

CORPORATE
RESPONSIBILITY
REPORT 2021







DATA COMMUNICATIONS AND INFORMATION
TECHNOLOGY CONGLOMERATE

General information about the company

Cinia is a diversified Finnish telecommunications and IT company providing cybersecurity solutions and data network and software services. Cinia acts as a telecommunications operator and provides a variety of specialist and connectivity services in the field of telecommunications as well as services for the development of telecommunications intensive systems and software. Cinia operates its own networks and networks owned by its customers. Cinia's customers include, for example, service suppliers providing services that are important to society.

In the financial period 2021, the Group consisted of the parent company, Cinia Ltd, and the subsidiaries owned by the parent: C-Lion1 Oy, Cinia Cloud GmbH, Netplaza Oy, NDC Networks Oy, Cinia Alliance Oy, OptimeSys Group Oy, OptimeSys Service Oy, OptimeSys Oy and Arctic Link Development Oy.

On December 31, 2021, Netplaza Ltd was merged with Cinia Ltd. OptimeSys Oy was also merged with its parent company OptimeSys Group Oy on December 31, 2021, and OptimeSys Group Oy was merged with Cinia Ltd immediately after that. OptimeSys Services Oy has therefore been a wholly owned subsidiary of Cinia Ltd since January 1, 2022.

Owners and holdings of Cinia: The Finnish State (through the Ministry of Transport and Communications, (77.528%), Ilmarinen Mutual Pension Insurance Company (11.236%), and OP Financial Group's Pohjola Insurance (11,236%)

This report applies to the seventh financial period of the Group.

Business model and operating environment

Cinia operates in the Finnish and international markets for telecommunications, software development and cyber security services. In terms of operations and management, business activities in the 2021 financial period were divided into six business lines: four business lines operate mainly in the field of data network solutions, one mainly in cyber security solutions and one purely in the field of software solutions. Since January

1, 2022, Cinia has been divided operationally into three business lines: Network solutions, Cyber security solutions and Software solutions.

Cinia owns and operates a 15 000 km backhaul network in northern Europe. International connectivity to central Europe runs through C-Lion1 subsea cable.

Customer segments

Cinia's customers are mainly international companies and service providers that require high capacity as well as national organizations that require reliable software, data network and cyber security services. The operations are based on solid expertise in modern software development, data network technologies and critical operating environments.

Cinia specializes in, for example, traffic and logistics, security, health, finance, energy and industrial sectors as well as serving data centre, cloud service and telecommunications operator customers. However, it provides services for all fields and customers in both the private and in public sector. The services are always provided based on the customers' needs.

Stakeholders and stakeholder interaction

Cinia's stakeholders include its customers, employees and partners, as well as public authorities that regulate the group's owners and industries.

Cinia's key tasks are to diversify Finland's international and national data connections, improve cybersecurity, and to develop digitalization solutions, especially to help organizations that provide nationally critical services. Cinia's shareholders expect the company to carry out these tasks by increasing the shareholder value, following good governance and remuneration practices, and to demonstrate a high level of responsibility as a taxable organization and corporate citizen. For contact people of shareholders Cinia holds briefing events twice a year, in which the company presents its operations, particularly from the viewpoint of the shareholder's expectations.

Cinia works in close cooperation with various public authorities, for example in necessary permit processes required for Cinia's operations, and by providing advance information about its projects, including projects in progress.

Citizens, businesses and society are increasingly dependent on digital services and connections. Cinia's redundant and high capacity network infrastructure enables innovation, growth and development.

In Finland, Cinia's network closely follows the railway and main electrical transmission networks. Cinia does not operate any commercial mobile networks. Cinia's backhaul network supports the device-independent provision of services.



Significant events during the financial year

Cinia strengthened its position in the cyber security services market by acquiring OptimeSys Group at the beginning of the financial year. The growth of Cinia's software service business was promoted by an arrangement made in spring 2021, whereby Cinia became the supplier of development and maintenance work for the ERICA emergency response center information system of the Emergency Response Centre Agency.

The international connectivity services business is growing and is an important investment area for Cinia. The company's extensive backbone network was expanded and its technology upgraded during the financial year to improve competitiveness.

Adola Group, a joint venture of Cinia and the fund management company DIF operating in the fiber connection

business, renewed its operating model during the financial year, and the demand for its Täyskuitu product increased significantly toward the end of the year.

Since 2019, Cinia Alliance and the Russian MegaFon have been promoting the project to build a submarine cable in the Arctic Northeast Passage through the joint project Arctic Connect. A decision was made to suspend this project in early summer 2021. At the end of the year, Cinia announced that it had signed a Memorandum of Understanding with an American company concerning a submarine cable project called Far North Fiber (FNF). The planned cable system will run via the Arctic Northwest Passage route, connecting the data networks in Europe, Asia and North America.



**SOCIAL RESPONSIBILITY
IS PART OF DAILY OPERATIONS**

Sustainable business at Cinia

Social responsibility is part of Cinia's daily operations: management, development and customer solutions. The company finds it important to operate in an environmentally sustainable way and constantly pays attention to its own energy consumption and material efficiency. When purchasing electricity, the company's key criteria are environmental aspects and carbon neutral energy sources.

Cinia's positive social influence stems from data network and software solutions, which improve energy and material efficiency. Cinia's investments in technologies, such as telecommunications infrastructure, and its software, cyber security and data network solutions and services can steer businesses and society as a whole in a more environmentally friendly direction.

The consumption of electricity is a key factor when the environmental effects of Cinia's entire industry segment are assessed, and various digitalization solutions improving the efficiency of operations can also be used to have a significant effect on the material efficiency of the industry segment. Cinia's products and services have enabled its customers to significantly reduce their environmental footprint.

At its business premises, Cinia pays attention to responsible choices and environmental values. Cinia's headquarters in Helsinki are located in a building that has received LEED Platinum environmental certification.

In 2021, Cinia made a decision to update its responsibility program in the first half of 2022, and the following themes were chosen:

1. Healthy staff
2. A prosperous environment
3. A lively social infrastructure

An important part of the program are the creation and development of a responsible environmental program during 2022 and the pursuit of carbon neutrality within a time frame to be determined on the basis of a current state analysis. The objectives of the sustainable development program have been selected so that Cinia can best support their realisation through its own know-how, services and products. Based on these themes, the company has set operation-related goals that help strengthen the positive influence of the entire business in cooperation with Cinia's customers.



