



Corporate sustainability report 2021

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Pinja Group 1.3.2022

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About us

Pinja is your partner for digitalization and business intelligence. Our customers operate within the industrial sector and the digital society. They want to benefit from digitalization, software, analytics and new business models faster and more efficiently than their competitors.

We operate responsibly. By streamlining the activities of our customers, we help them run a more sustainable business in a world that needs responsible solutions now more than ever.

Pinja employs approximately 500 software and IT experts who serve leading Finnish and international clients in more than 30 countries. We are growing steadily, and our turnover in 2022 will be approximately 50 million euros.



Foreword

Industrial SaaS is one of the key game changers in sustainability

In 2021, we conducted a materiality assessment to the responsibility topics of our customers, employees and stakeholders. Among many important themes, the effectiveness of our services in promoting the sustainable development of our customers' production methods and supply chain management became the most important one. We will continue our efforts to enable our customers to reduce their carbon footprint and improve their carbon handprint by providing services for new ways of working and transparency.

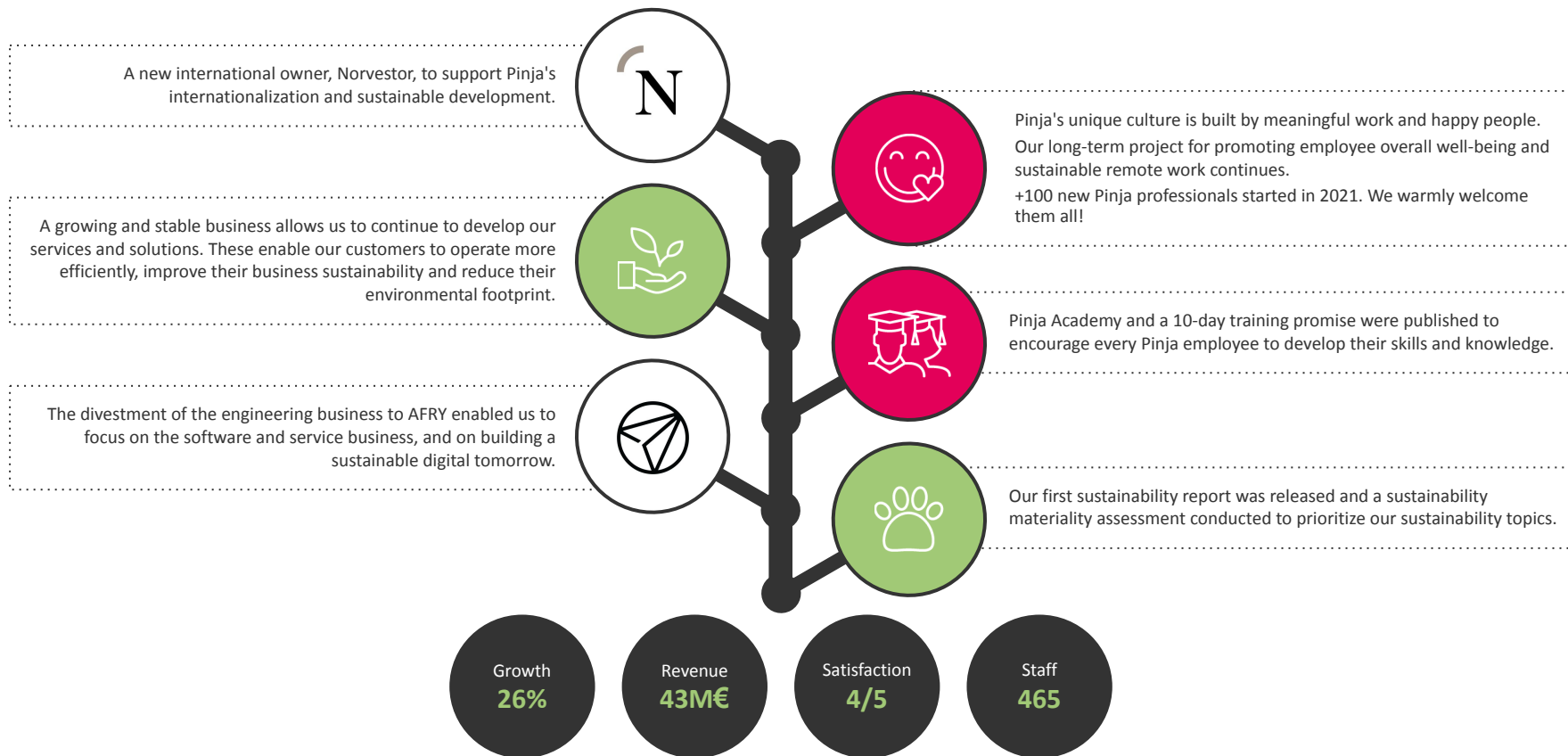
Last year, during 2021, we focused on several aspects of our sustainability development. Among many things, we carried out further improvements to our information security measures, made a strategic commitment to support further development of skills by releasing a training promise and Pinja Academy, and reduced our own service production energy consumption.

