

CORPORATE RESPONSIBILITY



DNA'S CORPORATE RESPONSIBILITY OBJECTIVES UPDATED

DNA's corporate responsibility strategy and objectives were updated in 2018. Digital inclusion will be a particular focus area in the future.

DNA's corporate responsibility strategy has four key areas: digital inclusion, being a great place to work, climate-friendly operations and good governance.

High-quality connections and devices, digital skills and inclusion are a necessity for both consumer and corporate customers in the digital world. This is why DNA wants to promote digital inclusion, for example, by adopting inclusive operating practices and by supporting those in need.

Organisation of corporate responsibility at DNA

DNA's Sustainability Manager reports on the realisation of corporate responsibility objectives to DNA's Executive Team and Board of Directors every six months. The body which ultimately accounts for DNA's corporate responsibility is the Board of Directors.

ORGANISATION OF CORPORATE RESPONSIBILITY AT DNA



DNA's updated corporate responsibility objectives

Each strategy area, its objectives and examples of main measures and their results in a nutshell:

Strategy area	Objectives	Examples of measures in 2018
DIGITAL INCLUSION	DNA will launch a responsibility programme in 2019 to promote digital inclusion in Finland.	<ul style="list-style-type: none"> ■ DNA's Auttava puhelin ("helping phone") charity campaign raised EUR 72,000 for the purpose of purchasing devices and subscriptions for SOS Children's Villages. ■ DNA teamed up with Nordea to promote and support senior citizens' digital skills. Ready-to-use Nordea tablets were available at DNA Stores. ■ DNA's 4G network reached almost 100% of the population in mainland Finland.
GREAT PLACE TO WORK	<p>DNA's strategic objective is to become one of the most desired employers in Finland.</p> <p>By 2022, 90% of employees consider DNA to be a family-friendly workplace.</p>	<ul style="list-style-type: none"> ■ DNA was named Finland's best workplace in the Great Place to Work® awards, based on a survey in 2018. ■ DNA became the first large company in Finland to be recognised as a Family-Friendly Workplace by the Family Federation of Finland. ■ DNA participated in the Isähaaste ("dad challenge") initiative, which aims to promote father-friendly workplaces. ■ Well-being at work was promoted in many ways. ■ DNA participated in the national Bring Your Child to Work Day and kicked the day off the previous night by inviting employees' adult family members to an afterwork event.
CLIMATE-FRIENDLY OPERATIONS	<p>DNA will reduce energy indirect greenhouse gas emissions (Scope 2) by 100% by 2023 from the level reported in 2014.</p> <p>The emission calculation methods for DNA's main product categories will be adjusted during 2019 and DNA will set a Scope 3 climate objective accordingly.</p>	<ul style="list-style-type: none"> ■ All directly procured electricity was generated by renewable energy. ■ Radio network energy-efficiency was improved by several means. ■ Finnish Shared Network Ltd, a joint operation with Telia in Eastern and Northern Finland, is more energy-efficient because the technology is shared. ■ During DNA's Auttava puhelin ("helping phone") charity campaign, thousands of old phones were recycled in an environmentally friendly way through DNA Stores. ■ A study conducted in 2018 estimates that DNA's flexible work reduces emissions from commuting by some 49%.
GOOD GOVERNANCE	All DNA employees have completed DNA's Code of Conduct training.	<ul style="list-style-type: none"> ■ By the end of 2018, 84% of DNA personnel had completed DNA's Code of Conduct training. ■ Responsible decision-making according to DNA's strategy was implemented in practice. ■ DNA defined the ethical principles for the use of AI at DNA and participated in the national ethics challenge issued by AI Finland.

DNA is continuously developing areas such as responsible procurement, privacy and data security, Code of Conduct compliance and waste recycling.

GOOD COMMUNICATION CONNECTIONS AND DEVICES ARE PRECONDITIONS OF DIGITAL INCLUSION

DNA's updated corporate responsibility strategy places special emphasis on DNA's role in the promotion of digital inclusion in Finland.

Voice and data communications have become a necessity for people and the society at large: it is difficult to manage without good connections. However, consumers may find the product, service and solution offering of the telecommunications sector very complex and even difficult to understand. Nor does everyone in Finland have the devices or skills required in today's digital society. For some, inclusion may be difficult because of a physical barrier or handicap.

DNA wants to contribute to the promotion of digital inclusion in Finland. To this end, DNA places special emphasis on high-quality comprehensive networks, fast connections, clear and understandable products and services and excellent customer service.

DNA also wants to help those in vulnerable positions in Finland by launching a charity programme in 2019. It supports the work of SOS Children's Villages Finland, HelsinkiMissio and the Hope to prevent digital exclusion of senior citizens, children and the young as well as low-income families.

Charity campaign for the children and young at SOS Children's Villages

In the summer of 2018, DNA conducted a survey among parents of children between 6 and 16 years of age. According to the results, 59% of parents in Finland feel that there is digital inequality among children. Up to 62% of parents believe that this will have an impact on the child's academic performance and future employment prospects.

Moreover, 46% of parents felt that children who do not have a smart device face social exclusion. This is particularly true for the age group of 10 to 16.

