The period of notice applicable to the CEO's service contract is six months for both parties. Should the contract be terminated by Elisa, the CEO is entitled to receive severance pay equal to the total salary for 18 months, less the salary for the period of notice. The CEO is subject to a 12-month non-compete clause.

Fringe benefits include the taxable value of the company car, mobile phone and health insurance.

Compensation for forfeiting previous employer awards

The compensation for forfeiting previous employer awards consists of the following:

- Allocations in the Restricted Shares Plan, described below
- Allocations in the performance-based Incentive scheme, described below
- A cash part of EUR 200,000 paid in March 2024

The previous employer has confirmed the sum of the forfeited awards. Elisa has used it to define the amount of the compensation.

Restricted Share Plan 2023

On 1 February 2023, Elisa's Board of Directors decided to establish a new Restricted Share Plan 2023, which is intended to be used as a tool in situations deemed necessary by the Board, for example to ensure the commitment of key personnel in the company, to attract new talent or in other special situations determined by the Board.

If the Company terminates the contract with the CEO, it will be separately resolved that the CEO shall be paid the rewards from the Restricted Shares program in their entity.

Vesting period	1 Jan – 31 Dec 2024	1 Jan 2024 –31 Dec 2025
Financial year in which reward is paid	2025	2026
Number of shares	4,782	7,172
Amount paid as shares	2,271	
Date of share transfer	5.2.2025	
Transfer price, EUR	42.2977	
Total value of incentive (including shares, monetary portion and transfer tax), EUR	203,708	

Performance-based incentive scheme for 2021–2025

On 4 March 2021, the Board decided on a performance-based incentive scheme for the group's key personnel. The performance-based incentive scheme has three 3-year earning periods: the calendar years 2021–2023, 2022–2024 and 2023–2025.

Earnings period	**2022–2024**					**2023–2025**	
Financial year in which reward is paid	2025					**Financial year in which reward is paid**	2026
Maximum number of shares	3,586					**Maximum number of shares**	3,586
Targets	**Weighting**	**Threshold**	**Maximum 100%**	**Achievement**	**Performance outcome (% of maximum)**	**Targets**	**Weighting**
Financial targets	**90%**					**Financial targets**	**90%**
Earnings per share (EPS)	60%	6.21	7.1	7.06	86.7%	Earnings per share (EPS)	60%
Revenue from international digital services	10%	N/A**	N/A**	N/A** Below threshold	0%	Revenue from international digital services	10%
IDS organic revenue growth	10%	8%	16%	10.1%	26.8%	IDS organic revenue growth	10%
Other specific business growth targets decided annually (e.g. active users of selected services, sales of selected services)**	10%	1 target achieved	8 targets achieved	8 targets achieved	100%	Other specific business growth targets decided annually (e.g. active users of selected services, sales of selected services)**	10%
Non-financial target	**10%**					**Non-financial target**	**10%**
Employee engagement (ESG target)	10%	80	82	69	0%	Employee engagement (ESG target)	10%
Total target realisation (%)	64.678%						
Dividend adjustment (%) *	15.43%						
Amount paid as shares	1,271						
Date of share transfer	5.2.2025						
Transfer price, EUR	42.2977						
Total value of perfor-mance-based incentive (including shares, monetary portion and transfer tax), EUR	114,047						

** The amount paid is adjusted to take into account dividends that are paid during the earning period.*
*** Commercially sensitive information, the disclosure of which may be detrimental to the company.*

3.2 Remuneration of the previous CEO Mr Mattila

Fixed annual salary

Mr Veli-Matti Mattila served as CEO until 29 February 2024. During the 2024 financial year, Mr Mattila was paid a total salary composed of a fixed monetary salary and taxable fringe benefits (telephone, car, health insurance). The fixed monetary salary paid out in 2024 was EUR 106,940 (EUR 641,640 in 2023). In addition, Mr Mattila was paid EUR 77,000 in holiday bonus (EUR 26,400 in 2023). The taxable fringe benefits amounted to EUR 3,590 (EUR 20,903 in 2023). Holidays and other equivalent terms have been treated in accordance with the company's normal policy. All payments correspond to working time during the financial year.

