Qt Group

# The Future of Digital Experiences

Annual Report 2024

Qt's cross-platform versatility, simulator efficiency, and multi-language productivity are all best-in-class and play an important role in the development of Roland's products.

Yoshinobu Tatsui
**MANAGER, LIVE PRODUCTION DEVELOPMENT GROUP,
SOFTWARE DEVELOPMENT DEPT.
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ROLAND CORPORATION**

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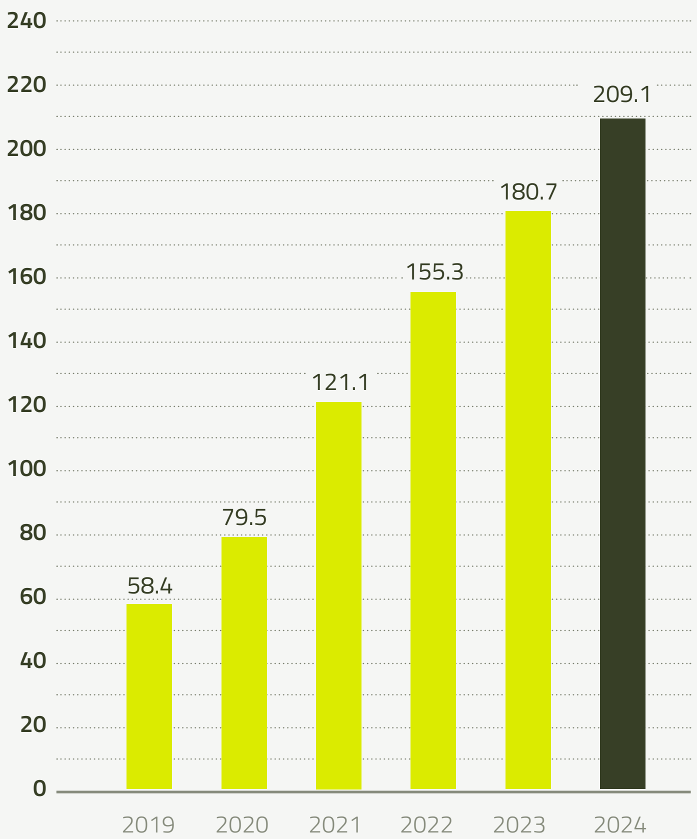
# Qt Group in 2024

**Net Sales**
M€

**209.1**

180.7M€




**Operating profit (EBITA)**
M€

**71.2**

55.4M€

**EBITA margin**
% of net sales

**34.1%**

30.6%

**Operating profit (EBIT)**
M€

**63.2**

47.3M€

**EBIT margin**
% of net sales

**30.2%**

26.2%

**Return on Investment**

**43.4%**

35.6%

**Equity Ratio**

**81.6%**

64.4%

**Earnings per Share**
€

**2.26**

1.40 €

**Personnel on Average**

**834**

732

CEO's Review

Qt Group continued to execute its growth strategy in 2024. Although we fell short of our net sales growth targets due to the challenging market situation, our growth continued and our profitability was at an excellent level. I would like to take this opportunity to thank our personnel, developer community, partners and customers — it has again been a pleasure to work with you throughout the year and build first-class software for the global market.

**Transformation into a multi-product company continued**
Our transformation into a multi-product company continued as planned during the year. We are now even more involved in supporting our customers in increasing their productivity throughout the entire product development process, from user interface design and software development to quality assurance and testing.

The number of smart devices with a graphical user interface continues to grow. An impressive and seamless user experience is a significant competitive advantage in the market. In October, we released a new product version of our software development platform, Qt 6.8. It includes numerous new features that significantly improve the developer experience and meet the development needs of demanding applications.

As the number of software applications increases, so does the need for automatic software quality assurance and testing. We continued to develop our Qt Quality Assurance product portfolio, which is used in quality assurance and testing in product development activities, and we increased the sales of the portfolio — also for product development processes in which Qt's development environment and tools are not used. Our solution delivers significant savings in time and resources for software developers and accelerates time-to-market.

**Investments in growth and information security**
Qt Group's excellent profitability enables growth investments in areas of strategic importance. We continued to invest in sales growth, and we expanded our sales focus particularly to the quality assurance and testing business and customers outside the Qt ecosystem. We also allocated investments to research and product development in all of our product areas. Our products enable our customers to work even more smoothly throughout their entire organization.

Our growth investments, especially in strengthening our sales and R&D organizations, were reflected in an increase in the number of employees. We had 869 employees at the end of 2024. This represents a year-on-year increase of 12 percent.

We also significantly increased our investments in information security in 2024. Our holistic approach covers all aspects of information security, by which we ensure the security of our operations, products and customers. We were awarded an ISO 27001:2022 certificate, audited and issued by KPMG, which verifies the security of Qt Group's operational activities and information with the help of an information security management system (ISMS). We also started preparing for the European Union's Cyber Resilience Act. We want to ensure that our products comply with the Act and contribute to ensuring that the products developed by our customers are safe and secure throughout their entire life cycle.

Our products enable our customers to work even more smoothly throughout their entire organization.

**More strong partners and users**
We announced significant new partnerships in 2024. Going forward, Infineon's graphics-enabled microcontrollers will be available with Qt's graphics solution and developer toolkit for building graphical user interfaces.

We started a collaboration with Qualcomm Technologies, Inc. on the development of advanced graphical user interfaces and software quality assurance for industrial IoT devices. The collaboration helps IoT manufacturers to significantly accelerate their devices' time-to-market. We are now also part of LG Electronics' automotive content platform, and are partnering with LG Electronics to embed the Qt software framework for application development in LG's webOS-based in-vehicle entertainment platform.

We also want to contribute to promoting the growth of the number of Qt professionals. Qt's cooperation with educational institutions and the Qt Academy e-learning platform, established in spring 2023, continued to grow in popularity. The number of licenses for students and teachers increased by 63 percent, and the number of Qt Academy users grew by 193 percent, which means tens of thousands of new users. We intensified our cooperation with educational institutions by launching a university network called University & Talent Network.

**Qt Group's growth continues**
Qt Group continued to grow in 2024. At comparable exchange rates, net sales increased by 15.7 percent year-on-year. Although net sales growth fell short of expectations, the operating margin (EBITA %) was excellent at 34.1 percent, or EUR 71.2 million. Sales of distribution licenses and consulting were lower than expected, but the steady growth of net sales accrued from developer licenses was a positive development.

We are in a good position in the global embedded software markets, which hold significant potential. We are able to provide our customers with even higher value-added solutions, and we are involved in their entire product development process, from user interface design and software development to quality assurance and testing.

**Juha Varelius**
President & CEO
Qt Group Plc

# Report of the Board of Directors

## Year 2024 in Brief

- Net sales increased by 15.7 percent to EUR 209,1 million (EUR 180.7 million). At comparable exchange rates, net sales increased by 15.7 percent.
- Operating profit (EBITA) was EUR 71.2 (55.4) million, or 34.1 (30.6) percent of net sales.
- Operating profit (EBIT) was EUR 63.2 (47.3) million, or 30.2 (26.2) percent of net sales.
- The number of employees was 834 (732) on average and 869 (775) at the end of the year.
- Earnings per share were EUR 2.26 (1.40).

The figures in brackets refer to the comparison period, i.e. the corresponding period in the previous year. The reporting complies with the International Financial Reporting Standards (IFRS). The percentage of change in net sales at comparable exchange rates is calculated by translating the net sales from the comparison period of 2023 with the actual exchange rates of the reporting period of 2024 and by comparing the actual net sales in 2024 with the net sales of 2023 calculated at comparable exchange rates.

## Financial Reporting

### Net Sales

Qt Group Plc's net sales in 2024 amounted to EUR 209.1 million (EUR 180.7 million), representing a growth of 15.7 percent. Net sales of distribution licenses grew by 1.9 percent to EUR 45.0 million. License sales and consulting increased by 17.5 percent, while maintenance revenue decreased by 8.1 percent. The decrease in maintenance revenue is due to Qt Group's transition into a subscription license model. The effect of exchange rates on net sales for the January–December comparison period was EUR -0.1 million. At comparable exchange rates, net sales grew by 15.7 percent.

| EUR 1,000 | 1–12 2024 | 1–12 2023 | Change, % |
|---|---|---|---|
| License sales and consulting | 197,141 | 167,776 | 17,5% |
| Maintenance revenue | 11,922 | 12,967 | -8,1% |
| **Total** | **209,063** | **180,743** | **15,7%** |
| Of which distribution licenses | 44,954 | 44,115 | 1,9% |

## Profit Performance

Qt Group's operating profit (EBITA) for 2024 amounted to EUR 71.2 million (EUR 55.4 million), representing 34.1 percent of net sales (30.6%). Operating profit (EBIT) was EUR 63.2 million (EUR 47.3 million), representing 30.2 percent of net sales (26.2%).

The company invested particularly in strengthening its sales and R&D organizations, which increased personnel expenses. Other operating expenses increased due to increased purchasing of external services and business travel.

Qt Group's profit before taxes was EUR 70.4 million (EUR 44.8 million) and profit amounted to EUR 57.3 million (EUR 35.5 million) in 2024. Taxes for the period under review came to EUR 13.0 million (EUR 9.4 million).

Earnings per share for 2024 amounted to EUR 2.26 (1.40).

| EUR 1,000 | 1–12 /2024 | 1–12 /2023 | Change, % |
|---|---|---|---|
| **Net sales** | **209,063** | **180,743** | **15.7%** |
| Other operating income | 20 | 356 | -94.3% |
| Materials and services | -3,920 | -4,544 | -13.7% |
| Personnel expenses | -98,022 | -87,739 | 11.7% |
| Depreciation, amortization and impairment (excl. Intangible assets arising from business combinations) | -3,426 | -3,161 | 8.4% |
| Other operating expenses | -32,515 | -30,277 | 7.4% |
| **Operating result (EBITA)** | **71,199** | **55,379** | **28.6%** |
| EBITA-% | 34.1% | 30.6% | |
| Depreciation (Intangible assets arising from business combinations) | -8,030 | -8,030 | 0.0% |
| **Operating result (EBIT)** | **63,169** | **47,349** | **33.4%** |
| EBIT-% | 30.2% | 26.2% | |

## Financing and Investments

Cash flow from operating activities was EUR 53.7 million (EUR 40.0 million) in the fiscal year. Qt Group's cash and cash equivalents totaled EUR 64.9 million (EUR 33.6 million) at the end of December.

Qt Group's consolidated balance sheet total at the end of the fiscal year stood at EUR 238.8 million (EUR 206.5 million). Cash flow from investments in the fiscal year was EUR -4.5 million (EUR -4.9 million).

In 2024, the payment of earn-out liabilities from 2022 completed Axivion acquisition was EUR 3.3 million. During third and fourth quarter of 2024, the earn-out liabilities were adjusted and positive profit impact of EUR 6.7 million was presented in other financial income.

The equity ratio was 81.6 percent (64.4%) and gearing was -33.9 percent (-10.7%). Interest-bearing liabilities amounted to EUR 4.3 million (EUR 20.5 million) of which short-term loans accounted for EUR 2.1 million (EUR 18.5 million). During the fiscal year, return on investment was 43.4 percent (35.6%) and return on equity was 38.1 percent (33.9%).

## Acquisitions

Qt Group did not carry out acquisitions in 2024.

## Research and Development

Product development expenses are included in the result for the financial year in their entirety, and the company has no capitalized product development expenses on its balance sheet.

Product development expenses during the financial year totaled EUR 29.5 million (EUR 22.4 million), representing 14.1 percent (12.4%) of net sales. Product development expenses increased by 31.7 percent year-on-year.

There were, on average, 230 people working in product development during the financial year (206 people).

## Personnel

In 2024, the number of the Group's personnel was 834 (732) on average and 869 (775) at the end of the financial year. Personnel expenses during the financial year totaled EUR 98.0 million (EUR 87.7 million), representing an increase of 11.7 percent.

At the end of the financial year, personnel working outside Finland represented 68 percent (71%) of the total.

| Personnel, on average | 1-12 /2024 | 1-12 /2023 | Change, % |
|---|---|---|---|
| Finland | 259 | 212 | 21.9% |
| Rest of Europe | 305 | 275 | 10.7% |
| APAC | 151 | 129 | 17.1% |
| North America | 120 | 115 | 4.7% |
| **Total** | **834** | **732** | **14.1%** |

## Changes in the Management Team

Aleksina Shemeikka (b. 1979, M.Sc. Engineering, MBA), was appointed as Qt Group's Senior Vice President, Software Quality Solutions and member of the Management Team effective from February 15, 2024. Laura Kilemet (b. 1979, Master of Science, Economics and Business Administration), was appointed as Qt Group's Senior Vice President, People & Culture, and member of the Management Team effective from August 26, 2024. The previous SVP, People & Culture, Mari Heusala moved to other position outside the Company from August 23, 2024.

## Group Structure

Qt Group Plc's subsidiary responsible for its operations in Finland is The Qt Company Oy, which has subsidiaries in Norway, Germany, the United Kingdom, France, the United States, India, China and South Korea, as well as a branch in Japan.

# Reporting of Non-financial Information

## Qt Group's Business Model

Qt Group is a globally operating software company whose technology and tools enable enterprises to enhance the product development of mobile and desktop applications and embedded devices through every stage of the process, from user interface design to software development, quality assurance and deployment. Qt Group's customers produce applications and embedded devices in more than 70 industries in over 180 countries. The cornerstones of the company's operations are a scalable and multi-platform product portfolio, long-term customer relationships, an international brand, and the expertise of employees and its development. More information about Qt Group's operations can be found in the sustainability statement.

The company's net sales are derived from subscription-based developer licenses and quality assurance licenses, as well as distribution licenses and consulting services. In 2024, Qt Group's net sales amounted to EUR 209.1 million, and operating profit (EBIT) was EUR 63.2 million. The number of personnel was 869 at the end of 2024. Qt Group's strategy is focused on expanding its business and creating long-term growth opportunities. The company executes growth investments, particularly in R&D, sales, and the innovation of new solutions.

## Major Risks and Risk Management

Qt Group's risk management is a continuous process in which major risks are identified and assessed, after which the company determines the responsible persons and actions based on the potential significance of the risks. Risks are also assessed as part of the company's ISO 9001-certified quality assurance system. The Audit Committee of Qt Group's Board of Directors reviews the company's risk assessment every six months. Risk management and the company's internal control are described in more detail in the Corporate Governance Statement included in the Annual Report.

Qt Group has identified various customer risks as one category of major operational risks. Examples of customer risks include changes in customers' payment behavior or solvency, and the potential weakening of the company's negotiating position, especially in the case of large customers. Qt Group manages customer risk through the active development of the customer structure and the proactive prevention of potential risk positions. None of Qt Group's customers account for more than 10 percent of the company's annual net sales. In addition, Qt Group monitors customer satisfaction by means of surveys and takes customer feedback into account in its product development and other activities.

The execution of Qt Group's strategy requires success in recruiting experts, developing employee competence, and strengthening employee engagement. Personnel risks are managed by means of various employee benefits and incentive schemes, as well as a goal and development discussion process. Qt Group aims to promote the professional development of its personnel by investing in learning on the job and by maintaining descriptions of the responsibilities and requirements of different roles, which supports career planning within the company. The personnel's satisfaction and commitment to Qt Group are evaluated annually by a third-party survey that measures the most significant issues from the personnel's perspective and the company's performance in those areas. The personnel survey provides employees with the opportunity to give anonymous feedback to the company's management. The results are used in developing the company's operations, particularly at the team and business unit levels.

Qt Group keeps a close eye on technology and IT trends in order to provide its customers with future-proof application development tools and maintain its competitive position in a rapidly changing industry. Qt technology is developed, and new features are added by both the R&D teams and the software developers in the open-source community. The active engagement of the open-source community steers development efforts and supports the quality assurance of Qt technology. Qt Group's strategy includes the possibility of acquisitions, where careful due diligence is carried out to ensure that any acquired technologies are of sufficiently high quality.

Risks typical to the software business, relating to the appropriate protection of intellectual property rights and the potential violation of the rights of other IPR holders, are managed through extensive internal policies, terms of conditions of all agreements, and appropriate follow-up and analysis.

Data security risk is managed through the continuous development of working models, security practices, and processes. The company has mandatory training for personnel on information security awareness and practicalities. Completion rate of the training is monitored. Qt Group conducts regular vulnerability audits of critical systems and assesses data security risks and their management on a quarterly basis.

Risks and risk management related to the company's finances and financing are described in the Corporate Governance Statement and the Notes to the Consolidated Financial Statements.

Sustainability-related risks and their impacts on the company are separately discussed in the **sustainability statement** on page 18.

## Share and Shareholders

At the end of the financial year, Qt Group held 79,000 treasury shares, representing 0.3 percent of the total number of listed shares. On December 30, 2024, the number of Qt Group Plc shares outstanding was 25,391,211 (25,319,211). On December 30, 2024, the company had a total of 38,207 shareholders, including nominee-registered shares, according to Euroclear Finland Oy.

The company didn't receive flagging notifications in 2024.

## Share Price and Turnover

Qt Group Plc's share (trading code: QTCOM) is listed on the main list of the Nasdaq Helsinki stock exchange. A total of 12,195,992 shares were traded in Nasdaq Helsinki during the reporting period. This accounts for 48.0 percent of the total number of shares.

The volume-weighted average price of the share was EUR 76.12, with the lowest price being EUR 58.00 (January 5, 2024) and the highest price EUR 97.15 (September 2, 2022). The closing price at the end of December was EUR 67.20 per share, and Qt Group's market capitalization was EUR 1,706 million.

## 10 largest shareholders on December 30, 2024

| Shareholder | Number of shares and votes | Percentage of shares and votes, % |
|---|---|---|
| Ingman Development Oy Ab | 5,460,000 | 21.4 |
| Skandinaviska Enskilda Banken Ab (Publ) Helsinki branch* | 5,064,299 | 19.9 |
| Ilmarinen Mutual Pension Insurance Company | 1,603,165 | 6.3 |
| Citibank Europe Plc* | 857,714 | 3.4 |
| Varma Mutual Pension Insurance Company | 759,491 | 3.0 |
| Savolainen Matti | 452,785 | 1.8 |
| Karvinen Kari | 425,000 | 1.7 |
| Varelius Juha | 400,982 | 1.6 |
| Elo Mutual Pension Insurance Company | 378,000 | 1.5 |
| Uhari Tommi | 358,266 | 1.4 |
| **Total** | **15,759,702** | **61.9** |

* Nominee registered

## Distribution of holdings by number of shares held on December 30, 2024

| Number of shares | Percentage of shareholders, % | Percentage of shares and votes, % |
|---|---|---|
| 1–100 | 81.0 | 3.4 |
| 101–1 000 | 16.9 | 7.3 |
| 1 001–10 000 | 1.8 | 6.7 |
| 10 001–100 000 | 0.2 | 10.2 |
| 100 001–1 000 000 | 0.1 | 24.7 |
| 1 000 001–9 999 999 | 0.0 | 47.6 |
| **Total** | **100.0** | **100.0** |

## Shareholding by sector on December 30, 2024

| Shareholder by sector | Percentage of shareholders, % | Percentage of shares, % |
|---|---|---|
| Non-financial corporations | 4.1 | 25.7 |
| Financial and insurance corporations* | 0.2 | 27.9 |
| General government | 0.0 | 12.2 |
| Not-for-profit institutions | 0.4 | 1.1 |
| Households | 94.9 | 28.2 |
| Foreign holding | 0.3 | 4.9 |
| *Including nominee-registered | 0.1 | 24.8 |

Information on shareholding is based on data by Euroclear Finland Oy.

## Governance

Qt Group Plc's Annual General Meeting (AGM) held on March 12, 2024, adopted the company's financial statements, including the consolidated financial statements for the accounting period 1 January–31 December 2023, reviewed the Remuneration Policy and Remuneration Report for company's governing bodies and discharged the Members of the Board and the Chief Executive Officer from liability. The AGM decided that based on the balance sheet to be adopted for the accounting period ended December 31, 2023, no dividend will be paid. The AGM decided to elect six members to the Board. Robert Ingman, Marika Auramo, Matti Heikkonen, Mikko Marsio and Mikko Välimäki were re-elected and Elina Anckar was elected as Board members. At the Organizing Meeting held after the General Meeting, Robert Ingman was elected as Chair of the Board and Mikko Marsio was elected as Vice Chair of the Board.

The AGM authorized the Board to decide on the repurchase and/or acceptance as pledge of a maximum of 2,000,000 of the company's own shares by using funds in the unrestricted equity. The Board shall decide on how the shares will be repurchased. The shares may be repurchased otherwise than in proportion to the shareholdings of the current shareholders. The authorization also includes the acquisition of shares through public trading organized by Nasdaq Helsinki Ltd in accordance with its and Euroclear Finland Ltd's rules and instructions, or through offers made to shareholders. The shares may be repurchased in order to improve the capital structure of the company, to finance or carry out acquisitions or other arrangements, to carry out the company's share-based incentive schemes, to be transferred for other purposes, or to be cancelled. The shares shall be repurchased for a price based on the fair value quoted in public trading. The authorization shall be valid for 18 months from the issue date of the authorization, i.e. until September 12, 2025 and it replaces any earlier authorizations on repurchase and/or acceptance as pledge of company's own shares.

The AGM authorized the Board to decide on share issue and granting of special rights pursuant to Chapter 10 Section 1 of the Companies Act, subject to or free of charge, in one or several tranches on the following terms: The maximum total number of shares to be issued by virtue of authorization is 2,000,000. The authorization concerns both the issuance of new shares as well as the transfer of treasury shares. By virtue of the authorization, the Board of Directors is entitled to decide on share issues and granting of special rights waiving the pre-emptive subscription rights of the shareholders (directed issue). The authorization may be used in order to finance or carry out acquisitions or other arrangements, to carry out the company's share-based incentive schemes and to improve the capital structure of the company, or for other purposes decided by the Board of Directors. The authorization includes the Board of Directors' right to decide on all terms relating to the share issue and granting of special rights including the subscription price, its payment and its entry into the company's balance sheet. The authorization shall be valid for 18 months from the issue date of the authorization, i.e. until September 12, 2025 and it replaces any earlier authorizations on share issue and granting of special rights.

### Corporate Governance Statement

Qt Group Plc has published on its website a Corporate Governance Statement report that has been prepared in accordance with the Governance Code for Listed Finnish Companies 2025 ("Governance Code") and chapter 7, section 7 of Finnish Securities Market Act (746/2012). This Statement has been issued separately from the Board's operating and financial review.

## Events after the Review Period

On 13 February 2025, the Board of Directors of Qt Group Plc released a new share-based incentive plan for the company's key employees. The purpose of the incentive plan is to align the goals of the shareholders and the company's management to develop the company's value, and to commit the company's management and key personnel to the company and achieving the company's strategic goals by offering them a competitive long-term incentive plan. Members of the company's Board of Directors are not included in the incentive plan.

The new performance-based incentive plan covers the years 2025-2027. The applicable performance criteria are based on the company's revenue growth during the measurement period ending at the end of 2027, as well as annually set strategic targets, each with a one-year measurement period.

## Risks and Business Uncertainties

Qt Group's risks and uncertainties are related to potential significant changes in the operating environment of the company and its customers, and Qt Group's ability to execute its strategy.

Qt Group's solutions increase productivity in the product development process of mobile and desktop applications, and embedded devices with graphical user interfaces from user interface design to software development, quality assurance and deployment. Qt Group operates in a highly competitive industry that is characterized by the rapid emergence and development of various new technologies. The emergence and widespread adoption of significant new technology can potentially reduce the demand for Qt's technology.

Qt Group's distribution license revenue depends on the ability and capacity of the company's customers to manufacture products and devices with graphical user interfaces for the market. Disruptions in the customers' global supply chains may create delays in the production processes of equipment manufacturers and reduce their production volume, which particularly affects net sales accrued from distribution licenses.

In addition to organic growth, the company also actively pursues inorganic growth through acquisitions that support its strategy. Qt Group may be subject to risks related to new markets as a result of acquisitions. The integration of acquired products, business operations and personnel also involve various risks.

Exchange rate fluctuations, particularly between the US dollar and euro, may have a large impact on the development of the company's net sales. Another factor contributing to considerable fluctuation in quarterly net sales and profitability in particular is the contract turnaround times which, in the major customer segment, are very long at up to 18 months.

## Future Outlook

### Operating Environment and Market Outlook

The company estimates the growth prospects for its business in the next few years as very promising. Qt Group expects that there will be strong demand for software design, development and quality assurance tools, especially in the automotive, consumer electronics, security, defense and aerospace, medical devices and industrial automation industries.

Qt's solutions for improving the productivity of software development and user interface design provide companies with the ability to respond to the growing requirements in the software market, driven by the exponential growth of the IoT market and the increasing speed of software development life cycles. As software becomes increasingly complex and incorporated into millions of everyday devices, the demand for quality assurance tools will grow. Qt Group expects that the quality assurance and testing automation markets will continue to grow in the future.

Growth in the sales of developer licenses for devices with graphical user interfaces will also be reflected in the growth of net sales from distribution licenses. Distribution license revenue is based on the customer's production volume, which is why Qt Group's net sales can vary significantly from one quarter to the next.

Increasing energy prices and a general economic slowdown may reduce the demand for the products of Qt's customers and, consequently, slow the growth of Qt Group's business. The weakening of the global economic situation may also affect the solvency of the company's customers. Also, geopolitical risks add to the general uncertainty in the operating environment.

### Outlook for 2025

We estimate that the company's net sales for 2025 will increase by 15–25 percent year-on-year at comparable exchange rates, and our operating profit margin (EBITA-%) will be 30-40 percent.

The percentage of change in net sales at comparable exchange rates is calculated by translating the net sales from the comparison period of 2024 with the actual exchange rates of the reporting period of 2025 and by comparing the actual net sales in 2025 with the net sales of 2024 calculated at comparable exchange rates.

## Board of Directors' Dividend Proposal

Qt Group Plc's distributable funds on December 31, 2024, were EUR 44,803,542.16 of which the net result for 2024 was EUR 0.00. The Board of Directors proposes to the Annual General Meeting that no dividend be paid for the fiscal year that ended on December 31, 2024.