At the turn of November and December, DNA carried out a charity campaign to collect funds for the prevention of digital inequality among vulnerable children and young people. During the campaign, DNA invited the public to bring their old phones to DNA Stores for recycling. In return for each phone, DNA donated 10 euros to the SOS Children's Villages for the purpose of purchasing devices and subscriptions. The campaign suc-

ceeded in raising EUR 72,000 for an important cause. In addition, a large number of old mobile devices were recycled in a secure, responsible and environmentally friendly way.

DNA teams up with Nordea to promote and support senior citizens' digital skills

In the spring of 2018, DNA teamed up with the Nordea bank to offer a ready-to-use tablet for senior citizens.

All banking services are pre-installed on the Nordea tablet and advice and instructions are available at all DNA Stores and Nordea banks. The package is sold below its normal price and includes a tablet suitable for online services and an interface for the easy and flexible use of online services. The service is primarily aimed at customers who do not yet have a smart device.

To pick up a tablet from a DNA Store, customers need a token provided by Nordea.

Excellent customer service important to DNA's success

DNA's rNPS score, which measures overall customer satisfaction, improved further in both Consumer and Corporate Business.

In 2018, consumer customer service placed special emphasis on personnel satisfaction as well as further development of recruitment and resource management according to customer needs. For instance, customer service through the chat channel was expanded further. Data and analytic capabilities were leveraged in new ways to support the expertise of customer service advisors. Both robotics and automation were deployed to help customer service personnel in their work.

In Corporate Business, special emphasis was on the improvement of delivery times and reliability, in particular for services in the fixed-line network.

Significant investments were made in DNA's online store and self-service to further develop the digital service experience. Data and analytics capabilities were also leveraged to drive customer satisfaction. The aim



is to proactively detect and react to customer problems before customers contact DNA.

DNA is aware of the fact that personnel satisfaction drives the positive development of customer satisfaction. Accordingly, several measures were implemented in 2018 in both Consumer and Corporate Customer Service to promote personnel satisfaction and well-being.

Strong growth of mobile data volumes continued

DNA makes continuous investments in mobile networks and fixed-network broadband to support the customers' growing use of subscriptions, devices and services.

In a digital society, there is a constant need for receiving and sharing data. Remote and mobile working with smart devices is increasing, as is sharing content in social media and the use of entertainment services.

In the fourth quarter of 2018, 4G traffic volumes in DNA's networks grew by 37% year-on-year. DNA's total data traffic volume in the mobile communication network grew 31%. In the October-December period, more than 92% of all mobile data was transferred in the 4G network.

The DNA Valokuitu Plus (DNA Fibre Optic Plus) network enables Gigabit-class broadband speeds without any changes to the housing company's internal net-

work. Gigabit-class speeds are available to more than 620,000 households. In 2018, DNA's fibre optic connections became available to housing companies and corporate customers in the cities of Jyväskylä, Vaasa and Seinäjoki. During the last quarter, the first housing companies in Vaasa were connected to DNA's fibre optic network.

DNA has been systematically preparing its mobile network for 5G with the introduction of 5G-capable technology and increased network capacity. In November 2018, DNA started to test 5G technology in domestic broadband connections in Vantaa, and deployed its first 5G base stations that operate on the 3.5 GHz frequency in Helsinki city centre at the end of December. DNA's mobile network is also NB-IoT ready. The NB-IoT (Narrow Band Internet of Things) technology supports the use of IoT. DNA has also piloted LTE-M technology in its 4G network, which makes it possible to introduce new types of IoT services as we head towards the 5G era.

According to the report released by Tefficient, DNA's customers have the highest mobile data usage per subscription in the world. For example, in December 2018, an average of 23.5 gigabytes of mobile data per subscription was used in DNA's network. The new 5G networks and services will accelerate the use of mobile data further and will also extend it into new areas.



DNA WAS NAMED FINLAND'S BEST WORKPLACE

DNA aims to be one of the most desired employers in Finland. DNA was named Finland's best workplace in the Great Place to Work® awards.

Based on a survey conducted in 2018, DNA was named Finland's best workplace, being ranked first in the Large Organisations category of the workplace awards of the Great Place to Work institute. The results were published in February 2019. The Trust Index®, measuring the job satisfaction of DNA's personnel, continued to rise for a fourth year in a row.

In the evaluation, DNA's strengths once again included flexibility, work-life balance, allocation of responsibility, equal treatment of employees, safety, friendly atmosphere at work and team spirit. The employees also feel that their contribution is important and that they can freely be themselves at DNA.

Suggestions for improvements included, for example, opportunities for career progression and stronger feeling of doing meaningful work.

In 2018, 1,343 (1,336) DNA employees participated in the Great Place to Work® survey, resulting in a very good response rate of 83% (82%).

DNA specified further action to improve employee satisfaction and employer image based on the results. DNA's HR operations assign development measures to departments and teams. In addition, DNA has an organisation-wide Great Place to Work working group which discusses Group-level measures to improve employee satisfaction further.

At the end of 2018, DNA employed 1,590 people (1,601).

DNA the first large company in Finland to be recognised as a Family-Friendly Workplace

In March 2018, DNA became the first large company in Finland to receive the Family-Friendly Workplace certificate from the Family Federation of Finland. DNA gained the recognition by participating in the Family-Friendly Workplace programme for the past few years.

At the moment, 86% of employees consider DNA to be a family-friendly workplace. DNA aims to bring the percentage to 90% by 2022.