Financial responsibility

Assessment of the financial position and key indicators

The consolidated financial statements include Cinia Ltd (parent), C-Lion1 Oy, Cinia Cloud GmbH, Netplaza Oy, NDC Networks Oy and Cinia Alliance Oy.

In 2021, Cinia Group's IFRS net sales amounted to EUR 75.6 million. Operating profit totalled EUR 7.64 million.

The following key figures describe the Group's financial position and performance:

Cinia Group (IFRS)	2021	2020
Net sales M€	75,60	59,70
Operating profit/loss M€	7,64	6,55
Operating profit % of net sales	10,1 %	11,0 %
Return on equity % (ROE)	10,7 %	9,6 %
Return on investment % (ROI)	8,4 %	8,2 %
Equity ratio (%)	40,6 %	45,9 %

Investments in the financial year

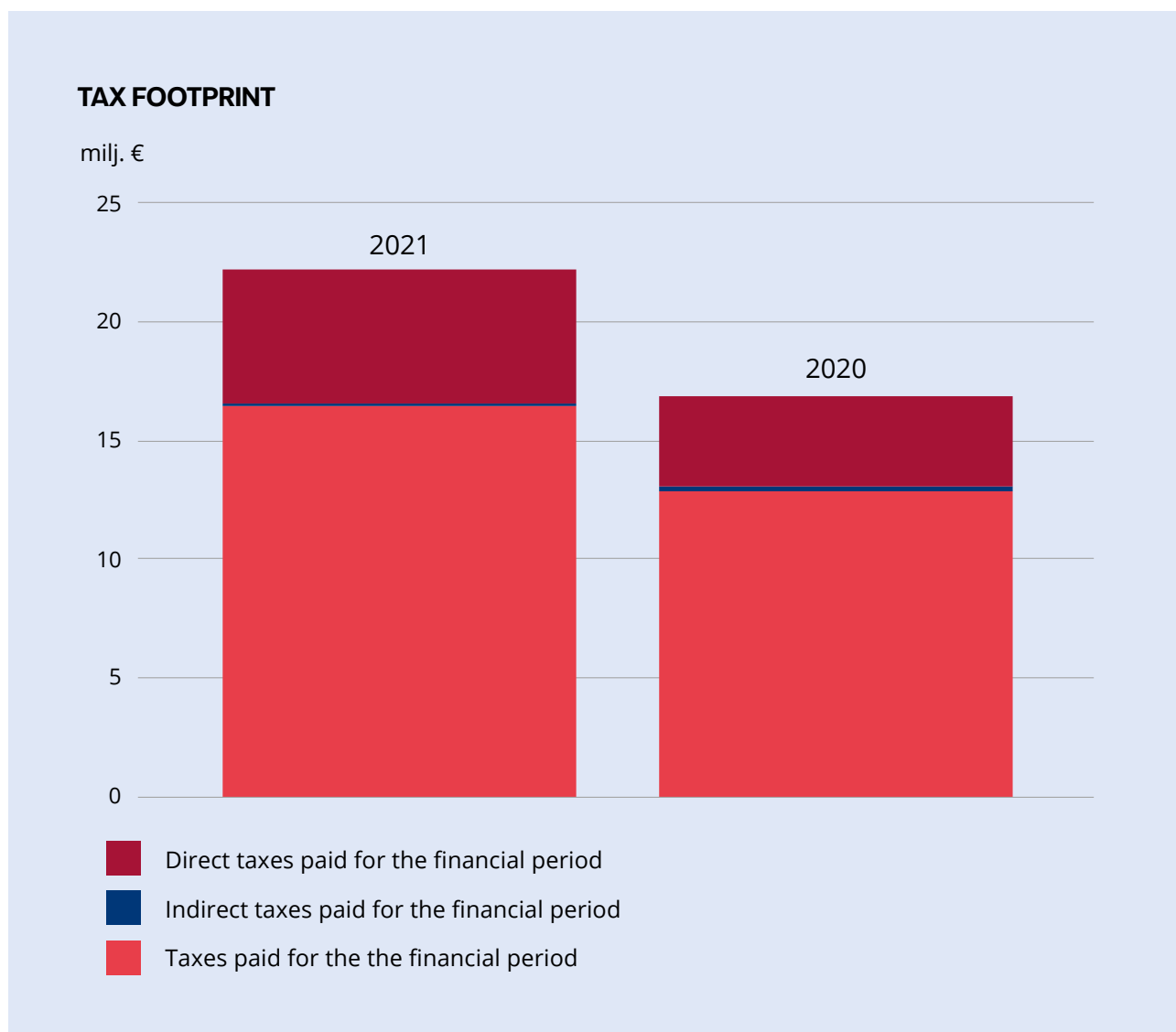
Gross investments in the financial period amounted to EUR 8.2 million (2020: 6.3).

The value of the Group's own employees' work included in investments amounts to EUR 0.85 million.

Tax footprint

Key factors in Cinia's tax management are identifying and avoiding tax risks. The tax effects of business decisions are identified, but decisions are made on grounds of expediency. In matters of interpretation and in matters requiring special expertise in taxation, the company uses external experts to ensure correct operation methods. Taxes are paid to the applicable country based on the business operations in question. In the financial year 2021, Cinia paid nearly all its income taxes in Finland. The company has no unpaid taxes.

Taxes are presented on an accrual basis. Numeric data includes all the relevant tax types. The direct and accountable taxes payable for the financial year are based on accounting data. The amount of indirect taxes paid for the financial year has been calculated based on costs or consumption. Indirect excise duty is calculated using the estimated amount of electricity tax included in production-related electricity costs.