Espoo, February 27, 2025
The Board of Directors of Qt Group

# Consolidated Key Figures

| EUR thousand | 31.12.2024 | 31.12.2023 | 31.12.2022 |
|---|---|---|---|
| Net sales | 209,063 | 180,743 | 155,318 |
| Operating profit (EBITA) | 71,199 | 55,379 | 42,249 |
| EBITA, % | 34.1% | 30.6% | 27.2% |
| | | | |
| Operating profit (EBIT) | 63,169 | 47,349 | 36,870 |
| EBIT, % | 30.2% | 26.2% | 23.7% |
| Net profit | 57,314 | 35,455 | 34,301 |
| - % of net sales | 27.4% | 19.6% | 22.1% |
| | | | |
| Return on equity, % | 38.1% | 33.9% | 49.6% |
| Return on investment, % | 43.4% | 35.6% | 41.5% |
| Interest-bearing liabilities | 4,316 | 20,513 | 28,159 |
| Cash and cash equivalents | 64,861 | 33,595 | 8,815 |
| Net gearing, % | -33.9% | -10.7% | 22.3% |
| Equity ratio, % | 81.6% | 64.4% | 52.8% |
| | | | |
| Earnings per share (EPS), EUR | 2.26 | 1.40 | 1.36 |
| EPS adjusted for dilution, EUR | 2.26 | 1.39 | 1.36 |

## Calculation formulas for key figures

### Return on equity

$$\frac{\text{Profit/loss before taxes - taxes}}{\text{Shareholders' equity + minority interest (average)}} \times 100$$

### Return on investment:

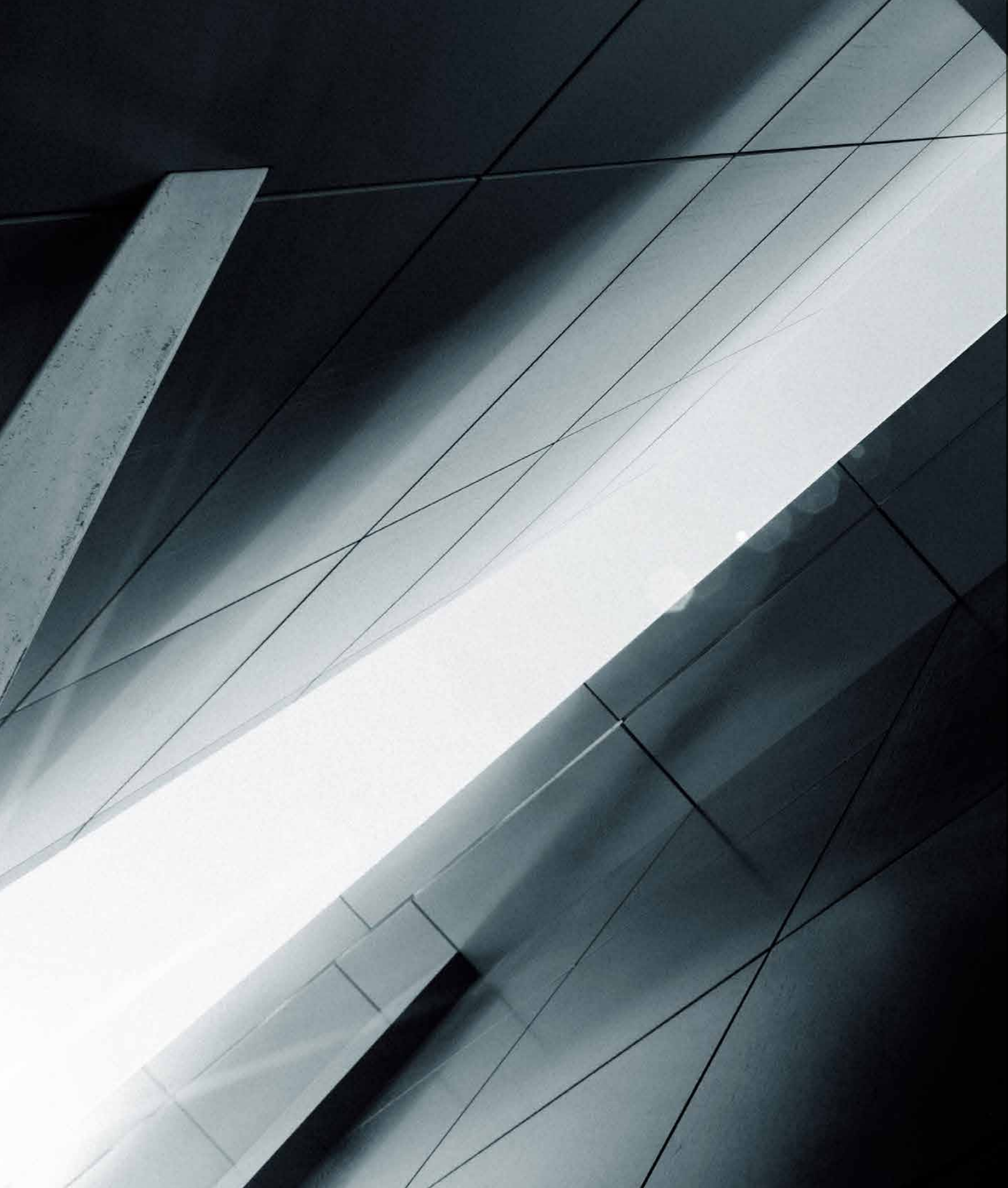
$$\frac{\text{(Profit/loss before taxes + interest and other financing costs)}}{\text{Balance sheet total - non-interest bearing liabilities (average)}} \times 100$$

### Gearing

$$\frac{\text{Interest-bearing liabilities - cash, bank receivables and financial securities}}{\text{Shareholders' equity}} \times 100$$

### Equity ratio

$$\frac{\text{Shareholders' equity + minority interest}}{\text{Balance sheet total - advance payments received}} \times 100$$



# Qt Group's Sustainability Statement 2024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# General Disclosures

## General Disclosures (ESRS 2)

### BP-1
### General basis for preparation of sustainability statements

This ESRS sustainability statement has been prepared at the Group level and the scope of consolidation is the same as in the financial statements. The sustainability statement examines the company's entire upstream and downstream value chain (see SBM-1 – Strategy, business model and value chain).

### BP-2
### Disclosures in relation to specific circumstances

This report presents the estimated effects of financial risks and opportunities on future cash flow, and these impacts involve significant uncertainties. The amounts are the CFO's estimates, and they have not been measured precisely.

### GOV-1
### The role of the administrative, management and supervisory bodies

Qt Group Plc's Board of Directors is responsible for preparing the company's short-term and long-term strategies, taking into account the expectations of different stakeholders. The operational management, i.e. the CEO and the other members of the Management Team, is responsible for the company's business operations and governance in accordance with the instructions issued by the Board of Directors and the provisions of the Finnish Limited Liability Companies Act.

The members of Qt's Board of Directors and Management Team have extensive international experience in various management and business-related roles. Qt has not separately defined the special competence or expertise of the administrative, management and supervisory bodies with regard to the supervision of different sustainability matters. Qt has used external ESG experts as part of the double materiality assessment and sustainability reporting process. The Management Team has participated in the assessment of the material themes, and the Audit Committee of the Board of Directors has discussed the progress of the CSRD project in its meetings and the Board of Directors has approved this sustainability statement. More information on the background and expertise of the members of the Management Team and the Board of Directors is provided in Qt's Corporate Governance Statement.

There is no representation of employees in the administrative and supervisory bodies, but all members of the Management Team are employed by the company. All (100%) of the members of the Board of Directors are independent of Qt. Chair of the Board Robert Ingman is independent of Qt, but not independent of its major shareholders.

The Board of Directors had two (2) committees in the financial year 2024: the Compensation and Nomination Committee and the Audit Committee. The Audit Committee of the Board of Directors is responsible for the oversight of tasks related to Qt's sustainability reporting, including the oversight of sustainability impacts, risks, and opportunities. Responsibilities or processes related to the monitoring and oversight of the progress of impacts, risks and opportunities have not otherwise been separately specified in the company's terms of reference or Board mandates. Dedicated procedures are not used for oversight for the time being.

The oversight and monitoring process will be developed as part of risk management, among other things, starting from 2025. The management of impacts, risks and opportunities is reported as part of this sustainability statement, which is approved by the Audit Committee and the Board of Directors. The Management Team has operational responsibility for the development of HR, data protection and corporate culture, but no regular monitoring has been specified for their progress thus far.

**GENDER DISTRIBUTION AT TOP MANAGEMENT LEVEL, N**

| Governance body | Female | Male | Other | Not reported | Total members |
|---|---|---|---|---|---|
| Board of Directors | 2 | 4 | 0 | 0 | 6 |
| Management Team** | 3 (2) | 7 (7) | 0 | 0 | 10 (9) |

**GENDER DISTRIBUTION AT TOP MANAGEMENT LEVEL*, %**

| Governance body | Female | Male | Other | Not reported | Total |
|---|---|---|---|---|---|
| Board of Directors*** | 33% | 67% | 0 | 0 | 100% |
| Management Team** | 30% | 70% | 0 | 0 | 100% |

* Average share during 2024 divided by the annual average (headcount).
** The number of the members in the Management Team increased by one during 2024. The numbers before appointment of Aleksina Shemeikka are presented in parentheses.
*** The gender distribution (number of women in relation to the number of men) of the Board of Directors is 0.5.

## GOV-2
## Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies

In 2024, the Audit Committee of the Board of Directors discussed the progress of identifying and assessing sustainability impacts, risks, and opportunities in each of its four meetings. This included reviewing all impacts, risks, and opportunities as a whole. As the setting of targets, metrics and measures related to the impacts, risks and opportunities is still in progress, oversight processes have also not been specified and they are not regular items on the agenda of the Management Team or the Board of Directors. The integration of sustainability-related impacts, risks and opportunities into Qt's risk management process has begun, but in the reporting period 2024, the administrative, management and supervisory bodies have not separately taken into account identified sustainability matters as part of strategic decisions. Qt has not yet systematically built a due diligence process, and its implementation has not been included in the agenda of the administrative, management and supervisory bodies.

The Audit Committee has also discussed matters related to the company's own workforce (S1), business conduct (G1), and data protection on its agenda.

## GOV-3
## Integration of sustainability-related performance in incentive schemes

Qt does not have incentive or remuneration schemes related to sustainability matters.

## GOV-4
## Statement on due diligence

Qt has not yet systematically created or implemented a due diligence process nor has it been incorporated it into the governance model. However, the due diligence process is applied partially, and its steps are described in the following sections of this sustainability statement:

- Engaging with affected stakeholders: ESRS 2 GOV-2, SBM-2, IRO-1, S1-2 & S2-2.
- Identifying and assessing negative impacts on people and the environment: ESRS 2 IRO-1, SBM-3.
- Taking action to address negative impacts on people and the environment: ESRS 2 MDR-A, S1-4, S2-3, G1-3.
- Tracking the effectiveness of these efforts: ESRS 2 MDR-M, MDR-T, S1-5, S2-5 and S1 & S2 & G1 topic-specific metrics.

## GOV-5
## Risk management and internal controls over sustainability reporting

In 2024, Qt began to integrate sustainability-related impacts, risks and opportunities into its risk management. The process will continue in 2025 with an assessment of risks related to sustainability reporting; how easily and accurately the necessary information is available and how these risks should be taken into account in policies and practices. However, during 2024 Qt has not yet established a clear model or method for managing these risks or determining their order of priority.

## SBM-1
## Strategy, business model and value chain

Qt Group is an international software company whose main products and tools are the Qt development environment and quality assurance and testing solutions. The company's products support the customers' product development process comprehensively. The products can be used either as an integrated chain or as separate tools and development environments, depending on the customer's needs. Qt's customers operate in more than 70 industries. They produce devices and applications in the automotive, health technology, industrial automation, and consumer electronics industries, for example.

Qt Group's primary business operations consist of five parts:

- Research and development related to products and services
- Product management
- Sales and marketing
- Delivery (management & automation)
- After-sales services (customer support, consulting and training)

The core business is supported by the HR function, the corporate infrastructure (legal services, accounting and finance ) and technological infrastructure (external servers, databases and data) and procurement (professional services and IT services).

For the production of its products and services (upstream value chain), Qt requires, for example, IT, product development, sales and marketing tools and tools used by employees (computers, phones, etc.). Products and services are delivered as software, tools and services tailored to customers' various needs (downstream value chain).

The EU and the United States both have restrictions on software exports. The export permit depends on the nature of the software and the country to which it is intended to be exported, and export is not necessarily permitted. Qt Group's products do not contain any functionality that would make them subject to strict export regulations. The restrictions are mainly related to the economic sanctions currently in place. Qt's policy is that Qt's products or related technical information may not be exported, re-exported or transferred directly or indirectly to countries or entities that are subject to sanctions.

## Interests and views of stakeholders

| | Engagement methods | Purpose of engagement | Impacts on strategy and stakeholder relations | Planned measures | Informing the administrative, management and supervisory bodies |
|---|---|---|---|---|---|
| **Customers** | Sales, Customer Success, customer support, product managers' contact with key customers, customer surveys about products and customer relationships. | Creating value for customers through our products and services, ensuring customer satisfaction and collecting feedback to support continuous development. | Incorporating feedback into product development, steering of strategic and operational decisions. | Continuous development | Yes |
| **Employees** | Personnel survey, orientation training, leadership training, individual development discussions, team meetings and team activities, regular business reviews, communication tools, culture-related efforts and remuneration. | Employee well-being, strategy execution, dialogue between teams and management. | Updated processes and policies, reviews of benefits, clearer communication and clear action plans. | Continuous development | Yes |
| **Board of Directors** | Board meetings, committee meetings and Annual General Meeting. | The Board of Directors sees to the administration of the company and the appropriate organization of its operations. | The Board of Directors draws up the agenda for its work and sees to its implementation. The Board also approves the company's strategy and operating model based on the proposal of the Management Team. | Annual strategy work | Yes |
| **Analysts** | Interim reports and financial statement bulletin, analyst seminars and roadshows. | Analysts follow listed companies and write analyses. | Participation in events proposed by analysts. | - | No |
| **Business and technology partners** | Recurring and occasional meetings online, at events and face-to-face, as well as management-level policy setting meetings on a case-by-case basis. | Harmonization of product interoperability, establishment of marketing collaboration, training of partner networks to increase Qt awareness, promotion and indirect sales. | Development and support of various partner products, budgeting, future tactics and strategy for product and demo development. | Continuous development | Yes |

| | Engagement methods | Purpose of engagement | Impacts on strategy and stakeholder relations | Planned measures | Informing the administrative, management and supervisory bodies |
|---|---|---|---|---|---|
| **Open source community** | Qt Forum/Community | Thorough testing of releases, community-enabled achievement of commercial readiness as quickly as possible by ensuring stability, versatility and quality. | Bug fixes, new product releases and new product ideas for research and development. | Continuous development | No |
| **Shareholders** | Interim reports and financial statement bulletin, Annual General Meeting. | Sharing information to shareholders about Qt's operations and results. | Shareholders have voting and decision-making power over the proposals discussed at the Annual General Meeting. | Shareholders are informed of the strategy and business model at general meetings. | No |
| **Holders of educational institution licenses** | Cooperation through Qt's University & Talent Network: for example, visiting lectures, guidance and mentoring of student projects or event sponsorship according to the needs of the university. | Close cooperation with universities and students promotes the growth of the Qt ecosystem and the number of skilled Qt users, thereby improving the coverage of Qt's products, and reaching future employees. | Regular reporting to product managers.<br>Students receive information about job vacancies at Qt and in customer companies. | Expanding Qt's University & Talent Network over the next three years (including an annual event and increasing global visibility). | No |
| **External consultants** | E-mail, monthly and quarterly contact calls, office visits, procurement expert visits to partners' offices annually. | Increasing business and visibility for both parties (suppliers and Qt Professional Services) and strengthening the Qt ecosystem. | Improvement of contracts and price negotiations (regular meetings), maintaining and developing trust and long-term business relationships, better understanding of the supplier's operations (audits). | Continuous development | Yes |

Qt has engaged all of the stakeholders listed above as part of the double materiality assessment.

## SBM–3
## Material impacts, risks and opportunities and their interaction with strategy and business model

In its double materiality assessment, Qt identified material sustainability impacts, risks and opportunities related to its own workforce (S1), external consultants (S2), business conduct (G1) and data protection (entity-specific). Most significant impacts, risks and opportunities are related to Qt's own workforce and business conduct, meaning its own operations. External consultants are employees of Qt's subcontracted service providers who typically provide support in the deployment of products and services in the downstream value chain. Data protection (entity-specific disclosure requirement) relates to Qt's subcontracting chain and to the users of its products.

Of the material impacts, risks and opportunities identified by Qt, the failure of data protection is a significant business risk, which, if realized, could have significant effects on the company's business. Data protection is an integral part of the company's risk management and processes. Qt also received the ISO27001 certification for its operations in 2024.

Following the double materiality assessment, the more extensive integration of sustainability matters in risk management was initiated in the fourth quarter of 2024. The purpose is to take sustainability risks and opportunities into account more extensively in the company's decision-making and as a factor in strategy. The process will continue in 2025.

Qt has identified material impacts on people, and they are described in more detail in the sections Own workforce (S1) and Workers in the value chain (S2). Qt has not identified material impacts related to environment.

Qt's strategy is focused on business expansion and the creation of long-term growth opportunities. The company invests in growth, particularly in product development, sales and the innovation of new solutions. The impacts on the company's own workforce are linked to the strategy, as Qt's employees who perform expert work implement the strategy in practice. The impacts related to workers in the value chain are also partly related to Qt's business model. Data protection plays a significant role in all of Qt's business operations. A more detailed assessment of the relationship between impacts, risks and opportunities and the strategy has not been carried out, and they have not yet been taken into account in strategy processes.

Qt's own operations affect its own workforce, corporate culture and data protection. Impacts on external consultants (workers in the value chain) occur through business relationships. The external consultants are employed by Qt's contracted service provider.

Qt's material risks or opportunities have not had a significant effect on its financial position, result or cash flows. The risks and opportunities have also not been identified as involving significant risks concerning the adjustment of assets.

Qt has not conducted a separate resilience analysis on the company's capacity to address its material impacts and risks or take advantage of its material opportunities.

## IRO-1
## Description of the processes to identify and assess material impacts, risks and opportunities

Qt's material sustainability impacts, risks and opportunities were identified in a double materiality assessment process that was initiated in late 2023 and was completed in the second quarter of 2024. The project team included representatives from Qt's various functions (e.g. HR, legal, finance, procurement, communications), and the progress of the project was regularly communicated to the Management Team and the Audit Committee. In the assessment, the preliminary negative and positive impacts were first comprehensively assessed on the basis of all ESRS sub-topics and sub-sub-topics based on background material (including trend reports, benchmarking and ESRS standards) and internal interviews. The risks and opportunities in Qt's value chain were then assessed.

In the preliminary assessment, a wide range of perspectives related to the environment, human rights and business conduct were assessed in Qt's own operations and the value chain, related to, for example, pollution, water and marine resources, biodiversity and the circular economy, as well as corruption and bribery.

The initial assessment was submitted to the Management Team for evaluation. Based on the Management Team's assessments, a framework was created for a survey to be sent to stakeholders concerning sub-topics under the following themes: E1 Climate change, S1 Own workforce, S2 Workers in the value chain and G1 Business conduct, as well as the entity-specific disclosure data protection. The stakeholder survey respondents included representatives of Qt's key stakeholders in the upstream and downstream value chain, i.e. employees, the open-source community, customers, subcontractors/business partners, educational institutions, Qt's Board of Directors, shareholders, and analysts. The material topics were determined on the basis of the stakeholders' responses and the management's assessment. A larger weight was assigned to the views of the Management Team.

For negative impacts, each of the variables related to severity (scale, scope and remediability) were assessed on a scale of 1–5, which meant that the maximum value for severity was 15. Likelihood was also assessed on a scale of 1–5, where the value of an actual impact that is already occurring is 15. The likelihood of impacts received the highest rating if it was defined as already occurring (actual impact). For positive impacts, the scale, scope and likelihood were assessed on the same scale of 1–5. With regard to scale, the extent or severity of the impact on people, the environment or society was assessed, ranging from catastrophic (negative impact) or high significance (positive impact) to insignificant impact. The severity of the impacts related to business conduct was assessed on the basis of whether the impact increases (positive impact) or reduces (negative impact) trust in the industry among the general public. With regard to scope, the geographical coverage (local–global) and/or the number of people affected were examined. The irremediable character of the impact was assigned the lowest score if the impact was assessed to be easily remediated and the highest score if, for example, environmental damage or effect on human health cannot be remediated. The likelihood of an impact was assigned the highest score if the impact was identified as already occurring (actual impact).

The assessment of impacts was followed by an assessment of the financial risks and opportunities that are associated with the sustainability topics or which may be caused by Qt's impacts on people and the environment, for example. For financial risks and opportunities, their likelihood and effects on future cash flows were assessed. The effects on cash flows were assessed from three different perspectives: effects on business relationships, resources (e.g. prices, availability) and other effects on cash flows.

The materiality of the impacts, risks and opportunities was determined by calculating the the total value of the variables and dividing it by the maximum value. The threshold value was defined as 0.5. Topics for which the score was 0.5 or higher were assessed to be material.

## Qt's material sustainability topics

| S1 – Own workforce | Topic value | Type | Time horizon | Materiality |
|---|---|---|---|---|
| **Working conditions** | Secure employment | Positive impact | Short | 0.8 |
| **Working conditions** | Working time | Positive impact | Short | 0.8 |
| **Working conditions** | Adequate wages | Positive impact | Short | 0.7 |
| **Working conditions** | Social dialogue | Positive impact | Short | 0.6 |
| **Working conditions** | Work-life balance | Positive impact, opportunity | Short, medium | 0.9 |
| **Working conditions** | Health and safety | Negative & positive impact | Short | 0.7 |
| **Equal treatment and opportunities for all** | Gender equality and equal pay for work of equal value | Positive impact, opportunity | Short | 0.7 |
| **Equal treatment and opportunities for all** | Training and skills development | Positive impact, opportunity | Long | 0.8 |
| **Equal treatment and opportunities for all** | Measures against violence and harassment in the workplace | Positive impact | Short | 0.73 |
| **Equal treatment and opportunities for all** | Diversity | Positive impact, opportunity | Medium, long | 0.67 |
| **Other work-related rights** | Privacy | Negative & positive impact, risk, opportunity | Short | 0.67 |
| **S2 – Workers in the value chain** | | | | |
| **Working conditions** | Health and safety | Negative & positive impact | Short, medium | 0.6 |
| **G1 – Business conduct** | | | | |
| | Corporate culture | Negative & positive impact, opportunity | Short, medium | 0.8 |
| **Corruption and bribery** | Prevention and detection, including training | Negative & positive impact, opportunity | Medium, long | 0.9 |
| **Corruption and bribery** | Incidents | Negative impact | Medium | 0.5 |
| **Entity-specific** | Data protection | Positive impact, risk | Short | 0.9 |

The double materiality assessment covered the Qt Group's entire value chain and all geographical areas, either through the company's own operations or through business relationships. The double materiality assessment will be carried out again on a regular basis to reassess material impacts, risks and opportunities. The monitoring of the material sustainability impacts, risks and opportunities will be implemented as part of risk management and internal controls. In Qt's risk management model, risks are prioritized based on their likelihood and the severity of the impact. Sustainability topics will be incorporated into the same prioritization of risk management.

Qt's Management Team has been closely involved in identifying and assessing the materiality of sustainability impacts, risks and opportunities, and the Audit Committee of the Board of Directors has addressed the progress of the identification and assessment process of sustainability impacts, risks and opportunities, i.e. all impacts, risks and opportunities as a whole. Board of Directors approves the identified impacts, risks and opportunities.

With regard to the monitoring of impacts, risks and opportunities, the decision-making process needs to be updated. When sustainability impacts, risks and opportunities have been integrated into the risk management system, they will also be incorporated into the Management Team's operating practices.

### Disclosure requirement related to ESRS 2 IRO-1 – Description of the processes to identify and assess material climate-related impacts, risks and opportunities

Climate-related impacts, risks and opportunities have been identified and assessed as part of Qt's double materiality assessment. On a preliminary basis, the following were identified as potential impacts: the role of Qt's products in the development of technologies and products that support climate change adaptation (positive impact), CO2 emissions in the value chain (emissions caused by procurement and the use of products, negative impact) and the energy consumption of Qt's offices (negative impact). However, they did not exceed the materiality threshold in the Management Team's assessment or stakeholder survey, and consequently did not emerge as material themes.

In the preliminary evaluation of the double materiality assessment, the identified potential risks were physical risks caused by climate change (flood, extreme heat, storms, landslides) in production facilities in the value chain, and logistics problems in supply chains due to shortages of raw materials originating from climate change. The identified transition risks were rising energy prices and stricter climate regulations, which may increase costs related to calculating and reducing the carbon footprint, for example.

However, the physical or transition risks did not exceed the materiality threshold in the Management Team's assessment or stakeholder survey. The analysis did not take climate scenarios into account or assess the sensitivity of the business to risks in more detail.

The identification of climate impacts is based mainly on the energy consumption data of Qt's offices (Scope 2 emissions) and, in part, emissions data on business travel (Scope 3 emissions). Based on Qt's business model, the most significant part of the value chain's CO2 emissions can be estimated to arise in the upstream and downstream value chain. However, it is difficult — or even impossible — to collect reliable information about these steps, especially the use of the products, as customers can use Qt's products in many different ways as an applied component of different devices, services or products.

As risks were only identified far along the supply chain, a more detailed scenario analysis has not yet been carried out. Qt intends to carry out a climate scenario analysis in 2025.

### Disclosure requirement related to ESRS 2 IRO-1 – Description of the processes to identify and assess material pollution-related impacts, risks and opportunities

The impacts, risks and opportunities related to pollution have been identified and assessed as part of the double materiality assessment. In the assessment, the impacts, risks and opportunities in Qt's supply chain were comprehensively assessed on the basis of all ESRS sub-topics and sub-sub-topics (including microplastics, air, water and soil pollution, substances of concern), firstly on the basis of background materials and interviews.

In the initial assessment, the recycling of IT hardware used by Qt in its activities was identified as a potential impact. An assessed potential negative impact was the emission of lead contained in hardware that might potentially be released into the environment if decommissioned equipment is not recycled appropriately, hence causing negative environmental impacts. However, the recycling of decommissioned IT equipment was identified as a positive impact, as Qt's offices around the world are committed to appropriate recycling. The rise in prices of IT hardware was identified as a risk in a scenario where very harmful substances, such as lead, are banned. No financial opportunities were identified. However, none of these exceeded the materiality threshold in the Management Team's assessment or the stakeholder survey.

Members of the affected communities were not separately consulted for the assessment. No material impacts, risks or opportunities related to pollution were identified.

### Disclosure Requirement related to ESRS 2 IRO-1 – Description of the processes to identify and assess material water and marine resources-related impacts, risks and opportunities

Impacts, risks and opportunities related to water and marine resources have been identified and assessed as part of the double materiality assessment. The consumption of clean water at Qt's offices was identified as a potential impact on a preliminary basis. An increase in the price of clean water used at Qt's offices was identified as a risk. However, neither of these exceeded the materiality threshold in the Management Team's assessment or the stakeholder survey.

No significant impacts, risks or opportunities related to water and marine resources, i.e. surface and groundwater consumption, water withdrawals and discharges of water were identified in Qt's value chain. Dependencies related to marine resources were also not identified.

Members of the affected communities were not separately consulted for the assessment.

### Disclosure Requirement related to ESRS 2 IRO-1 – Description of processes to identify and assess material biodiversity and ecosystem-related impacts, risks and opportunities

Impacts related to biodiversity and ecosystem have been identified and assessed as part of the double materiality assessment. The assessment examined how the company promotes direct drivers of biodiversity loss (e.g. climate change, land-use change, freshwater use change, sea-use change, invasive species, pollution), and impacts on the state of species, ecosystems and ecosystem services. The connection between the use of natural resources (IT equipment and other procurement) and land-use change and, consequently, biodiversity loss, were identified as a potential negative impact in the preliminary assessment. However, this did not exceed the materiality threshold in the Management Team's assessment or the stakeholder survey.

Dependencies related to biodiversity and ecosystems have been identified and assessed as part of the double materiality assessment on the basis of background material and interviews. The identified dependencies on ecosystem services included, for example, the natural resources and minerals used in computers and other procurement, and lunches served at the offices.

A more detailed assessment of systemic, transition or physical risks or opportunities related to biodiversity and ecosystems has not been carried out. Members of the affected communities were not separately consulted for the assessment.

As no material impacts related to biodiversity have been identified, the company has also not found it necessary to implement mitigating measures related to biodiversity.

### Disclosure Requirement related to ESRS 2 IRO-1 – Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities

Qt's resource use and circular economy-related impacts, risks and opportunities have been identified and assessed as part of the double materiality assessment. The assessment took into account, among other things, required resources including upstream and downstream of resources related to services and products, as well as waste and waste management. Upstream of resources, such as the procurement of IT hardware and peripherals, and waste generated at the offices were provisionally identified as potential negative impacts. Rising prices of hardware and recycling were identified initially as a potential risk, while cost savings achieved through efficient recycling were identified as an opportunity. However, none of these exceeded the materiality threshold in the Management Team's assessment or the stakeholder survey, and no resource use and circular economy-related material impacts, risks or opportunities were found in Qt's value chain.

Members of the affected communities were not separately consulted for the assessment.

## IRO-2
## Disclosure Requirements in ESRS covered by the undertaking's sustainability statements

Climate change (E1) was not identified as a material theme for Qt. The conclusions were drawn on the basis of several factors. According to the view of the company's top management and stakeholders, climate change and energy consumption were assessed as the least important among the topics assessed. In addition, Qt Group already takes the climate impacts of energy use into account in many different ways. The company only uses data center providers, such as Equinix, that have ambitious sustainability targets. Qt also uses a low-carbon cloud service through Amazon Web Services (AWS), which is committed to switching to fully renewable energy by 2025. Qt's offices are located in modern buildings located in urban areas. The buildings have infrastructure designed for energy saving, waste sorting facilities and good public transport connections. Although charging Qt's products consumes electricity, it has only a minor impact on the energy consumption of the end-use of the products.

However, climate change may emerge as a material topic in the coming years if new climate change-related impacts or financial risks or opportunities are identified in the process of updating the double materiality analysis. These potential topics may be related to, for example, increasing regulation. The process to identify and assess material impacts, risks and opportunities is described in General disclosures ESRS 2 section IRO-1.

The list of data points and their locations in the report is documented on pages 53-63.

# EU Taxonomy

## General information

The EU Taxonomy is a classification system, the purpose of which is to steer funding toward activities that substantially contribute to the achievement of environmental objectives. Qt Group has an obligation to report the percentages of net sales ('turnover'), capital expenditures and operating expenditures that constitute operations that are recognized by the taxonomy as economic activity that is potentially sustainable in terms of the environment, or that meet the relevant technical screening criteria.