In 2018, special focus was on making the workplace more father-friendly and DNA participated in the Isähaaste ("dad challenge") initiative. In autumn, employees were invited to make suggestions on how fathers could be supported. DNA also commissioned a Master's thesis on family leave for fathers. According to the thesis, father-friendliness is already at a good level at DNA, but some areas could be improved further, such as communication about family leaves.

Grandparental leave was available for the second year at DNA and several new grandparents took the leave in 2018. In total, some 30 DNA employees have taken grandparental leave. All DNA employees who become grandparents are entitled to one week's paid grandparental leave to spend time with their family.

In March, DNA participated in the national Bring Your Child to Work Day at all locations, including customer service functions. The day was kicked off the previous night as employees' adult family members were invited to a relaxed afterwork event at the local workplace. This gave them the opportunity to meet each other and visit DNA.

Flexible work improves work-life balance

DNA's flexible work is based on trust. Using mobile workstations, the employees decide independently where they work, without discussing this with their supervisor. The method changes not only the working environment but also the working culture, and DNA's employees have welcomed this change enthusiastically.

Employees especially value the increased flexibility in the management of their work-life balance. They also reported being more effective and less stressed. Most DNA employees take advantage of the flexibility by working at home. Those working as specialists work remotely on average approximately two days per week.

DNA's flexible work also reduces emissions from commuting. According to a study conducted in 2018 by DNA, it reduces emissions from commuting by some 49%.

The opportunity to work remotely has been expanded to all service advisors in both Consumer and Corporate Customer Service with good results. In 2018, DNA started to pilot flexible work on a broader scope in Corporate Customer Service.

GREAT PLACE TO WORK



Supervisors' work is based on leadership by coaching

DNA is steering its management culture towards leadership by coaching, which was chosen as the main theme for DNA's supervisor development in 2018.

Continuous interaction between the supervisor and the employee is a key element of leadership by coaching: the supervisor asks questions, inspires, helps, understands, listens actively, acts as a sparring partner, evaluates progress, is available and cares. Leadership by coaching is based on working according to DNA's values. Value-based leadership skills are based on measurable leadership competence. The specification of value-based leadership competence was a natural extension to DNA's leadership principles and the next step in their development. The specification was jointly made by DNA's supervisors, supervisor coaches, coaches and the Executive Team.

Special attention to recovery and total workload at the workplace

Satisfaction and well-being of personnel is one of the cornerstones of DNA's strategy, as DNA sees a strong link between personnel and customer satisfaction. In 2018, DNA established the post of a Health and Well-being Manager who is responsible for the development of personnel well-being as well as responsible management of working capacity and performance.

During the year, the main themes for well-being at work at DNA included sufficient recovery and management of workload between work and leisure.

DNA started to use the Työkykytutka ("working capacity monitoring") service provided by occupational health services. It aims to prevent well-being-related challenges and to strengthen an early intervention model.

Towards the end of 2018, DNA launched an initiative in which new employees receive support for their working capacity during induction training. During the pilot, DNA wanted to identify ways to better support new employees in this area. The aim is to give new employees tools at the start of the employment with which they can monitor and maintain their working capacity and well-being.

The highlight of the year was a company-wide Voi Hyvin ("be healthy") day. Approximately 1,000 DNA employees from all over Finland spent a fun day and evening in Vierumäki, trying different sports activities and relaxing together. Several campaigns and promotional events were organised throughout the year to promote well-being at work.

DNA Peers continued to volunteer and be active: in 2018, they participated in the organisation of various events, such as the Bring Your Child to Work Day, the afterwork event for DNA employees and their adult family members, Christmas parties for children, the Joulupuu ("Christmas tree") charity collection and many other worthwhile events.

DNA promotes the well-being of its personnel with, for example, the Edenred Duo card, which provides continuous exercise opportunities for the personnel, and by organising different activity clubs.

DNA provides employees with a wide selection of healthcare and medical services in excess of the level required by law. DNA personnel can avail themselves of health services provided by, for example, specialists, gynaecologists, occupational physiotherapists and psy-

chologists. DNA also offers its employees an accident insurance for recreational activities.

Leadership practices embrace diversity

DNA is a member of FIBS Diversity Charter Finland. DNA was among the first members to sign the first Diversity Charter in Finland, and has been an active participant in the diversity charter network. Survey results from several years indicate that one of DNA's strengths is that everyone can freely be themselves.

Diversity is a tangible part of everyday leadership at DNA. It is included in the company's view of what constitutes good leadership, alongside the principles of equality, non-discrimination and respect for and utilisation of different skill sets.

By signing the Diversity Charter, DNA is committed to providing equal opportunities for its employees and customers, identifying and recognising their individual skill sets and needs, managing employees and customers in a fair, encouraging and productive way, and communicating about its objectives and achievements to them.

Deeper customer understanding is a particularly important area in DNA's diversity vision. A diverse and pluralistic working community helps DNA understand the needs of different customers.

DNA's objectives in diversity management include:

- Enhancing employee recognition and commitment to improve reputation as a good employer and result.
- Increasing the innovativeness and productivity of the company.

DNA's diversity vision

INCREASED CUSTOMER SATISFACTION

The customer is at the core of our strategy: we aim to have the most satisfied customers. For DNA's business, it is important to deepen customer understanding continuously, whereas a diverse working community helps create these types of skills and, in the long term, leads to increased customer satisfaction.

MORE VERSATILE EXPERTISE

We aim to be one of the most desired employers in Finland. Versatile top expertise is a critical success factor for DNA: we must be able to understand the needs of the changing society from the point of view of different target groups and to provide an offering that meets these needs.