SUMMARY (EUR thousand)	2021	2020
Direct taxes paid for the financial period	5 686	3 883
Direct taxes paid for the financial period	74	118
Indirect taxes paid for the financial period	16 455	12 907
Taxes paid for the the financial period	-43	0
TOTAL TAX FOOTPRINT	22 172	16 908
NET SALES	76 020	60 127
PROFIT BEFORE TAXES	5 100	4 702
TAXES ON NET SALES	29 %	28 %

DIRECT TAXES PAID FOR THE FINANCIAL PERIOD (EUR thousand)	2021	2020
Income taxes	726	395
Employer charges	4 728	3 328
Transfer taxes	142	57
Other taxes	91	102
TOTAL DIRECT TAXES PAID FOR THE FINANCIAL PERIOD	5 686	3 883

INDIRECT TAXES PAID FOR THE FINANCIAL PERIOD (EUR thousand)	2021	2020
Excise tax	10	44
Non-deductible value added tax	49	60
Other taxes	15	14
TOTAL INDIRECT TAXES PAID FOR THE FINANCIAL PERIOD	74	118

TAXES PAID FOR THE FINANCIAL PERIOD (EUR thousand)	2021	2020
Tax on wages and salaries	8 683	6 158
Value added tax	7 772	6 749
TOTAL TAXES PAID FOR THE FINANCIAL PERIOD	16 455	12 907

Reporting and monitoring

The Board of Directors is responsible for organizing monitoring, internal audits and risk management. The internal audits of the Cinia Group members are implemented under the supervision of Cinia Ltd's Board of Directors and CEO.

Cinia's Corporate Governance Code defines the approval procedures for sharing the responsibilities between the company's Board of Directors and CEO, purchasing procedures and the protection of intellectual property

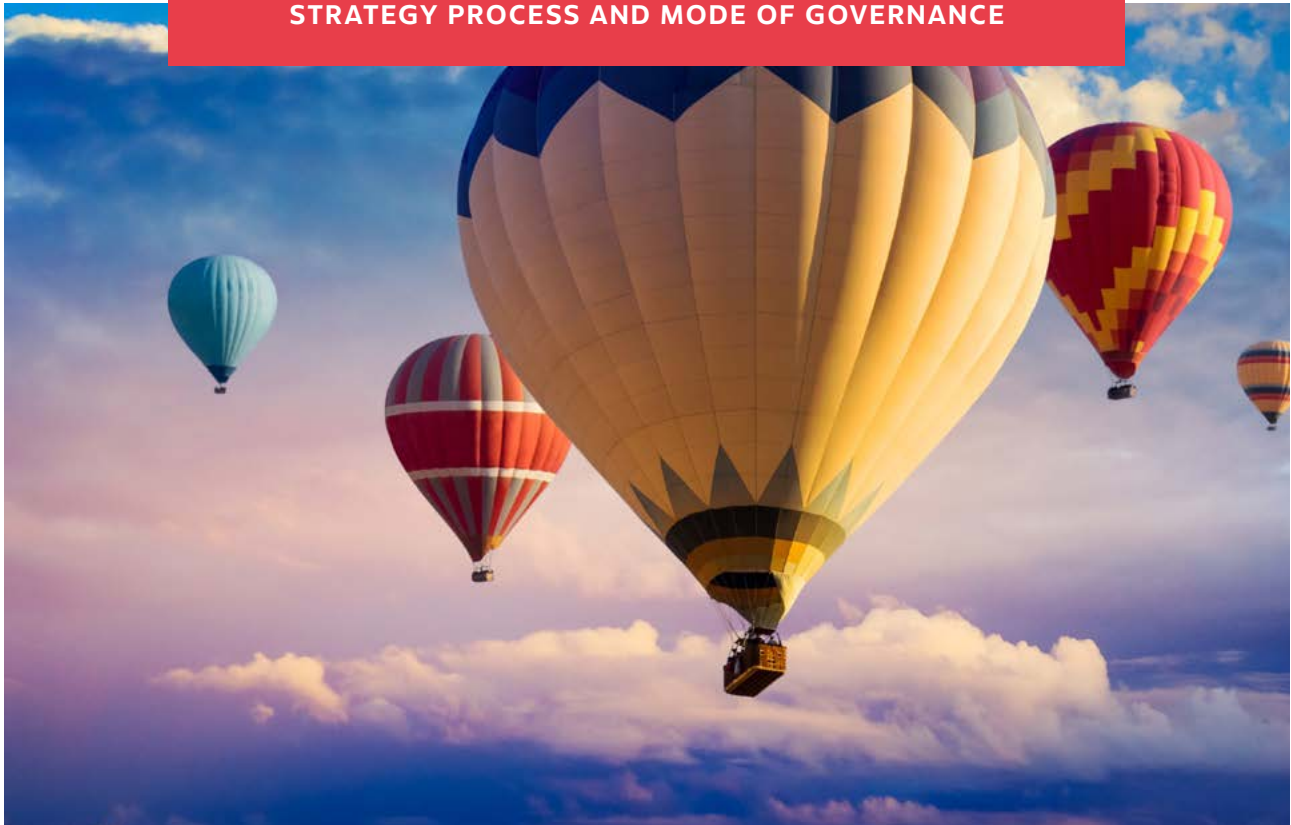
rights. The Board of Directors updates the Corporate Governance Code annually. The company has a register of related parties with its instructions, a Code of Conduct and anticorruption principles (Ethical Code of Conduct) in use. The entire personnel has been given mandatory online training on the Ethical Code of Conduct, and the online training is part of every new employee's orientation. Cinia uses WhistleB's anonymous whistleblower channel for reporting possible irregularities.

Risks and risk management

Risk management is part of Cinia's strategy process and mode of governance. It is implemented according to the yearly calendar as described in the company's security policy. Based on the risk reports, action plans are prepared for managing the major risks, and their implementation is monitored by the executive team and the Board of Directors. The security and risk management team acts as a preparatory body for the group's executive team.

The main goal of risk management is to support the achievement of Cinia's strategic goals and other key goals. Comprehensive risk management supports the identification and exploitation of business opportunities, and strengthen Cinia's corporate image.

**RISK MANAGEMENT IS PART OF CINIA'S
STRATEGY PROCESS AND MODE OF GOVERNANCE**



Cinia's customer satisfaction

Cinia is an expert organization engaging in service and project business activities, in which Cinia's top experts deliver and maintain, for example, online and software services and cyber security solutions.

The emphasized importance of service business and client service has acted as a catalyst for the development of Cinia's operations, the aim of which is to create the best possible customer experience for Cinia's customers.

The market research company Taloustutkimus carried out a customer survey on behalf of Cinia Oy at the end of 2021. The survey was conducted through telephone interviews, and it was responded a total of 85 Cinia customers. This is the eighth year that such surveys have been carried out at the same time of year, and the results have been compared with each other to the extent appropriate. The survey was carried out using the Corporate 360° CUSTOMER research concept, which is a research product developed by Taloustutkimus for measuring customer satisfaction and customer loyalty. It is based on an international concept.