The current taxonomy includes six environmental objectives. To be eligible for the taxonomy, an activity must meet the description of an economic activity included in the taxonomy classification. To be aligned with the taxonomy, an activity must be classified as having a substancial contribution to at least one of the six environmental objectives without harming the others.

To define the taxonomy eligibility and alignment and to gather evidence of potential substantial contribution, Qt Group has assessed the taxonomy eligibility of the Group activities. Through this process, the aim was to identify potentially eligible activities and review the technical screening criteria for each of the environmental objectives for all relevant business activities. Qt Group has not identified taxonomy eligible financial activities, so the company has not identified activities where eligibility could have been determined.

As the EU taxonomy is still being developed, Qt Group constantly monitors its activities in relation to taxonomy reporting requirements. The new functions according to the criteria of the new environmental goals of the future versions of the taxonomy may affect the taxonomy eligibility and alignment of the Qt Group functions, in which case the fulfillment of the criteria will be re-evaluated.

### Taxonomy eligible turnover

Based on the review of the financial activities currently included in the taxonomy classification, Qt Group's business is included in the European Commission Delegated Regulation (2021/2139) activity 8.2 Computer programming and consulting services and related activities (NACE J62). Activity 8.2 is not defined as an enabling activity in the taxonomy. According to the company's assessment, 0 percent of the company's turnover is taxonomy-eligible according to the current taxonomy, and 100 percent is ineligible. In addition, 0 percent of the company's turnover is taxonomy-aligned and 100 percent is non-taxonomy-aligned.

### Taxonomy eligible capital expenditures

Regarding operating expenses, Qt Group has defined business expenses (denominator), EUR 144.9 million. Operating expenses include the company's business expenses during the financial year. According to the company's assessment, 0 percent of the company's business expenses are taxonomy-eligible according to the current taxonomy, and 100 percent are ineligible. In addition, 0 percent of the company's operating costs are taxonomy-aligned and 100 percent non-taxonomy-aligned.

### Taxonomy eligible operating expenditures

The capital expenditures taken into account in the taxonomy assessment are defined as follows: additions to tangible and intangible assets during the financial year before depreciation, amortization and revaluations, including revaluations due to valuation changes and impairments in that financial year and excluding changes in fair value. The Qt Group estimates that 0 percent of capital expenditures are taxonomy-eligible under the current taxonomy, and 100 percent are ineligible. In addition, 0 percent of the company's capital expenditures are taxonomy-aligned and 100 percent are non-taxonomy-aligned.

The required information is presented in the tables on the following pages.

# Environmental Information

## Disclosures pursuant to Article 8 of Regulation (EU) 2020/852 (Taxonomy Regulation)

**Turnover, Financial year 2024**

| | 2024 | | | Substantial contribution criteria | | | | | | DNSH criteria | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Economic activities** | Code | Turnover, MEUR | Proportion of turnover, 2024 | Climate change mitigation | Climate change adaptation | Water | Pollution | Circular economy | Biodiversity | Climate change mitigation | Climate change adaptation | Water | Pollution | Circular economy | Biodiversity | Minimum safeguards | Proportion of taxonomy aligned (A.1) or eligible (A.2) turnover, year 2023 | Category "enabling activity" | Category "transitional activity" |
| **A. TAXONOMY-ELIGIBLE ACTIVITIES** | | | | | | | | | | | | | | | | | | | |
| **A.1 Environmentally sustainable activities (taxonomy-aligned)** | | | | | | | | | | | | | | | | | | | |
| No activity | | 0 | 0% | | | | | | | | | | | | | | 0% | | |
| **Turnover of environmentally sustainable activities (taxonomy-aligned) (A.1)** | | **-** | **0%** | **0%** | **0%** | **0%** | **0%** | **0%** | **0%** | | | | | | | | **0%** | | |
| Of which Enabling | | 0 | 0% | 0% | 0% | 0% | 0% | 0% | 0% | | | | | | | | 0% | M | |
| Of which Transitional | | 0 | 0% | 0% | | | | | | | | | | | | | 0% | | S |
| **A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)** | | | | | | | | | | | | | | | | | | | |
| No activity | | 0 | 0% | | | | | | | | | | | | | | 0% | | |
| **Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)** | | - | 0% | 0% | 0% | 0% | 0% | 0% | 0% | | | | | | | | 0% | | |
| **A. Turnover of Taxonomy eligible activities (A.1 + A.2)** | | **-** | **0%** | **0%** | **0%** | **0%** | **0%** | **0%** | **0%** | | | | | | | | **0%** | | |
| **B. TAXONOMY-NON ELIGIBLE ACTIVITIES** | | | | | | | | | | | | | | | | | | | |
| Turnover of Taxonomy-non-eligible activities | | 209.1 | 100% | | | | | | | | | | | | | | | | |
| **TOTAL (A+B)** | | **209.1** | **100%** | | | | | | | | | | | | | | | | |

## Capital Expenditure (CapEx), Financial year 2024

| | 2024 | | | Substantial contribution criteria | | | | | | DNSH criteria | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Economic activities** | **Code** | **CapEx** | **Proportion of CapEx, 2024** | **Climate change mitigation** | **Climate change adaptation** | **Water** | **Pollution** | **Circular economy** | **Biodiversity** | **Climate change mitigation** | **Climate change adaptation** | **Water** | **Pollution** | **Circular economy** | **Biodiversity** | **Minimum safeguards** | **Proportion of taxonomy aligned (A.1) or eligible (A.2) CapEx, year 2023** | **Category "enabling activity"** | **Category "transitional activity"** |
| **A. TAXONOMY-ELIGIBLE ACTIVITIES** | | | | | | | | | | | | | | | | | | | |
| **A.1 Environmentally sustainable activities (taxonomy-aligned)** | | | | | | | | | | | | | | | | | | | |
| No activity | | 0 | 0% | | | | | | | | | | | | | | 0% | | |
| **CapEx of environmentally sustainable activities (taxonomy-aligned) (A.1)** | | **-** | **0%** | **0%** | **0%** | **0%** | **0%** | **0%** | **0%** | | | | | | | | **0%** | | |
| Of which Enabling | | 0 | 0% | 0% | 0% | 0% | 0% | 0% | 0% | | | | | | | | 0% | E | |
| Of which Transitional | | 0 | 0% | 0% | | | | | | | | | | | | | 0% | | T |
| **A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)** | | | | | | | | | | | | | | | | | | | |
| No activity | | 0 | 0% | | | | | | | | | | | | | | 0% | | |
| **CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)** | | - | 0% | 0% | 0% | 0% | 0% | 0% | 0% | | | | | | | | 0% | | |
| **A. CapEx of Taxonomy eligible activities (A.1 + A.2)** | | **-** | **0%** | **0%** | **0%** | **0%** | **0%** | **0%** | **0%** | | | | | | | | **0%** | | |
| **B. TAXONOMY-NON ELIGIBLE ACTIVITIES** | | | | | | | | | | | | | | | | | | | |
| CapEx of Taxonomy-non-eligible activities | | 3.7 | 100% | | | | | | | | | | | | | | | | |
| **TOTAL (A+B)** | | **3.7** | **100%** | | | | | | | | | | | | | | | | |

## Operating Expenses (OpEx), Financial year 2024

| | 2024 | | | Substantial contribution criteria | | | | | | DNSH criteria | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Economic activities** | **Code** | **OpEx** | **Proportion of OpEx, 2024** | **Climate change mitigation** | **Climate change adaptation** | **Water** | **Pollution** | **Circular economy** | **Biodiversity** | **Climate change mitigation** | **Climate change adaptation** | **Water** | **Pollution** | **Circular economy** | **Biodiversity** | **Minimum safeguards** | **Proportion of taxonomy aligned (A.1) or eligible (A.2) OpEx, year 2023** | **Category "enabling activity"** | **Category "transitional activity"** |
| **A. TAXONOMY-ELIGIBLE ACTIVITIES** | | | | | | | | | | | | | | | | | | | |
| **A.1 Environmentally sustainable activities (taxonomy-aligned)** | | | | | | | | | | | | | | | | | | | |
| No activity | | 0 | 0% | | | | | | | | | | | | | | 0% | | |
| **OpEx of environmentally sustainable activities (taxonomy-aligned) (A.1)** | | **-** | **0%** | **0%** | **0%** | **0%** | **0%** | **0%** | **0%** | | | | | | | | **0%** | | |
| Of which Enabling | | | 0% | 0% | 0% | 0% | 0% | 0% | 0% | | | | | | | | 0% | E | |
| Of which Transitional | | | 0% | 0% | | | | | | | | | | | | | 0% | | T |
| **A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)** | | | | | | | | | | | | | | | | | | | |
| No activity | | 0 | 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% | | |
| **A. OpEx of Taxonomy eligible activities (A.1 + A.2)** | | **-** | **0%** | **0%** | **0%** | **0%** | **0%** | **0%** | **0%** | | | | | | | | **0%** | | |
| **B. TAXONOMY-NON ELIGIBLE ACTIVITIES** | | | | | | | | | | | | | | | | | | | |
| OpEx of Taxonomy-non-eligible activities | | 145.9 | 100% | | | | | | | | | | | | | | | | |
| **TOTAL (A+B)** | | **145.9** | **100%** | | | | | | | | | | | | | | | | |

## 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 |
| **Row** | **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 |

# Social Information

## Own workforce (S1)

### Disclosure Requirement related to SBM-2 – Interests and views of stakeholders

The views, rights and interests of the company's own workforce are discussed in the General Disclosures (ESRS 2) section Interests and views of stakeholders (SBM-2).

### Disclosure Requirement related to SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model

Qt's own workforce mainly consists of employees. The definition of the company's own workforce is also met annually by individual freelance consultants, and they are subject to the same rules as external consultants (see S2 workers in the value chain). In addition, Qt had a few people in recruitment and assistant positions through a temporary agency in 2024. Individual freelancers or temporary agency workers are not included in the reporting of information on the company's own workforce.

All of the company's employees are subject to material impacts. Qt's employees work in expert duties and there are no significant differences in the type of work they perform. Qt has not separately identified types of employees that would be particularly vulnerable to negative impacts.

Fatigue and work ergonomics were identified as potential negative impacts on the company's own workforce. These impacts have not been recognized as widespread or systemic. Rather, they are individual incidents.

All of Qt's employees are subject to material positive impacts: early support and comprehensive occupational health care and/or insurance, secure employment, adequate wages, good work-life balance and the promotion of diversity. In all of Qt's operating countries, employees have access to comprehensive health and well-being services and/or insurance, which means that employees have quick access to services also on a preventive basis.

Financial opportunities identified in the double materiality assessment from the employees' perspective included good work-life balance, skills development, gender equality and equal pay, and promoting diversity, equality and inclusion globally. The identified risks included mental health challenges and protecting the privacy of employee data. These are all closely linked to Qt's material positive and negative impacts.

Qt Group's operations do not involve a risk of child labor or forced labor. The employees are highly educated and/or specialists engaged in demanding expert duties.

### S1-1 Policies related to own workforce

Qt's Code of Conduct regulates the following impacts, risks and opportunities related to the company's own workforce: work-life balance, social dialogue (job satisfaction), health and safety, gender equality and equal pay, measures against violence and harassment, and the diversity of the personnel. More information on the Code of Conduct is provided in the section G1 Business conduct.

The promotion of diversity involves, in addition to the Code of Conduct, the Qt career framework, which applies to all Qt employees and specifies the salary, and the competencies required for each position. The purpose of the career framework is to create a transparent framework for career development and remuneration, i.e. to promote equal pay for equal work regardless of the employee's background and gender. Qt Group's Management Team is responsible for the approval and implementation of the career framework. The career framework is available to all employees on the company's intranet.

Training and skills development are taken into account in Qt's global employee handbook, which applies to all Qt employees. The handbook provides a framework for promoting continuous learning from the employee's perspective. The handbook includes, among other things, instructions and tips related to on-the-job learning, an employee-specific training budget and a selection of e-learning courses. The handbook also encourages employees to talk to their manager about training opportunities. Qt also has its own learning platform, Qurious. Managers have access to various online training modules and the opportunity to participate in, for example, the 360-degree feedback process, which aims to help managers identify their strengths and development areas and develop their leadership skills.

The global employee handbook and its country-specific versions are available to all employees on Qt's intranet. Qt Group's Management Team is responsible for the approval and implementation of the handbook.

Employee privacy is governed by Qt's employee privacy note, which applies to all Qt employees. The employee privacy note precisely specifies the information Qt collects on its employees and for what purposes, what information is not collected, and the rights of the employees.

Qt aims to promote secure employment by providing its employees primarily permanent employment contracts (92% in 2024) and by complying with local labor laws. In order to provide adequate wages for the employees, Qt monitors the industry's market averages in different countries.

Qt's employee engagement methods are discussed in more detail in the General Disclosures (ESRS 2) section SBM-2 Interests and views of stakeholders.

Qt aims to remediate its human rights impacts, meaning occupational health impacts in particular, by offering occupational health care or insurance to all employees in each of its operating countries. Qt also has an early intervention model in place to encourage employees to raise any problems they notice, such as continuous overtime or lack of motivation, at an early stage with their manager or unit HR business partner. Employees who wish to report misconduct anonymously can do so via the company's whistleblowing channel.

All Qt employees receive country-specific training on occupational health and safety. The occupational safety management system is based on local laws and regulations in each country. Qt also has an international travel policy aimed at ensuring the safety of employees on business trips.

In the company's Code of Conduct, Qt commits to giving equal opportunities for personal growth and career development, regardless of gender, age, ethnicity, disabilities, nationality, sexual orientation, religious beliefs, political affiliations, marital or economic status, or position within the company. Qt does not tolerate sexual, physical, and psychological violence and harassment or any form of discrimination, abuse, intimidation and workplace bullying. Qt has not separately defined vulnerable groups. Instead, the principles apply to everyone.

Discrimination is prevented primarily by educating employees on the Code of Conduct and the whistleblowing channel, and by providing training to managers. The recruitment team and managers are instructed to interview candidates based on each applicant's competence. Managers are responsible for ensuring that employees are treated equally.

Discrimination or inappropriate behavior can be reported anonymously via Qt's whistleblowing channel. All suspected incidents of misconduct are investigated and actively addressed. Qt also carries out an annual job satisfaction survey and, in 2024, the survey was amended to include a question on whether employees have experienced harassment at the workplace. The survey results are used to create an action plan for addressing areas that require further development.

## S1-2
## Processes for engaging with own workers and workers' representatives about impacts

Employees' views of Qt as an employer and workplace are surveyed annually by means of a personnel survey (employee Net Promoter Score eNPS & engagement survey). The survey investigates how employees perceive, for example, communication and giving feedback, well-being at work, the meaningfulness of work, workload, learning and self-development opportunities, leadership and work ergonomics at Qt. The results of the survey are reported to the Group Management Team and each business function's management team, where they are reviewed, and action plans are drawn up at both the company level and the team level.

The results of the survey are also communicated to employees at a company-wide briefing and through internal communication channels. The results also include action plans that have been created based on the survey results. Employees are also informed of the company's key updates in quarterly briefings and the intranet. Communication takes place directly with employees at both the organizational level and the team level. In addition, Qt has employee representatives required by law in Finland, Norway, France, Germany and Japan. Discussions with the employee representatives are carried out in accordance with local legislation. Various resources have been allocated to internal communications, including external tools and working hours of the Management Team, the communications lead, the HR team and external consultants. The Senior Vice President, People & Culture, (a member of the Management Team) has operational responsibility for communications and for ensuring that the feedback of the personnel that emerge from the survey are taken into account.

Qt started a development effort focused on internal communications in the fourth quarter of 2024. Engaging the middle management's stronger participation in communications is a development area for 2025.

In 2025, Qt will develop a pulse survey model to carry out more frequent surveys instead of a single annual personnel survey. The pulse survey model will be gradually implemented in Qt's various businesses. The purpose of the pulse survey is to provide a continuous overview of the situation, allowing to react if necessary and enabling the evaluation of the effectiveness of the implemented measures.

## S1-3
## Processes to remediate negative impacts and channels for own workers to raise concerns

Qt has recognized that negative impacts on employee health, such as mental health and ergonomics, are likely. The company aims to prevent and remediate these impacts by, for example, training managers to identify the impacts, arranging regular personal discussions between employees and managers, and assigning a dedicated HR business partner for each business unit, who can be contacted with a low threshold. In each of Qt's operating countries, employees have access to either occupational health services or insurance, as well as separate mental health services and/or an early intervention model.

Employees can report concerns, depending on the operating country, to shop stewards, the unit's HR business partners or to the occupational health care provider either through its online service or at an in-person appointment. In some of Qt's operating countries, employees can also use the services of psychologists and psychiatrists as part of occupational health care. Misconduct and other issues can be reported anonymously via a whistleblowing channel that is managed by a third party. Reports received via the whistleblowing channel are immediately communicated to the General Counsel, the CFO and the SVP, People & Culture, and the processing of all whistleblower reports starts within seven days of the report being made.

These various channels are communicated to the employees as part of manager briefings, through the intranet and occupational health care, and through shop stewards, in lectures by work ability consultants and on the Qurious e-learning platform. Qt engages in regular dialogue with employees and the occupational health care provider, thereby monitoring employee concerns. The employees' awareness of the existence of the various structures and channels is not assessed separately.

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

### Secure employment and employee turnover
Qt aims to improve employee engagement particularly by developing leadership, providing opportunities for growth and learning at work, and by providing additional training. In 2024, leadership training will be increased and made more systematic as part of the annual calendar. The middle management's competence and opportunities for influence will be strengthened in particular.

### Work-life balance
Qt aims to promote a flexible working life and support the employees' well-being and ability to cope with the demands of work by enabling flexible working hours and hybrid work. Reduced working hours can also be negotiated at the employee's initiative in special circumstances. In 2025, country-specific guidelines for flexible working hours will be developed, and flexible working hours will be made possible, for example, at the start and end of the working day. Qt's hybrid work policy will be implemented more effectively through internal communications in 2025.

### Adequate remuneration
Qt is committed to paying fair and competitive wages to its employees. To ensure this, Qt carries out an annual wage survey in which Qt's wage level is compared with market data and the wage levels are reviewed and, if necessary, modified on a role-specific basis.

### Social dialogue (employee satisfaction)
Qt conducts a job satisfaction survey annually. The results are discussed in the Group Management Team and unit-specific management teams. Action plans are drawn up on the basis of the results at all levels of the organization, including team-specific action plans. From 2025 onwards, in addition to the annual survey, more frequent pulse surveys will be carried out to obtain more up-to-date feedback from employees.

### Health and safety
In each of Qt's operating countries, Qt's employees have access to either occupational health services or insurance and early intervention model. In addition, employees also have access to separate mental health services in some of the operating countries. Qt has recognized that employees do not have enough information about the available services. With this in mind, managers at Qt will be provided training in 2025 on the tools available for supporting mental health. The aim is also to extend the good practices of mental health services to all of Qt's operating countries. In order to identify mental health problems in a timely manner, Qt's occupational health care services in Finland use, among other things, a separate health examination related to work and mental health as well as tripartite negotiations with the employee, the manager and an occupational health nurse or psychologist.

### Gender equality and equal pay
To promote equal pay, Qt updated its career framework in 2023. The framework specifies the skills required for each task and the remuneration for each task. The aim is to provide a transparent framework for career development and remuneration. In 2024, Qt also started preparing for the implementation of the EU's Pay Transparency Directive.

### Training and skills development
In order to support the competence and career development of employees, a development discussion is held once a year for each employee. The discussions assess the employee's current role as well as career development goals and opportunities. In addition to the development discussions, the aim is to maintain active dialogue between the manager and the employee. To support the career development of managers, the first version of the career path was implemented in 2023 in Finland. The next version of the career path began to be expanded to different countries in 2024. Employees also have access to training material on the Qurious learning platform. Qurious was established in 2023, and new courses are added regularly.

### Employee diversity
Employee diversity in its broad definition has been identified as one of Qt's material opportunities. Concrete further specifications and measures are planned for 2025.

### Measures against violence and harassment in the workplace
Qt has not taken or planned any particular measures against violence or harassment due to the low number of incidents and reports. All reports (1 in 2024) are appropriately processed and addressed on a case-by-case basis. Thus far, Qt has not recognized a need for structural measures.

### Employee data protection
Aside from continuous processes, Qt does not have separate measures for the development of data protection. The situation will be reviewed in 2025 and new measures will be planned if necessary.

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

Qt has not set measurable, result-oriented targets regarding the management of material impacts, risks and opportunities related to its own workforce. The aim is to set the targets in accordance with the minimum information requirements by the end of 2026, and the setting of relevant targets will be assessed separately for each material impact, risk and opportunity.

However, Qt monitors the impacts, risks and opportunities related to its own workforce in different ways.

| Material sustainability topic | Monitoring | Target level | Base period for monitoring |
|---|---|---|---|
| **Secure employment** | ▪ Employee turnover in relation to the industry trend<br>▪ Internal tool | - | Monthly |
| **Work-life balance** | ▪ Weekly working hours recorded in employment contracts<br>▪ Up-to-date working time monitoring and process in some operating countries<br>▪ Process for handling the results of the job satisfaction survey | Local legislation regarding working hours | Working time monitoring on a country-specific basis<br>Annual job satisfaction survey |
| **Adequate wages** | ▪ A wage survey in which Qt's wage level is compared with market data and the wage levels are reviewed and, if necessary, modified on a role-specific basis | All employees (100%) are already paid adequate wages. | Annually |
| **Social dialogue** | ▪ Job satisfaction survey<br>(General satisfaction index as a guiding reference) | - | Annually |
| **Health and safety** | ▪ Early support model in every country<br>▪ Country-specific monitoring based on occupational health and/or insurance reports | Trends, local legislation | Annually |
| **Gender equality and equal pay for equal work** | - | - | - |
| **Training and skills development** | ▪ Data on the Qurious training platform (e.g. course completion rate by country and unit)<br>▪ Job satisfaction survey | We monitor trends and the completion rate of mandatory courses, such as the course on the Code of Conduct and the Security training course. | Real-time data from Qurious, annual job satisfaction survey. |
| **Measures against violence and harassment in the workplace** | ▪ Whistleblower reports | - | - |
| **Diversity** | ▪ Internal promotions and transfers (internal tool) | - | Continuous monitoring |
| **Privacy** | ▪ Monitoring of e-mails/notifications sent regarding concerns about the employee's personal data | Legislation | Continuous monitoring |

## S1-6
## Characteristics of the undertaking's employees

### EMPLOYEES BY REGION

| Region | Number of employees* |
|---|---|
| EMEA | 564 |
| North America | 120 |
| APAC | 151 |
| **Total** | **834** |

* Number of employees as the average for the reporting period (number of employees on the last day of each month in 2024, added up and divided by 12). The average number of employees in each region is rounded to a whole number. Consequently, the total sum does not correlate directly to the average number of all employees.

### NUMBER OF EMPLOYEES BY CONTRACT TYPE AND GENDER

| Employment type | Female | Male | Other | Not reported | Total |
|---|---|---|---|---|---|
| Employees | 184 | 649 | 1 | 0 | 834 |
| Permanent employees | 181* | 610* | 1* | 0 | 765 |
| Temporary employees | 20* | 50* | 0 | 0 | 65 |
| Non-guaranteed hours employees** | 4* | 3* | 0 | 0 | 6 |

* Head count on December 31, 2024. Other figures are based on the number of employees as the average for the reporting period (number of employees on the last day of each month in 2024, added up and divided by 12).
** No minimum or fixed number of working hours in the contract.

### EMPLOYEES BY COUNTRY*

| Country | Number of employees** |
|---|---|
| Finland | 259 |
| Germany | 206 |
| United States | 120 |

* Countries in which Qt Group has at least 10% of its total number of employees.
** Average number of employees for the reporting period.

### EMPLOYEE TURNOVER

| | |
|---|---|
| Total number of employees who have left the company* | 92 |
| Employee turnover**, % | 11% |

* The aggregate number of employees who left Qt in 2024 voluntarily or due to dismissal, retirement, or death in service.
** Number of employees who left the company in 2024 divided by the number of employees for the reporting period (average).

## S1-9
## Diversity metrics

**AGE DISTRIBUTION OF EMPLOYEES**

| | Under 30 years old | 30–50 years old | Over 50 years old | All |
|---|---|---|---|---|
| **Number of employees*** | 131 | 603 | 135 | 869 |
| **%** | 15% | 69% | 16% | 100% |

* The figures are calculated from the situation on 31 December 2024.

The gender distribution of senior management is reported on page 20.

## S1-10
## Adequate wages

Qt pays adequate wages to all its employees. The wages of employees in all of Qt's operating countries have been compared to either the country's minimum wage level or the minimum wage specified in the applicable collective agreement if a national minimum wage has not been established. If the minimum wage varies within the country, the highest minimum wage level is used as the reference value.

## S1-14
## Health and safety metrics

| | Employees |
|---|---|
| Percentage of employees covered by health and safety management system*, % | 100% |
| Number of fatalities as a result of work-related injuries and work-related ill health | 0 |
| Number of recordable work-related accidents (including fatalities) | 9 |
| Recordable work-related accidents per one million hours worked | 6.3 |
| The number of days lost to work-related injuries and fatalities from work-related accidents, work-related ill health and fatalities from ill health | 0 |

* Systems that are based on legal requirements and/or recognized standards.

In addition to employees, Qt's own workforce only includes a small number of freelancers or temporary agency workers. The relevant information on these individuals is not available.

## S1-16
## Remuneration metrics

| | Employees |
|---|---|
| Gender pay gap among employees*, % | 17.2 |
| Total annual earnings ratio** | 6.5 |

* Average gross annual salary of men – average gross annual salary of women, divided by the average gross annual salary of men x 100. Includes part-time employees, temporary employees and trainees. The hourly wages of temporary employees have been converted into annual salaries.

** The ratio between the total annual earnings of the company's top earner and the median total annual earnings of employees. Basic salary, bonuses and part of fringe benefits are included.

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

**NUMBER OF COMPLAINTS RELATED TO OWN WORKFORCE**

| Type | Total number of reports* |
|---|---|
| Incidents of discrimination and harassment reported in 2024 | 1 |
| Complaints made in 2024 related to, for example, working conditions and terms of employment, equal treatment and equal opportunities for all, or other work-related rights (child labor, forced labor, privacy) | 0 |
| Reports made to the National Contact Points for OECD Multinational Enterprises, where applicable | 0 |
| The total amount of fines, penalties, and compensation for damages as a result of the reported incidents and complaints | 0 |
| The number of severe human rights violations and incidents connected to the company's own workforce | 0 |
| The total amount of fines, penalties and compensation for damages relating to incidents of discrimination and harassment | 0 |
| **Total** | **1** |

* Reports have been received only through Qt's anonymous whistleblowing channel.

# Workers in the Value Chain (S2)

## Disclosure Requirement related to SBM-3 – Material impacts, risks and opportunities and their interaction with strategy and business model

At Qt, workers in the value chain refer to external consultants acting as employees of consulting companies who work remotely, and occasionally at Qt's offices or at the end customer's office, but who do not belong to the company's own workforce, i.e. who are not self-employed persons or temporary agency workers. Qt signs agreements with the employers of the consultants. In 2024, a cooperation agreement was signed with approximately 15 service provider companies.

The workers in the value chain who work as consultants do not involve a significant risk of child labor or forced labor. The consultants are highly educated and/or specialists engaged in demanding expert duties.

With regard to consultants, challenges related to occupational health and safety, particularly from the perspective of mental health, were identified as a material potential negative impact. These impacts have not been identified as widespread or systemic. Rather, they are related to individual incidents. In time- and material-based contracts, the working time of consultants is limited to a maximum of eight hours per day. The aim is to avoid placing an excessive burden on consultants. In addition, the external consultants have the right to take days off and national holidays, which must be planned and confirmed in advance. For other types of contracts, the consultants have the opportunity to organize their working time more flexibly. Aside from these mechanisms and regular dialogue with consultants, Qt has not taken particular measures to manage its impacts on the health and safety of consultants.

Qt has identified sustainable working conditions as a material positive impact related to consultants. Qt provides consultants with a flexible working environment, i.e. opportunities for hybrid and remote work. In-office work is required to some extent, but these requirements are agreed upon before the contract is signed, and separately with the customer during the project.

Material financial risks or opportunities related to workers in the value chain have not been identified.

No separate groups have been identified among consultants who are particularly vulnerable from the perspective of occupational health and safety, or who are subject to more positive impacts than other groups.