NEW WAYS OF WORKING AND THINKING EXPAND

We develop new, more effective ways of working digitally – for ourselves and our customers. We want to lead the way to better working life in Finland. We aim to attract versatile expertise to stay competitive in a rapidly changing industry. As an organisation and as individuals, we must learn continuously to remain competitive in a tough environment.

DNA'S CLIMATE OBJECTIVES UPDATED

DNA has signed the Society's Commitment to Sustainable Development, in which the company undertakes to reduce the climate impacts of its operations.

DNA has calculated its greenhouse gas emissions for several years to identify the direct effect of DNA's operations on climate change. The source of DNA's direct greenhouse gas emissions (Scope 1) are fuels used in company vehicles and back-up generators. Energy indirect greenhouse gas emissions (Scope 2) mostly originate in production, i.e. the electricity consumption of DNA's radio network and transmission equipment as well as the maintenance of their equipment facilities. Sources of other indirect greenhouse gas emissions (Scope 3) include, for example, logistics, business travel, waste as well as purchased goods, services and capital goods.

Increased mobile data volumes challenge the energy efficiency of the radio network, because the continuously growing volumes require more equipment, which in turn increases energy consumption. On the other hand, the relative per-data energy consumption is reduced through improved technical performance of LTE.

DNA identified the need to update its climate objectives during 2018 because it reached one main objective towards the end of 2017 (radio network emissions in proportion to annual radio network data transfer volumes) and more detailed data was required to reach the other objective (Scope 3 – emission data relative to total emissions). As a result, DNA's primary objective in terms of total emissions is to adjust the calculation method of Scope 3 emissions.

In 2018, DNA updated its climate objectives as follows:

- DNA will reduce energy indirect greenhouse gas emissions (Scope 2) by 100% by 2023 from the level reported in 2014.
- The emission calculation methods for DNA's main product categories will be adjusted during 2019 and DNA will set a Scope 3 climate objective accordingly.

In 2018, DNA's energy indirect greenhouse gas emissions (Scope 2) were 17,900 tonnes (19,600), which is 9% less than in 2017. DNA's Scope 2 emissions have reduced by some 40% since 2014, due to procurement of renewable energy and increased energy efficiency in the radio network.

DNA's climate team, which comprises experts from different parts of the organisation, plans emission reductions and possible reduction methods. The climate

team reports on the completion of climate objectives and measures to the Executive Team and the Board of Directors' Audit Committee twice a year.

As part of the Group's risk management process, DNA has identified possible risks and opportunities related to climate change in terms of the impact of physical or political events and changes in consumer behaviour, and has specified control practices for them.

DNA's directly procured energy is renewable

DNA's directly procured energy is hydro or wind power and comes with a Guarantee of Origin.

Renewable hydro power is a green choice in Finland, but it has its challenges. For example, hydroelectric plants can prevent the movement of migratory fish in rivers. Fish passages and ladders are constructed in Finland according to Finland's National Fish Passage Strategy to enhance the viability of migratory fish stocks. In addition, hydro power companies compensate the environmental effects of their plants by environmental measures such as stocking fish.

DNA is monitoring the situation and regularly assesses the origin of purchased electricity.

Continuous improvement of the network and equipment facilities

DNA deployed new, more energy-efficient radio network technology already in 2016. New advancements in radio technology in 2018 allow one radio unit to connect to several radio bands.

Software-based energy-saving functions were implemented in DNA's network during the summer of 2018 as planned.

New solutions that use ambient air to cool the equipment were implemented in DNA's equipment facilities in 2018 to reduce energy consumption. DNA plans to expand these solutions further in 2019. The solution uses cool outdoor air, transferred by fans.

Automation of equipment facility cooling and ventilation was again increased, which provides energy savings and prolongs the useful life of cooling equipment. This work will also continue in 2019.

Equipment facility ventilation systems were also upgraded as planned in 2018.



DNA's products and services help reduce emissions

In 2018, DNA examined how customers could reduce their emissions by using DNA's services. The study focused on the recycling of consumer customers' old mobile devices and corporate customers' use of virtual servers.

Based on the results, it can be estimated that the recycling of mobile devices through DNA reduce emissions by up to 1,000 tonnes (CO₂e) per year. This equals driving almost 5.5 million kilometres using a petrol car with average fuel consumption.

In the case of virtual servers, a conservative estimate is that the use of virtual servers is at least five times more effective than maintaining physical servers at customer premises. The estimate includes emissions from the materials required to manufacture the servers as well as electricity consumption.

More energy-efficient facilities and working methods

DNA has placed special emphasis on the modernisation of its facilities in recent years. The energy efficiency of DNA's facilities has been a special focus area as the company has modernised old buildings or moved to new facilities.

DNA's Headquarters, the DNA House, was constructed by YIT according to its Energy Genius concept. The energy-efficiency of the building was carefully considered already in the design and construction phase. DNA's headquarters have earned an international LEED Gold certification as a recognition of the building's ecological energy and water consumption, materials used and emissions.



GOOD GOVERNANCE

Responsible operations at DNA covers DNA's personnel, suppliers and subcontractors. The promotion of DNA's responsible decision-making model continued in 2018.

Responsible decision-making according to DNA's strategy was implemented in practice already in 2017. The model is called Päätöspolku ("decision-making path"). It is a check list for the effects of decisions on four areas: strategy alignment, economy and risks, compliance and overall acceptability.