During 2022, we will continue our sustainability development and pay special attention to the requirements of an international business environment.

Veli-Matti Nurminen,
CEO



2021 highlights



Digital sustainability

Digitalization drives sustainability

Digital handprint – a positive impact through client work

Our services and solutions enable our customers to operate more efficiently, improve their business sustainability and reduce their environmental footprint. For example, we help our clients reduce energy and resource consumption, reduce emissions, extend the lifespan of their equipment and increase visibility to their supply chains. Our solutions also bring positive socio-economic impact to our clients by increasing safety and efficiency.

Modern and sustainable production through simulation and production optimization

Metsä Fibre owns half a dozen sawmills in Finland that produce sawn timber for construction and other industries. Currently Metsä Fibre is building the world's most modern sawmill in Rauma.

As a result of the solutions provided by Pinja, the use of resources and wood raw material can be made more efficient. From an environmental point of view, the waste from raw materials is reduced and energy is used more efficiently. One important benefit is also increased safety through remote process control and monitoring.



Optimization of the public SaaS service led to a reduction in electricity consumption

Kuntien Tiera Oy (Tiera) develops ICT services and digital solutions for municipalities, cities and provinces in a networked manner, in cooperation with owner-customers and other public and commercial actors.

Pinja started as Tiera's SVPS service (Service Voucher and Purchase Service System) maintenance and development partner in 2019. With the system optimization provided by Pinja, the need for server capacity in the SVPS system was reduced, resulting in a 80% reduction of electricity consumption.



Digital tomorrow

The environmental impact of our value chain

We have reported environmental issues relevant for our business starting from 2021. In our carbon emission reporting, we take into account relevant environmental impact across Pinja's value chain. We use the Y-HIILARI* calculator for estimating carbon emissions and categorize emission sources by following the GHG Protocol*.

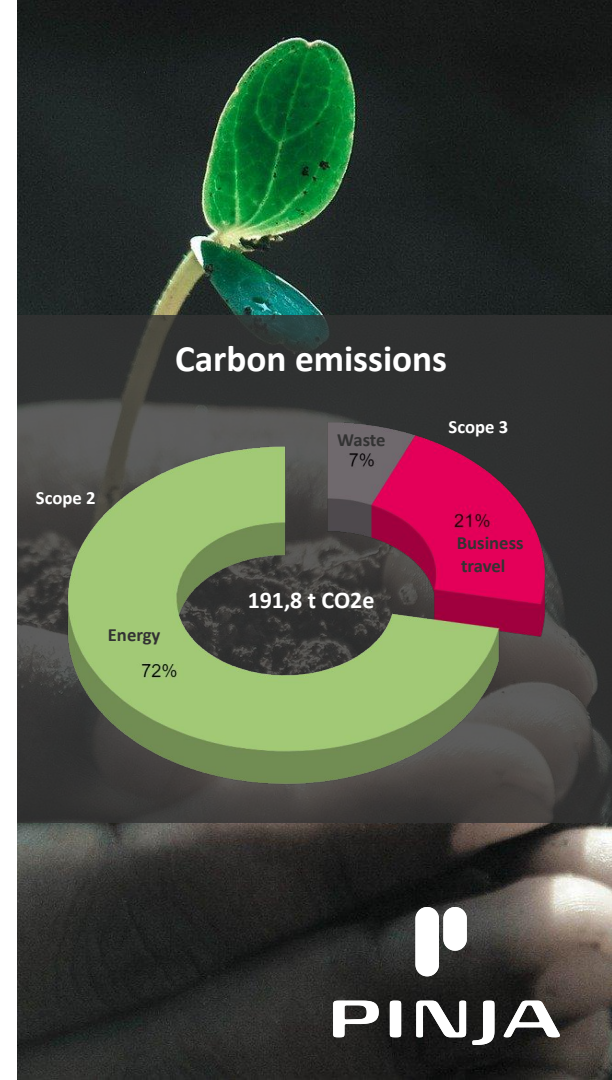
In 2021, our total emission accounted for 191.8 t CO₂e, resulting in 432 kg CO₂e per employee. Due to major changes in Pinja's organization in 2021, we cannot directly compare our greenhouse gas emissions with the emissions from previous years. However, Pinja's focus on software and digital services business did reduce our carbon footprint.