Customers overall satisfaction with Cinia remains excellent

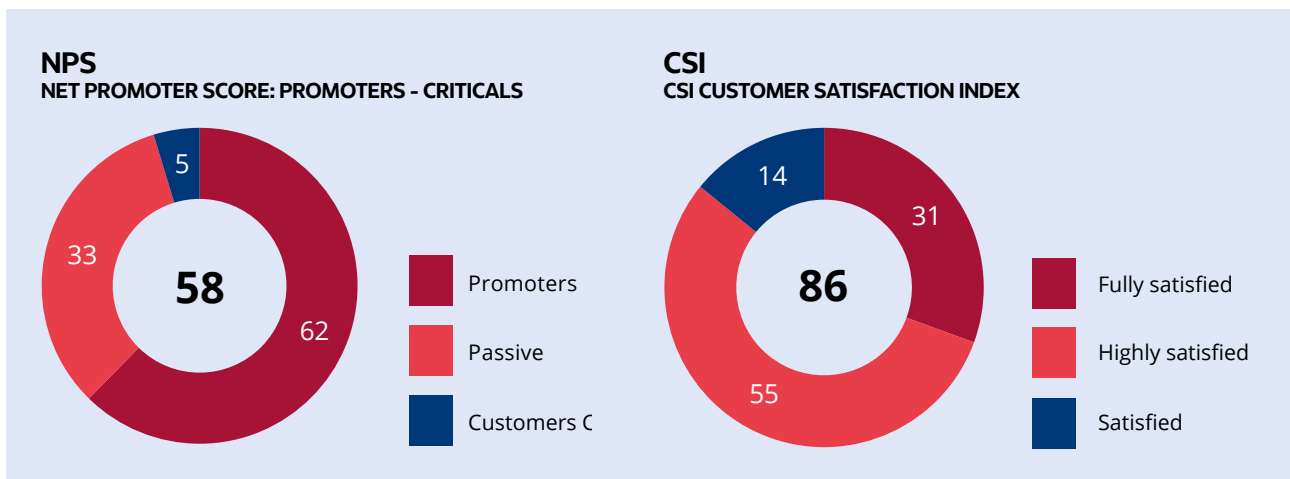
Customers' overall satisfaction with Cinia remains excellent. According to the CSI (Customer Satisfaction Index) that measures overall satisfaction, the proportion of fully and very satisfied customer is 86, which clearly exceeds the minimum target level (65) of the Corporate 360° CUSTOMER concept of Taloustutkimus and also the average (68) in the CSI comparison data bank of Taloustutkimus.

ness to recommend are the functionality and quality of services and products, reliability, professionalism, expertise and flexibility.

Cinia's company image very good among customers

Overall, Cinia's company image among customers is very good. As previously, the five qualities that best describe the company are: a safe partner, convincing, reliable and secure, reputable and customer-oriented.

The Net Promoter Score (NPS) measuring the willingness to recommend is at an excellent level and currently 58. The clearest factors increasing the willing-





CUSTOMER CASE

Aava Medical Centre strengthening its cyber security with determination

Aava Medical Centre has invested in easy-to-use digital services and a better customer experience. The medical center has been strengthening its cyber security with determination in order to secure customer data and ensure the continuity of services in an increasingly digital environment.

OptimeSys, part of Cinia Group, provides Aava with Cyber Security Operations Center (CSOC) services, vulnerability management and external attack surface and third-party risk assessments as a continuous service.

Aava Medical Centre has grown strongly, and, during the past year, it has opened new clinics in Turku and Kuopio, among other locations. The company employs

approximately 1,000 professionals and has 19 medical centers across Finland. The Finnish family-owned company that has been operating for more than 50 years also offers its customers preventive health care services. Pikkujätti medical centers serving children and young people and Docrates Cancer Center are also part of the same Group.

“We want to provide our customers and employees with more user-friendly digital services across our entire Group. We have paid special attention to an excellent customer experience, a high level of usability of our services and advanced information security,” says **Tero Lainpelto**, IT Manager at Aava.

“We are strengthening our information security with our trusted partner” – Tero Lainpelto, IT Manager, Aava Medical Centre

The booking system for medical services has been made easier to use, and Aava has also made video services available to its customers.

“We make extensive use of the secure and convenient single sign-on. Our customers have digital access to their own health records and appointment history. For our corporate customers, we offer an increasing selection of tools for investing in the occupational health care of their staff.”

Aava Medical Centre takes care of the work ability of 100,000 employees.

Fine-tuning cyber security services to meet client needs

OptimeSys, part of Cinia Group, has also been providing Aava with user protection solutions for quite a long time. The Cyber Security Operations Center (CSOC) monitors information security deviations occurring in the medical center’s IT infrastructure. The analysis and handling of information security incidents is carried out by experienced experts. Deviations indicating potential information security threats are efficiently identified, and the detected interferences are handled in accordance with the service manual.

“Our organization handles confidential information such as our customers’ health records. We have paid special attention to information security and data protection, taking all layers into account. With cyber security services, vulnerabilities in our entire IT infrastructure, data network and workstation environment are detected efficiently,” says Lainpelto. “It’s amazing how there is constant room for development in vulnerability scanning, even though our own IT environment has been updated to top-notch condition.”

With cyber security services, vulnerabilities in our entire IT infrastructure, data network and workstation environment are detected efficiently.”

“We operate in an interactive and proactive manner. We adjust our services to better meet the needs of Aava Group. If necessary, we harden the operating systems and help Aava to protect itself more effectively from possible cyber attacks. The risk of data theft is significantly reduced when vulnerabilities are efficiently identified and managed before cybercriminals have a chance to take advantage of them,” says Pekka Solehmainen, Client Director at Cinia.