According to an internal survey conducted in 2018, awareness of the model among key personnel is at a high level (98%). Most respondents (91%) felt that the principles laid down in the decision-making model are important.

We adhere to our Code of Conduct and legislation

DNA adheres to national legislation in all its operations. As an employer, DNA adheres to the principles of the ILO Declaration on Fundamental Principles and Rights at Work, the UN Convention of the Rights of the

Child, legislation on minimum wage and working hours as well as general environmental, health and safety requirements. These are taken into consideration in DNA Group's Code of Conduct which applies to all employees. In 2017, DNA started a Code of Conduct training, which is mandatory for all personnel. By the end of 2018, 84% of DNA personnel had completed the training.

The company also expects its suppliers and subcontractors to operate according to these principles and has appended a Supplier Code of Conduct to its procurement and logistics agreements.

DNA has an anonymous notification channel for reporting concerns about unethical or unlawful behaviour. The notifications are processed by DNA's Whistle Blowing group, which consists of DNA's Senior Vice President, Legal Affairs, Senior Vice President, Human

Resources, Fraud Manager and Legal Counsel, Employment Law.

There were no incidents of discrimination, corruption or bribery or human rights violations at DNA in 2018.

Management of corporate responsibility risks

DNA's risk management process provides reports on risks and risk management methods to the Executive Team, Audit Committee and Board of Directors. Operational plans for the management of significant risks are drafted based on risk management reports, and the Executive Team and Audit Committee monitor the implementation of these plans. Corporate responsibility risks are included in the company's overall risk management process and risk management reports.

For more information on risk management, please see Board of Director's Report.

High level of security and data protection

Use of mobile devices that have a constant network connection is increasing strongly among both business and private users. As the Internet of Things (IoT) becomes more common, for example through the

introduction of new kinds of smart devices, the role of good data security, data privacy and high operational network reliability gain importance.

DNA maintains a high level of security and data protection and a stringent security culture in the handling of all data related to its operations according to laws and regulations, orders issued by authorities and good practices.

The purpose of data security at DNA is to enable the achievement of business objectives and protect critical success factors, such as DNA's personnel, customer satisfaction, reputation, trademarks/brand name and service quality. Data security supports DNA's core business and increases the appropriate availability of systems. Maintaining a good data security culture is of vital importance.

DNA's data protection policy determines how DNA can ensure that its operations and operating models are compliant with legislation on the processing of personal data and related responsibilities and that it implements a high level of data security. It also specifies the main implementation methods. Data protection is closely tied to data security.



GOOD GOVERNANCE

Smooth transition to GDPR at DNA

The EU General Data Protection Regulation (GDPR) came into force in May 2018. Established at the same time, the European Data Protection Board helps ensure that the data protection law is applied consistently across the EU by issuing decisions and guidelines on the interpretation of the regulation. The board is made up of representatives of national Data Protection Authorities and the European Data Protection Supervisor (EDPS).

DNA started to prepare for the new legislation by launching a project in 2016 during which DNA updated its data security policies and appointed a Data Protection Officer (DPO). DNA follows the guidelines issued by authorities, participates in the specification of industry-wide practices and continues to develop its operating models and systems according to GDPR as part of its normal operations.

DNA defined ethical principles for the use of AI

DNA wants to make sure that AI (artificial intelligence) is used and developed in accordance with DNA's strategy and values throughout its organisation. In the summer of 2018, DNA defined the ethical principles for the use of AI and participated in the national ethics challenge.

DNA wants to make effective use of real-time and rich customer, network and behavioural data throughout its channels and business operations, in order to provide its customers with the most personal and expert service possible. However, the customer must always have the freedom to choose whether or not to interact

with AI or a human being. DNA also aims to increase its operational efficiency by utilising AI.

Ethical principles for the use of AI at DNA:

PEOPLE ARE IN CONTROL: People set the framework for the use of artificial intelligence and the decisions it makes. When with DNA, people must be able to monitor and control AI activities.

ARTIFICIAL INTELLIGENCE IS A 'HUMAN SUPER-POWER': The purpose of exploiting artificial intelligence is to liberate people to do more meaningful work by transferring manual work to machines. This will enable us to provide better service for our customers and to operate more efficiently.

THE SAME RULES APPLY TO PEOPLE AND MACHINES: The same ethical principles apply to the use of artificial intelligence as to DNA's other activities. As a form of artificial intelligence, machine learning must not lead to discrimination or the strengthening of prejudices. As a company, DNA is responsible for the decisions and possible mistakes made by artificial intelligence.

THE CUSTOMER HAS THE FREEDOM TO CHOOSE: We provide the customer with quality customer service via various channels. DNA's customer must know whether he or she is dealing with a chatbot or a person. We also offer the option of human contact within our service times and within the opening hours and limitations of our customer service and stores.

DATA IS SECURE: Artificial intelligence allows the use of data to identify customer behaviour and interests. At DNA, we ensure that our data protection and security are in the appropriate condition.

Responsible procurement at DNA

DNA works with thousands of suppliers and subcontractors, some 20 of which are considered as significant suppliers. Significant suppliers and subcontractors include, for example, equipment manufacturers, solution providers and developers as well as consulting companies.

Significant suppliers are assessed regularly in terms of product and service risk, supplier risks and country risks. For instance, some of the most significant suppliers and subcontractors operate in countries such as China and India that involve risks.