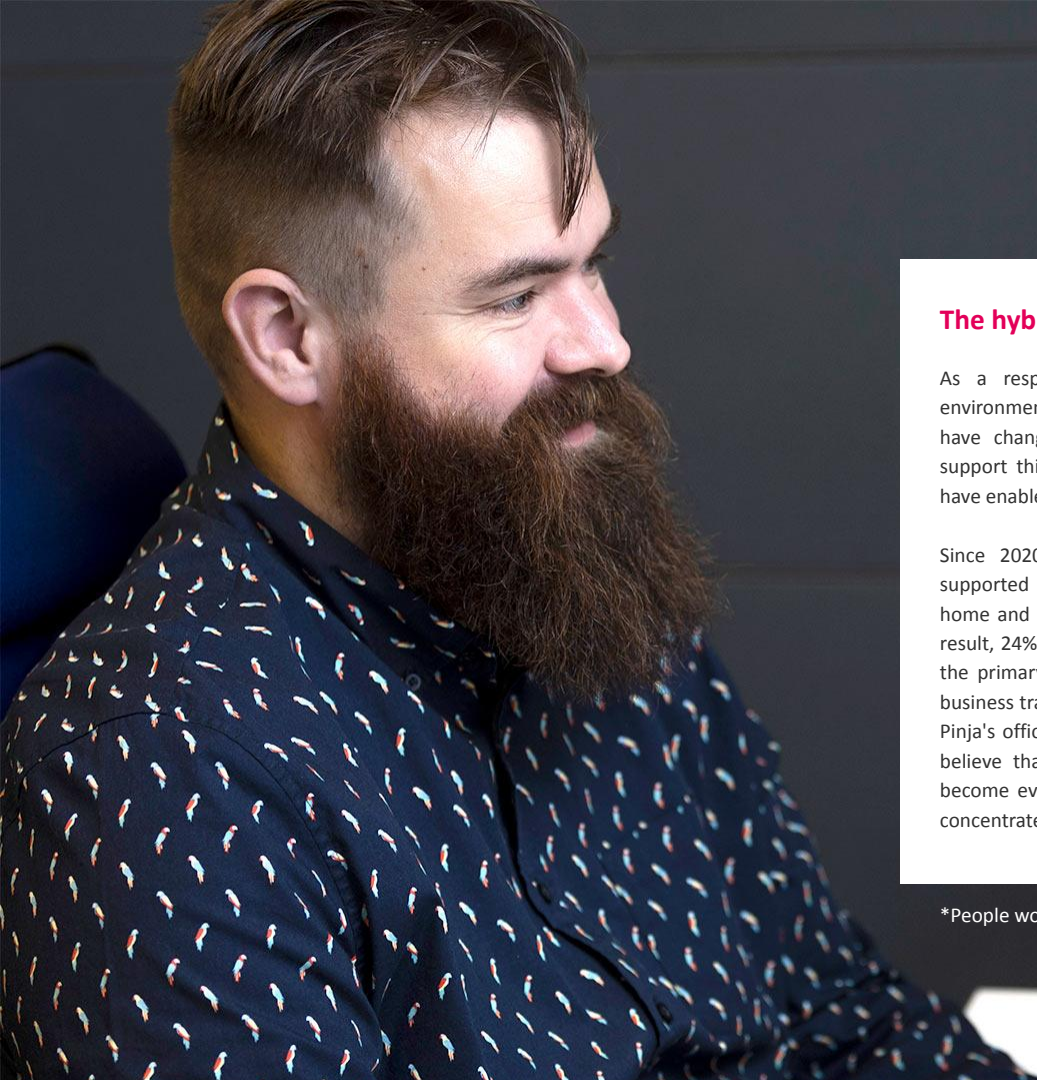
Server and cloud emissions of our relevant products and services are reported for the first time. Pinja's services for customers are mainly produced carbon neutrally using climate neutral suppliers and renewable electricity.

Our IT and office systems are not included in the report due to the lack of data from service providers. Of business travel, we do not report commuting between the home and the office. We will continue to develop carbon emissions reporting to improve our business transparency.

(*) The Y-HIILARI tool has been developed by the Finnish Environmental Institute.

(*) According WRI & WBCSD. 2004. A Corporate Accounting and Reporting Standard. The Greenhouse Gas Protocol Initiative.