## S2-1
## Policies related to value chain workers

Qt's Code of Conduct guides the impacts on external consultants as regards health and safety and sustainable working conditions. Service providers are required to commit to the Code of Conduct. For contracts lasting longer than one month, consultants are required to complete training on the Code of Conduct. Qt monitors the percentage of consultants who have completed the training. More information on the Code of Conduct is provided in section G1 Business conduct.

Framework agreement concluded with the service providers requires service providers to commit to respecting human rights and looking after the health and safety of their employees. The contracts are negotiable with regard to the start date, planned days off and national holidays, for example. In-office work is usually agreed upon in advance with the service provider. The service provider company represents external consultants in their negotiations and is ultimately responsible for bringing up their views. Qt's project managers engage in discussions with the consultants regularly: on a weekly basis, every two weeks or every two months at a minimum. Procurement specialists engage in discussions with the manager representing the service provider at least once a month. The signing of framework agreements is the responsibility of the director in charge of professional services and a procurement specialist.

Qt aims to primarily prevent its negative impacts and to engage in continuous dialogue with consultants. The consultants' primary point of contact regarding health-related problems or other problems is their own employer. Consultants can also submit anonymous reports if they observe any violations of Qt's Code of Conduct. In addition, both the service provider company (the consultant's employer) and Qt have the opportunity to terminate the contract if its terms are violated.

The impacts related to workers in the value chain are guided by the Qt Group's Code of Conduct. The Code of Conduct is discussed in more detail in section G1-1 – Corporate culture and business conduct policies and corporate culture.

Qt has not received any reports of incidents of non-compliance with 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.

## S2-2
## Processes for engaging with value chain workers about impacts

Qt communicates with external consultants in many ways. The terms of the work performed (including pricing, start dates and terms of payment) are negotiated between Qt and the employers of the external consultants. Qt's project manager has monitoring meetings with external consultants on a weekly basis, while the procurement specialist has similar meetings with a consulting representative on a monthly and quarterly basis. In the meetings, the participants review feedback from the consultants regarding the personnel and projects. Qt's representatives discuss these matters with the suppliers' primary contact people. Qt's procurement specialist acts as the primary contact person for the suppliers. The meetings also aim to find ways to resolve any problems. The occupational health of the consultants is the responsibility of their employer.

In Qt's Professional Services unit, project managers report to area directors, and area directors report to the head of the Professional Services unit. For suppliers operating under service partner contracts, the effectiveness of the cooperation and satisfaction are assessed in monthly and quarterly monitoring meetings between the Professional Services business unit's team and the suppliers.

## S2-3
## Processes to remediate negative impacts and channels for value chain workers to raise concerns

Consultants are required to complete a training on Qt's Code of Conduct, when the contract extends beyond one month. If the contract lasts longer than one year, the training must be repeated. As part of the course, consultants also receive information on the whistleblowing channel, which they can also use to report misconduct or shortcomings anonymously. At the end of 2024, 79 percent of the external consultants in the Professional Services unit had completed ISO27001 compliance training, which includes a module on Qt's Code of Conduct.

Topics including views highlighted by consultants are discussed in weekly meetings and in management meetings held at two-week and one-month intervals in the Professional Services unit. The agenda of these meetings includes project situation reviews, resource allocation, and other matters related to subcontracting.

## S2-4
## Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those actions

Aside from supplier agreements and terms of contract concerning working time, for example, Qt has not implemented and is not planning to implement any other particular measures relating to the health of external consultants. No separate resources have been allocated to managing negative impacts (mental health) related to consultants, because the impacts have been assessed to be potential rather than actual, and they are neither severe nor extensive in scale.

Qt has not identified any material business risks related to workers in the value chain. No serious human rights violations have been reported in relation to Qt's value chain.

## S2-5
## Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

Qt has not set any targets related to the impacts on the health of external consultants, nor is the company planning to set such targets for the time being. Setting result-oriented targets is challenging, as Qt does not have visibility into the consultants' occupational health due to privacy regulations. However, Qt requires the service provider to commit to respecting human rights and looking after the health and safety of its employees. Consultants can raise concerns through the whistleblowing channel. In 2024, no reports were received.

# Governance Information

## G1 Business Conduct

### G1–1
### Corporate culture and business conduct policies and corporate culture

Qt’s Code of Conduct lays the foundation for Qt’s entire business culture. The Code of Conduct applies to all Qt Group employees, subcontractors, vendors and partners in all geographical regions. The Code of Conduct consists of five principles: "We do the right thing", "We create a positive working environment", "We avoid conflicts of interest", "We protect our data, assets and reputation", and "We act on concerns and violations".

In its Code of Conduct, the Qt Group commits to conducting its business with honesty, complying with all applicable laws and ethical principles. Corruption and bribery are prohibited, and the company complies with applicable and statutory environmental regulations, taking into account the nature of the business. Qt Group is also committed to creating a working environment where all employees are treated with respect and where healthy work-life balance is encouraged. The company guarantees equal opportunities for career development regardless of the employee’s background. Discrimination or harassment in any form is not tolerated. In order to avoid conflicts of interest, personal relationships must not influence business decisions, and employees are not entitled to use their position for personal gain. Business gifts can be accepted only if they are reasonable, such as business lunches, and do not create conflicts of interest. The Qt Group complies with data protection legislation and accounting legislation and ensures the reliability of its financial reporting. The company complies with regulations and ethical standards in all of its communications.

The Code of Conduct is linked to all of Qt's impacts, risks and opportunities related to business conduct. The business culture was identified as both a potential negative and positive impact as well as a risk and an opportunity. The Code of Conduct also relates to deficiencies in awareness related to the prevention of corruption and bribery and incidents of corruption and bribery, which have been identified as potential negative impacts. Training on the prevention of corruption and bribery, which is also part of the Code of Conduct, was also identified as a positive impact. In addition, Qt has a separate Anti-Bribery and Corruption Policy, the aim of which is to ensure that Qt Group and its subsidiaries around the world comply with all anti-bribery and anti-corruption laws in their respective countries. Qt has zero tolerance for all business practices that are indicative of corruption or bribery. This policy applies to all employees, subcontractors, partners and other parties with whom Qt operates. In 2025, Qt plans to review its Anti-Bribery and Corruption policy in relation to the UN convention and, if necessary, refine the policy so that it is in line with the UN convention.

The Code of Conduct is connected to the following material impacts, risks and opportunities related to the company's own workforce: work-life balance, social dialogue (job satisfaction), health and safety, gender equality and equal pay, measures against violence and harassment, and the diversity of the personnel. All employees receive training on the Code of Conduct as part of their orientation. From 2025 onwards, the training will be an annual requirement for employees. Qt monitors the percentage of employees who have completed the training, and the target is for all employees to have completed the training.

Qt’s Code of Conduct also guides the impacts on workers in the value chain, meaning external consultants, as regards health and safety and sustainable working conditions. Qt monitors the percentage of consultants who have completed the Code of Conduct training.

Data protection, which has been identified as a risk and a positive impact for Qt, is also an integral part of the Code of Conduct.

The Code of Conduct is based on the UN Guiding Principles on Business and Human Rights and the ILO Declaration on Fundamental Principles and Rights at Work. The Group's CFO, Senior Vice President, People & Culture, and the General Counsel review the Code of Conduct annually. The CEO approves the Code of Conduct and is responsible for the implementation of the Code of Conduct.

Qt also has a Human Rights Policy that applies to all of Qt's stakeholders and supplements the Code of Conduct. The Human Rights Policy states that Qt takes appropriate measures to avoid the exploitation of people via forced labor, human trafficking, and child labor. The Human Rights Policy will be integrated into Qt's Code of Conduct in 2025.

All of Qt's stakeholders have the opportunity to use the whistleblowing channel to anonymously report any observed violations of the Code of Conduct, such as corruption or bribery, the gray economy or other legal non-compliance. Qt has not separately determined the internal functions that are the most vulnerable to corruption and bribery.

Whistleblower reports are submitted via a service maintained by a third party, in which the whistleblower is provided with an anonymous username and password. Information on the channel is provided as part of the training on the Code of Conduct, which is mandatory for employees and external consultants working in customer projects. The channel is public, which means that anyone involved with Qt can use it to report misconduct.

All reports received via the anonymous whistleblowing channel are taken into processing within seven days, and the whistleblower receives a response within 30 days, as required by law. Reports submitted via the whistleblowing channel are accessible only to the Group's CFOs, General Counsel and Senior Vice President, People & Culture. If necessary, they have the right to discuss the content of the report and the consequences to be decided on with the company's CEO, Management Team, members of the Board of Directors and other parties deemed necessary by the specified persons. Compliance with labor legislation is monitored in the EU countries by legally required employee representatives, to whom employees can report misconduct. Violations of Qt's Code of Conduct can be reported via the anonymous whistleblowing channel and to the HR business partner in each business unit. All security-related violations, such as phishing attempts, are advised by Qt to be reported by email to security@qt.io.

## Corporate culture development project

Qt launched a corporate culture development project in summer 2024 with the aim of clarifying the direction in which Qt's corporate culture is to be developed in line with the company's business strategy. The goal of the culture development project is to find a shared view of the current culture and employee experience. As a result of the project, in 2025, Qt will introduce a culture handbook that provides guidelines for day-to-day work in the Qt Group. The project included group discussions on Qt's corporate culture. The discussions were open to all Qt employees. In addition, separate workshops were organized for Qt's Management Team on the key characteristics of the corporate culture to be pursued.

## Targets and metrics

Qt monitors the percentage of employees and suppliers who have completed training on the Code of Conduct and the number of reports received via the anonymous whistleblowing channel.

The target is for 100 percent of employees and new suppliers to have completed the training by 2026. For technical system reasons, it is currently almost impossible to achieve 100 percent coverage. Qt intends to develop the tool and the calculation boundaries in order to make the target relevant.

In 2024, 84 percent of employees and 79 percent of external consultants had completed the Code of Conduct training.

## G1–2
## Management of relationships with suppliers

At Qt, the primary term of payment for all purchase invoices is 30 days (net). Invoices are paid on the due date without delay, provided that they have been approved by the appropriate employees, are valid, and have been sent to the company in accordance with the relevant instructions.

External consultants operating in customer projects are required to complete ISO27001 training, which includes a module on Qt's Code of Conduct. Qt has not yet established requirements for suppliers relating to sustainability topics.

## G1–3
## Prevention and detection of corruption and bribery

To prevent allegations or incidents of corruption and bribery, all Qt employees and external consultants working in customer projects complete a section on the prevention of corruption and bribery as part of the training on the Code of Conduct. The whistleblowing practice is applied in the detection and processing of incidents of corruption and bribery. Corruption and bribery are also addressed as part of the training on the Code of Conduct, which is mandatory for employees and external consultants. In addition, the Code of Conduct is incorporated into supplier agreements concerning customer projects. All members of the Management Team and the Board of Directors are required to complete training on the Code of Conduct.

If the persons designated to process whistleblower reports are identified as being parties to the incident which the whistleblower report concerns, they may be disqualified from its processing as necessary. The incidents are reported to the Board of Directors as part of financial statements information. The reporting to the Board of Directors concerns the number of incidents leading to an investigation by the public authorities. Qt has not separately determined functions-at-risk with regard to corruption and bribery.

## G1–4
## Confirmed incidents of corruption or bribery

Qt has not been subject to any convictions or fines for violation of anti-corruption and anti-bribery laws, and has therefore not had to implement any remedies. The existing preventive processes, such as contracts and trainings, have been sufficient.

# Data protection

## Policies related to data protection

Data protection is an integral part of Qt's Code of Conduct. The Code of Conduct applies to all Qt Group employees, subcontractors, vendors and partners in all geographical regions. More information on the Code of Conduct is provided in section G1 Business conduct.

Qt also has a separate Privacy Policy, the main purpose of which is to protect and manage the personal data of users collected in connection with the use of Qt's websites, products and services. Qt Group is committed to protecting the privacy of its users, those visiting the Qt Group's web pages, and people interacting with the Qt Group. Any personal data processed by Qt Group through its web pages or related to the downloading or use of the products or services of Qt Group is processed only pursuant to applicable data protection legislation. The Privacy Policy relates to data protection, which has been identified as a positive impact and a risk, but it does not apply to employee or recruitment data, which are subject to a separate privacy policy (see section S1 Own workforce).

The Privacy Policy is approved by Qt's Management Team and CEO, who are also the most senior level in the organization that is accountable for the implementation the policy. The Privacy Policy is aligned with the ISO 27001 information security management standard and the ISO 9001 quality management standard, and it is publicly available on Qt's website.

## Actions and resources in relation to data protection

Qt Group was granted the ISO 27001 information security management certificate in 2024. During 2024, Qt also adapted its operations in response to the requirements of the European Union's Network and Information Security Directive (NIS2).

Qt Group offers a comprehensive range of IT and information security training courses that support the development of employee competence, ethical operations and information security in accordance with the ISO 27001 standard. The courses are part of the company's commitment to a strong information security culture and data protection.

**Mandatory training courses:**

- Information security awareness training: An annual program that is mandatory for all employees and external consultants to increase understanding of information security risks and best practices, such as identifying and reporting phishing, malware and social engineering.
- Data protection training: Interactive training aimed at employees. Through practical examples, the participants learn how to respond to data protection challenges. The course is completed as part of orientation training.
- Information security training: An interactive course aimed at employees. Covers information security challenges, such as scam messages. The course is completed as part of orientation training.
- Training on IT and information security practices: Contains up-to-date IT and information security policies and practices, which are also available on the intranet. A mandatory annual course for all employees and external consultants (contracts lasting over one month) that ensures that the participants are familiar with new practices and supports compliance with ISO 27001 requirements.

**Voluntary training courses:**

- How to use AI successfully? A course aimed at employees that provides the opportunity to learn about the use of AI in business.

The aim of the training courses is to increase the employees' knowledge of information security threats, promote a security-aware organizational culture and reduce risks related to information security. The courses also support regulatory compliance and the effective implementation of information security processes in the organization.

The training courses strengthen the employees' capacity to comply with the company's data protection and information security policies, which are an integral part of the Qt Group's operations and ISO 27001-compliant management system.

The resources allocated to the actions mainly consist of human resources and involve various individuals, including an information security specialist, legal specialist and the director in charge of information management and IT operations. In addition, resources have been allocated to required tooling, such as a system for management of ISO standard related information.

### Metrics in relation to data protection

Qt monitors and measures the company-wide completion rate of two information security related trainings. The metric is internally created and internally monitored, and the measurement has not been validated by an external party.

Share of employees who completed mandatory training courses in 2024

- Information security awareness training 89%
- Training on IT and information security policies and practices 71%

The number of employees who have completed the course in proportion to people employed on 31 December 2024.

### Targets related to data protection

Qt has set a 100 percent completion rate target for training courses related to information security and data protection by the end of 2026.

During 2025, Qt will develop the e-learning platform, in which new company-wide information security trainings will be added. At the same time, the data collected by the learning platform is improved and the monitoring of the achievement of the goal is developed. In 2024, target monitoring only covers Qt employees, but Qt's aim is to monitor the completion rates of external consultants separately starting from 2026.

The target has been set internally, and stakeholders have not been engaged in the process.

## List of data points in cross-cutting and topical standards that derive from other EU legislation

| Disclosure Requirement and related datapoint | SFDR reference | Pillar 3 reference | Benchmark Regulation reference | EU Climate Law reference | Material to Qt | Page number |
|---|---|---|---|---|---|---|
| **ESRS 2 GOV-1** Board's gender diversity paragraph 21 (d) | Indicator number 13 of Table #1 of Annex 1 | | Commission Delegated Regulation (EU) 2020/1816 ([27]), Annex II | | Yes | 20 |
| **ESRS 2 GOV-1** Percentage of board members who are independent paragraph 21 (e) | | | Delegated Regulation (EU) 2020/1816, Annex II | | Yes | 19 |
| **ESRS 2 GOV-4** Statement on due diligence paragraph 30 | Indicator number 10 of Table #3 of Annex 1 | | | | Yes | 21 |
| **ESRS 2 SBM-1** Involvement in activities related to fossil fuel activities paragraph 40 (d) i | Indicator number 4 of Table #1 of Annex 1 | Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 ([28])Table 1: Qualitative information on Environmental risk and Table 2: Qualitative information on Social risk | Delegated Regulation (EU) 2020/1816, Annex II | | Not material | |
| **ESRS 2 SBM-1** Involvement in activities related to chemical production paragraph 40 (d) ii | Indicator number 9 of Table #2 of Annex 1 | | Delegated Regulation (EU) 2020/1816, Annex II | | Not material | |
| **ESRS 2 SBM-1** Involvement in activities related to controversial weapons paragraph 40 (d) iii | Indicator number 14 of Table #1 of Annex 1 | | Delegated Regulation ( EU) 2020/1818 ([29]), Article 12([1]) Delegated Regulation (EU) 2020/1816, Annex II | | Not material | |
| **ESRS 2 SBM-1** Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv | | | Delegated Regulation (EU) 2020/1818, Article 12([1]) Delegated Regulation (EU) 2020/1816, Annex II | | Not material | |

| Disclosure Requirement and related datapoint | SFDR reference | Pillar 3 reference | Benchmark Regulation reference | EU Climate Law reference | Material to Qt | Page number |
|---|---|---|---|---|---|---|
| **ESRS E1-1** Transition plan to reach climate neutrality by 2050 paragraph 14 | | | | Regulation (EU) 2021/1119, Article 2(1) | Not material | |
| **ESRS E1-1** Undertakings excluded from Paris-aligned Benchmarks paragraph 16 (g) | | Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book-Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity | Delegated Regulation (EU) 2020/1818, Article12.1 (d) to (g), and Article 12.2 | | Not material | |
| **ESRS E1-4** GHG emission reduction targets paragraph 34 | Indicator number 4 of Table #2 of Annex 1 | Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics | Delegated Regulation (EU) 2020/1818, Article 6 | | Not material | |
| **ESRS E1-5** Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) paragraph 38 | Indicator number 5 of Table #1 and Indicator n. 5 of Table #2 of Annex 1 | | | | Not material | |
| **ESRS E1-5** Energy consumption and mix paragraph 37 | Indicator number 5 of Table #1 of Annex 1 | | | | Not material | |
| **ESRS E1-5** Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43 | Indicator number 6 of Table #1 of Annex 1 | | | | Not material | |

| Disclosure Requirement and related datapoint | SFDR reference | Pillar 3 reference | Benchmark Regulation reference | EU Climate Law reference | Material to Qt | Page number |
|---|---|---|---|---|---|---|
| **ESRS E1-6** Gross Scope 1, 2, 3 and Total GHG emissions paragraph 44 | Indicators number 1 and 2 of Table #1 of Annex 1 | Article 449a; Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity | Delegated Regulation (EU) 2020/1818, Article 5(1), 6 and 8(1) | | Not material | |
| **ESRS E1-6** Gross GHG emissions intensity paragraphs 53 to 55 | Indicators number 3 of Table #1 of Annex 1 | Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics | Delegated Regulation (EU) 2020/1818, Article 8(1) | | Not material | |
| **ESRS E1-7** GHG removals and carbon credits paragraph 56 | | | | Regulation (EU) 2021/1119, Article 2(1) | Not material | |
| **ESRS E1-9** Exposure of the benchmark portfolio to climate-related physical risks paragraph 66 | | | Delegated Regulation (EU) 2020/1818, Annex II Delegated Regulation (EU) 2020/1816, Annex II | | Not material | |
| **ESRS E1-9** Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a)<br><br>**ESRS E1-9** Location of significant assets at material physical risk paragraph 66 (c). | | Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraphs 46 and 47; Template 5: Banking book - Climate change physical risk: Exposures subject to physical risk | | | Not material | |
| **ESRS E1-9** Breakdown of the carrying value of its real estate assets by energy-efficiency classes paragraph 67 (c). | | Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraph 34; Template 2: Banking book -Climate change transition risk: Loans collateralized by immovable property - Energy efficiency of the collateral | | | Not material | |

| Disclosure Requirement and related datapoint | SFDR reference | Pillar 3 reference | Benchmark Regulation reference | EU Climate Law reference | Material to Qt | Page number |
|---|---|---|---|---|---|---|
| **ESRS E1-9** Degree of exposure of the portfolio to climate-related opportunities paragraph 69 | | | Delegated Regulation (EU) 2020/1818, Annex II | | Not material | |
| **ESRS E2-4** Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28 | Indicator number 8 of Table #1 of Annex 1 Indicator number 2 of Table #2 of Annex 1 Indicator number 1 of Table #2 of Annex 1 Indicator number 3 of Table #2 of Annex 1 | | | | Not material | |
| **ESRS E3-1** Water and marine resources paragraph 9 | Indicator number 7 of Table #2 of Annex 1 | | | | Not material | |
| **ESRS E3-1** Dedicated policy paragraph 13 | Indicator number 8 of Table 2 of Annex 1 | | | | Not material | |
| **ESRS E3-1** Sustainable oceans and seas paragraph 14 | Indicator number 12 of Table #2 of Annex 1 | | | | Not material | |
| **ESRS E3-4** Total water recycled and reused paragraph 28 (c) | Indicator number 6.2 of Table #2 of Annex 1 | | | | Not material | |
| **ESRS E3-4** Total water consumption in $m^3$ per net revenue on own operations paragraph 29 | Indicator number 6.1 of Table #2 of Annex 1 | | | | Not material | |
| **ESRS 2 – IRO-1 – E4** 1 - E4 paragraph 16 (a) i | Indicator number 7 of Table #1 of Annex 1 | | | | Not material | |
| **ESRS 2 – IRO-1 – E4** 1 - E4 paragraph 16 (b) | Indicator number 10 of Table #2 of Annex 1 | | | | Not material | |

| Disclosure Requirement and related datapoint | SFDR reference | Pillar 3 reference | Benchmark Regulation reference | EU Climate Law reference | Material to Qt | Page number |
|---|---|---|---|---|---|---|
| **ESRS 2 – IRO-1 – E4**<br>1 - E4<br>paragraph 16 (c) | Indicator number 14 of Table #2 of Annex 1 | | | | Not material | |
| **ESRS E4-2**<br>Sustainable land/ agriculture practices or policies paragraph 24 (b) | Indicator number 11 of Table #2 of Annex 1 | | | | Not material | |
| **ESRS E4-2**<br>Sustainable oceans/ seas practices or policies paragraph 24 (c) | Indicator number 12 of Table #2 of Annex 1 | | | | Not material | |
| **ESRS E4-2**<br>Policies to address deforestation paragraph 24 (d) | Indicator number 15 of Table #2 of Annex 1 | | | | Not material | |
| **ESRS E5-5**<br>Non-recycled waste paragraph 37 (d) | Indicator number 13 of Table #2 of Annex 1 | | | | Not material | |
| **ESRS E5-5**<br>Hazardous waste and radioactive waste paragraph 39 | LIndicator number 9 of Table #1 of Annex 1 | | | | Not material | |
| **ESRS 2 – SBM-3 – S1**<br>Risk of incidents of forced labour paragraph 14 (f) | Indicator number 13 of Table #3 of Annex I | | | | Yes | 37 |
| **ESRS 2 – SBM-3 – S1**<br>Risk of incidents of child labour paragraph 14 (g) | Indicator number 12 of Table #3 of Annex I | | | | Yes | 37 |
| **ESRS S1-1**<br>Human rights policy commitments paragraph 20 | Indicator number 9 of Table #3 and Indicator number 11 of Table #1 of Annex I | | | | Yes | 48, 49 |

| Disclosure Requirement and related datapoint | SFDR reference | Pillar 3 reference | Benchmark Regulation reference | EU Climate Law reference | Material to Qt | Page number |
|---|---|---|---|---|---|---|
| **ESRS S1-1** Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 21 | | | | Delegated Regulation (EU) 2020/1816, Annex II | Yes | 38, 49 |
| **ESRS S1-1** Processes and measures for preventing trafficking in human beings paragraph 22 | Indicator number 11 of Table #3 of Annex I | | | | Yes | 49 |
| **ESRS S1-1** Workplace accident prevention policy or management system paragraph 23 | Indicator number 1 of Table #3 of Annex I | | | | Yes | 44, 48 |
| **ESRS S1-3** Grievance/complaints handling mechanisms paragraph 32 (c) | Indicator number 5 of Table #3 of Annex I | | | | Yes | 39 |
| **ESRS S1-14** Number of fatalities and number and rate of work-related accidents paragraph 88 (b) and (c) | Indicator number 2 of Table #3 of Annex I | | | Delegated Regulation (EU) 2020/1816, Annex II | Yes | 44 |
| **ESRS S1-14** Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e) | Indicator number 3 of Table #3 of Annex I | | | | Yes | 44 |
| **ESRS S1-16** Unadjusted gender pay gap paragraph 97 (a) | Indicator number 12 of Table #1 of Annex I | | | Delegated Regulation (EU) 2020/1816, Annex II | Yes | 44 |
| **ESRS S1-16** Excessive CEO pay ratio paragraph 97 (b) | Indicator number 8 of Table #3 of Annex I | | | | Yes | 44 |

| Disclosure Requirement and related datapoint | SFDR reference | Pillar 3 reference | Benchmark Regulation reference | EU Climate Law reference | Material to Qt | Page number |
|---|---|---|---|---|---|---|
| **ESRS S1-17** Incidents of discrimination paragraph 103 (a) | Indicator number 7 of Table #3 of Annex I | | | | Yes | 44 |
| **ESRS S1-17** Non-respect of UNGPs on Business and Human Rights and OECD paragraph 104 (a) | Indicator number 10 of Table #1 and Indicator n. 14 of Table #3 of Annex I | | | Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818 Art 12 (1) | Yes | 44 |
| **ESRS 2 – SBM-3 – S2** Significant risk of child labour or forced labour in the value chain paragraph 11 (b) | Indicators number 12 and n. 13 of Table #3 of Annex I | | | | Yes | 45 |
| **ESRS S2-1** Human rights policy commitments paragraph 17 | Indicator number 9 of Table #3 and Indicator n. 11 of Table #1 of Annex 1 | | | | Yes | 48, 49 |
| **ESRS S2-1** Policies related to value chain workers paragraph 18 | Indicator number 11 and n. 4 Table #3 of Annex 1 | | | | Yes | 45, 46, 48, 49 |
| **ESRS S2-1** Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines paragraph 19 | Indicator number 10 of Table #1 of Annex 1 | | | Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1) | Yes | 48, 49 |
| **ESRS S2-1** Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 19 | | | | Delegated Regulation (EU) 2020/1816, Annex II | Yes | 48, 49 |

| Disclosure Requirement and related datapoint | SFDR reference | Pillar 3 reference | Benchmark Regulation reference | EU Climate Law reference | Material to Qt | Page number |
|---|---|---|---|---|---|---|
| **ESRS S2-4** Human rights issues and incidents connected to its upstream and downstream value chain paragraph 36 | LIndicator number 14 of Table #3 of Annex 1 | | | | Yes | 47 |
| **ESRS S3-1** Human rights policy commitments paragraph 16 | Indicator number 9 of Table #3 of Annex 1 and Indicator number 11 of Table #1 of Annex 1 | | | | Not material | |
| **ESRS S3-1** Non-respect of UNGPs on Business and Human Rights, ILO principles or and OECD guidelines paragraph 17 | Indicator number 10 of Table #1 of Annex 1 | | Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1) | | Not material | |
| **ESRS S3-4** Human rights issues and incidents paragraph 36 | Indicator number 14 of Table #3 of Annex 1 | | | | Not material | |
| **ESRS S4-1** Policies related to consumers and end-users paragraph 16 | Indicator number 9 of Table #3 and Indicator number 11 of Table #1 of Annex 1 | | | | Not material | |
| **ESRS S4-1** Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 17 | Indicator number 10 of Table #1 of Annex 1 | | Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1) | | Not material | |
| **ESRS S4-4** Human rights issues and incidents paragraph 35 | Indicator number 14 of Table #3 of Annex 1 | | | | Not material | |
| **ESRS G1-1** United Nations Convention against Corruption paragraph 10 (b) | Indicator number 15 of Table #3 of Annex 1 | | | | Yes | 48 |

| Disclosure Requirement and related datapoint | SFDR reference | Pillar 3 reference | Benchmark Regulation reference | EU Climate Law reference | Material to Qt | Page number |
|---|---|---|---|---|---|---|
| **ESRS G1-1** Protection of whistle-blowers paragraph 10 (d) | Indicator number 6 of Table #3 of Annex 1 | | | | Yes | 48 |
| **ESRS G1-4** Fines for violation of anti-corruption and anti-bribery laws paragraph 24 (a) | Indicator number 17 of Table #3 of Annex 1 | | | Delegated Regulation (EU) 2020/1816, Annex II) | Yes | 50 |
| **ESRS G1-4** Standards of anti-corruption and anti-bribery paragraph 24 (b) | Indicator number 16 of Table #3 of Annex 1 | | | | Yes | 50 |

| Code | Caption | Page |
|---|---|---|
| **General Disclosures** | | |
| **GENERAL DISCLOSURES (ESRS 2)** | | |
| **BP-1** | General basis for preparation of sustainability statements | **19** |
| **BP-2** | Disclosures in relation to specific circumstances | **19** |
| **GOV-1** | The role of the administrative, management and supervisory bodies | **19–20** |
| **GOV-2** | Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies | **20** |
| **GOV-3** | Integration of sustainability-related performance in incentive schemes | **21** |
| **GOV-4** | Statement on due diligence | **21** |
| **GOV-5** | Risk management and internal controls over sustainability reporting | **21** |
| **SBM-1** | Strategy, business model and value chain | **22** |
| **SBM-2** | Interests and views of stakeholders | **23–24** |
| **SBM 3** | Material impacts, risks and opportunities and their interaction with strategy and business model | **25, 37, 45** |
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# Consolidated income statement

| EUR thousand | Notes | 1 Jan–31 Dec 2024 | 1 Jan–31 Dec 2023 |
|---|---|---|---|
| **Net sales** | 2 | **209,063** | **180,743** |
| Other operating income | 3 | 20 | 356 |
| Materials and services | 4 | -3,920 | -4,544 |
| Personnel expenses | 5, 18, 22 | -98,022 | -87,739 |
| Depreciation, amortization and impairment | 7 | -11,456 | -11,191 |
| Other operating expenses | 8 | -32,515 | -30,277 |
| **Operating result** | | **63,169** | **47,349** |
| | | | |
| Financial income | 9 | 8,492 | 3,219 |
| Financial expenses | 9 | -1,303 | -5,747 |
| **Earnings before tax** | | **70,359** | **44,820** |
| | | | |
| Income taxes | 10 | -13,045 | -9,365 |
| **Net profit** | | **57,314** | **35,455** |
| | | | |
| Distribution of net profit: | | | |
| Parent company shareholders | | 57,314 | 35,455 |
| | | | |
| **Net profit attributable to parent company shareholders, earnings per share** | | | |
| Undiluted earnings per share (EUR/share) | 11 | 2.26 | 1.40 |
| Diluted earnings per share (EUR/share) | 11 | 2.26 | 1.39 |