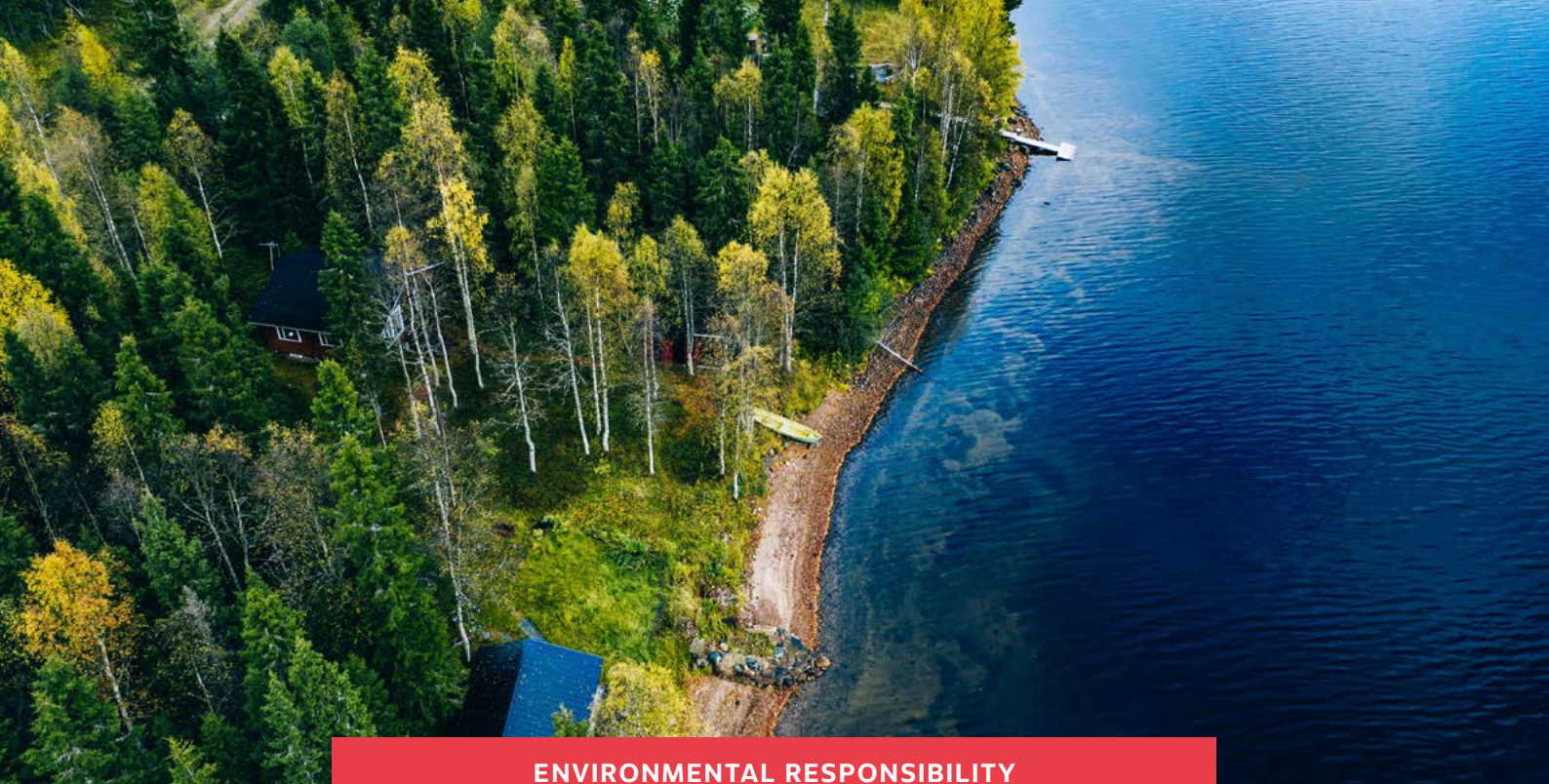
“The service manual we have prepared for Aava includes procedures for vulnerabilities and potential information security threats and instructions for the secure use of administrator IDs.”

“Cinia’s cyber security service production is ISO 27001 certified. In Aava’s hybrid cloud architecture, the monitoring of information security incidents also extends to the public cloud services used by Aava. We collect data from Aava’s most important log sources centrally in a high security data center. Information security incidents in data networks, workstation environments and the public cloud are monitored and assessed in the Cyber Security Operations Center,” says Solehmainen.

Cyber security partnership brings peace of mind

“The assessment and handling of information security incidents are carried out in a professional manner, and we can also investigate logins to the systems afterwards. Vulnerability management provides us with better visibility into our IT infrastructure and workstation environment. We get a comprehensive overview of information security incidents and our situation. It makes reporting to the management of our company easier,” says Lainpelto. “Cyber security services give us peace of mind.”

“Cinia’s experts help us identify and anticipate information security risks. As our cyber security partner, they take care of our technical information security. They provide us with clearly justified development ideas. We use modern tools for reviewing matters, and they have always kept the promises they have made to us. The operating model is very flexible, and I have never had such good service in my IT career before,” Lainpelto says.



ENVIRONMENTAL RESPONSIBILITY
HAS A SIGNIFICANT ROLE

Environmental responsibility

Cinia operates in a business field where environmental responsibility has a significant role. Cinia's owners, customers, partners and suppliers place a high value on sustainable development. Cinia's investments (such as data communication infrastructure) and the services it provides (software, cyber security and connectivity services) can improve and develop the environmental performance of companies and society, for example through lower emissions, solutions that improve mobility and logistics, and technology choices that take the environmental burden into account.

Cinia's own business operations promote low-emission and environmentally friendly solutions. For example, the data centers that depend on the connectivity services provided through data networks actively seek to optimize energy consumption and recover the lost heat generated, and provide it for local use.

In Finland, data centers have access to relatively low-cost electricity, which is generated in hydroelectric power plants and therefore involves low emissions of

greenhouse gases. Using a high-quality and reliable data network infrastructure, Cinia's goal is to influence the choice of locations for data centers in Finland and other Nordic countries to distribute the energy balance more widely from an overall European perspective.

The requirement of Cinia's customers increasingly involve environmental aspects regard to supplier selections and service provision. In its procurement of services and technical solutions, Cinia is committed to ensuring that its partners and subcontractors and their technology suppliers operate in an environmentally responsible manner. For example, when replacing old equipment, it is important that hazardous waste is properly identified and processed. At group level, the amount and composition of waste generated at Cinia has been systematically monitored annually since 2015.