Remote
employees*

24%

The hybrid dimension

As a responsible company, we focus on reducing the environmental footprint of our value chain. The last two years have changed the business environment permanently. To support this change towards a sustainable digital future we have enabled flexible hybrid work at Pinja.

Since 2020, we have developed remote work practices, supported well-being, provided an ergonomic workstation at home and encouraged the use of public transportation. As a result, 24% of our employees have chosen remote working as the primary way of work. The emissions and time spent on business travel have decreased significantly. We have reduced Pinja's office spaces by 37% since the beginning of 2021. We believe that the change will continue and our offices will become even more cosy meeting places with quiet areas to concentrate on work.

*People working mainly remotely

A group of runners is captured in motion on a gravel path that winds through a dense forest of tall, thin trees. The scene is bathed in the warm, golden light of late afternoon or early morning, creating a serene and inspiring atmosphere. In the foreground, several water bottles are placed on the ground, suggesting a long-distance run or a hydration station. The text "Our people" is centered over the image in a clean, white, sans-serif font.

Our people

Learning for tomorrow

New ways to support learning and professional growth

In 2021, we developed new ways to support the learning and professional growth of Pinja's employees. Pinja's training promise was published and we also launched the Pinja Academy learning environment.

Pinja's **Training Promise** encourages every Pinja employee to develop their professional skills and move forward on their personal development path. In practice, this means that all employees have an opportunity to use 10 working days per year for training and learning.

To motivate and support employees to utilize this Training Promise, Pinja has founded **Pinja Academy** – a learning environment that serves all Pinja employees. Pinja Academy provides courses on various categories, like technologies, leadership, and self-management. It also publishes a wide variety of training material and book recommendations, shares information on Pinja's competence teams, and provides links to useful commercial learning platforms and material libraries for self-study purposes.

Pinja Future Talents program's Junior Data Warehouse experts third group started their studies in July 2021. The **Pinja Future Talents** -program for students is an extensive one-year path to become a professional. Pinja is committed to provide all participants an internship, part-time work, or a possibility to do their Master's Thesis. Participants are provided with training sessions and get-togethers with other trainees, meetings with Pinja's executives, orientation sessions on Pinja's business areas and products, and information on Pinja's career path possibilities. Every trainee will also get their own mentor who serves as a travel guide throughout the year.

Training promise

10 days



A happy and vibrant software community

Pinja's positive culture is built together!

We care about social responsibility and people. Our employees' well-being and the quality of work life are important to us. We live by our values and see diversity as a source of strength. That is why we are committed to creating a safe, open and transparent culture in which employees can professionally grow, have a good work-life balance and enjoy challenging work. All these factors shape our work culture where enthusiastic and skilled people can reach their goals.

The year 2021 showed us that our work has changed permanently to become a combination of independent professional work, virtual teamwork and valuable moments of presence. Changes in our daily work have challenged each of us to rethink how we work and collaborate. At Pinja, we are continuously developing our people and supervisory services for support, and help our employees succeed.

For us, enhancing employee **overall well-being** is a long-term commitment for which we have created an extensive toolkit. Since May 2021, we have been offering our employees a possibility to use the Pihlajalinna [mind care remote service](#) to promote mental well-being.

At Pinja, **sustainable remote** work includes the basics such as a computer, phone, workstation with chair and electric desk. It also provides great supervisory services and team spirit, Pinja Academy's learning opportunities and a full potential to work as a professional in our customer projects. Remote working at home is appreciated by our [employees](#) and the [environment](#).

We believe that Pinja's positive culture is built by meaningful work and happy people. 134 new Pinja professionals started in 2021. **We warmly welcome them all!**

Satisfaction*

4/5

New professionals

134

*According to the employee surveys 2021, the employee satisfaction at Pinja is excellent: the average result being 4/5



Supervisory work is our superpower

A team leader is the caretaker of team spirit

Paula Huuskonen is one of Pinja's long-standing employees. Not only does she work as an expert, but also as a team leader and foreperson of about ten support employees. Paula, an IT engineer, considers working with and for people the best part of her job.

A team leader is a person who is there for people. "My main job as a team leader is to ensure that all our experts have the right amount of work and the right job for their competency profile, and to help them with the most difficult support requests. In addition, I support team members in everything related to work, and sometimes, in the capacity of a foreperson, in other things, too. Because we humans are autonomous beings," Paula says.