## Consolidated statement of comprehensive income

| EUR thousand | Notes | 1 Jan–31 Dec 2024 | 1 Jan–31 Dec 2023 |
|---|---|---|---|
| **Other comprehensive income** | | | |
| **Items which may be reclassified subsequently to profit or loss** | | | |
| Translation difference | | -49 | -232 |
| **Total comprehensive income** | | **57,264** | **35,224** |
| | | | |
| Distribution of comprehensive income: | | | |
| **Parent company shareholders** | | **57,264** | **35,224** |

# Consolidated statement of financial position

## Assets

| EUR thousand | Notes | 31 Dec 2024 | 31 Dec 2023 |
|---|---|---|---|
| **Non-current assets** | | | |
| Goodwill | 12 | 44,370 | 44,370 |
| Other intangible assets | 12 | 39,159 | 47,197 |
| Tangible assets | 13 | 5,781 | 5,524 |
| Long-term receivables | | 129 | 51 |
| Contract assets | 2 | 3,250 | 6,257 |
| Deferred tax assets | 14 | 867 | 956 |
| **Total non-current assets** | | **93,556** | **104,356** |
| | | | |
| **Current assets** | | | |
| Trade receivables | 15 | 54,353 | 47,901 |
| Other receivables | 15 | 16,763 | 11,204 |
| Contract assets | 2 | 9,230 | 9,454 |
| Cash and cash equivalents | 16 | 64,861 | 33,595 |
| **Total current assets** | | **145,207** | **102,154** |
| | | | |
| **Total assets** | | **238,763** | **206,510** |

## Equity and liabilities

| EUR thousand | Notes | 31 Dec 2024 | 31 Dec 2023 |
|---|---|---|---|
| **Shareholders' equity** | | | |
| Share capital | 17 | 500 | 500 |
| Unrestricted shareholders' equity reserve | 17 | 54,769 | 54,769 |
| Own shares | 17 | -9,960 | -9,960 |
| Translation difference | 17 | 164 | 213 |
| Retained earnings | 17, 18 | 75,647 | 41,376 |
| Net profit | | 57,314 | 35,455 |
| **Total shareholders' equity** | | **178,433** | **122,353** |
| | | | |
| **Long-term liabilities** | | | |
| Deferred tax liabilities | 14 | 11,386 | 13,826 |
| Long-term interest-bearing liabilities | 20 | 2,199 | 2,001 |
| Other long-term liabilities | 19 | 5,654 | 11,325 |
| **Total long-term liabilities** | | **19,239** | **27,151** |
| | | | |
| **Short-term liabilities** | | | |
| Short-term interest-bearing liabilities | 19, 20 | 2,117 | 18,512 |
| Accounts payable | 19 | 2,275 | 2,249 |
| Other short-term liabilities | 19 | 36,699 | 36,244 |
| **Total short-term liabilities** | | **41,090** | **57,005** |
| | | | |
| **Total liabilities** | | **60,330** | **84,156** |
| | | | |
| **Shareholders' equity and liabilities** | | **238,763** | **206,510** |

# Consolidated cash flow statement

| EUR thousand | 1 Jan–31 Dec 2024 | 1 Jan–31 Dec 2023 |
|---|---|---|
| **Profit before taxes** | **70,359** | **44,820** |
| | | |
| Adjustments to net profit | | |
| Depreciation and amortization | 11,456 | 11,191 |
| Other adjustments | -7,712 | 1,929 |
| Change in working capital | | |
| Change in trade and other receivables | -9,845 | -10,806 |
| Change in accounts payable and other liabilities | 2,680 | 1,118 |
| Interest paid | -579 | -875 |
| Other financial items | 472 | 478 |
| Taxes paid | -13,168 | -7,813 |
| | | |
| **Cash flow from operations** | **53,663** | **40,041** |

| EUR thousand | 1 Jan–31 Dec 2024 | 1 Jan–31 Dec 2023 |
|---|---|---|
| Purchases of tangible and intangible assets | -1,255 | -807 |
| Payment for acquisition of subsidiary, net of cash acquired* | -3,278 | -4,086 |
| **Cash flow from investments** | **-4,533** | **-4,893** |
| | | |
| Change in lease liabilities | -2,330 | -2,179 |
| Share subscriptions based on stock options 2016 | - | 27 |
| Repayment of short-term borrowings | -16,000 | - |
| Repayment of long-term borrowings | - | -8,000 |
| **Cash flow from financing** | **-18,330** | **-10,152** |
| | | |
| **Change in cash and cash equivalents** | **30,800** | **24,996** |
| | | |
| **Cash and cash equivalents at beginning of period** | **33,595** | **8,815** |
| Net foreign exchange difference | 466 | -216 |
| **Cash and cash equivalents at end of period** | **64,861** | **33,595** |

* 2024 cash flow is affected by the payments from 2022 completed Axivion acquisition.

# Consolidated statement of changes in shareholders' equity

| EUR thousand | Share capital | Unrestricted shareholders' equity reserve | Own shares | Translation difference | Retained earnings | Total shareholders' equity |
|---|---|---|---|---|---|---|
| **Shareholders' equity 1 January 2023** | **500** | **54,742** | **-9,960** | **445** | **41,001** | **86,727** |
| Comprehensive income for the period | | | | | | |
| Net profit | - | - | - | - | 35,455 | 35,455 |
| Comprehensive income | - | - | - | -232 | - | -232 |
| Stock option program and equity incentive program | - | 27 | - | - | 376 | 403 |
| Issue of shares as consideration for a business acquisition | - | - | - | - | - | - |
| Issue of treasury shares | - | - | - | - | - | - |
| **Shareholders' equity 31 December 2023** | **500** | **54,769** | **-9,960** | **213** | **76,831** | **122,353** |
| | | | | | | |
| **Shareholders' equity 1 January 2024** | **500** | **54,769** | **-9,960** | **213** | **76,831** | **122,353** |
| Comprehensive income for the period | | | | | | |
| Net profit | - | - | - | - | 57,314 | 57,314 |
| Comprehensive income | - | - | - | -49 | - | -49 |
| Stock option program and equity incentive program | - | - | - | - | -1,184 | -1,184 |
| Issue of shares as consideration for a business acquisition | - | - | - | - | - | - |
| Issue of treasury shares | - | - | - | - | - | - |
| **Shareholders' equity 31 December 2024** | **500** | **54,769** | **-9,960** | **164** | **132,961** | **178,433** |

# Notes to the Consolidated Financial Statements

## Accounting policies applied in the consolidated financial statements

### Basic Information on the Group

Qt Group is a globally operating software company whose technology and tools enable enterprises to enhance the product development of mobile and desktop applications and smart devices through every stage of the process, from user interface design to software development, quality assurance and deployment. Qt Group's customers produce applications and smart devices in more than 70 industries in over 180 countries. Qt Group's strategy is focused on expanding its business and creating long-term growth opportunities. The company executes growth investments, particularly in R&D, sales, and the innovation of new solutions.

Qt has operating locations in Finland, Norway, Germany, United States, Japan, China, South Korea, France, United Kingdom and India. The Group had 869 employees at the end of 2024.

The company is listed on the Nasdaq Helsinki Stock Exchange. The parent company's domicile is Espoo and its registered address is Miestentie 7, FI-02150 Espoo. A copy of the financial statements is available at **investors.qt.io**.

### Accounting Policies Applied in the Consolidated Financial Statements

This section describes the general accounting policies applied in the consolidated financial statements and the use of management judgment and estimates. More detailed accounting policies are presented below in connection with each item.

**Basis of Preparation**

The consolidated financial statements have been prepared in compliance with the International Financial Reporting Standards (IFRS), observing the IAS and IFRS standards as well as the SIC and IFRIC interpretations valid on 31 December 2024.

The IFRS standards and amendments that took effect in 2024 did not have material impact on the result or the financial position of the Group or on the presentation of the financial statements.

IFRS 18 Presentation and Disclosure in Financial Statements, effective for reporting periods beginning on or after January 1, 2027, will replace the standard IAS 1 Presentation of Financial Statements. The standard will have an impact on the presentation of primary financial statements and the accompanying notes of Qt Group's consolidated financial statements.

The consolidated financial statements are drawn up for the calendar year, which is the fiscal period for the Group's parent company and other Group companies. The financial statements are presented in thousands of euros. The Board of Director's report and the financial statements are available in Finnish and English. The Finnish version is the official version that will apply if there is any discrepancy between the language versions.

**Consolidation Principles**

The consolidated financial statements include the parent company, Qt Group Plc, and all of its subsidiaries. Acquired subsidiaries are consolidated using the acquisition method, according to which the assets and liabilities of the acquired company are measured at fair value on the date of acquisition, and the remaining difference between the consideration transferred and the acquired shareholders' equity constitutes goodwill. Subsidiaries acquired during the fiscal period are included in the consolidated financial statements as of the date of acquisition, while divested subsidiaries are included until the date of divestment. Intra-Group transactions, receivables, liabilities, unrealized margins and internal profit distribution are eliminated in the consolidated financial statements.

All subsidiaries included in the consolidated financial statements are fully owned and the Group does not have minority interests. The Group does not have associated companies or joint ventures.

The financial statements for The Qt Company GmbH are included in these consolidated financial statements and therefore apply the exemption provided in section 264 (3) of the German Code of Commerce for 2024.

### Foreign Currency Translation

Items referring to the earnings and financial position of the Group's units are recognized in the currency that is the main currency of the unit's primary operating environment ("functional currency"). The consolidated financial statements are given in euros, which is the operating and presentation currency of the parent company.

Receivables and liabilities denominated in foreign currencies have been converted into euro at the exchange rate in effect on the balance sheet date. Gains and losses arising from foreign currency transactions are recognized through profit or loss. Foreign exchange gains and losses from operations are included in the corresponding items above operating profit.

The income statements of non-Finnish consolidated companies have been converted into euro at the weighted average exchange rate for the period, and their balance sheets have been converted at the exchange rate quoted on the balance sheet date. Translation differences arising from the application of the cost method are treated as items adjusting consolidated shareholders' equity.

**Accounting Policies Requiring Consideration by Management and Crucial Factors of Uncertainty Associated with Estimates**

Estimates and assumptions regarding the future have to be made during the preparation of the financial statements, and the outcome may differ from the estimates and assumptions. Furthermore, the application of accounting policies requires consideration. These estimates and assumptions are based on historical experience and other justifiable assumptions that are believed to be reasonable under the circumstances and that serve as a foundation for evaluating the items included in the financial statements.

## Consideration by Management Related to the Selection and Application of Accounting Policies

The Group's goodwill is allocated entirely to one cash-generating unit. According to the estimate of the Group's management, the Group does not have separate independent businesses and, under the current structure, business operations can be monitored most reliably as a single cash-generating unit. In the view of the management, the Group does not have separate itemizable asset groups whose generated cash flows would be largely independent of the cash flows generated by other asset items or asset groups. Accordingly, the Group's management does not consider it possible to independently allocate asset items to smaller cash-generating units.

Business acquisitions and applying acquisition method requires making certain estimates and assessments concerning especially the fair value of the acquired intangible assets and liabilities assumed and the useful lives of the acquired intangible assets. Value measurement is based on anticipated cash flows. Estimating cash flows for customer relationships, technology-based assets, and trademarks and brand names is based on assessments that include for example:

- assessments related to long term sales forecast and development of margins
- defining appropriate discount rates
- estimations related to customer loyalty
- estimations related to appropriate market-based royalty percentages.

## Crucial Factors of Uncertainty Associated with Estimates

Impairment testing is carried out annually to test goodwill and intangible assets with an unlimited useful life and evaluate any indications of impairment. Recoverable amounts from cash generating units are determined as calculations based on value in use. The preparation of these calculations requires the use of estimates.

License revenue is recognized in accordance with the factual substance of the agreement. Income recognition requires a binding contract and complete delivery of the product. Income is recognized based on the time of delivery. License maintenance fees are allocated evenly over the agreement period. The most significant decision requiring judgment is related to the ratio between the license and maintenance fee components of the products.

## 1. Business Combinations

**Acquisitions in 2024**
No acquisitions were made during the financial year 2024.

**Acquisitions in 2023**
No acquisitions were made during the financial year 2023.

In 2023, Qt group has completed the accounting for the business combination of Axivion and concluded the following measurement period adjustments from the finalized information obtained about facts and circumstances that existed as of the acquisition date:

- Liabilities assumed decreased by EUR 109 thousand;
- Consideration related to working capital adjustment increased by EUR 1,096 thousand.

As a result, goodwill arising from the business combination was increased by EUR 987 thousand.

In the fiscal year 2024, the earn-out liabilities were adjusted and positive profit impact of EUR 6.7 million was presented in other financial income.

| EUR thousand | |
|---|---|
| **Summary of Axivion acquisition** | |
| Cash consideration | 26,921 |
| Directed share issue | 8,273 |
| Earn-out | 9,984 |
| **Total purchase price consideration** | **45,178** |
| | |
| **Total assets** | **40,021** |
| Short-term liabilities | 3,542 |
| Deferred tax liability | 10,260 |
| **Total liabilities** | **13,802** |
| Net assets | 26,219 |
| **Goodwill** | **18,959** |
| **Purchase price** | **45,178** |

Notes to the Consolidated Financial Statements

## 2. Net Sales Breakdown

**Revenue Recognition Principles**

Qt Group revenue consists of net sales from licenses, maintenance, and consulting.

Revenue from license sales includes developer licenses and distribution licenses sales. License revenue is recognized in accordance with the contract criteria fulfilled. Revenue from the license sales is recognized when there is a binding contract, and when the license has been delivered to the customer.

In addition to the license component, contracts from licenses sales might also include maintenance services such as new version releases and customer support, which are recognized over the contract period. Revenue of consulting services are recognized during the reporting period in which service is provided. Revenue of fixed-price consulting projects are recognized as revenue and expenditure based on the percentage of completion when the outcome of the project can be reliably estimated. The Group does not have a significant financing component in its contracts with customers or sale with a right of return.

The Group has elected to use the practical expedient in IFRS 15.121 and not to disclose the transaction price allocated to performance obligations that are unsatisfied as at the end of the reporting period or the estimated timing of satisfaction as the unsatisfied performance obligations are either part of contracts that have an original expected duration of one year or less, or the Group has the right to invoice a customer at an amount that corresponds directly with its performance to date.

| EUR thousand | 2024 Net Sales | 2023 Net Sales |
|---|---|---|
| License sales and consulting* | 197,141 | 167,776 |
| Maintenance revenue | 11,922 | 12,967 |
| **Total net sales** | **209,063** | **180,743** |
| *of which distribution licenses | 44,954 | 44,115 |

| EUR thousand | 2024 Net Sales | 2023 Net Sales |
|---|---|---|
| Finland | 2,363 | 1,656 |
| Rest of Europe | 75,695 | 74,517 |
| APAC | 54,979 | 43,606 |
| North America | 76,026 | 60,964 |
| **Total net sales** | **209,063** | **180,743** |

The Group does not have customers that represent more than 10% of its net sales.

**Assets and Liabilities Related to Contracts with Customers**

The timing of invoicing may differ from the timing of revenue recognition. The Group recognizes a contract asset when revenue is recognized prior to invoicing, and a contract liability when revenue is recognized after invoicing.

Contract liabilities are typical for the Group because of timing of revenue recognition: revenue for licenses in general is recognized at a point in time whereas maintenance revenue is recognized evenly over the contract period. Contract liabilities are mainly short-term (12 months or less) and more information relating to maturity of contract liabilities are presented in the table below.

## 2. Net Sales Breakdown

**Operating Segments**

The Group reports one business segment that provides its customers with software development tools. The Group's highest operational decision-maker is the President and CEO together with the Group Management Team. Due to Qt Group's business model, nature of operations and governance structure, the reported segment covers the entire Group, and its figures are congruent with the consolidated figures.

| EUR thousand | 2024 | 2023 |
|---|---|---|
| **Trade receivables** | **54,353** | **47,901** |
| | | |
| **Contract assets** | | |
| Non-current contract assets | 3,250 | 6,257 |
| Current contract assets | 9,230 | 9,454 |
| | | |
| **Contract liabilities** | | |
| Non-current advances reveived | 5,654 | 4,363 |
| Current advances received | 14,330 | 12,194 |

During financial years 2024 and 2023, no significant impairment losses recognized on contract assets.

| EUR thousand | 2024 | 2023 |
|---|---|---|
| Revenue recognized from amounts included in contract liabilities at the beginning of the period: | 10,824 | 8,531 |

## 3. Other Operating Income

Other operating income consists of income that is not attributable to the Group's actual business. Other operating income is primarily comprised of income from organized events.

## 3. Other Operating Income

| EUR thousand | 2024 | 2023 |
|---|---|---|
| Other income | 20 | 356 |
| **Total** | **20** | **356** |

Other income is generated by admissions to events organized by the company, and by compensations paid by partners. In 2024, no big events were organized.

## 4. Materials and services

| EUR thousand | 2024 | 2023 |
|---|---|---|
| External services | 3,920 | 4,544 |
| **Total** | **3,920** | **4,544** |

External services are mainly comprized of outsourcing services and subcontracting.

## 5. Employee Benefits

**Pension Liabilities**

Pension plans are categorized as defined benefit or defined contribution plans. In defined contribution plans, the Group makes fixed contributions to a pension insurance company, and the Group does not have a legal or factual obligation to make additional contributions. Payments made to defined contribution plans are recognized through profit or loss as personnel expenses for the period to which the payment applies. The Group's pension schemes are categorized as defined contribution plans.

## 5. Personnel Expenses

| EUR thousand | 2024 | 2023 |
|---|---|---|
| Wages and salaries | 84,391 | 74,357 |
| Pension costs (defined contribution plans) | 6,627 | 5,582 |
| Equity incentive program | -1,184 | 376 |
| Other personnel expenses | 8,188 | 7,424 |
| **Total** | **98,022** | **87,739** |

Information on equity incentive program is presented in Note 18, Share-based payments.

| Group's personnel on average | 2024 | 2023 |
|---|---|---|
| Finland | 259 | 212 |
| Rest of Europe | 305 | 275 |
| APAC | 151 | 129 |
| North America | 120 | 115 |
| **Total** | **834** | **732** |

## 6. Research and Development Costs

Research expenses are expensed through profit or loss for the period during which they occur.

Development expenses are capitalized only if the Group meets the requirements of IAS 38 for the capitalization of development expenses. Capitalized development expenses are depreciated over their useful lives. An asset is depreciated starting from when it is ready to use. An asset that is not yet ready to use is tested annually for impairment. Capitalized development expenses are measured at cost less accumulated depreciation and impairment after the initial recognition. Other development expenses are recognized as expenses. The Group did not have capitalized development costs on 31 December 2024.

Development costs previously recognized as expenses are not capitalized in subsequent periods. Research and development costs recognized as expenses are included in personnel expenses and other operating expenses in the consolidated income statement.

## 6. Research and Development Costs

| EUR thousand | 2024 | 2023 |
|---|---|---|
| Research and development costs | 29,487 | 22,393 |
| **Total** | **29,487** | **22,393** |

## 7. Depreciation and Amortization

| EUR thousand | 2024 | 2023 |
|---|---|---|
| **Depreciation and amortization by asset category** | | |
| | | |
| Intangible assets | | |
| Software and licenses | - | 1 |
| Intellectual property rights | 8,090 | 8,091 |
| Other intangible assets | 21 | 31 |
| | | |
| Property, plant and equipment | | |
| Buildings | 2,129 | 2,058 |
| Machinery and equipment | 1,216 | 1,010 |
| | | |
| **Total depreciation, amortization and impairment** | **11,456** | **11,191** |

During financial years 2024 and 2023, no impairment was identified on intangible assets or tangible assets.

No regular amortization is booked on goodwill. Instead, goodwill is tested for impairment annually and when there are indications of impairment. More information on the impairment testing of goodwill is provided in Note 12, Intangible assets.

## 8. Other Operating Expenses

| EUR thousand | 2024 | 2023 |
|---|---|---|
| Personnel expenses | 2,851 | 3,163 |
| Travel and representation expenses | 5,000 | 4,400 |
| Marketing and communications | 4,269 | 3,733 |
| External services | 8,567 | 7,595 |
| Costs of premises | 3,303 | 3,193 |
| IT expenses | 6,876 | 6,430 |
| Other expenses | 1,649 | 1,761 |
| **Total** | **32,515** | **30,277** |

| **Auditor's fees** | | |
|---|---|---|
| Audit, KPMG Oy Ab | 71 | 46 |
| Other specialist services, KPMG Oy Ab* | 50 | 35 |
| Audit, KPMG network | 24 | 24 |
| Other specialist services, KPMG network | - | - |
| **Total** | **145** | **105** |

* Among this amount, EUR 34 thousand (EUR 19 thousand) is related to statements based on auditing acts and other regulations.

The Group's auditor for 2023 and 2024 was KPMG Oy Ab.

During financial year 2024, services that were rendered by KPMG Oy Ab to the Qt Group companies and that were not related to auditing amounted to EUR 50 (35) thousand.

## 9. Financial Income and Expenses

| Financial income<br>EUR thousand | 2024 | 2023 |
|---|---|---|
| Exchange rate gains | 1,615 | 3,212 |
| Other financial income | 6,877 | 7 |
| **Total** | **8,492** | **3,219** |

| Financial expenses<br>EUR thousand | 2024 | 2023 |
|---|---|---|
| Interest expenses for loans from financial institutions | 280 | 1,019 |
| Exchange rate losses | 156 | 3,789 |
| Other financial expenses | 866 | 939 |
| **Total** | **1,303** | **5,747** |

Exchange rate gains and losses mainly consist of intercompany balances denominated in a currency other than the functional currency of the parties.

Other financial income mainly consists of the earn-out liabilities adjustment from the Axivion acquisition.

## 10. Income Taxes

The Group's tax expense is comprized of the tax based on the taxable profit of each Group company for the period and change in deferred tax assets and liabilities. The tax based on the taxable income for the period is calculated using the tax rate prescribed or practically confirmed by the closing date of the reporting period. Deferred tax assets or liabilities are recognized for temporary differences between the taxation and accounting values of assets and liabilities using the tax rate prescribed or practically confirmed by the closing date of the reporting period. Temporary differences arise from, among other things, confirmed tax losses, depreciation difference, provisions and adjustments to the fair values of assets and liabilities made in connection with business acquisitions. Deferred tax liabilities are recognized for the undistributed earnings of subsidiaries if the distribution of profits is probable and will result in tax consequences. Deferred tax liabilities are included in the balance sheet in full, and deferred tax assets in the amount of the estimated probable tax benefit.

The tax expense in the income statement is comprized of tax based on the taxable income for the period and deferred taxes. Taxes are recognized through profit or loss, except when they are associated with business combinations or items recognized directly in shareholders' equity or other comprehensive income. Tax assets or liabilities based on the taxable income for the period are presented under current items in the balance sheet, while deferred tax liabilities and assets are presented under non-current items.

| EUR thousand | 2024 | 2023 |
|---|---|---|
| Taxes for the period | 15,333 | 12,182 |
| Taxes for previous periods | -62 | -210 |
| Other items | | - |
| Deferred tax | -2,263 | -2,607 |
| **Total** | **13,132** | **9,365** |
| | | |
| **Reconciliation of tax expenses with the tax rate of the Group's home country (20%)** | | |
| | | |
| Earnings before tax | 70,356 | 44,820 |
| Taxes calculated at the parent company's tax rate | 14,071 | 8,964 |
| Effect of deviating tax rates of foreign subsidiaries | 27 | 237 |
| Income not subject to tax | -1,335 | - |
| Share-based payment related expenses | | - |
| Non-deductible expenses and other differences | 160 | 403 |
| Withholding taxes | | - |
| Other items | 271 | -28 |
| Taxes for previous periods | -62 | -210 |
| **Total** | **13,132** | **9,365** |
| | | |
| Effective tax rate | 19% | 21% |

## 11. Earnings per Phare

### Undiluted Earnings per Share

Undiluted earnings per share are calculated by dividing the profit for the period attributable to parent company share-holders by the weighted average number of outstanding shares.

### Diluted Earnings per Share

In calculating the diluted earnings per share, the dilution effect of all potential dilutive equity shares is taken into account in the weighted average number of shares. Stock options included in the incentive scheme are conditionally issued, and they are taken into account in calculating the diluted earnings per share. The options have a dilution effect when their subscription price is lower than the average market price of the share during the financial period or a shorter period of execution. The dilution effect is the difference between the number of shares issued and the number of shares that would have been issued at the average market price of the shares during the period.

## 11. Earnings per Share

| | 2024 | 2023 |
|---|---|---|
| Net profit attributable to parent company shareholders (EUR thousand) | 57,314 | 35,455 |
| Weighted average number of shares during the financial period, 1,000 shares | 25,391 | 25,391 |
| Undiluted earnings per share (EUR/share) | 2.26 | 1.40 |
| The diluted weighted number of shares for the calculation of earnings per share, 1,000 shares | 25,391 | 25,469 |
| Diluted earnings per share (EUR/share) | 2.26 | 1.39 |

## 12. Goodwill and Other Intangible Assets

**Goodwill**

Goodwill corresponds to the proportion of the acquisition cost of an acquired entity that exceeds the Group's share of the net amount of the identifiable assets, liabilities and contingent liabilities of the business entity's net assets on the date of acquisition. Goodwill is recognized at the original cost less accumulated impairment losses. No regular amortization is booked on goodwill but it is tested annually for impairment. For this purpose, goodwill is allocated to cash generating unit. The recoverable amount of the unit is tested annually or more frequently if there are indications of impairment to determine any impairment of its carrying amount.

**Research and Development Costs**

Development costs are capitalized only if the Group meets the requirements of IAS 38 for the capitalization of development costs. The Group did not have capitalized development costs on 31 December 2024.

**Other Intangible Assets**

An intangible asset is recognized in the balance sheet at the original cost in case the cost can be determined reliably and it is probable that the expected economic benefit form the asset will flow to the Group. Intangible assets with a limited useful life are recognized as expenses in the income statement by straight-line depreciation over their useful life, and tested for impairment if there are indications of any impairment.