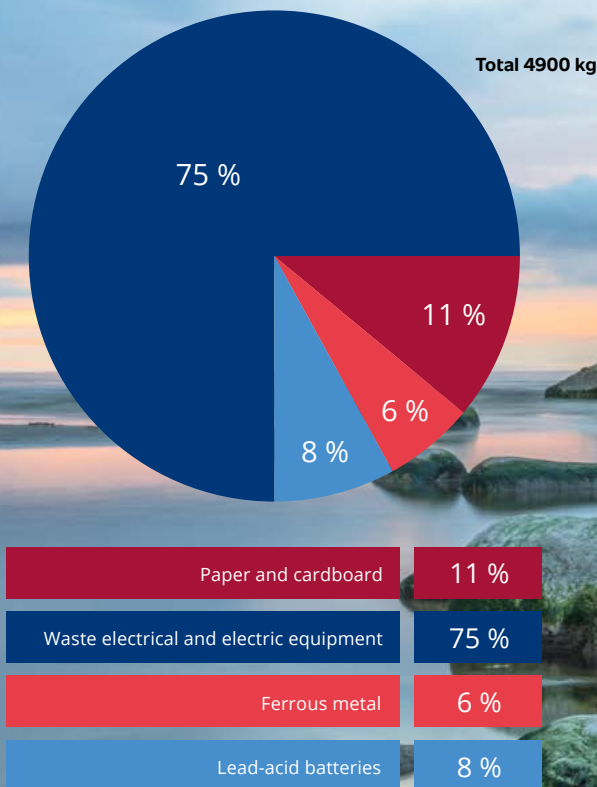
The use and consumption of electricity are key factors in assessing Cinia's environmental impact, and various digitalization solutions that improve operating efficiency may also have a significant impact on the efficiency of use of materials in the industry. Energy efficiency also plays an important economic role in the company's business. Efficiency of energy use is one of the selection criteria for equipment suppliers for all Cinia companies. Cinia has a service agreement with a partner for the proper collection and processing of waste electrical and electronic equipment. This service agreement also includes the secure destruction of data storage devices (hard drives, memory units, USB devices, floppy discs, etc.) and the management of the related documentation.

As an organization operating in multiple localities, Cinia strives to implement responsible common practices throughout the whole group, such as implementing a travel policy and encouraging personnel to use public transport, combine meetings and hold online meetings where possible. Within the limits of their respective work duties, Cinia also offers its personnel the flexibility of working remotely. By reducing the amount of commuting, this policy also contributes to reducing the burden on the living and operating environment.

ENERGY CONSUMPTION IN SERVICE ROOMS

2021	2020
▶ 355 MWh Finland	▶ 1845 MWh Finland
▶ 76 MWh Germany	▶ 76 MWh Germany

Waste material



Social responsibility

Personnel

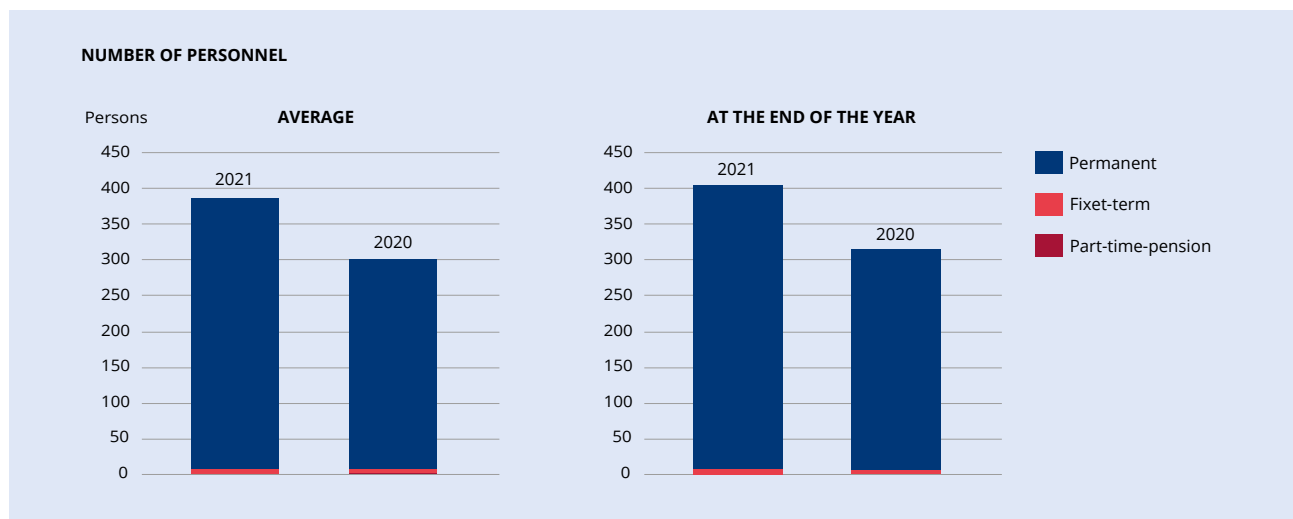
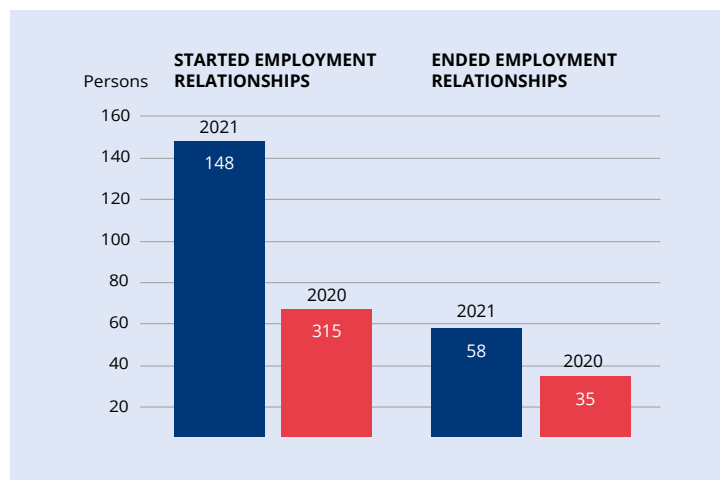
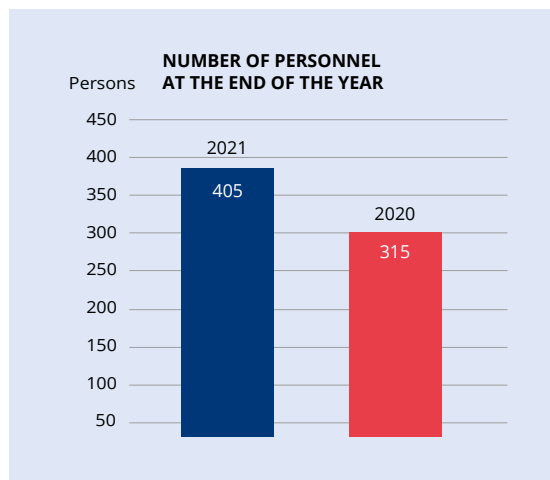
One of the fundamental factors for Cinia's success is a content and enthusiastic personnel. By investing in the wellbeing of its personnel and the development of their professional expertise, Cinia can guarantee high-quality and customer-oriented operations. Ensuring the health, safety and work ability of employees is a key part of Cinia's leadership responsibilities and day-to-day operations. We encourage our personnel to invest in the comprehensive improvement of their own wellbeing and offer them operational and secure working conditions and state-of-the-art tools.