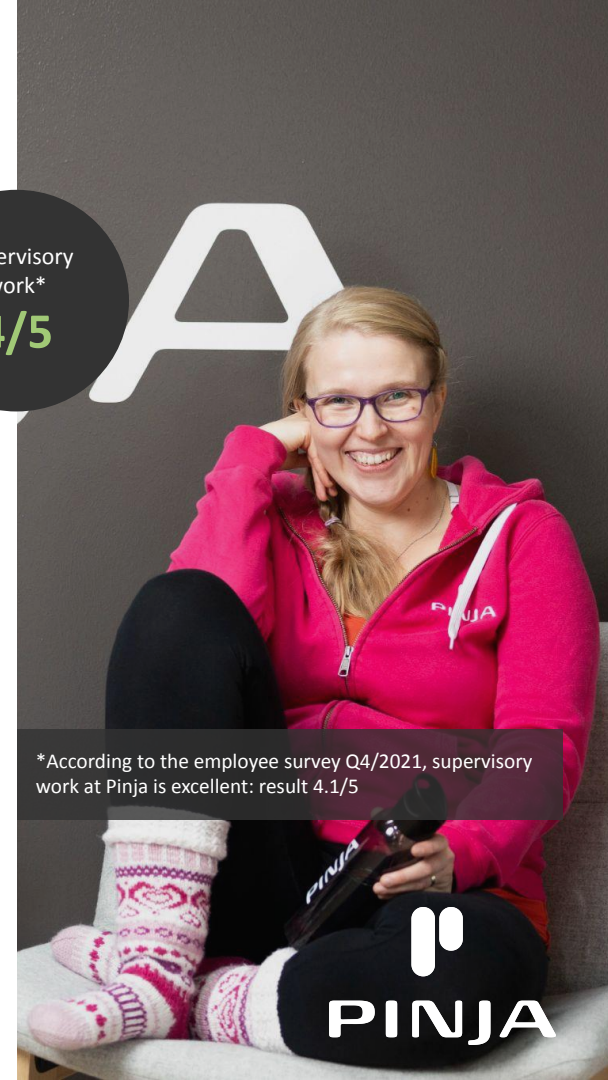
Paula has solid technical expertise and a warm, humane attitude that has led her to the role of a team leader. She feels that there is a good team spirit at Pinja. Paula has been involved in arranging national park excursions and remote evenings for colleagues. In addition, she has baked biscuits and delivered small consignments to the homes of co-workers during times of remote work.

“ *I guess this is some kind of inherent tendency. I like to organize a little refreshment – I think that it is a good habit and a nice addition to the workdays. - Paula*

Supervisory
work*

4/5

*According to the employee survey Q4/2021, supervisory work at Pinja is excellent: result 4.1/5



Full-time work after studies

The Finnish champion of web development works at Pinja

Jaakko Sukuvaara works at Pinja in web development. Originally, he came to Pinja for an on-the-job training period when he studied at a vocational school. Today, he works as a full-time team member on client projects.

After completing his studies, Jaakko was hired as a Junior Software Developer at Pinja. In this role, he has had the opportunity to solve a wide range of problems with both old and new technologies. Jaakko works in the Evondos team developing websites on the front-end and back-end. C# and JavaScript have become familiar programming languages for him.

“Teamwork is valuable, as I have always gotten help from friends in problematic cases.” Jaakko considers his colleagues and the variety of work as the best things in his job. He also appreciates Pinja as an employer.

Pinja is clear and professional. “You get help when you need it, and employees are looked after. As an employee, you are free to suggest improvements and your ideas for projects and everyday matters are valued.”