Variable pay components: short-term incentive scheme

For the 2024 financial year, Mr Mattila was paid a performance bonus based on earnings criteria set by the Board in line with the Remuneration Policy: earnings per share, revenue development, development of personnel and customer satisfaction, and ESG (CO_2 reduction) development. The target period for the performance-based bonus scheme is six months, and the bonus is paid every six months. The maximum limit for each six-month earnings period is 90% of the earnings for the period.

Maximum limits, targets, performance bonus paid and dates of payment for short-term incentive scheme

Period	2H 2023						Period	1H 2024*					
Maximum limit from six-month earnings period	90%						Maximum limit from six-month earnings period	90%					
Targets	Weighting	Threshold	Target 50 %	Maximum 100 %	Achievement	Performance outcome (% of maximum)	Targets	Weighting	Threshold	Target 50 %	Maximum 100 %	Achievement	Performance outcome (% of maximum)
Financial targets	70%						**Financial targets**	70%					
Earnings per share	50%	1.17	1.3	1.43	1.24 Between threshold and target	26.9%	Earnings per share	50%	1.03	1.15	1.26	1.14 Between threshold and target	45.7%
Service revenue development, EURm	20%	N/A*	N/A*	N/A*	*N/A Between threshold and target	19.2%	Service revenue development, EURm	20%	N/A*	N/A*	N/A*	*N/A Between threshold and target	47.5%
Non-financial targets	30%						**Non-financial targets**	30%					
Employee Engagement Score (ESG target)	10%	74	77	79	77 At target	50%	Employee Engagement Score	10%	76	77	79	76 Below threshold	0%
Customer satisfaction development Corporate Customers, NPS	10%	23.8	25.8	27.8	26.4 Between target and maximum	65%	Customer satisfaction development, NPS	10%	25.9	27.9	29.9	29.6 Between target and maximum	93.4%
Customer satisfaction development Consumer Customers, NPS	10%	25.4	28.4	31.4	32.7 Maximum	100%	ESG development (CO_2 reduction) target	10%	3,024	2,977	2,945	2,974 Between target and maximum	55%
Total target realisation, %	38.79%						**Total target realisation, %**	47.19%					
Performance bonus, EUR	115,260						**Performance bonus, EUR**	46,718					
Payment	March 2024						**Payment**	September 2024					

** Mattila served as CEO until 29 February 2024.*
***Commercially sensitive information, the disclosure of which may be detrimental to the company.*

Variable pay components: long-term incentive scheme

Mr Mattila's long-term incentive consists of performance-based incentive schemes. Performance-based incentive schemes are designed to align the goals of shareholders and key personnel in increasing the value of the company in the long term, to secure the commitment of key employees to the company and to offer them a competitive remuneration scheme based on the earnings and accumulation of shares in the company. The Board decides the scheme's earnings criteria at the beginning of each earnings period.

The payout value for the performance-based incentive scheme is based on the following:

1) The maximum allocation of shares, decided at the beginning of the earnings period

2) The actualisation of the targets (0—100%)

3) the development of the share price

In addition, dividend adjustments may increase the payout value.

The potential incentives are paid partly as shares in the company and partly in cash. The cash portion covers the taxes and tax-like charges incurred by the participant as a result of the remuneration. In the event of termination of the participant's employment or service relationship before the incentive is paid, the amount of incentive paid depends on the cause of termination. According to the rules of the performance-based scheme, the CEO must hold at least half of the net shares paid on the basis of the scheme until the holding in the company is equal to the value of the annual gross salary and must hold these shares throughout their tenure.

Performance-based incentive scheme for 2021–2025

On 4 March 2021, the Board decided on a performance-based incentive scheme for the Group's key personnel. The performance-based incentive scheme has three 3-year earning periods: the calendar years 2021–2023, 2022–2024 and 2023–2025.