DNA expects all partners to take economic, environmental and social responsibility into consideration in their operations. DNA enforces a Supplier Code of Conduct.

The Code is added to all new supplier agreements and also applies to the supplier's subcontractors. DNA's Supplier Code of Conduct also includes the requirement to uphold human rights.

Significant suppliers' and subcontractors' responsibility performance is evaluated regularly by means such as a survey and responsibility dialogue.

The responsible supply chain team, which comprises experts on corporate responsibility, procurement and logistics and legal affairs, monitors responsible procurement and related measures at DNA. In addition, all DNA's procurement managers have received training on responsible procurement.

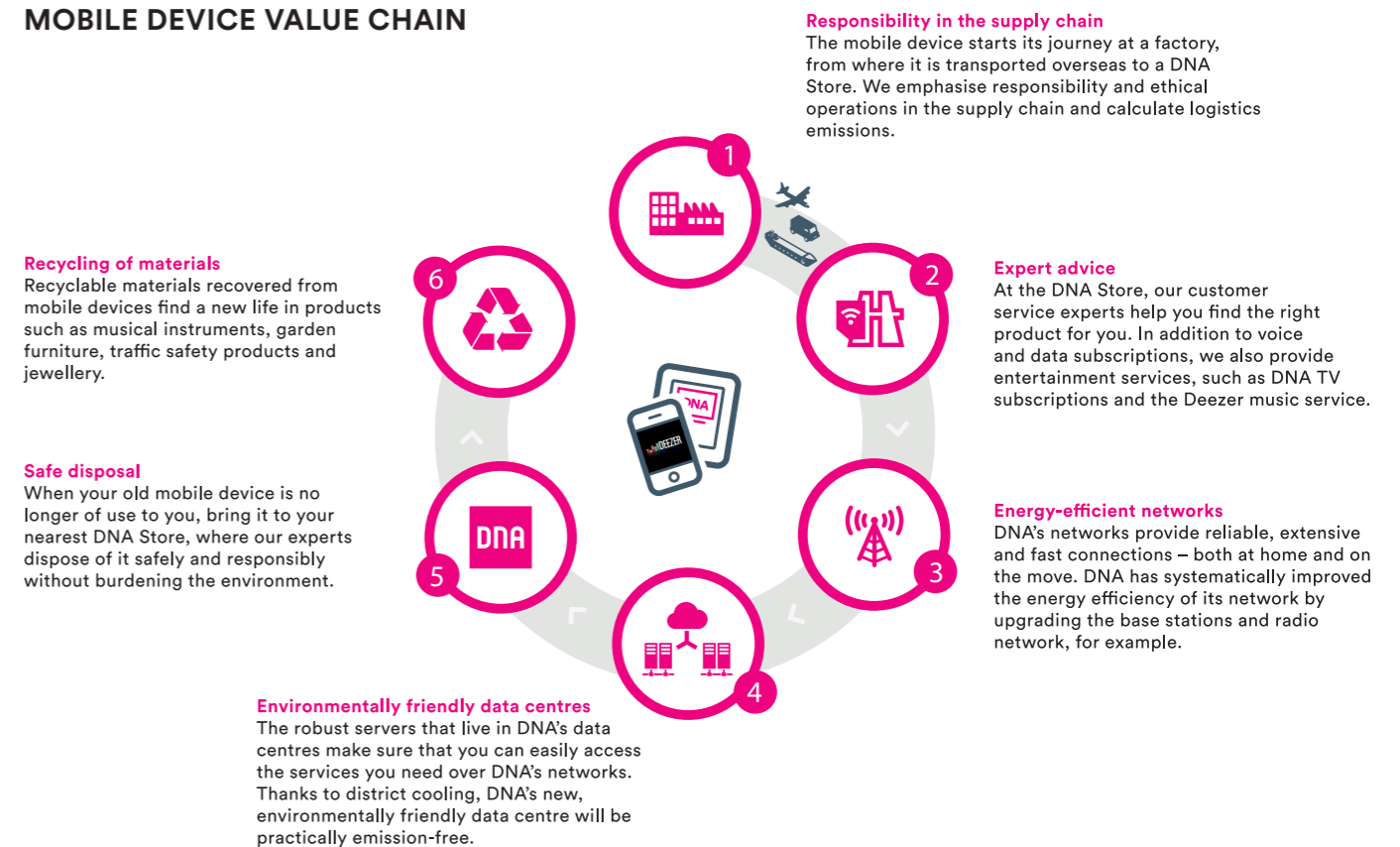
Transparent advocacy

The principles according to which DNA uses social influence stem from the company's values and Code of Conduct. The aim is to establish open two-way communication between decision-makers and DNA. The objectives of social influence are based on DNA's business strategy and business objectives.

The communication is also a means of disseminating information to provide a balanced view of benefits as well as possible challenges or problematic areas. The communication is respectful of the views of the other party, such as a decision-maker or other type of stakeholder.

DNA has joined the EU Transparency Register. The Transparency Register, or lobbyist register, has been introduced to answer basic questions such as these: what interests are being represented at EU level, who represents those interests and with what budgets. The register is jointly maintained by the European Parliament and the European Commission.

MOBILE DEVICE VALUE CHAIN



TAXES AND ECONOMIC IMPACT

As a telecommunications operator, DNA plays an important role in society by providing important communication connections and maintaining infrastructure that is critical to the operation of the society. DNA pays all its taxes in Finland.