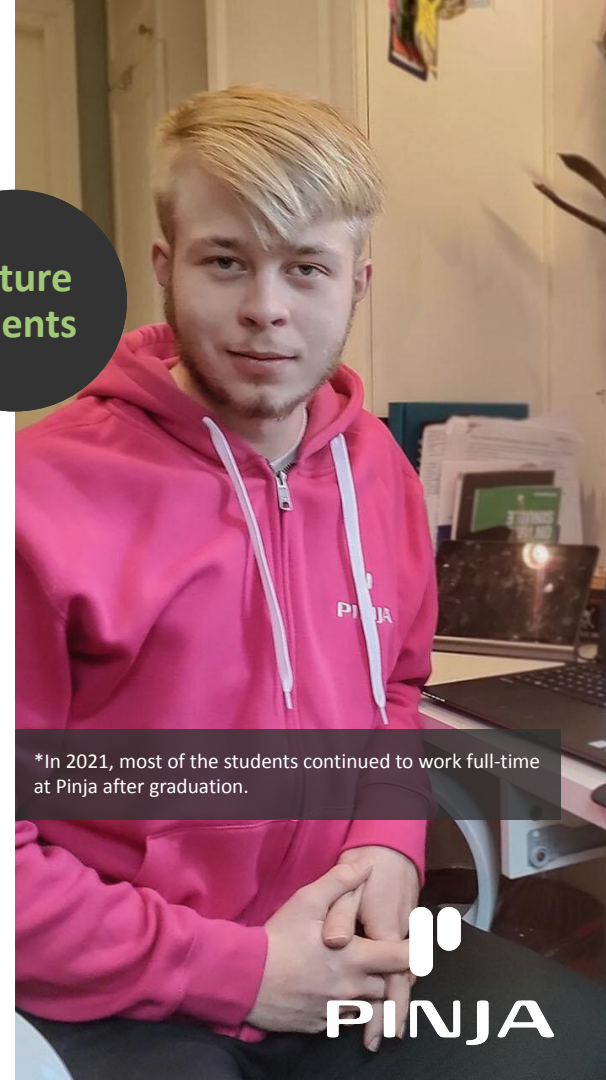
In addition to the great work Jaakko does at Pinja, he did a great job in the Taitaja 2021 competition in the spring, winning the Website Development category.

“ *Teamwork is valuable, as I have always gotten help from friends in problematic cases. - Jaakko* ”

Future
Talents

*In 2021, most of the students continued to work full-time at Pinja after graduation.

PINJA



Work with code and people

International software developers value Finnish equality and opportunity

Nicholas Whitehurst, originally from the UK, first came to Finland with his family at the age of 16, left the country for 5–6 years, and then came back for studies. Nicholas first completed a degree in Learning, Education and Technology, but then decided to change paths. After completing his web and game development studies at the Turku University of Applied Sciences, he has worked at Pinja as a software developer since September 2020.

Nicholas works on the Forest by Pinja product and lives in Oulu. Getting started in a new job with a new employer and in a culture other than your own can feel intimidating, but ideally, your employer and colleagues help you have a softer landing.

Despite the long dark season during the Finnish winter, Nicholas has come to love the Northern nature, atmosphere, and recreation.

“The nature trails are great, and so are the many lakes. There’s also nothing quite like cooking sausages over an open fire. And how could I forget – the sauna!”, sums up Nicholas.

“ *Even though software developers work largely with technology, the best thing about working at Pinja is the people.* - Nicholas

Nationalities*

10+

*The amount of different nationalities at Pinja. We are proud that our employees represent many different nationalities.



Upgrading the quality of life - trust as an enabler

The change to remote work went smoothly

Three years ago Heta Antila moved to a small cosy town, Mikkeli. Previously she had worked at Pinja's head office. Heta's work as a systems expert and customer service manager for the Muster service runs smoothly, even though the other team members work in other locations.

Her move and settling in was made easier as her work and team remained the same, and as she got an ergonomic remote workstation to her home. Changing cities did, however, bring some changes to her working life as well.

"With the move, my job duties were modified to suit remote working and I gave up my team management responsibilities to focus on my specialist role and on coordinating the daily responsibilities in customer service. The distribution of the team across several locations also created the need to find new ways of keeping in touch with team members on a daily basis." - Heta

Soon after moving, Heta's team introduced daily breakfast meetings. This practice proved so good and effective that it has been continued to this day. Visits to Pinja's head office are also still important to her, and for her, coffee table discussions and exchanging ideas in the corridors of the workplace also play an important role.

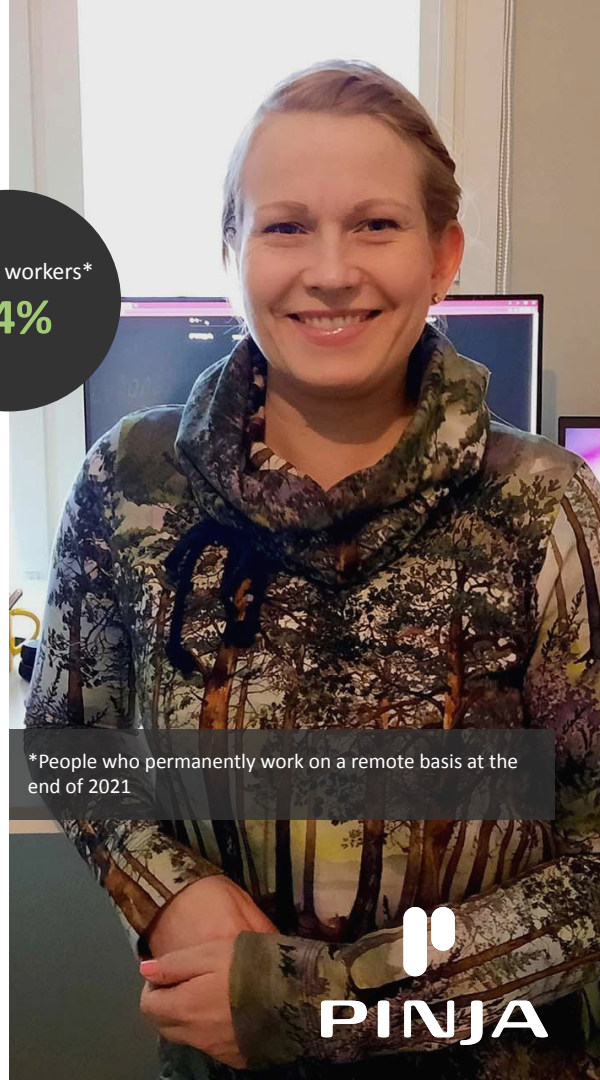
Now even more professionals have joined work at Pinja in Mikkeli, and in 2021, a small local office was set up to enable office days and meeting colleagues.