Earnings period	**2021–2023**				
Financial year in which reward is paid	2024				
Maximum number of shares	32,000				
Targets	**Weighting**	**Threshold**	**Maximum 100 %**	**Achievement**	**Performance outcome (% of maximum)**
Financial targets	**100%**				
Earnings per share (EPS), EUR	60%	5.73	6.71	6.9	100%
Revenue from international digital services, EURm	20%	N/A****	N/A****	N/A**** Below threshold	0%
Other specific business growth targets decided annually***	20%	1 target achieved	8 targets achieved	6 targets achieved	77.78%
Total target realisation (%)	75.556%				
Dividend adjustment (%)*	14.690%				
Amount paid as shares	13,171				
Date of share transfer	31.1.2024				
Transfer price, EUR	42.2582				
Total value of performance-based incentive (including shares, monetary portion and transfer tax), EUR	1,180,154				

	2022–2024				
Financial year in which reward is paid	2025				
Maximum number of shares	32,000				
Targets	**Weighting**	**Threshold**	**Maximum 100 %**	**Achievement**	**Performance outcome (% of maximum)**
Financial targets	**90%**				
Earnings per share (EPS), EUR	60%	6.21	7.1	7.06	86.7%
Revenue from international digital services, EURm	10%	N/A****	N/A****	N/A**** Below threshold	0 %
IDS organic revenue growth, %	10%	8%	16%	10.1%	26.8%
Other specific business growth targets decided annually ***	10%	1 target achieved	8 targets achieved	8 targets achieved	100%
Non-financial target	**10%**				
Employee engagement (ESG target)	10%	80	82	69	0%
Total target realisation (%)	64.678%				
Dividend adjustment (%)*	15.43%				
Amount paid as shares **	8,195				
Date of share transfer	5.2.2024				
Transfer price, EUR	42.2977				
Total value of performance-based incentive (including shares, monetary portion and transfer tax), EUR	735,011				

	2023–2025
Financial year in which reward is paid	2026
Maximum number of shares	38,430
Targets	**Weighting**
Financial targets	**90%**
Earnings per share (EPS), EUR	60%
Revenue from international digital services, EURm	10%
IDS organic revenue growth, %	10%
Other specific business growth targets decided annually ***	10%
Non-financial target	**10%**
Employee engagement (ESG target)	10%

** The amount paid is adjusted to take into account dividends that are paid during the earning period.*
***Amount corresponding to working time during the performance period*
****E.g. active users of selected services, sales of selected services. Commercially sensitive information, the disclosure of which may be detrimental to the company.*
***** Commercially sensitive information, the disclosure of which may be detrimental to the company.*

Performance-based incentive scheme 2024–2028

On 31 January 2024, the Board decided on a performance-based incentive scheme for the Group's key personnel. The Performance Share Plan 2024–2028 consists of three performance periods, covering the financial years 2024–2026, 2025–2027 and 2026–2028.

2024–2026	
Financial year in which reward is paid	2027
Maximum number of shares	2,444
Targets	Weighting
Financial targets	**86.67%**
Earnings per share (EPS)	60%
Growth in international digital services	20%
Annual progress in specific key business growth	6.67%
Non-financial targets	**13.33%**
Employee engagement	10%
ESG development (CO_2 reduction) target	3.33%

Information on how fixed and variable pay components are divided

In accordance with Elisa's Remuneration Policy, short- and long-term incentives based on performance are dimensioned, at the target level, to be greater than the fixed salary. In performance-based incentive schemes, the dimensioning takes place at the beginning of the earnings period. The realisation depends on the fulfilment of the earnings criteria. As the value of the shares changes, the value of the remuneration to be paid increases or decreases. In variable remuneration, the weight of the long-term incentive at an annual level is greater than that of the short-term incentive.

Supplementary pension contributions

Mr Mattila's supplementary pension coverage is based on a defined contribution scheme. The pension arrangements include a right to a paid-up policy. In the 2020 financial year, the Board agreed with Mr Mattila that he would continue to serve as the company's CEO until further notice. According to the previous CEO contract, he would have retired when he turned 60. An increase in the statutory retirement age is compensated for by a decision of the Board.

Mr Mattila retired from his position as CEO on 29 February 2024.

For the insurance-based supplementary pension scheme, the contribution for Mr Mattila was EUR 30,648 (EUR 176,207 in 2023). The contribution corresponds to the working time during financial year 2024.

Other financial benefits, such as fringe benefits, signing bonuses, retention bonuses or severance packages

Fringe benefits include the taxable value of the company car, mobile phone, landline and health insurance.