The depreciation periods of other intangible assets:

| | |
|---|---|
| Software and licenses | 3–8 years |
| Intellectual property rights | 3–8 years |

## Goodwill and other intangible assets 2024

| EUR thousand | Goodwill | Other intangible assets | Total |
|---|---|---|---|
| Acquisition cost, 1 January | 44,370 | 66,858 | 111,228 |
| Translation differences and other adjustments | - | -3 | -3 |
| Acquisition of subsidiary | - | - | - |
| Additions | - | 79 | 79 |
| Disposals | - | - | - |
| **Acquisition cost, 31 December** | **44,370** | **66,934** | **11,304** |
| | | | |
| Accumulated depreciation and impairment, 1 January | - | -19,660 | -19,660 |
| Translation differences and other adjustments | - | -3 | -3 |
| Depreciation for the period | - | -8,111 | -8,111 |
| Disposals | - | - | - |
| **Accumulated depreciation and impairment, 31 December** | **-** | **-27,775** | **-27,775** |
| | | | |
| **Book value, 1 January** | **44,370** | **47,197** | **91,567** |
| **Book value, 31 December** | **44,370** | **39,159** | **83,530** |

## Goodwill and other intangible assets 2023

| EUR thousand | Goodwill | Other intangible assets | Total |
|---|---|---|---|
| Acquisition cost, 1 January | 43,383 | 67,007 | 110,390 |
| Translation differences and other adjustments | - | -22 | -22 |
| Acquisition of subsidiary | - | - | - |
| Additions | 987 | 88 | 1,076 |
| Disposals | - | -216 | -216 |
| **Acquisition cost, 31 December** | **44,370** | **66,858** | **111,228** |
| | | | |
| Accumulated depreciation and impairment, 1 January | - | -11,644 | -11,644 |
| Translation differences and other adjustments | - | 16 | 16 |
| Depreciation for the period | - | - 8,123 | - 8,123 |
| Disposals | - | 90 | 90 |
| **Accumulated depreciation and impairment, 31 December** | **-** | **-19,660** | **-19,660** |
| | | | |
| **Book value, 1 January** | **43,383** | **55,362** | **98,746** |
| **Book value, 31 December** | **44,370** | **47,197** | **91,567** |

### Impairment Testing

On each balance sheet date, the company estimates whether there is evidence that the value of an asset may have been impaired. If there is evidence of impairment, the amount recoverable from the asset is estimated. In addition, the recoverable amount is estimated annually on the following assets regardless of whether there is an indication of impairment or not: goodwill and intangible assets with an unlimited useful life.

The need for impairment is reviewed at the level of cash generating unit, which refers to the lowest level of unit that is mainly independent of other units and whose cash flows can be separated from other cash flows. If the carrying amount exceeds the recoverable amount, an impairment loss is recognized in the income statement. An impairment loss recognized for goodwill will not be reversed under any circumstances. Qt Group is the cash generating unit to which the entire tested asset is allocated in the testing.

The following tables show the distribution of goodwill and values subject to testing at the end of the reporting period.

## Impairment testing in 2024

Impairment testing is carried out at the Qt Group level, which is determined as the lowest level of cash generating unit (CGU).

During the 2024 financial period, identified intangible assets were depreciated by EUR 8,031 thousand. Based on the impairment testing calculations by the management, no need for recognizing impairment losses was found during the 2024 financial period.

The present values for Qt Group's assets were calculated for the five-year forecast period based on the following assumptions in the testing: net sales and operating profit for 2025 according to budget. Over the five-year forecast period, the average annual growth in net sales is 15–21 percent and terminal period growth is 1 percent thereafter, operating profit (EBIT) 33–36 percent and a pre-tax discount rate 9.4 percent.

Based on sensitivity analyses, the company's management considers it improbable that a change in the key parameters used in testing (growth in net sales, total expenses, interest rates) would result in a situation in which the value of the tested asset exceeds the recoverable amount.

Based on the sensitivity analysis made, the amount of Qt Group's tested assets requires an average growth of 0.0 percent over the five-year forecast period, even if the costs for 2025 were allowed to grow according to the budget and moderately even after that with profitability being -1.5 percent at the end of the forecast period.

| EUR thousand | Identified intangible assets | Goodwill | Other items | Total value subject to testing |
|---|---|---|---|---|
| | **39,036** | **44,370** | **40,460** | **123,767** |

## Impairment testing in 2023

Impairment testing is carried out at the Qt Group level, which is determined as the lowest level of cash generating unit (CGU).

During the 2023 financial period, identified intangible assets were depreciated by EUR 8,031 thousand. Based on the impairment testing calculations by the management, no need for recognizing impairment losses was found during the 2023 financial period.

The present values for Qt Group's assets were calculated for the five-year forecast period based on the following assumptions in the testing: net sales and operating profit for 2024 according to budget. Over the five-year forecast period, the average annual growth in net sales is 15–28 percent and terminal period growth is 1 percent thereafter, operating profit (EBIT) 20–30 percent and a pre-tax discount rate 9.8 percent.

Based on sensitivity analyses, the company's management considers it improbable that a change in the key parameters used in testing (growth in net sales, total expenses, interest rates) would result in a situation in which the value of the tested asset exceeds the recoverable amount.

Based on the sensitivity analysis made, the amount of Qt Group's tested assets requires an average growth of 0.0 percent over the five-year forecast period, even if the costs for 2024 were allowed to grow according to the budget and moderately even after that with profitability being -1.1 percent at the end of the forecast period.

| EUR thousand | Identified intangible assets | Goodwill | Other items | Total value subject to testing |
|---|---|---|---|---|
| | **47,068** | **44,370** | **17,981** | **109,419** |

## 13. Tangible Assets

Property, plant and equipment (PPE) are carried at cost less accumulated planned depreciation and impairment. Assets are depreciated over their estimated useful lives. The estimated useful lives are as follows:

| | |
|---|---|
| Machinery and equipment | 3–8 years |

The useful life and depreciation method of assets is reviewed at least at each balance sheet date and, if necessary, adjusted to reflect any changes in the expected economic value.

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Leases are recognized as a right-of-use asset and a corresponding lease liability at the date at which the leased asset is available for use by the Group.

The group has lease contracts mainly for office premises in all operating countries. Lease term is determined as the non-cancellable period in the lease contracts. For the right-of-use asset buildings, the Group applies the practical expedient and elects to combine non-lease components in the contracts with the lease component and to account for them as a single lease component.

A lease liability is recognized at the commencement date of the lease and measured at the present value of the future lease payments payable during the lease term. The lease payments are discounted using the interest rate implicit in the lease, if readily available. Where the interest rate implicit in the lease is not available, the incremental borrowing rate is used. The lease liability is subsequently measured at amortized cost using the effective interest method. For a maturity analysis of lease liabilities, see Note 20.

The Group has elected not to recognize lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low value assets. The Group recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

A right-of-use asset is measured at cost at the commencement date of the lease and is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the lease term or the end of the useful life of the right-of-use asset.

# Tangible assets 2024

| EUR thousand | Right-of-use-assets, buildings | Right-of-use-assets, machinery and equipment | Machinery and equipment | Total |
|---|---|---|---|---|
| Acquisition cost, 1 January | 9,353 | 2,424 | 4,362 | 16,138 |
| Translation differences and other adjustments | - | - | 47 | 47 |
| Acquisition of subsidiary | - | - | - | - |
| Increases | 2,151 | 281 | 1,194 | 3,626 |
| Disposals | - | - | -98 | -98 |
| **Acquisition cost, 31 December** | **11,504** | **2,705** | **5,504** | **19,712** |
| | | | | |
| Accumulated depreciation and impairment, 1 January | -5,753 | -2,021 | -2,840 | -10,614 |
| Translation differences and other adjustments | - | - | -43 | -43 |
| Depreciation for the period | -2,129 | -260 | -956 | -3,345 |
| Disposals | - | - | 69 | 69 |
| **Accumulated depreciation and impairment, 31 December** | **-7,882** | **-2,281** | **-3,768** | **-13,930** |
| | | | | |
| **Book value, 1 January** | **3,600** | **403** | **1,522** | **5,525** |
| **Book value, 31 December** | **3,622** | **424** | **1,736** | **5,782** |

# Tangible assets 2023

| EUR thousand | Right-of-use-assets, buildings | Right-of-use-assets, machinery and equipment | Machinery and equipment | Total |
|---|---|---|---|---|
| Acquisition cost, 1 January | 7,495 | 2,000 | 3,683 | 13,177 |
| Translation differences and other adjustments | - | - | -99 | -99 |
| Acquisition of subsidiary | - | - | - | - |
| Increases | 2,036 | 423 | 812 | 3,270 |
| Disposals | -178 | - | -34 | -212 |
| **Acquisition cost, 31 December** | **9,353** | **2,424** | **4,362** | **16,138** |
| | | | | |
| Accumulated depreciation and impairment, 1 January | -3,803 | -1,806 | -2,138 | -7,746 |
| Translation differences and other adjustments | - | - | 68 | 68 |
| Depreciation for the period | -2,058 | -215 | -795 | -3,068 |
| Disposals | 108 | - | 26 | 134 |
| **Accumulated depreciation and impairment, 31 December** | **-5,753** | **-2,021** | **-2,840** | **-10,614** |
| | | | | |
| **Book value, 1 January** | **3,692** | **194** | **1,544** | **5,430** |
| **Book value, 31 December** | **3,600** | **403** | **1,522** | **5,525** |

Notes to the Consolidated Financial Statements

## 14. Deferred Tax Assets and Liabilities

| | Changes in deferred tax during 2024 | | | Changes in deferred tax during 2023 | | |
|---|---|---|---|---|---|---|
| **EUR thousand** | **1 Jan 2024** | **Recognized in the income statement** | **31 Dec 2024** | **1 Jan 2023** | **Recognized in the income statement** | **31 Dec 2023** |
| Deferred tax assets: | | | | | | |
| Tangible assets | 878 | 61 | 939 | 801 | 78 | 878 |
| Other items | 913 | -142 | 771 | 749 | 164 | 913 |
| Offset against deferred tax liabilities | -835 | | -844 | -789 | | -835 |
| **Total** | **956** | **-81** | **867** | **760** | **241** | **956** |
| | | | | | | |
| Deferred tax liabilities: | | | | | | |
| From allocation of the fair values of acquisitions | 13,828 | -2,409 | 13,828 | 16,237 | -2,409 | 13,828 |
| Tangible assets | 835 | 9 | 844 | 789 | 46 | 835 |
| Other items | -2 | -31 | -33 | - | -2 | -2 |
| Offset against deferred tax assets | -835 | | -844 | -789 | | -835 |
| **Total** | **13,826** | **-2,431** | **11,386** | **16,237** | **-2,365** | **13,826** |

The accounting principles relating to income taxes are presented in Note 10 Income taxes.

## 15. Trade and Other Receivables

| EUR thousand | 2024 | 2023 |
|---|---|---|
| Trade receivables | 57,863 | 51,047 |
| Credit loss provision | -3,510 | -3,147 |
| Lease security deposits | 847 | 736 |
| Accrued income | 6,395 | 5,307 |
| VAT receivable | 3,174 | -656 |
| Other receivables | 6,347 | 5,818 |
| **Total** | **71,115** | **59,105** |

| EUR thousand | 2024 | 2023 |
|---|---|---|
| Undue trade receivables | 43,850 | 38,918 |
| Trade receivables 1–30 days overdue | 5,284 | 3,868 |
| Trade receivables 31–60 days overdue | 2,537 | 1,329 |
| Trade receivables 61–90 days overdue | 827 | 800 |
| Trade receivables 91–120 days overdue | 672 | 876 |
| Trade receivables 121–180 days overdue | 795 | 1,478 |
| Trade receivables 181–360 days overdue | 1,823 | 1,132 |
| Trade receivables over 360 days overdue | 2,075 | 2,647 |
| **Total** | **57,863** | **51,047** |

Trade receivables are recognized when the right to payment is unconditional. For license contracts, the receivable is generally recognized at the time of invoicing when the license has been delivered. For the consulting services, the receivable is recognized according to the invoicing in the contract terms.

The carrying amount of the trade receivables is a moderate estimate of their fair value. The Group has recognized a credit loss provision of EUR 3,510 thousand in trade receivables in the 2024 financial statements (2023: EUR 3,147 thousand).

Credit loss based on trade receivables and its measurement are disclosed further in Note 20. Financial Liabilities and Financial Risk Management.

Accrued income consists of prepayments and tax accruals. Other receivables consist mainly of withholding tax receivables.

## 16. Cash and Cash Equivalents

Cash and cash equivalents are comprized of cash assets, short-term bank deposits and other very liquid short-term investments with a period of maturity of no more than three months.

| EUR thousand | 2024 | 2023 |
|---|---|---|
| Bank accounts | 64,861 | 33,595 |
| **Total** | **64,861** | **33,595** |

## 17. Notes to Shareholders' Equity

| | Number of shares | Share capital (EUR thousand) |
|---|---|---|
| 1 January 2024 | 25,391,211 | 500 |
| 31 December 2024 | 25,391,211 | 500 |

**Share capital and number of shares**

The share subscription price received in connection with the share issues shall be entered in the share capital to the extent that the subscription price has not been decided in the share issue resolution to be entered in the unrestricted shareholders' equity reserve.

**Translation difference**

Translation difference includes the exchange rate differences from the translation of the financial statements of foreign units.

**Unrestricted shareholders' equity reserve**

Unrestricted shareholders' equity reserve contains other equity type investments and the subscription price of shares to the extent that they are not, based on a specific decision, recognized in the share capital. For the option programs that have been decided on after the new Companies Act (21.7.2006/624) entered into force (September 1, 2006), the fees for subscriptions are recognized in full in the unrestricted shareholders' equity reserve.

**Own shares**

Own shares reserve includes the purchase costs of own shares in Qt Group's possession. The purchase and disposal of own shares is disclosed as separate fund in equity. At the end of December 2024, the Group held 79,000 of its own shares as treasury shares, which represents 0.31 percent of the entire stock.

## 18. Share-based Payments

The Group has a share-based incentive scheme where payments are made in equity instruments. The rewards granted through the scheme are measured at fair value on the date of them being granted and recognized as expenses evenly during the vesting period. The impact of these arrangements on the financial results is shown under personnel expenses with retained earnings as the counter-item.

**Equity incentive program 2022–2024**

The Board of Directors of Qt Group Plc has decided on 16 February 2022 to establish a new equity incentive program for the company's President and CEO and other key persons. Objective of the program is to bring together the company owners' and key persons' goals for enhancing the company's value, commit the key persons to the company, and to offer them a competitive incentive program based on company shares.

The incentive program has one reward collection period covering years 2022–2024. Rewards in the program are determined by Qt Group Plc's net sales in 2024. Rewards will start accumulating once the net sales for 2024 exceed EUR 210 million, and then continue to increase in a linear manner up to a maximum value equivalent to 130,000 shares once net sales reach EUR 310 million. Of the maximum reward equivalent to the value of 130,000 shares, the President and CEO's share is 10,000 and for other key persons it is equivalent to the value of 120,000 shares. The rewards pursuant to the program will be paid upon the confirmation of the financial statements for 2024 as a combination of shares and cash, so that the cash amount will approximately cover the taxes and other statutory fees resulting from the reward, and the rest of the reward will be paid to the recipient in shares. Shares paid out as rewards are not subject to any restrictions concerning e.g. their handover. Performance of the equity incentive program 2022–2024 is zero as the minimum net sales threshold was not met.

| | Equity incentive program 2022–2024 |
|---|---|
| Grant date | 16 February 2022 |
| Nature of the scheme | Shares and cash |
| Target group | Key personnel |
| Share-based remuneration, maximum number of shares | 130,000 |
| Earning period begins, date | 1 January 2022 |
| Earning period ends, date | 31 December 2024 |
| Vesting conditions | Development of Qt Group Plc's net sales |
| Execution | As shares and cash |

### Effect of option program on the net profit

| EUR thousand | 2024 | 2023 |
|---|---|---|
| Equity incentive program 2022–2024 | 1,184 | -376 |
| **Total** | **1,184** | **-376** |

## 19. Short-term Liabilities

| EUR thousand | 2024 | 2023 |
|---|---|---|
| Loans from financial institutions | - | 16,299 |
| Earn-out liabilities | 890 | 3,040 |
| Lease liabilities | 2,117 | 2,213 |
| Accounts payable | 2,275 | 2,249 |
| Advances received | 14,330 | 12,194 |
| Accrued charges and deferred credits | 13,043 | 15,179 |
| Other liabilities | 8,435 | 5,831 |
| **Total** | **41,090** | **57,005** |

The carrying amount of accounts payable and other liabilities is a moderate estimate of their fair value. The terms of payment of the Group's accounts payable comply with the ordinary terms of payment of companies.

Accrued charges and deferred credits are primary comprized of allocations of wages and salaries and personnel expenses.

Besides the aforementioned, EUR 5,654 thousand (2023: EUR 4,363 thousand) of the advances received have been presented in Other long-term liabilities.

## 20. Financial Liabilities and Financial Risk Management

Financial liabilities are initially measured at fair value. Financial liabilities are subsequently measured at cost allocated using the effective rate method if the transaction cost is not immaterial. Financial liabilities are included in long- and short-term liabilities. Financial liabilities are categorized as long-term liabilities when they mature in more than 12 months. Liabilities maturing in less than 12 months are categorized as short-term.

### Financial liabilities

| | 2024 | | 2023 | | |
|---|---|---|---|---|---|
| EUR thousand | Asset values | Fair values | Asset values | Fair values | Fair value hierarchy |
| **Long-term** | | | | | |
| Loans from financial institutions | - | - | - | - | 2 |
| Earn-out liabilities | - | - | 6,962 | 6,962 | 3 |
| Lease liabilities | 2,199 | | 2,001 | | |
| **Total** | **2,199** | | **8,963** | | |
| | | | | | |
| **Short-term** | | | | | |
| Loans from financial institutions | - | - | 16,299 | 16,299 | 2 |
| Earn-out liabilities | 890 | 890 | 3,040 | 3,040 | 3 |
| Lease liabilities | 2,117 | | 2,213 | | |
| **Total** | **3,007** | | **21,552** | | |

All of the financial liabilities are denominated in euros.

#### Fair value hierarchy

Financial instruments measured at fair value are classified according to the following fair value hierarchy: instruments measured using quoted prices in active markets (level 1), instruments measured using inputs other than quoted prices included in level 1 observable either directly or indirectly (level 2), and instruments measured using inputs that are not based on observable market data (level 3).

## Maturity of liabilities

### 2024

| EUR thousand | 2025 | 2026 | 2027 | Total |
|---|---|---|---|---|
| Loans from financial institutions | - | - | - | - |
| Earn-out liabilities | 890 | - | - | 890 |
| Lease liabilities | 2,191 | 1,280 | 880 | 4,352 |
| Accounts payable | 2,275 | - | - | 2,275 |
| **Total** | **5,356** | **1,280** | **880** | **7,517** |

### 2023

| EUR thousand | 2024 | 2025 | 2026 | Total |
|---|---|---|---|---|
| Loans from financial institutions | 16,299 | - | - | 16,299 |
| Earn-out liabilities | 3,040 | 6,962 | - | 10,002 |
| Lease liabilities | 2,213 | 1,252 | 749 | 4,214 |
| Accounts payable | 2,249 | - | - | 2,249 |
| **Total** | **23,801** | **8,213** | **749** | **32,764** |

## Financial Risk Management

The Group is exposed to certain financial risks during the normal course of its business. The Group's management regularly monitors the financial risks associated with business operations. The objective of the Group's risk management is to minimize the adverse effects of the financial risks on the Group's earnings and balance sheet. The financial risks are mainly comprized of the credit risk and liquidity risk related to counterparties and fluctuation of market interest rates and exchange rates. The Group does not apply hedge accounting pursuant to IAS 39, and the Group has not held any derivative instruments during the financial period or the previous financial period.

### Credit risk

Credit risk management and credit control are coordinated by the Group's financial function, which acts in cooperation with the business units. The Group's policy defines creditworthiness requirements for customers in order to minimize the amount of credit losses. A credit loss is recognized for trade receivables when there is objective evidence that the receivables will not be received in full under the original terms and conditions. A sufficient provision was made for uncertain accounts receivable at the end of the fiscal period.

To measure expected credit losses, the Group applies the IFRS 9 simplified approach, which uses a lifetime expected loss allowance for all trade receivables and contract assets ("Work in progress"), including amounts not due.

The Group also recognizes a 50 per cent provision for impairment for receivables that are more than 180 days past due and a 100 per cent provision for receivables that are more than 360 days past due.

The maturity breakdown of trade receivables is presented in Note 15, Trade and other receivables.

### Foreign exchange rate risk

The Group's currency risks are related to the receivables, liabilities and investments of foreign subsidiaries and as well as the Finnish company's accounts receivable denominated in foreign currency. On 31 December 2024, accounts receivable denominated in foreign currency amounted to EUR 29,669 thousand (on 31 December 2023, accounts receivable amounted to EUR 36,744 thousand). At the end of the financial year, the company had no existing hedging instruments and the Group does not apply hedge accounting. The company monitors the development of currency exposure as its operations expand and as non-USD denominated currency items increase, which might lead to the adoption of an active hedging policy in the company.

### Liquidity risk

Liquidity risk is associated with the sufficiency of financing required by the Group's working capital, repayment of loans, investment expenses and growth, and maintaining its continuity. The purpose of liquidity risk management is to continuously maintain a sufficient level of liquidity. To manage the risk, the Group continuously assesses the amount of financing required by business operations so that the Group has sufficient liquid assets for financing its operations, and repaying maturing loans.

### Capital management

The Group's objective for capital management is to ensure normal prerequisites for operation to execute strategy (including mergers and acquisitions) in all circumstances and allow optimal cost of capital. At the moment, the amount of Qt Group's interest-bearing liabilities is small and the equity ratio is high 81.6% (64.4%).

### Interest rate risk

At the moment, the interest rate risk is very small as the Group does not have any bank loans on the closing date. The Group will follow the development of the situation, and it is possible that it will adopt an active hedging policy in the future.

## 21. The Group's contingent liabilities

### Contingent liabilities

| EUR thousand | 2024 | 2023 |
| --- | --- | --- |
| **Pledges given on own behalf** | | |
| | | |
| Guarantees | 745 | 705 |
| **Pledges and contingent liabilities total** | **745** | **705** |

## 22. Transactions with Related Parties

The Group's related parties include the parent company and its subsidiaries. In addition, related parties are considered to include the members of the parent company's Board of Directors and the Group Management Team, including the President and CEO and persons and companies in which the management or Board of Directors exercise control or significant influence.

Except for management remuneration, there have not been any material transactions between Qt and its members of the Board of Directors, the President and CEO or the members of the Management Team including any companies controlled or significantly influenced by them.

Notes to the Consolidated Financial Statements

## 22. Transactions with Related Parties

### The Group's Parent Company and Subsidiary Relationships are as Follows:

**Group companies 31 December 2024**

| Name | Group's holding | Domicile | Country |
|---|---|---|---|
| Qt Group Plc | Parent company | Espoo | Finland |
| The Qt Company Oy | 100% | Espoo | Finland |
| The Qt Company | 100% | San Jose | United States |
| The Qt Company AS | 100% | Oslo | Norway |
| The Qt Company GmbH | 100% | Berlin | Germany |
| The Qt Company LLC | 100% | Seoul | South Korea |
| The Qt Company Ltd | 100% | Shanghai | China |
| The Qt Company UK | 100% | Norwich | United Kingdom |
| The Qt Company France | 100% | Issy-les-Moulineaux | France |
| Digia Software Ltd* | 100% | Chengdu | China |
| Digia Hong Kong Ltd* | 100% | Hong Kong | China |
| Qt India Technology Pvt Ltd | 100% | Bangalore | India |
| Axivion GmbH | 100% | Stuttgart | Germany |
| The Qt Company Japan** | 100% | Tokyo | Japan |

* The companies did not engage in business operations
** A branch of The Qt Company Oy in Japan

### Salaries and fees of the Board of Directors and President and CEO

| EUR thousand | | 1 Jan–31 Dec 2024 | 1 Jan–31 Dec 2023 |
|---|---|---|---|
| Varelius Juha | President and CEO | | |
| | Salaries and other short-term employee benefits | 492 | 469 |
| | Option and Equity incentive program | -91 | 29 |
| Ingman Robert | Chairman of the Board of Directors | 81 | 80 |
| Saarinen Leena | Vice Chairman of the Board of Directors until 12.3.2024 | 5 | 59 |
| Marsio Mikko | Vice Chairman of the Board of Directors from 12.3.2024 | 57 | 46 |
| Koppinen Jaakko | Member of the Board of Directors until 14.3.2023 | - | 11 |
| Välimäki Mikko | Member of the Board of Directors | 44 | 42 |
| Auramo Marika | Member of the Board of Directors from 14.3.2023 | 42 | 35 |
| Heikkonen Matti | Member of the Board of Directors from 14.3.2023 | 45 | 34 |
| Anckar Elina | Member of the Board of Directors from 12.3.2024 | 35 | - |
| **Total** | | **710** | **803** |

### Management's employee benefits

| EUR thousand | 1 Jan–31 Dec 2024 | 1 Jan–31 Dec 2023 |
|---|---|---|
| Salaries and other short-term employee benefits | 1,683 | 1,432 |
| Option and Equity incentive program | -217 | 69 |
| **Total** | **1,466** | **1,501** |

## 23. Events After the Closing Date of the Reporting Period

On 13 February 2025, the Board of Directors of Qt Group Plc released a new share-based incentive plan for the company's key employees. The purpose of the incentive plan is to align the goals of the shareholders and the company's management to develop the company's value, and to commit the company's management and key personnel to the company and achieving the company's strategic goals by offering them a competitive long-term incentive plan. Members of the company's Board of Directors are not included in the incentive plan.

The new performance-based incentive plan covers the years 2025-2027. The applicable performance criteria are based on the company's revenue growth during the measurement period ending at the end of 2027, as well as annually set strategic targets, each with a one-year measurement period.

# Parent Company's Income Statement FAS

| EUR | Notes | 2024 | 2023 |
|---|---|---|---|
| **Net sales** | | **413,518.00** | **370,733.69** |
| Personnel expenses | 1 | -899,691.88 | -822,405.58 |
| Other operating expenses | 2 | -1,406,405.08 | -1,142,446.80 |
| **Operating profit** | | **-1,892,578.96** | **-1,594,118.69** |
| | | | |
| Financial expenses | 3 | -103,871.79 | -871,752.17 |
| **Earnings before appropriations and taxes** | | **-1,996,450.75** | **-2,465,870.86** |
| | | | |
| Appropriations | | | |
| Group contributions received | | 1,996,450.75 | 2,322,228.54 |
| **Total appropriations** | | **1,996,450.75** | **2,322,228.54** |
| | | | |
| Income taxes | | - | 8,640.19 |
| **Net profit** | | **-** | **-135,002.13** |

# Parent Company's Balance Sheet (FAS)

| EUR | Notes | 31.12.2024 | 31.12.2023 |
|---|---|---|---|
| **Non-current assets** | | | |
| | | | |
| **Investments** | | | |
| Holdings in group companies | 4 | 17,406,928.24 | 17,406,928.24 |
| **Total** | | **17,406,928.24** | **17,406,928.24** |
| | | | |
| **Non-current assets total** | | **17,406,928.24** | **17,406,928.24** |
| | | | |
| **Current assets** | | | |
| Accounts receivable from group companies | | - | - |
| Current receivables from group companies | | 28,683,507.79 | 91,147,911.27 |
| Other receivables | | 156,581.35 | 24,648.82 |
| Cash in hand and at banks | | 30,425.78 | 51,315.78 |
| **Total** | | **28,870,514.92** | **91,223,875.87** |
| | | | |
| **Total assets** | | **46,277,443.16** | **108,630,804.11** |

| EUR | Notes | 31.12.2024 | 31.12.2023 |
|---|---|---|---|
| **Shareholders' equity** | | | |
| Share capital | 5 | 500,000.00 | 500,000.00 |
| Unrestricted shareholders' equity reserve | 5 | 55,154,383.73 | 55,154,383.73 |
| Own shares | | -9,959,968.64 | -9,959,968.64 |
| Retained earnings | | -390,872.93 | -255,870.80 |
| Net profit | 5 | - | -135,002.13 |
| **Total** | | **45,303,542.16** | **45,303,542.16** |
| | | | |
| **Long-term liabilities** | | | |
| Long-term interest-bearing liabilities | | - | - |
| **Total** | | **-** | **-** |
| | | | |
| **Short-term liabilities** | | | |
| Accounts payable | | 211,633.63 | 59,073.74 |
| Other liabilities | | 114,569.30 | 107,219.94 |
| Short-term interest-bearing liabilities | | 15,162.96 | 16,305,205.76 |
| Accrued charges and deferred credits | 6 | 632,535.11 | 46,855,762.51 |
| **Total** | | **973,901.00** | **63,327,261.95** |
| | | | |
| **Total shareholders' equity and liabilities** | | **46,277,443.16** | **108,630,804.11** |

# Parent Company’s Cash Flow Statement FAS

| EUR | 2024 | 2023 |
|---|---|---|
| **Net profit before tax** | **-1,996,450.75** | **-2,465,870.86** |
| | | |
| Adjustments to net profit | 103,871.79 | 871,752.17 |
| | | |
| Change in working capital | 18,265,603.55 | 13,542,351.57 |
| | | |
| Interest paid | -400,505.12 | -726,110.78 |
| Other financial items | -2,394.85 | -1,999.07 |
| Income taxes paid | | - |
| **Cash flow from financial items and taxes** | **-402,899.97** | **-728,109.85** |
| | | |
| **Cash flow from operations** | **15,970,124.62** | **11,220,123.03** |
| | | |
| Repayment of current borrowings | -16,000,000.00 | - |
| Repayment of non-current borrowings | - | -8,000,000.00 |
| Net changes in bank overdrafts | 8,985.38 | -3,474,532.13 |
| Share subscriptions based on stock options 2016 | - | 27,229.84 |
| **Cash flow from financing** | **-15,991,014.62** | **-11,447,302.29** |
| | | |
| **Change in cash and cash equivalents** | **-20,890.00** | **-227,179.26** |
| | | |
| **Cash and cash equivalents at beginning of period** | **51,315.78** | **278,495.04** |
| **Cash and cash equivalents at end of period** | **30,425.78** | **51,315.78** |

# Basic Information on the Parent Company and Accounting Policies Applied in the Financial Statements

## Basic Information on the Company

Qt Group Plc is the parent company of Qt Group, and its domicile is Espoo and its registered address is Miestentie 7, FI-02150 Espoo, Finland. Qt Group Plc's subsidiary responsible for its operations in Finland is The Qt Company Oy.