Remote workers*

24%

*People who permanently work on a remote basis at the end of 2021


PINJA



A photograph of three people in an office environment. A woman in a red hoodie stands in the background, leaning on a blue chair. In the foreground, a man with glasses and a beard, also in a red hoodie, sits on the same chair. To his right, another man in a black t-shirt sits at a desk. Large windows in the background show a city skyline. The text "Code of Pinja" is centered over the image.

Code of Pinja

Stakeholder engagement

Management approach

The way we as a company interact with society, other companies and people is an important part of our identity. It is our duty to our owners, customers, employees and all stakeholders to act responsibly, ethically and as required by law.

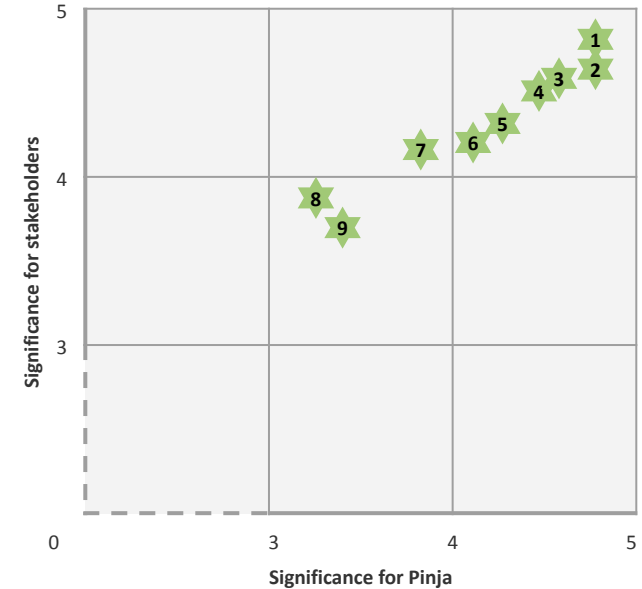
The management approach to sustainability at Pinja is based on our strategy, values, ethical business conduct and other guidelines. Sustainability is an integral part of our business and daily work. Pinja's executive leadership team is responsible for helping our organization to develop more sustainable digital future.

Materiality analysis

Open dialogue and collaboration with our key stakeholders guides us to ensure that we consider and report on the issues that are the most important to our stakeholders. In 2021 we conducted sustainability materiality assessment to prioritize our sustainability topics. In developing materiality assessment we followed Global Reporting Initiative (GRI) guidelines. The materiality assessment included internal and external stakeholder interviews and a personnel survey.

Materiality matrix is showing all the important topics identified in this study. Considering the fact that all of the sustainability topics are important for Pinja, we need to focus on these most important topics for our business. By creating awareness of these topics, reporting and communicating and actively seek possibilities for improvements.