According to its strategy, DNA will meet the growing demand for faster high-quality connections. The company invests in a very competitive and cost-effective network and service platform infrastructure to meet the growing communications needs of consumers, businesses and the society in general. By doing so, DNA promotes digitalisation and competitiveness in Finland.

Domestic investments and employment

DNA's economic responsibility includes meeting the expectations of customers and shareholders in a sustainable manner, supporting the economic welfare of the company's employees and society through direct and indirect employment. Tax payments, investments and development of new products and services are also part of DNA's economic responsibility.

DNA's investments in 2018 were EUR 139.1 million (EUR 144.0 million). Major items include investments in 4G network capacity expansion and development, 5G readiness as well as fibre optic networks and transmission systems.

At the end of 2018, DNA employed 1,590 people.

DNA is an important regional employer with operations in 12 locations. DNA Store operates in 40 locations. Furthermore, the company traditionally employs young people in DNA Stores in particular. At the end of 2018, those under 25 accounted for approximately 40% of store personnel.

DNA's tax footprint

In 2018, the taxes and tax-like fees paid by DNA in Finland amounted to EUR 175 million (EUR 176 million). DNA pays all its taxes in Finland. By doing so, DNA contributes to the development of the Finnish society as a whole.

Taxes paid by DNA comprise direct, indirect and collected taxes. Direct taxes consist of corporate income tax and tax-like fees paid directly by DNA. Value-added tax is an indirect tax paid by DNA. Collected taxes include tax collected and paid to the state, such as withholding taxes collected from employees' salaries and other self-assessed taxes, such as withholding taxes deducted from dividends.



Traficom (previously Finnish Communications Regulatory Authority FICORA) is a public sector operator to which DNA pays tax-like fees, which were EUR 12 million in 2018 (EUR 14 million). These fees include, for example, spectrum licences, the information society fee and communications network numbering fees.

Taxation is a factor considered in DNA's operation, operational processes and risk management. DNA aims to reach an optimal taxation outcome in compliance with tax legislation, accounting legislation and other regulations.

The taxes specified in the taxation contribution section are accrual-based.

Anti-corruption and anti-bribery

DNA has zero-tolerance of corruption and bribery: DNA's Code of Conduct bans any corruption. Every DNA employee is required to attend DNA's Code of Conduct training, which was implemented in the beginning of 2017. By the end of 2018, 84% of DNA personnel had completed the training. In addition, DNA's Sustainability Manager and Fraud Manager train DNA personnel on DNA Group's anti-corruption policies and procedures as required.

DNA has separate guidelines for the giving and receiving of business gifts.

The company does not have a separate risk assessment process for corruption. Any corruption risk is assessed as part of the Group's risk management process.

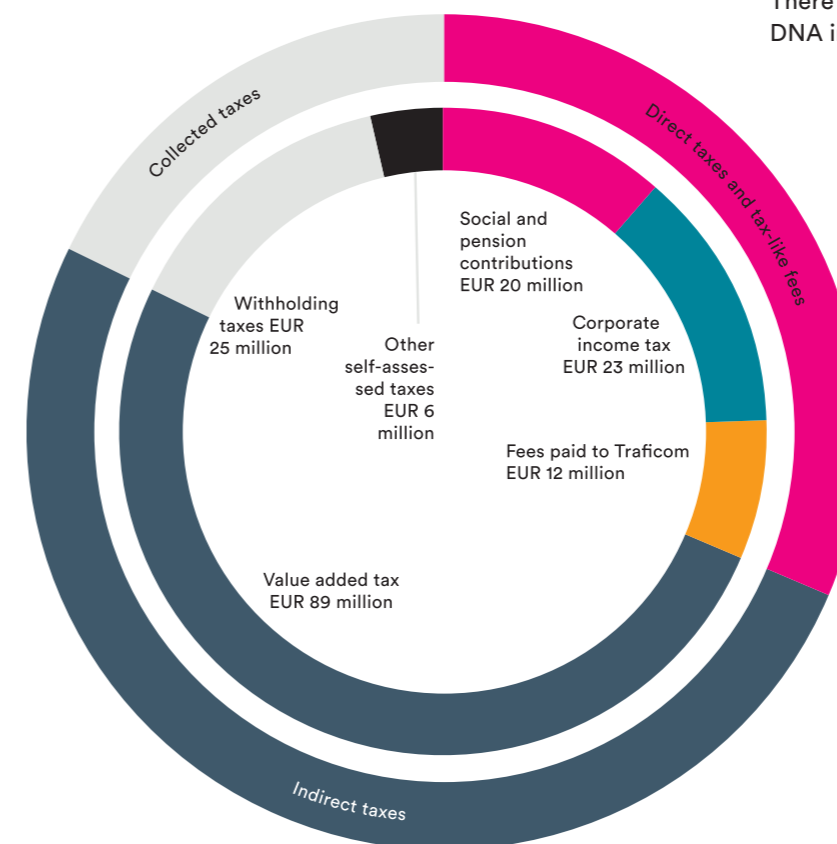
There were no incidents of corruption or bribery at DNA in 2018.