The goal of Cinia's human resources strategy is to make continued progress towards achieving the company's business goals. For a company that provides services and specialist consultation, employees are our most impor-

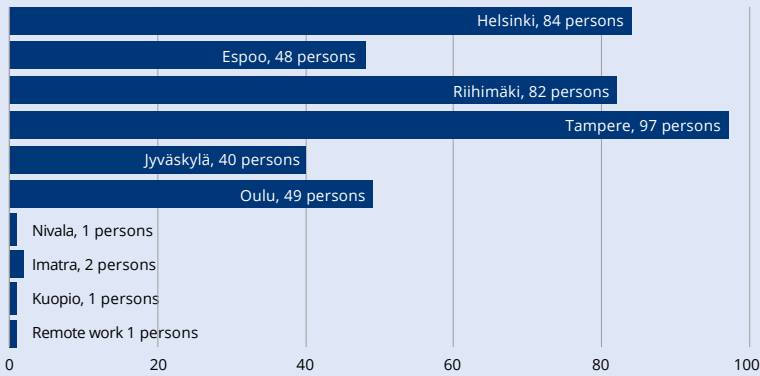
tant asset. The main goals of the HR strategy are to ensure the availability of personnel and their commitment to the company, motivation and continuous development.

Cinia's growth and success depend on the contribution of its employees, and the company's operation culture emphasises cooperation, innovation and taking care of the personnel's wellbeing. Cinia is an organization of top-level professionals, where a high level of competence is seamlessly combined with agile operations.

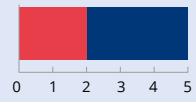
In 2021, the average length of an employment relationship with Cinia was 7.2 years. There is an imbalance between labour supply and demand for software developers in Finland, and Cinia's turnover reflects the typical turnover in the field. In 2021, the turnover rate was 11.7%.



PERSONNEL BY LOCATION



GENDER DISTRIBUTION IN THE BOARD OF DIRECTORS



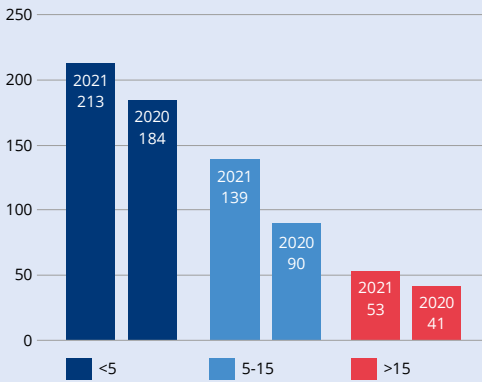
Women, 2 persons
Men, 3 persons

GENDER DISTRIBUTION IN THE EXECUTIVE TEAM

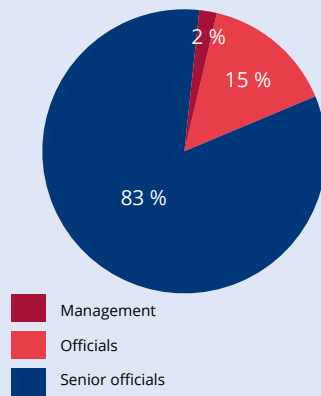


Women, 1 persons
Men, 11 persons

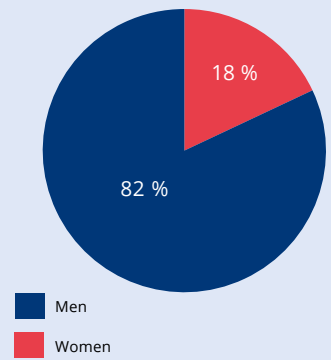
YEARS OF EMPLOYMENT



DISTRIBUTION BY PERSONNEL GROUP



DISTRIBUTION BY GENDER



Development of a common operating culture

Developing common operating model and business culture is an integral part of the Cinia's HR strategy. The goal is to create a framework for working that streamlines day-to-day working life and enables every employee to succeed regardless of their role or area of responsibility.

The development of a Cinian operating culture is ensured by creating a physical, virtual and social working environment and management model that supports business goals. As in previous years, 2021 saw an emphasis on developing the virtual working environment due to remote work caused by the COVID-19 virus.

Internal Information flow

Conducting business at many different locations and in many localities is challenging to the internal information flow and communication. Cinia organizes monthly information events and interactive clno events for the different business areas to communicate and discuss topical issues and themes from the point of view of both the company and personnel.

Cinia's intranet, clntra, and open platform Mattermost are the company's internal communication channels.



Wellbeing

Cinia works to support its personnel in maintaining a balance between working and other areas of life as an important factor in ensuring wellbeing at work.

Integral part of Cinia's operating culture is its efforts to take changes in the life situations of its personnel into consideration. Cinia strives to ensure that every employee can fit work, family life and leisure together. This is supported by offering flexible opportunities for remote work, a care service for a sick child and flexible working hours.

The wellbeing of personnel is important and it is supported in several ways, such as by allowing employees to use part of their working time for exercise or engaging in other activities that promote their wellbeing, supporting sporting, exercise and cultural activities, providing highly comprehensive health insurance, and enabling personnel to develop their skills and expertise and providing them with modern tools, equipment and facilities for their work. Constructive cooperation between management and personnel has proved

a fruitful way of developing Cinia's operations: Cinia's internal cooperation committee met five times during 2021.

Recruitment and induction are important areas of our work related to human resources. A fast and efficient recruitment process with high standards is essential to competing for a skilled workforce. A positive application experience for all applicants is also key to every recruitment process.

Cinia ensures that personnel are well prepared for starting work by providing comprehensive and well-planned inductions. Company-level orientation makes use of Cinia's induction course for the digital learning environment. Supervisors are responsible for ensuring that new employees are familiarized with the required work and working methods. In addition to permanent new employees, Cinia also provide inductions for temporary employees, trainees, employees changing jobs internally, employees returning to work after long absences, and agency contract workers.