## Accounting Policies Applied in the Financial Statements

The parent company's financial statements have been prepared in accordance with the Finnish Accounting Standards (FAS). The financial statements are based on original acquisition costs. Acquisition cost-based accounting is discounted to correspond to the fair value, if necessary.

## Pension Arrangements

The pension cover of the company's personnel is provided through statutory pension insurance. Pension contributions and expenses allocated to the financial period are based on confirmation received from the insurance company. Pension expenses are recognized as expenses for the year during which they are incurred.

## Taxes

Taxes recognized in the income statement include taxes based on the net profit for the financial period, and adjustments to taxes for previous periods.

## Tangible and Intangible Assets

Tangible and intangible assets are recognized in the balance sheet at direct acquisition cost less planned depreciation. Planned depreciation is based on the following useful lives:

| | |
|---|---|
| Intangible assets | 3–5 years |

Acquisitions of fixed assets with a useful life of less than three years are recognized as annual expenses.

## Cash and Cash Equivalents and Loans from Financial Institutions

Cash and cash equivalents include cash assets and bank accounts. Overdraft facilities of accounts are presented in current liabilities on the balance sheet. Loans from financial institutions are included in long- and short-term liabilities on the balance sheet. Interest expenses are recognized as expenses for the period during which they are incurred.

## Shareholders' Equity and Dividends

The Board of Directors' proposal for dividend payout is not recognized in the distributable shareholders' equity in the financial statements before the approval of the Annual General Meeting.

# Notes to the Parent Company Financial Statements FAS

## 1. Information on Personnel and Related Parties

| EUR | 2024 | 2023 |
|---|---|---|
| Wages and salaries | 812,554.00 | 742,579.62 |
| Pension expenses | 85,424.04 | 69,953.08 |
| Other personnel expenses | 1,713.84 | 9,872.88 |
| **Total** | **899,691.88** | **822,405.58** |

The company's personnel expenses are comprized of the salaries and fees paid to the President and CEO and the Board of Directors. More detailed information about the related parties is presented in Note 22, Transactions with related parties to the consolidated financial statements.

## 2. Other Operating Expenses

| EUR | 2024 | 2023 |
|---|---|---|
| IT expenses | - | 2,153.85 |
| Expert services | 577,764.09 | 427,781.40 |
| Other expenses | 828,640.99 | 712,511.55 |
| **Total** | **1,406,405.08** | **1,142,446.80** |
| | | |
| **Auditor's fees** | | |
| Audit | 41,293.78 | 28,152.87 |
| Other services* | 49,781.80 | 35,092.33 |
| **Total** | **91,075.58** | **63,245.20** |

* Among this amount, EUR 33,569.97 (EUR 19,142.33) is related to statements based on auditing acts and other regulations.

The company's auditor for 2023 and 2024 was KPMG Oy Ab.

## 3. Financial Income and Expenses

| EUR | 2024 | 2023 |
|---|---|---|
| Other financial expenses | 103,871.79 | 871,752.17 |
| **Total** | **103,871.79** | **871,752.17** |

## 4. Investments

### Holdings in group companies

| EUR | 2024 |
|---|---|
| Acquisition cost, 1 January | 17,406,928.24 |
| **Acquisition cost, 31 December** | **17,406,928.24** |
| | |
| **Book value, 1 January** | 17,406,928.24 |
| **Book value, 31 December** | **17,406,928.24** |

| EUR | 2023 |
|---|---|
| Acquisition cost, 1 January | 17,406,928.24 |
| **Acquisition cost, 31 December** | **17,406,928.24** |
| | |
| **Book value, 1 January** | **17,406,928.24** |
| **Book value, 31 December** | **17,406,928.24** |

### Itemization of shares

| Group companies | Domicile | Country | Holding | Share of votes |
|---|---|---|---|---|
| Digia Hong Kong Ltd | Hong Kong | China | 100% | 100% |
| The Qt Company Oy | Espoo | Finland | 100% | 100% |

## 5. Changes in Shareholders' Equity

| EUR | 2024 | 2023 |
|---|---|---|
| Share capital, 1 January | 500,000.00 | 500,000.00 |
| Share capital, 31 December | 500,000.00 | 500,000.00 |
| | | |
| Unrestricted shareholders' equity reserve, 1 January | 55,154,383.73 | 55,127,153.89 |
| Issue of shares | - | - |
| Issue of treasury share | - | - |
| Share subscriptions based on stock options | - | 27,229.84 |
| Unrestricted shareholders' equity reserve, 31 December | 55,154,383.73 | 55,154,383.73 |
| | | |
| Own shares, 1 January | -9,959,968.64 | -9,959,968.64 |
| Purchase of treasury shares | - | - |
| Decrease of treasury shares | - | - |
| Own shares, 31 December | -9,959,968.64 | -9,959,968.64 |
| | | |
| Retained earnings | -390,872.93 | -255,870.80 |
| Decrease of treasury shares | - | - |
| Net profit (loss) | - | -135,002.13 |
| **Total shareholders' equity** | **45,303,542.16** | **45,303,542.16** |
| | | |
| | | |
| **Calculation of distributable funds** | | |
| Unrestricted shareholders' equity reserve | 55,154,383.73 | 55,154,383.73 |
| Treasury shares | -9,959,968.64 | -9,959,968.64 |
| Retained earnings | -390,872.93 | -255,870.80 |
| Net profit (loss) | - | -135,002.13 |
| **Total distributable funds** | **44,803,542.16** | **44,803,542.16** |

Notes to the parent company financial statements

## 6. Accrued Charges and Deferred Credits

| EUR | 2024 | 2023 |
|---|---|---|
| Accrued charges and deferred credits to group companies | 500,000.00 | 46,726,053.01 |
| Personnel expense allocations | 70,778.70 | 70,115.98 |
| Other accrued charges and deferred credits | 61,756.41 | 59,593.52 |
| **Total** | **632,535.11** | **46,855,762.51** |

**Board of Directors' dividend proposal**

Parent company's net result showed a profit of EUR 0,00. The Board of Directors of the Qt Group Plc proposes to the Annual General Meeting that no dividend be paid for the fiscal year that ended on 31 December 2024.

## Statements by the Board of Directors and the CEO

We confirm that:

The consolidated financial statements prepared in accordance with the international IFRS accounting standards approved for use in the EU, and the financial statements of the parent company prepared in accordance with the accounting regulations in force in Finland, provide a true and fair view of the assets, liabilities, financial position, and profit or loss of the company and the entities included in the consolidated financial statements.

The report of the Board of Directors provides a true and fair view of the development and results of the business activities of the company and the entities included in the consolidated financial statements, as well as a description of the principal risks and uncertainties and other matters concerning the company. The sustainability statement included in the report of the Board of Directors has been prepared in accordance with the reporting standards referred to in Chapter 7 and Article 8 of the Taxonomy Regulation.

# Signatures to the Financial Statements and the Board of Directors' Report

## Espoo, 27 February 2025

**Robert Ingman**
Chairman of the Board of Directors

**Marika Auramo**
Member of the Board of Directors

**Juha Varelius**
President and CEO

**Mikko Marsio**
Vice Chairman of the Board of Directors

**Matti Heikkonen**
Member of the Board of Directors

**Elina Anckar**
Member of the Board of Directors

**Mikko Välimäki**
Member of the Board of Directors

## Auditors' note

The report of the audit has been issued today.
Espoo, 27 February 2025

KPMG Oy Ab
Authorized Public Accountants
Jonne Ahokas, Authorized Public Accountant

# Auditor's Report

This document is an English translation of the Finnish auditor's report.
Only the Finnish version of the report is legally binding.

## To the Annual General Meeting of Qt Group Plc

### Report on the Audit of the Financial Statements

**Opinion**

We have audited the financial statements of Qt Group Plc (business identity code 2733394-8) for the year ended 31 December, 2024. The financial statements comprise the consolidated balance sheet, income statement, statement of comprehensive income, statement of changes in equity, statement of cash flows and notes, including material accounting policy information, as well as the parent company's balance sheet, income statement, statement of cash flows and notes.

In our opinion

- the consolidated financial statements give a true and fair view of the group's financial position, financial performance and cash flows in accordance with IFRS Accounting Standards as adopted by the EU
- the financial statements give a true and fair view of the parent company's financial performance and financial position in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements.

Our opinion is consistent with the additional report submitted to the 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 8 to the consolidated financial statements.

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

### Materiality

The scope of our audit was influenced by our application of materiality. The materiality is determined based on our professional judgement and is used to determine the nature, timing and extent of our audit procedures and to evaluate the effect of identified misstatements on the financial statements as a whole. The level of materiality we set is based on our assessment of the magnitude of misstatements that, individually or in aggregate, could reasonably be expected to have influence on the economic decisions of the users of the financial statements. We have also taken into account misstatements and/or possible misstatements that in our opinion are material for qualitative reasons for the users of the financial statements.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. The significant risks of material misstatement referred to in the EU Regulation No 537/2014 point (c) of Article 10(2) are included in the description of key audit matters below.

We have also addressed the risk of management override of internal controls. This includes consideration of whether there was evidence of management bias that represented a risk of material misstatement due to fraud.

| The key audit matter | How the matter was addressed in the audit |
|---|---|
| **Revenue Recognition and Valuation of Accounts Receivable – Refer to Accounting Principles and Notes 2 and 15 in the Consolidated Financial Statements** | |
| Revenue recognition is one of the key areas of focus, in respect of the risk of management override and timing of revenue for license, maintenance and consulting income. | We have tested controls over revenue recognition, including timing of revenue recognition, as well as performed substantive testing. |
| Accounts receivable includes management estimate relating to valuation of overdue accounts receivable. | We have assessed the recoverability of overdue accounts receivable and the related evidence as well as challenged the management's assessment of the bad debt provision. |

We have not identified key audit matters relating to the parent company's financial statements.

**Responsibilities of the Board of Directors and the Managing Director for the Financial Statements**

The Board of Directors and the Managing Director are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU, and of financial statements that give a true and fair view in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors and the Managing Director are responsible for assessing the parent company's and the group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting. The financial statements are prepared using the going concern basis of accounting unless there is an intention to liquidate the parent company or the group or cease operations, or there is no realistic alternative but to do so.

**Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with good auditing practice will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with good auditing practice, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the parent company's or the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the parent company's or the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the parent company or the group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events so that the financial statements give a true and fair view.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## Other Reporting Requirements

**Information on our Audit Engagement**

We were first appointed as the auditors of Qt Group Plc by the Annual General Meeting on May 1, 2016, when the company was founded as the result of de-merger from Digia Plc. We were appointed as auditors of Digia Plc for the financial year 2015.

**Other Information**

The Board of Directors and the Managing Director are responsible for the other information. The other information comprises the report of the Board of Directors and the information included in the Annual Report, but does not include the financial statements or our auditor's report thereon. We have obtained the report of the Board of Directors prior to the date of this auditor's report, and the Annual Report is expected to be made available to us after that date. Our opinion on the financial statements does not cover the other information.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. With respect to the report of the Board of Directors, our responsibility also includes considering whether the report of the Board of Directors has been prepared in compliance with the applicable provisions, excluding the sustainability report information on which there are provisions in Chapter 7 of the Accounting Act and in the sustainability reporting standards.

In our opinion, the information in the report of the Board of Directors is consistent with the information in the financial statements and the report of the Board of Directors has been prepared in compliance with the applicable provisions. Our opinion does not cover the sustainability report information on which there are provisions in Chapter 7 of the Accounting Act and in the sustainability reporting standards.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Helsinki, February 27, 2025
KPMG OY AB

Jonne Ahokas
Authorized Public Accountant, KHT

# Independent Auditor's Report on the ESEF Financial Statements of Qt Group Plc

## To the Board of Directors of Qt Group Plc

We have performed a reasonable assurance engagement on the financial statements **qtgroupoyj-2024-12-31-0-en.zip** of Qt Group Plc (Business ID 2733394-8) that have been prepared in accordance with the Commission's regulatory technical standard for the financial year ended 31.12.2024.

### Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the company's report of the Board of Directors and financial statements (the ESEF financial statements) in such a way that they comply with the requirements of the Commission's regulatory technical standard. This responsibility includes:

- preparing the ESEF financial statements in XHTML format in accordance with Article 3 of the Commission's regulatory technical standard
- tagging the primary financial statements, notes and company's identification data in the consolidated financial statements that are included in the ESEF financial statements with iXBRL tags in accordance with Article 4 of the Commission's regulatory technical standard and
- ensuring the consistency between the ESEF financial statements and the audited financial statements.

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 ESEF financial statements in accordance with the requirements of the Commission's regulatory technical standard.

## Auditor's independence and quality management

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

The auditor applies International Standard on Quality Management (ISQM) 1, which requires the 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.

## Auditor's responsibilities

Our responsibility is to, in accordance with Chapter 7, Section 8 of the Securities Markets Act, provide assurance on the financial statements that have been prepared in accordance with the Commission's regulatory technical standard. We express an opinion on whether the consolidated financial statements that are included in the ESEF financial statements have been tagged, in all material respects, in accordance with the requirements of Article 4 of the Commission's regulatory technical standard.

Our responsibility is to indicate in our opinion to what extent the assurance has been provided. We conducted a reasonable assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000.

The engagement includes procedures to obtain evidence on:

- whether the primary financial statements in the consolidated financial statements that are included in the ESEF financial statements have been tagged, in all material respects, with iXBRL tags in accordance with the requirements of Article 4 of the Commission's regulatory technical standard and
- whether the notes and company's identification data in the consolidated financial statements that are included in the ESEF financial statements have been tagged, in all material respects, with iXBRL tags in accordance with the requirements of Article 4 of the Commission's regulatory technical standard and
- whether there is consistency between the ESEF financial statements and the audited financial statements.

The nature, timing and extent of the selected procedures depend on the auditor's judgment. This includes an assessment of the risk of a material deviation due to fraud or error from the requirements of the Commission's regulatory technical standard.

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

## Opinion

Our opinion pursuant to Chapter 7, Section 8 of the Securities Markets Act is that the primary financial statements, notes and company's identification data in the consolidated financial statements that are included in the ESEF financial statements of Qt Group Plc **qtgroupoyj-2024-12-31-0-en.zip** for the financial year ended 31.12.2024 have been tagged, in all material respects, in accordance with the requirements of the Commission's regulatory technical standard.

Our opinion on the audit of the consolidated financial statements of Qt Group Plc for the financial year ended 31.12.2024 has been expressed in our auditor's report dated 27.2.2025. With this report we do not express an opinion on the audit of the consolidated financial statements nor express another assurance conclusion.

Helsinki 27 February 2025
KPMG OY AB

Jonne Ahokas
Authorzed Public Accountant, KHT

# Assurance Report on the Sustainability Report

This document is an English translation of the Finnish auditor's report.
Only the Finnish version of the report is legally binding.

## To the Annual General Meeting of Qt Group Plc

We have performed a limited assurance engagement on the group sustainability report of Qt Group Plc (business identity code 2733394-8) 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 report 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 Qt Group Plc 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 report 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 report as a limited assurance engagement in compliance with good assurance practice in Finland and with the International Standard on Assurance Engagements (ISAE) 3000 (Revised) Assurance Engagements Other than Audits or Reviews of Historical Financial Information.

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

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

## Other Matter

We draw attention to the fact that the group sustainability report of Qt Group Plc 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 report. Our opinion is not modified in respect of this matter.

Authorized Group Sustainability Auditor's Independence and Quality Management

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

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

## Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director of Qt Group Plc are responsible for:

- the group sustainability report 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 report 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 report that is free from material misstatement, whether due to fraud or error.

## Inherent Limitations in the Preparation of a Sustainability Report

Preparation of the sustainability report requires company to make materiality assessment to identify relevant matters to report. This includes significant management judgement and choices. It is also characteristic to the sustainability reporting that reporting of this kind of information includes estimates and assumptions as well as measurement and estimation uncertainty. Furthermore, when reporting forward looking information company has to disclose assumptions related to potential future events and describe company´s possible future actions in relation to these events. Actual outcome may differ as forecasted events do not always occur as expected.

## Responsibilities of the Authorized Group Sustainability Auditor

Our responsibility is to perform an assurance engagement to obtain limited assurance about whether the group sustainability report 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 report.

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

## Description of the Procedures That Have Been Performed

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

Our procedures included for ex. the following:

- We interviewed Qt Group Plc's management and persons responsible for the preparation and gathering of the sustainability information.
- We familiarized with interviews to the key processes related to collecting and consolidating the sustainability information.
- We got acquainted with the relevant guidances and policies related to the sustainability information disclosed in the sustainability report, as appropriate.
- We acquainted ourselves to the background documentation and other records prepared by the company, as appropriate and assessed how they support the information included in the sustainability report.
- In relation to the double materiality assessment process, we interviewed persons responsible for the process and familiarized ourselves with the process description prepared of the double materiality assessment and other documentation and background materials.
- In relation to the EU taxonomy information, we interviewed the management of the company and persons with key roles in reporting taxonomy information, we obtained evidence supporting the interviews and reconciled, as applicable, the reported EU taxonomy information to supporting documents and to the bookkeeping.
- We assessed the application of the ESRS sustainability reporting standards reporting principles in the presentation of the sustainability information.

Helsinki, 27 February 2025
KPMG OY AB
Authorized Sustainability Audit Firm

Jonne Ahokas
Authorized Sustainability Auditor, KRT

# Corporate Governance Statement 2024

## I. Introduction

This Corporate Governance Statement has been prepared in accordance with the Governance Code for Listed Finnish Companies 2025 ("Governance Code") and chapter 7, section 7 of Finnish Securities Market Act (746/2012). This Statement has been issued separately from the Board's operating and financial review.

The Governance Code is available on the Finnish Securities Market Association website **www.cgfinland.fi**.

# II. Governance

Qt Group Plc's (hereinafter referred to as the "company") corporate governance system is based on the Companies Act, the Securities Markets Act, general corporate governance recommendations, and the company's Articles of Association and in-company rules and regulations on corporate governance.

The company's corporate governance principles are integrity, accountability, fairness and transparency. This means, among other things, that:

- The company complies with the applicable laws, rules and regulations.
- The company organizes, plans and manages its operations, and does business abiding by the applicable professional requirements approved by Board members, who demonstrate due care and responsibility in performing their duties.
- The company demonstrates special prudence with respect to the management of its capital and assets.
- The company's policy is to keep all market participants actively, openly and equitably informed of its business operations.
- The company's management, administration and personnel are subject to the appropriate internal and external audits and supervision.

## Shareholders' Meeting

The company's highest decision-making body is the Shareholders' Meeting at which shareholders exercise their voting rights regarding company matters. Each company share entitles the holder to one vote at the Shareholders' Meeting.

The AGM will be held annually within three (3) months of the end of the financial year. An Extraordinary General Meeting will be held if the Board of Directors deems it necessary or if requested in writing by a company auditor or shareholders holding a minimum of 10 percent (1/10) of the company's shares, for the purpose of discussing a specific issue.

The Finnish Limited Liability Companies Act and the company's Articles of Association define the responsibilities and duties of the Shareholders' Meeting. Extraordinary General Meetings decide on the matters for which they have been specifically convened.

# Board of Directors

**Operations and Duties**

Elected by the Shareholders' Meeting, the Board of Directors is in charge of company administration and the appropriate organisation of company operations. Under the Articles of Association, the Board of Directors consists of four (4) to eight (8) members. The Compensation and Nomination Committee prepares a proposal for the Shareholders' Meeting regarding the composition of the new Board of Directors to be appointed.

The majority of Board members must be independent of the company and a minimum of two (2) of those members must also be independent of the company's major shareholders. The President and CEO or other company employees under the President and CEO's direction may not be elected members of the Board.

The term of all Board members expires at the end of the Annual General Meeting following their election. A Board member can be re-elected without limitations on the number of successive terms. The Board of Directors elects its Chairman and Vice Chairman from amongst its members.

The Board of Directors has determined the principles regarding the diversity of the Board of Directors. Accordingly, the requirements of company size, market position and business industry should be duly reflected when composing the Board of Directors. When composing the Board of Directors, the objective is that the Board of Directors will always include necessary expertise especially in the following key areas:

- the company's field of business,
- management of a similar-sized company,
- the specific nature of a publicly listed company,
- accounting,
- risk management, and
- Board activity.

The aim for the composition the Board of Directors is to have males and females equally represented. During financial year 2024 the company's Board of Directors had 6 members, out of which 4 were male (66.7 percent) and 2 were female (33.3 percent). The defined diversity principles were well fulfilled in all respects in the company's Board of Directors during financial year 2024.

The Board has prepared and approved a written agenda for its work. In addition to Board duties prescribed by the Companies Act and other rules and regulations, the Board of Directors is responsible for issues on its agenda, observing the following guidelines:

- Good board practices require that the Board of Directors, instead of needlessly interfering in the details involved in day-to-day operations, concentrate on elaborating the company's short- and long-term strategies.
- The Board's general duty is to steer the company's business with a view to maximizing shareholder value in the long term, while taking account of expectations set by various stakeholder groups; and
- Board members are required to perform on the basis of sufficient, relevant and updated information, in order to serve the company's interests.

In addition, the Board's agenda:

- defines the Board's annual action plan and provides a preliminary meeting schedule and framework agenda for each meeting;
- provides guidelines for the Board's annual self-assessment;
- provides guidelines for distributing notices of meetings and advance information to the Board and procedures for keeping and adopting minutes;
- defines job descriptions for the Chairman, members and secretary of the Board of Directors (the secretary is the Company's General Counsel or, if absent, the CEO); and
- defines the framework within which the Board may set up special committees or working groups.

The Board evaluates its activities and working methods annually, employing an external consultant for this evaluation, if necessary.

# Board of Directors

## Robert Ingman

**Male, b. 1961**

**M.Sc. (Eng.), M.Sc. (Econ.)**

Chairman of the Board of Directors of Qt Group Plc since 2016. Member of the Compensation and Nomination Committee.

Full-time Chairman of the Board of Ingman Group Oy Ab.

His previous posts include Managing Director at Arla Ingman Oy Ab (2007–2011) and Ingman Foods Oy Ab (1997–2006). Chairman of the Board of Etteplan Oyj, Digia Plc, Evli Plc and Halti Ltd.

Independent of the Company.

## Mikko Marsio

**Male, b. 1971**

**M.Sc. (Eng.)**

Member of the Board of Directors of Qt Group Plc since 2018 and Vice Chair of the Board since 2024. Chair of the Audit Committee.

Has worked as Chief Revenue Officer (2022–2024) at Cadmatic Oy; SVP, Digital business and Software in Process Industries division at ABB (2017–2020) and in various managerial positions e.g. at Empower Group (2016–2017), Dovre Group Plc (2012–2015), Hewlett-Packard (2005–2008) and Fortum Plc (1996–2001).

Independent of the Company and major shareholders.

## Elina Anckar

**Female, b. 1968**

**M.Sc. (Econ.)**

Member of the Board of Directors of Qt Group Plc since 2024. Member of the Audit Committee.

Currently Chief Financial Officer at Marimekko.

Has worked as Director of Finance and Human Resources at A-lehdet (2013–2015); VP, Head of Business Control, Boardband Services at TeliaSonera Finland Oy (2012–2013); Chief Financial Officer at Sodexo Oy (2007–2012) and Country Controller at H&M Hennes & Mauritz Oy. Member of the Finance and Tax Committee at Confederation of Finnish Industries (EK) (2024–).

Independent of the Company and major shareholders.

## Marika Auramo

**Female, b. 1967**

**MBA**

Member of the Board of Directors of Qt Group Plc since 2023. Member of the Compensation and Nomination Committee.

CEO, Vodafone Business at Vodafone.

Previously Chief Business Officer at SAP EMEA region and several managerial positions at SAP, including Global Chief Operating Officer at SAP America (2017–2019), General Manager at EMEA region (2015–2017) and Managing director of SAP in the Nordic and Baltic Region (2019–2021). Prior to that she has worked at several start-ups (1990–1998). Member of the Board at Digital Workforce Services Oy.

Independent of the Company and major shareholders.

## Matti Heikkonen

**Male, b. 1976**

**M.Sc. (Tech)**

Member of the Board of Directors of Qt Group Plc since 2023. Chair of the Compensation and Nomination Committee.

CEO at Pinja Group. Previously Chief Commercial Officer at Enreach for Enterprises (2021-2024), CEO at Benemen Oy (2018–2021), EVP Global Operations and member of the executive team at Questback AS (2010–2018), and CEO at Digium Oy (2007–2010). Prior to that he has worked in several managerial positions at Nokia (2004–2007).

Independent of the Company and major shareholders.

## Mikko Välimäki

**Male, b. 1976**

**PhD, LL.M**

Member of the Board of Directors of Qt Group Plc since 2022. Member of the Audit Committee.

CEO at IQM Finland.

Contributing in a number of start-ups including Executive Chairman at Ellie Technologies Inc. Previously co-founder and CEO of Tuxera Inc. (2009–2019).

Independent of the Company and major shareholders.

# Composition of Board of Directors

## The Board of Directors of Qt Group Plc 2024

| Name | Education | Year of Birth | Main Activity | Shareholding, pcs* |
|---|---|---|---|---|
| Elina Anckar** | M.Sc. (Econ.) | 1968 | Chief Financial Officer, Marimekko | 0 |
| Marika Auramo | MBA | 1967 | CEO, Vodafone Business | 0 |
| Matti Heikkonen | M.Sc. (Tech) | 1976 | CEO, Pinja Group | 48 |
| Robert Ingman* | M.Sc. (Eng.), M.Sc. (Econ.) | 1961 | Chairman of the Board., Ingman Group Oy Ab | 5,485,000 |
| Mikko Marsio | M.Sc. (Eng.) | 1971 | Management positions in technology companies | 800 |
| Leena Saarinen*** | M.Sc. (Food Technology) | 1960 | Board Professional | 2,844 |
| Mikko Välimäki | Ph.D, LL.M | 1976 | CEO, IQM Finland | 0 |

* Company shares held directly or through legal entities under person's control/influence as of 31 December 2024.
** Board member as of March 12, 2024.
*** Board member until March 12, 2024.

No Board Member owns any stock-options or other share-based rights in the company.

Of the aforementioned Members of the Board, Elina Anckar, Marika Auramo, Matti Heikkonen, Mikko Marsio, and Mikko Välimäki are independent of the company and its major shareholders. Robert Ingman is independent of the company. Robert Ingman is not independent of the company's major shareholders due to his role as a Chairman of the Board of the company's biggest shareholder Ingman Development Oy Ab.