The results of the 2021 materiality analysis



1. Sustainable services and solutions
2. Financial stability and growth
3. Employee well-being
4. Information and cyber security
5. Corporate compliance
6. Talent management
7. Diversity, inclusion and equality
8. Internal environmental impact
9. Sustainable procurement

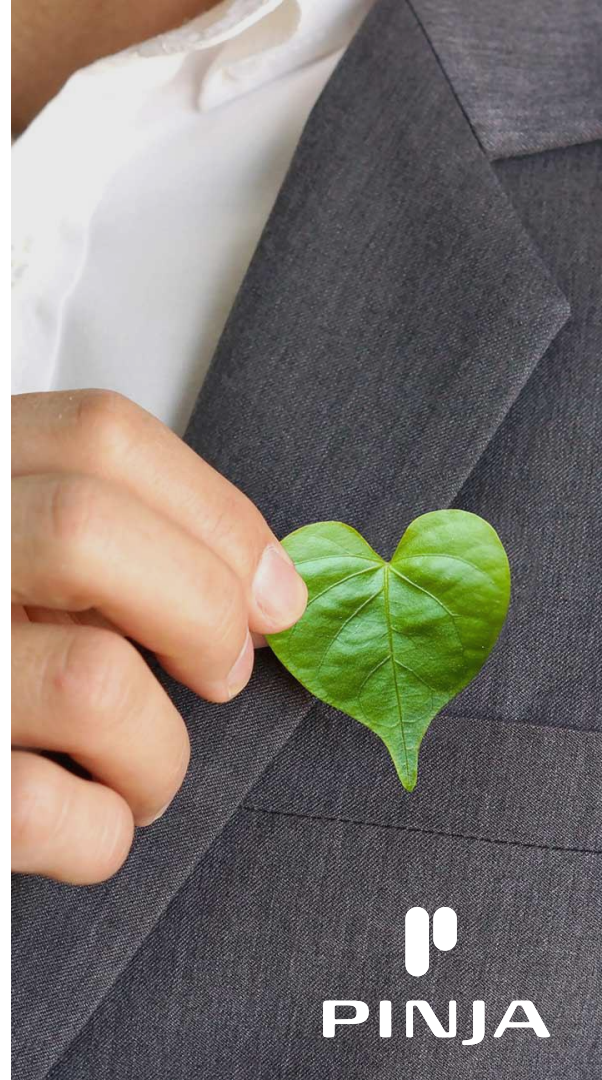
Ethical Business Conduct

We want to do the right thing

A responsible way of working and an atmosphere of transparency are important to us at Pinja. In 2021, we developed our responsibility practices by updating the [Code of Conduct](#) and by publishing a [Whistleblowing Channel](#) internally and publicly.

Pinja's **Code of Conduct** contains our key principles of responsible and ethical operations, to which we are strongly committed and which we adhere to in our operations. Pinja's employees commit to the code of conduct so that everyone can apply it in their daily work.

Pinja has a **Whistleblowing reporting channel** in accordance with the whistleblowing regulation, through which anyone can make a confidential report of abuse, suspicion or concern. The Whistleblowing channel provides an opportunity to report suspected misconduct related to Pinja's operations – anything that does not comply with our responsible conduct in accordance with Pinja's Code of Conduct.



Cyber security

Bringing cyber security from back to front

Roles and responsibilities in the cyber security domain are defined throughout the organization, all the way from the executive team to individual business units and product teams. Our group-level responsibility for security is managed by our Chief Security Officer together with our secure and executive teams.

In 2021, our key focus areas were conducting two security audits for corporate governance and the product security perspective. These audits formed the basis for our cyber security development for upcoming years.

Based on the audit findings, we improved our product security by performing a risk review for each product line and business support functions. We created disaster recovery and business continuity plans based on risk analysis and initiated regular penetration tests for our software products.

In addition to these efforts, we established a toolset for following and managing vulnerabilities in the 3rd party components we use as part of our own product portfolio. This becomes more and more important in today's world in which zero-day vulnerabilities are becoming the number one risk for product security in SaaS services.

The General Data Protection Regulation, or GDPR as we better know it, is important for us in several different aspects. We need to protect our employees' privacy and customers' privacy, and as a data processor protect our customer data. In 2021, we approved a new group level privacy policy and initiated trainings for our staff to adapt a culture in which we recognize and respect all the stakeholders' privacy.



Our financial performance



Financials

We achieved our business goals as planned

For 2021, we set a challenging goal to grow profitably and we achieved this goal excellently. Pinja's proforma revenue increased by 26%, and was 43 million euros during the full year 2021, of which the annual recurring revenue was 33%.

We strengthened our market position, provided new Pinja services to our existing customers and started co-operation with new international customers. We also streamlined our organization and processes, and supported flexible ways of working to enable the productivity of professionals.

In 2021, Pinja completed a strategic transformation into a software company and shifted the focus of growth to internationalization. Pinja sold the Industrial planning services to AFRY at the end of May 2021. Norvestor, a private equity fund specializing in growing and developing companies in the Nordics, bought Pinja in November 2021. Pinja continues to grow and internationalize under the new ownership.

Revenue

43M€

Growth

26%





PINJA