Equal and non-discriminating treatment

Cinia is a company and community where everyone is treated in a respectful, equal and non-discriminating manner. The obligation to promote equality and non-discrimination applies to Cinia as an employer and to all members of the working community.

The foundation of non-discrimination is ensuring that workplace practices are non-discriminatory and effective and appropriate with regard to Cinia's operating environment. Cinia is committed to promoting equality and non-discrimination in all its operations, and to making equal treatment an integral part of its normal operations, strategies and plans.

Cinia takes a zero-tolerance approach to all harassment, sexual harassment and other inappropriate behaviour. Cinia is also determined to ensure that every employee is aware of what constitutes workplace harassment and sexual harassment, fully understands what is expected of him or her, and knows how to confidentially report any problems or suspected misconduct.

Absence due to sickness

The percentage of absences from work due to sickness for the whole group in 2021 was 2.4% (2020: 2,5%), which is slightly below the industry average. The number of absences due to sickness was affected by a number of long absences due to serious illnesses or surgery.

Of the total number of days of sick leave for the whole year, 19% were accounted for by absences of longer than 60 days. The largest proportion of periods of sick leave, 40%, was for periods of 1–3 days.

Work-related accidents and accident rate

Everyone is entitled to a safe working environment, and Cinia works to prevent accidents at work by adhering to occupational safety guidelines and implementing the appropriate measures in its premises. One work-related accidents occurred in Cinia in 2021 which led to sickness leave (2020: 1). The accident ra-

te in 2021, i.e. the number of accidents per total number of hours worked in the year, was 1,5 (2020: 1,9). Accident frequency refers to the ratio of accidents which cause for more than a day absence to hours worked multiplied by million hours worked.

Remuneration

The aim of Cinia's remuneration scheme is to support its strategy and encourage activities that create added value over the long term. The bonus system may consist of performance bonuses for the entire personnel and/or bonuses for specific employees based on the company's result. The bonus system is decided by the Board of Directors, and the guidelines for bonuses and performance-related bonuses are based on guidelines approved by the Finnish Government's Ministerial Committee on Economic Policy.

Remuneration for the members of Cinia's Board of Directors

The remuneration for the members of Cinia's Board of Directors is approved at the Annual General Meeting. The company does not grant loans or guarantees to the members of the Board of Directors. Any travel expenses of the board members related to their work are subject to the instructions given by the Finnish Tax Administration and Cinia's travel policy.

Cinia's bonus strategy is based on the following four principles:

1. Realising strategic goals; Cinia operates in accordance with its strategic goals by communicating the strategy and its business targets transparently to all employees. The bonus system encourages personnel to act according to the Cinia's strategy and business goals.

2. Fairness of remuneration: Cinia's bonus system processes are managed and carried out in ethically and consistently. All Cinia employees are treated equally and impartially, and the inventive policy and principles are communicated openly.

3. Employee motivation and commitment: Cinia's bonus system is at the level that boosts motivation and has a clear connection to performance. Awarding bonuses to the entire personnel also contributes to ensuring commitment in the medium term.

4. Cinia's attractiveness as an employer: Cinia's overall bonus system is at a level that can attract and retain people with the expertise and experience needed for achieving Cinia's strategic goals. In addition, the bonuses are competitive in the labour market in which Cinia operates.

Cinia uses a bonus fund for personnel in accordance with the Act on Personnel Funds as a voluntary and alternative way for employees to receive performance-related bonuses and incentives. The purpose of the personnel fund is to receive and invest the financial incentives that Cinia personnel have received and to provide them with an economically productive means of receiving financial incentives. It is possible to pay into the fund any bonuses awarded as part of the Cinia incentive scheme that is in use at a given time. All Cinia personnel can join the personnel fund, and membership is voluntary.

PROFIT-BASED BONUSES PAID	2021	2020
CEO	55 000	60 343
Other members of executive team	186 000	124 349
Other personnel	458 000	494 923
Total	699 000	679 616



Management of cyber and data security and data protection at Cinia

Cinia's service offering focuses in particular on customers requiring a high level of security and specialized solutions. Success in these customer segments requires a high standard of cybersecurity and data security in internal activities and in the services provided by the company. A data-secure work environment and operations improve work performance while strengthening our customers' confidence in Cinia's services.

A data-secure operating model and services are a key part of Cinia's corporate image, corporate social responsibilities and business goals. Cinia meets the needs of its public authority customers in accordance with the applicable statutory obligations. Cinia's data security goals and operating model are set out in the data security policy approved by Cinia management.

To support Cinia's internal operations, the company maintains guidelines for the secure use of data, terminals and various communication methods, as well as security arrangements for premises. Cinia has also stipulated the security requirements concerning its partners and subcontractors. Cinia personnel and subcontractors are regularly trained in matters related to data security.

Cinia is committed to maintaining and improving its security activities in its operations. In order to assess this, Cinia is subject to external evaluation and audit activities. In May 2017, the Finnish Defence Forces granted Cinia a certificate of facility security clearance as a testament of the ability to handle official confidential data material in accordance with the National Security Auditing Criteria (Katakri).

In July 2019, Cinia was awarded the internationally recognized security management system ISO/IEC 27001 certificate. The certification covers Cinia's Service Desk operations and company-level control of the information security management system, such as company-level security policies, guidelines and practices.

OptimeSys Services Oy, part of Cinia Group, was granted the ISO/IEC 27001 certificate in March 2019. The certification covers the entire operation of the company.

In building security and contingency arrangements, Cinia cooperates closely with the National Cyber Security Centre Finland. Cinia is a telecommunications company with a contingency preparation obligation defined in the Act on Electronic Communications Services and it informs the Finnish Transport and Communications Regulatory Authority Traficom of events related to information security on a statutory ba-

sis. Cinia participates actively in networks between cyber security operators, such as in Traficom's ISAC network and the National Emergency Supply Agency's Digipool.

Individuals' right to privacy is important, and Cinia processes all personal data in its possession in accordance with the laws and regulations on data privacy. Cinia has prepared a public privacy policy approved by the management and comprehensive guidelines on the processing of personal data. The company continuously maintains guidelines related to data privacy and actively monitors data privacy legislation and requirements. The company's staff is provided with data privacy and information security training. The training is also part of every new Cinia employee's orientation.

Cinia's Privacy Policy is published on the company's website at www.cinia.fi.



www.cinia.fi



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