During the financial year 2024, the Board of Directors held 10 meetings. The participation rate in the meetings was the following:

| Member | PARTICIPATION |
|---|---|
| Robert Ingman (Chair) | 10/10 |
| Elina Anckar * | 9/9 |
| Marika Auramo | 9/10 |
| Matti Heikkonen | 10/10 |
| Mikko Marsio | 10/10 |
| Leena Saarinen** | 1/1 |
| Mikko Välimäki | 9/10 |
| **Total** | **97%** |

** Board member as of March 12, 2024.
*** Board member until March 12, 2024.

**Committees of the Board of Directors**

The company's Board of Directors had two (2) committees in financial year 2024: the Compensation and Nomination Committee and the Audit Committee.

These committees do not hold powers of decision or execution. They assist the Board in decision-making concerning their own areas of expertise. The committees report regularly on their work to the Board, which governs and assumes collegiate responsibility for the committees' work.

The purpose of the Compensation and Nomination Committee is to prepare and follow-up the remuneration policy and remuneration report for the company's governing bodies as well as compensation and remuneration schemes for the company management in order to ensure that the company's targets are met, to guarantee the objectivity of decision-making, and to see to it that the schemes are transparent and systematic. The Compensation and Nomination Committee also prepares a proposal for the Annual General Meeting concerning the number of members of the Board of Directors, the members of the Board of Directors, the remuneration of the Chairman, Vice Chairman and members of the Board and the remuneration of the chairmen and members of the committees of the Board of Directors.

During 2024, the members of the Compensation and Nomination Committee and their participation in the meetings were as follows:

| Member | PARTICIPATION |
|---|---|
| Marika Auramo | 6/6 |
| Matti Heikkonen (pj) | 6/6 |
| Robert Ingman | 6/6 |
| **Total** | **100%** |

The purpose of the Audit Committee is to assist the Board of Directors in ensuring that the company's financial reporting, accounting methods, financial statements and other reported financial information are legitimate, balanced, transparent and clear.

During 2024, the members of the Audit Committee and their participation in the meetings were as follows:

| Member | PARTICIPATION |
|---|---|
| Elina Anckar* | 4/4 |
| Marika Auramo** | 1/1 |
| Mikko Marsio (pj) | 5/5 |
| Mikko Välimäki | 5/5 |
| **Total** | **100%** |

* Member of the Committee as of March 12, 2024
** Member of the Committee until March 12, 2024

# Management Team

The company has a Management Team, chaired by the Chief Executive Officer (CEO) of the company. The Board of Directors appoints the CEO and, upon the CEO's proposal, confirms the appointment of Management Team members and their essential terms of their employment. The CEO, together with the other members of the Management Team, is in charge of company's business operations and administration in accordance with the instructions and regulations issued by the Board of Directors, and as defined by the Finnish Limited Liability Companies Act.

The CEO may take exceptional and far-reaching measures, in view of the nature and scope of the company's activities, only if so authorized by the Board of Directors. The CEO is not a member of the Board of Directors but attends Board meetings.

### During the financial year 2024, the Management Team of the company was as follows:

| Name | Education | Year of Birth | Responsibility | Shareholding, pcs* |
|---|---|---|---|---|
| Juha Varelius | M.Sc. (Econ.) | 1963 | Chief Executive Officer | 400,982 |
| Mari Heusala** | M.Sc. (Econ.) | 1966 | SVP, Human Resources | 0 |
| Petteri Holländer | M.Sc. student (Eng.) | 1974 | SVP, Ventures | 10,000 |
| Laura Kilemet | M.Sc. (Econ. & BA) | 1979 | SVP, People & Culture | 10 |
| Katja Kumpulainen | eMBA | 1973 | SVP, Marketing | 12,000 |
| Jouni Lintunen | Master of Science in Technology | 1971 | Chief Financial Officer | 2,000 |
| Juhapekka Niemi | Information Technology Engineer | 1968 | SVP, Product Management | 14,711 |
| Mika Pälsi | Master of Laws | 1970 | General Counsel | 513 |
| Steffan Schumacher*** | Bachelor of Information Technology | 1975 | SVP, Sales | 100 |
| Aleksina Shemeikka | M.Sc. Engineering, MBA | 1979 | SVP, Software Quality Solutions | 0 |
| Tuukka Turunen | Master of Science in Technology, Licentiate in Technology | 1974 | SVP, Research and Development | 129,786 |

* Company shares held directly or through legal entities under control/influence by a person as of December 31, 2024.
** Member of the Management Team until August 23, 2024
*** Member of the Management Team from August 26, 2024

# Management Team

## Juha Varelius

**Male, b. 1963**
**Master of Economic Sciences**

CEO of the Qt Group Plc since 2016.

Previously acted as the CEO of Digia Oyj (2008–2016) and in various managerial positions at Everypoint Inc and Yahoo! (2002–2007) as well as Sonera (1993–2002).

## Petteri Holländer

**Male, b. 1974**
**M.Sc. student (Eng.)**

Senior Vice President, Ventures of Qt Group Plc since 2021.

Previously Senior Vice President, Product Management. Member of the management team since 2016. Previously acted as Chief Product Officer, Business Development Officer and in other managerial positions at Digia Oyj and its predecessors (2001–2016), and as Product Development Officer at Sonera SmartTrust Oy (1999–2001).

## Laura Kilemet

**Female, b. 1979**
**Master of Science, Economics and Business Administration**

Senior Vice President, People & Culture at Qt Group Plc since 2024.

Previously acted as HR Director at Qt Group, several managerial and development positions at VTT (2012–2023), HR and CSR roles at UNHCR (2009–2012), UNDP (2007–2009), UNFPA (2007) and Finnish Ministry for Foreign Affairs (2005–2007).

## Katja Kumpulainen

**Female, b. 1973**
**eMBA**

Senior Vice President, Marketing of Qt Group Plc since 2016.

Previously acted as Chief Marketing Officer at Digia Oyj (2015–2016) and Nervogrid Oy (2012–2015) as well as in various managerial, directorial and expert positions at Lite-On Mobile Oy (prev. Perlos) (2007–2012) and Basware Oyj (1995–2007).

## Jouni Lintunen

**Male, b. 1971**
**Master of Science in Technology**

Chief Financial Officer of Qt Group Plc since 2020.

Previously acted as Finance Director (2016–2020) and as Business Controller (2013–2015) at PaloDEx Group Oy, and in various directorial and expert positions at Vaisala Oyj (1998–2013).

# Management Team

## Juhapekka Niemi

**Male, b. 1968**

**Information Technology Engineer**

Senior Vice President, Product Management of Qt Group Plc since 2023.

Previously Senior Vice President, Sales. Member of the management team since 2016. Previously acted as Chief Business Officer at Digia Oyj (2013–2016) as well as in various managerial and directorial positions at Nokia Oyj (2000–2013).

## Mika Pälsi

**Male, b. 1970**

**Master of Laws**

General Counsel of Qt Group Plc since 2016.

Previously acted as General Counsel of Digia Oyj (2009–2016), Senior Legal Counsel at Tieto Oyj (2005–2009) and as an attorney at Castrén & Snellman (1999–2005).

## Aleksina Shemeikka

**Female, b. 1979**

**M.Sc. Engineering, MBA**

Senior Vice President, Software Quality Solutions at Qt Group Plc since 2024.

Previously acted in leadership roles at Zalando SE (2021–2022) and OP Financial Group (2017–2021), as well as in various managerial and development roles at Ingram Micro (2013–2016), Illumina Inc. (2010–2012) and KONE Oyj (2004–2008).

## Steffan Schumacher

**Male, b. 1975**

**Bachelor of Information Technology**

Senior Vice President, Sales of Qt Group Plc since 2023.

Previously acted as COO of Efecte Plc following roles as Managing Director of Professional Services and COO of EMEA Sales at Citrix Inc (2017–2020) and Global Sales Leadership at Microsoft Corp (2013–2017) followed by Global Accounts Director at Microsoft Western Europe (2008–2013) and Partner and Sales Leadership at Microsoft Finland (2001–2008). Business Unit Manager at Solteq (1998–2001).

## Tuukka Turunen

**Male, b. 1974**

**Master of Science in Technology, Licentiate in Technology**

Senior Vice President, Research and Development of Qt Group Plc since 2016.

Previously acted in various managerial and directorial positions at Digia Oyj (2001–2016), as a software developer at Nokia Mobile Phones (1997–1998) and in teaching and research positions at the University of Oulu (1996–1997 and 1998–2000).

# III. Financial Reporting Related Internal Control and Risk Management Systems

## Control Functions and Control Environment

The company has a finance function tasked with verifying monthly reports. The finance function reports to the management, the Board of Directors and the Board's Audit Committee regarding the financial performance of the company.

The company uses a reporting system which compiles separate subsidiaries' reports into the consolidated financial statements. The accuracy of accounting and the financial statements is monitored by the finance function. The company also has the necessary separate reporting and information systems for monitoring business operations and asset management.

The Group's finance function provides instructions for drawing up financial statements and interim reports, and compiles the consolidated financial statements. The finance function has centralized control over the Group's funding and asset management and is in charge of managing interest rate and currency risk.

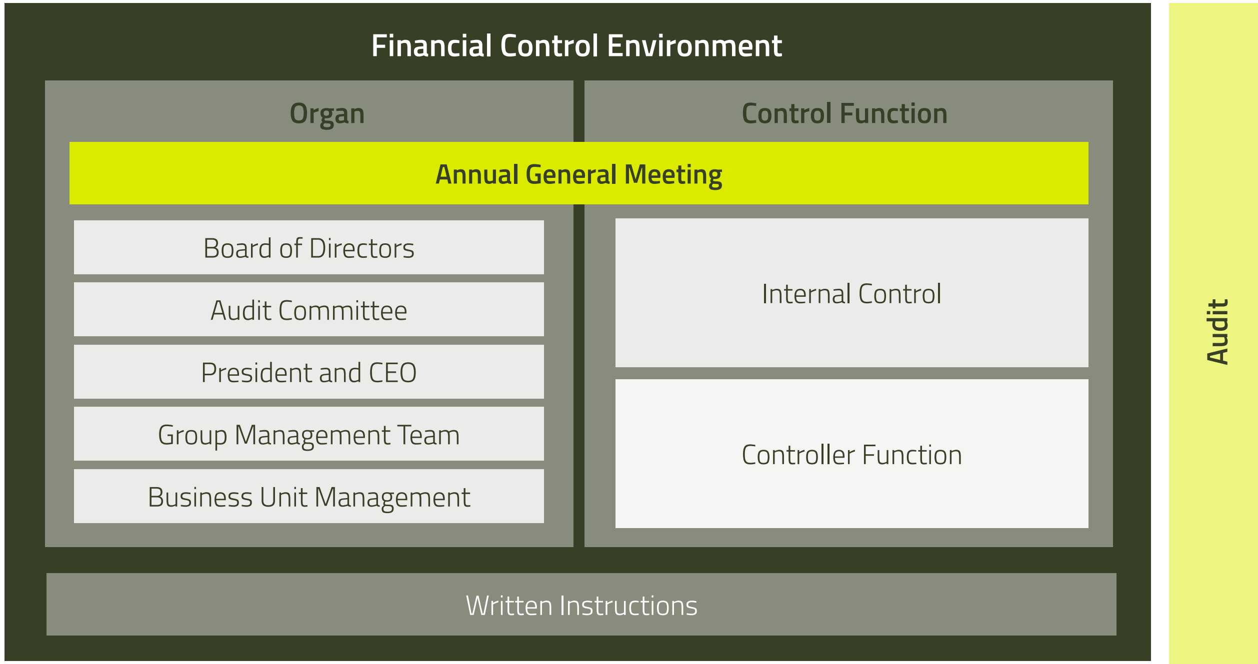
## Internal Risk Control

As a general principle, authorization is distributed in the company in such a way that no individual may independently perform measures unbeknown to at least one other individual. For example, the company's bookkeeping and asset management are managed by separate persons, and two authorized persons are needed to sign on behalf of the company.

Group-level reporting and supervision are based on monthly income reporting led by the CFO and on updates of the latest forecasts.

The company's operations are divided into function-specific areas of responsibility, with the Senior Vice Presidents in charge of each function reporting to the CEO. The Senior Vice Presidents responsible for the company's functions report to the Management Team on development matters, strategic and annual planning, investments and internal organisational matters related to their areas of responsibility.

The company's operational management and supervision take place according to the corporate governance system described hereinabove. The Group's administration unit is in charge of HR management and policy. The legal affairs unit provides instructions for and monitors contracts made by the company and ensures the legality of the Group's operations.



## Communications

The Group's General Counsel is in charge of the company's external communications and their correctness. External communications include financial reports and other stock exchange communications. The General Counsel is responsible for the publication of interim reports and financial statements, as well as for actions related to convening and holding Shareholders' Meetings. Most communications take place through the company's website and using stock exchange releases.

## Risk Management

The purpose of the company's risk management process is to identify and manage risks in such a way that the company is able to meet its strategic and financial targets. Risk management is a continuous process, by which the major risks are identified, listed and assessed, the key persons in charge of risk management are appointed and risks are prioritised according to an assessment scale in order to compare the effects and mutual significance of risks.

The main operational risks handled by the company's risk management function are customer risk, personnel risk, data security risk, IPR risk and goodwill risk.

Qt Group manages customer risk by actively managing its customer portfolio and avoiding potential risk positions. Personnel risks are managed with various personnel benefits, incentive schemes, and a goal and development discussion framework. The company strives to advance its personnel's professional development by focusing on learning on the job and keeping an up-to-date job description archive to help with career planning within the Company. Data security risk is managed through the continuous development of working models, security practices and processes. Qt Group has established mandatory personnel trainings for information and cyber security, data protection and privacy, and the company monitors the training completion rate. Qt Group has regular vulnerability scans and has implemented a quarterly security review. In addition, the company's certified quality systems are regularly evaluated. Risks associated with shared operating models and best practices, as well as their integrated development, are managed according to plan under the supervision of the Group Management Team. Risks typical to software business, especially to international product business, relating to appropriate protection of company's own IPRs and violation of IPRs of third parties are managed through extensive internal policies, standard contracts and appropriate follow-up and analysis. With respect to IFRS-compliant accounting policies, the company actively monitors goodwill and the related impairment tests, as part of prudent and proactive risk management practices within financial management.

In addition to operational risks, the company is subject to financial risks. The company's internal and external financing and the management of financial risks are coordinated by the finance function of the Group's parent company. This function is responsible for the Group's liquidity, sufficiency of financing, and the management of interest rate and currency risk. The Group is exposed to several financial risks during the normal course of its business. The objective of the Group's risk management is to minimise the adverse effects of changes in the financial markets on the Group's earnings. The primary types of financial risks are interest rate risk, currency risk, credit risk and funding risk. The general principles of risk management are approved by the Board of Directors, and the Group's finance function is responsible for their practical implementation together with the business divisions.

# IV. Other Information

## Internal Audit

The tasks of internal audit include, among other things, the assessment of the company's internal control systems and risk management, as well as evaluation of the appropriateness and efficiency of management and administration processes.

To follow business activities and financial administration, the company has necessary reporting systems in use. As part of the legality control of the company's activities, the company's Auditor evaluates the functionality of this internal control system.

## Auditor

KPMG Oy Ab, Authorised Public Accountants, serves as the auditor of the company, with Authorised Public Accountant Jonne Ahokas as the principal auditor.

During financial year 2024, the auditor's fees for auditing services was EUR 71 thousand and EUR 50 thousand for services that were not related to auditing. Among this amount, EUR 34 thousand is related to statements based on auditing acts and other regulations.

## Insider Administration

The company follows the Guidelines for Insiders by Nasdaq Helsinki Oy.

The company's General Counsel is responsible for the compliance with the Insider Guidelines and the follow-up of the disclosure obligation, regarding training.

## Related Party Transaction Guidelines

Related parties of the company mean the related parties of a listed company in accordance with the Limited Liability Companies Act (IAS 24).

Related party transaction means an agreement or other legal act between the company and a related party.

The Board of Directors shall monitor and evaluate related party transactions and decide on all such transaction whenever they are outside the scope of company's ordinary activities or are not concluded on arm's-length terms.

According to company's related party transaction guidelines the members of the Board and management team are obliged to provide the company's General Counsel, who is company's nominated responsible person for related party matters, with advance notice of any transactions concluded with the company by them personally or by their respective related parties.

On the other hand, company's General Counsel will follow-up all transactions the company concludes outside the scope of company's ordinary activities or that are not concluded on arm's-length terms.

In the event General Counsel becomes aware of a related party transaction, which is outside the scope of company's ordinary activities or which is not concluded on arm's-length terms, General Counsel shall bring such transaction for the approval by the Board of Directors before such transaction is concluded.

With the exception of transactions between different group companies, company does not ordinarily conclude any transactions with its related parties. As a main rule, all agreements and business transactions of the company are concluded on arm's length terms.

# Remuneration Report for Qt Group Plc's Governing Bodies 2024

This remuneration report for governing bodies describes the remuneration and other financial benefits paid to the governing bodies, i.e. Board members and the President and CEO, of Qt Group Plc for the fiscal year 2024. The remuneration and other financial benefits are reported on a cash basis.

The remuneration report has been written in accordance with the remuneration-related guidelines of the Corporate Governance Code for Finnish listed companies 2025.

As a rule, the company has a remuneration policy extending to the 2028 Annual General Meeting, which was reviewed by the company's Annual General Meeting on 12 March 2024. The 2023 remuneration report was presented to the 2024 Annual General Meeting, and the report was approved without voting.

In accordance with the remuneration policy, the purpose of the Company's remuneration is to provide both the Company management and the Company's personnel with a competitive, equal and encouraging revenue model, which incorporates the Company's strategic goals and the shareholders' interests.

The remuneration of governing bodies for the fiscal year 2024 took place in accordance with the Company's remuneration policy. The CEO's remuneration is based on fixed salary and variable pay components, or short-term and long-term incentives, with targets directly linked to the Company's business performance. In particular, business performance is measured by the Company's net sales.

The table below presents the development of the remuneration of the Company's governing bodies compared to the development of the average remuneration of the Group's employees and the Group's financial development during the last five fiscal years.

The company's net sales has developed steadily in recent years. The President and CEO remuneration for the fiscal years 2020–2022 include significant Long-Term Incentive payouts.

| EUR 1,000 | 2024 | 2023 | 2022 | 2021 | 2020 |
|---|---|---|---|---|---|
| **Average remuneration of the Board of Directors** | **51** | **53** | **56** | **48** | **48** |
| *Change, %*[1] | *-3.77%* | *-5.4%* | *16.7%* | *0%* | *2.1%* |
| **Remuneration of the President and CEO** | **492** | **524** | **15,945**[2] | **27,473**[3] | **6,994**[4] |
| *Change, %*[1] | *-6.1%* | *-96.7%* | *-42.0%* | *>100%* | *>100%* |
| **Employee remuneration** [5] | **100** | **102** | **107** | **117** | **105** |
| *Change, %*[1] | *-2.4%* | *-4.5%* | *-8.5%* | *11.4%* | *1.9%* |
| **Net sales** | **209,063** | **180,743** | **155,318** | **121,139** | **79,455** |
| *Change, %*[1] | *15.7%* | *16.4%* | *28.2%* | *52.5%* | *36.1%* |
| **Operating result** | **63,169** | **47,349** | **36,870** | **28,812** | **17,017** |
| *Change, %*[1] | *33.4%* | *28.4%* | *28.0%* | *69.3%* | *>100%* |
| **Qt Group Plc market capitalization, 31.12.** | **1,706,289** | **1,637,733** | **1,126,713** | **3,364,135** | **1,412,600** |
| *Change, %*[1] | *4.19%* | *45.4%* | *-66.5%* | *>100%* | *>100%* |

1 Change compared to the previous year.
2 Of the remuneration paid to the President and CEO, a total of EUR 15,363,849 is income based on the Share Bonus Scheme 2019 and from the subscription of stock options received through the Company's 2016 option scheme.
3 Of the remuneration paid to the President and CEO, a total of EUR 26,821,800 is income from the sale of stock options received through the Company's 2016 option scheme.
4 Of the remuneration paid to the President and CEO, a total of EUR 6,508,418 is income from the sale of stock options received through the Company's 2016 option scheme.
5 Employee remuneration is calculated from the personnel expenses on the financial statements less any social security contributions and by dividing the resulting figure by the average number of personnel during the fiscal year.

## Remuneration of the Board of Directors

During the 2024 fiscal year, the Qt Group Plc's Board of Directors were paid monthly remuneration

- EUR 3 000 for the Board members
- EUR 4 000 for the Vice-Chair of the Board
- EUR 6 000 for the Chair of the Board.

In addition, the meeting fees were paid

- EUR 500 for each Board member and the Chair of the Board per Board meeting
- EUR 1 000 for the Committee Chair per Board committee meeting
- EUR 500 for the Committee Member per Board committee meeting.

Moreover, standard and reasonable costs resulting from work on the Board of Directors were reimbursed against invoice.

The Company's Board Members are not included in any incentive schemes intended for the Company's management or personnel, and the Company has not granted stock options nor share-based remuneration for work on the Board of Directors.

The table below presents the remuneration of the members of the Board of Directors during the fiscal year 2024.

| Name | Board | CNC[1] | AC[2] | Annual compensation, EUR | Meeting fees, EUR | Total, EUR |
|---|---|---|---|---|---|---|
| Elina Anckar[3] | Member | | Member | 28,500 | 6,000 | 34,500 |
| Marika Auramo[4] | Member | Member | Member | 36,000 | 5,500 | 41,500 |
| Matti Heikkonen[5] | Member | Chair | | 36,000 | 8,500 | 44,500 |
| Robert Ingman | Chair | Member | | 72,000 | 8,500 | 80,500 |
| Mikko Marsio[6] | Vice-Chair | | Chair | 45,500 | 11,000 | 56,500 |
| Leena Saarinen[7] | Vice-Chair | Chair | | 4,000 | 500 | 4,500 |
| Mikko Välimäki | Member | | Member | 36,000 | 7,500 | 43,500 |
| **Total** | | | | **258,000** | **47,500** | **305,500** |

1 Compensation and Nomination Committee
2 Audit Committee
3 Member of the Board and Member of the Audit Committee as of 12 March 2024.
4 Member of the Audit Committee until 12 March 2024. Member of the Compensation and Nomination Committee as of 12 March 2024.
5 Member of the Compensation and Nomination Committee until 12 March 2024. Chair of Compensation and Nomination Committee as of 12 March 2024.
6 Member of the Board until 12 March 2024. Vice Chair of the Board as of 12 March 2024.
7 Vice Chair of the Board and Chair of the Compensation and Nomination Committee until 12 March 2024.

## Remuneration of the President and CEO

The remuneration of the CEO is considered as a whole, and it comprises both fixed and variable components.

Fixed remuneration components include the fixed annual salary payable to the CEO under the CEO's service contract. Holiday bonus and fringe benefits, if any, are considered to be part of this fixed monthly salary.

The remuneration model includes two types of variable remuneration components: a cash bonus paid under the Company's short-term incentive scheme and a reward paid in shares and/or options (and, if applicable, in cash) under the Company's long-term incentive scheme.

The CEO has no supplementary pension scheme from the Company.

The following tables presents the remuneration of the President and CEO Juha Varelius during the last five fiscal years and during fiscal year 2024.

| Remuneration of the President and CEO, EUR | 2024 | 2023 | 2022 | 2021 | 2020 |
|---|---|---|---|---|---|
| Fixed Salary | 412,000 | 402,000 | 366,000 | 336,000 | 305,584 |
| Fringe benefits | 720 | 720 | 720 | 720 | 720 |
| Short-term incentives | 58,740 | 90,212 | 199,392 | 297,758 | 164,530 |
| Long-term incentives | - | - | 15,363,849[3] | 26,821,800[2] | 6,508,418[1] |
| Other benefits [4] | 20,664 | 23,429 | 14,899 | 16,824 | 14,583 |
| Other rewards [5] | - | 8,069 | | | |
| **Total** | **492,124** | **524,430** | **15,944,860** | **27,473,102** | **6,993,795** |
| Fixed vs. variable remuneration | 88% / 12% | 81% / 19% | 2% / 98% | 1% / 99% | 5% / 95% |

1 Long-term incentives income from the sale of stock options received through the Company's 2016 option scheme.
2 Long-term incentives income from the sale of stock options received through the Company's 2016 option scheme.
3 Long-term incentives income based on the Share Bonus Scheme 2019 and from the subscription of stock options received through the Company's 2016 option scheme.
4 Other benefits: holiday bonus
5 Service Year Award

Remuneration of the President and CEO

## Short-term Incentive (STI)

Under the company's short-term incentive scheme, the earning criteria for the CEO's bonus is the Group's net sales. Incentive will start accumulating once the net sales exceed the set threshold and the Company EBITA is above the set threshold level. In the event of EBITA achievement % is below the set threshold, no bonus shall be paid.

Once the net sales target is reached, the President and CEO is paid an annual bonus amounting to 40 percent of his annual fixed salary. Between the minimum level and target level, the bonus is determined linearly between 0 and 100 percent, depending on actual performance.

Upon exceeding the net sales target, the bonus will increase as follows: 20 percent of each euro that exceeds the net sales target is used for the CEO's and other company personnel's bonus rewards including social costs. The maximum annual bonus for the CEO is 120 percent of his annual fixed salary.

The fulfilment of bonus criteria is evaluated, and possible rewards are paid semiannually.

**CEO STI 2023 H2, paid March 2024**

| | |
|---|---|
| Reward criteria | Net sales |
| Criteria weight | 100% |
| Achievement | 0% |
| **Paid, EUR** | **0** |

**CEO STI 2024 H1, paid August 2024**

| | |
|---|---|
| Reward criteria | Net sales |
| Criteria weight | 100% |
| Achievement | 72% |
| **Paid, EUR** | **58,740** |

**CEO STI 2024 H2, to be paid March 2025**

| | |
|---|---|
| Reward criteria | Net sales |
| Criteria weight | 100% |
| Achievement | 0% |
| **Paid, EUR** | **0** |

## Long-term Incentive (LTI)

The Board of Directors sets the performance criteria for the performance share plan, including the threshold, target and maximum levels for the performance criteria. The performance criteria are set for three-year period.

The Board of Directors nominates the CEO to the LTI plan and decides on his share grant.  Possible share delivery will take place after the consolidated financial statements have been prepared, and performance criteria evaluation can be completed.

The share-based long-term incentive plan ("Osakepalkkio-ohjelma 2022") for the company's key personnel decided by the company's Board of Directors on 16 February 2022, ended on 31 December 2024. The incentive program had one reward collection period covering the years 2022–2024. The possible rewards pursuant to the program will be paid upon the confirmation of the financial statements for 2024 as a combination of shares and cash, so that the cash amount will approximately cover the taxes and other statutory fees resulting from the reward, and the rest of the reward will be paid to the recipient in shares. Shares paid out as rewards are not subject to any restrictions concerning e.g. their hand-over.

During 2024, the Board Nomination and Remuneration Committee has prepared a new performance share 2025-2027. The plan was presented for approval by the Board of Directors in February 2025 along with the 2024 financial statement bulletin.

| Plan type | Performance Share Plan 2022–2024 |
|---|---|
| Performance criteria & weight | Net sales, 100% |
| **Share grant** | |
| Grant size as % of Annual Base Salary at the time of grant | 300% |
| Maximum number of gross shares | 10,000 |
| **Share delivery** | **2025** |
| **Achievement %** | **0%** |
| **Share delivery (gross shares)** | **0** |

# Information for Shareholders

Qt Group Plc's investor communications produce reliable and up-to-date information on the company's business operations in a timely and equal manner for all interested parties.

The company's annual reports, interim reports, stock exchange releases and press releases are available in Finnish and English at **investors.qt.io**.
To subscribe to stock exchange releases, please send your e-mail contact information to **pr@qt.io**.

Qt Group Plc's Annual General Meeting is planned to be held on Wednesday, 9 April 2025 at 10 a.m. EET. More information on registering for the AGM and the AGM documents are available at **investors.qt.io**.

# Financial calendar 2025

| | |
|---|---|
| 28 February | Annual Report 2024 |
| 24 April | Interim Statement January–March |
| 6 August | Half-Year Financial Report |
| 31 October | Interim Statement January–September |

**Basic information on the share**
Listed (2016) on Nasdaq Helsinki Ltd
Trading code: QTCOM
Number of shares (Dec 30, 2024) 25,470,211

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