ECONOMIC VALUE FOR STAKEHOLDERS, EUR MILLION

		2018**	2017	2016	2015	2014
Generation of added value						
From the customers	Net sales	911.8	886.1	858.9	828.8	831.5
Total generated added value		911.8	886.1	858.9	828.8	831.5
Distribution of added value						
Goods and service suppliers	Materials and services as well as other operating expenses	523.3	507.4	513.5	498.5	530.1
Personnel	Wages and salaries as well as pension expenses	104.2	107.7	107.0	102.3	96.4
Public sector	Income tax, value added tax, personnel expenses as well as payments to the Finnish Communications Regulatory Authority	126.4	123.8	110.6	90.0	77.1
Financial sector	Financial items	11.2	9.4	9.6	11.5	10.5
Shareholders	Dividends*	145.3	145.2	72.8	40.1	30.0
Total distributed added value		910.4	893.5	813.5	742.4	744.1

* DNA's Board of Directors has proposed to the Annual General Meeting that a dividend and an additional dividend totalling EUR 1.10 (1.10) per share be paid for the financial year 2018, EUR 145,332,782 (145,242,551) in total.

** Year 2018 is reported according to IFRS15.



DNA'S TAX FOOTPRINT

2018, EUR million

Direct taxes and tax-like fees

Social and pension contributions	20
Corporate income tax	23
Fees paid to Traficom	12

Indirect taxes

Value added tax	89
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Collected taxes

Withholding taxes	25
Other self-assessed taxes	6

Total	175
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REPORTING ACCORDING TO GRI GUIDELINES

As in previous years, DNA continued to report on corporate responsibility in 2018 according to the Global Reporting Initiative reporting model. This is DNA's ninth GRI report. With a reporting period of one calendar year, DNA publishes this GRI-compliant corporate responsibility report annually with the annual report. The previous report was published on 1 March 2018. This report has been prepared in accordance with the GRI Standards (2016) Core option.

DNA's corporate responsibility reporting is based on the guidelines, principles and calculation methods specified by GRI. It includes the data for DNA Plc, including DNA Store Ltd. Since 2015, DNA's corporate responsibility reporting has included Finnish Shared Network Ltd, which is a joint operation by DNA and Telia. DNA owns 49 per cent of Finnish Shared Network.

Any deviations from or changes to the reporting boundaries are mentioned with each indicator. Similarly, any changes in measurement methods are mentioned with each indicator.

The indicators reported by DNA cover all of DNA's operations in all of Finland. DNA only operates in Finland, which is why DNA hasn't deemed it relevant to report more specific information on locations of operations.

DNA's corporate responsibility strategy, objective settings, measures and reporting are steered by the materiality analysis which gives consideration to business objectives and stakeholder expectations. The analysis identifies the most relevant topics in terms of business and stakeholder impact. In 2018, DNA updated the materiality analysis based on the investor survey. DNA collects customer feedback by several means and from many channels and carries out extensive research and user interviews in order to review the customer experience and market.

The material aspects of the four corporate responsibility strategy focus areas are specified as follows according to the GRI standard:

DNA's corporate responsibility focus areas	Material GRI topics	Reporting boundary
DIGITAL INCLUSION	<ul style="list-style-type: none"> Marketing and labelling Compliance 	DNA Plc, including DNA Store Ltd
GREAT PLACE TO WORK	<ul style="list-style-type: none"> Employment Labour/management relations Occupational health and safety Training and education Diversity and equal opportunity Non-discrimination 	DNA Plc, including DNA Store Ltd
CLIMATE-FRIENDLY OPERATIONS	<ul style="list-style-type: none"> Energy Emissions Effluents and waste 	DNA Plc, including DNA Store Ltd
GOOD GOVERNANCE	<ul style="list-style-type: none"> Customer privacy Economic performance Indirect economic impacts Anti-corruption Anti-competitive behaviour Supplier environmental assessment Supplier social assessment Public policy 	DNA Plc, including DNA Store Ltd

DNA's corporate responsibility reporting has external assurance

DNA's Corporate Responsibility Report has been assured by an independent external party. The assurance statement is on page 54 of the report.

The GRI indicators and corporate responsibility information in this report have been reviewed by the Board of Director's Audit Committee.

According to the amended Accounting Act, DNA is also required to include a report on non-financial information. DNA has included a report on non-financial information in the Board of Directors' Report.

DNA's Sustainability Manager is responsible for the future development of reporting.

ENVIRONMENTAL INDICATORS

DEVELOPMENT OF DNA'S EMISSIONS, TOTAL (TCO₂)*

	2018	2017	2016	2015	2014
Emissions, total**	220,000	216,000	208,000	208,000	210,000

*Indicator includes Scope 1, 2 and 3 emissions. Global Warming Potential (GWP) rate is based on the following reference: IPCC Fourth Assessment Report (AR4 - 100 year). DNA's climate objectives are compared against 2014.

**In 2018, the method for collecting source data relating to the procurement of purchased electricity was adjusted. The emissions figures for 2016 and 2017 were also updated retroactively, in accordance with the new data collection method. No corresponding initial data is available for earlier years. The impact of the update on the figures for 2016 and 2017 was around 50% for electricity consumption and around 40% for Scope 2 emissions. The Scope 2 emissions reported by DNA are based on both measurement and evaluation.

305-1 DIRECT GREENHOUSE GAS EMISSIONS (SCOPE 1)(TCO₂)*

	2018	2017	2016	2015	2014
Direct greenhouse gas emissions	520	680	590	660	840

*Global Warming Potential (GWP) rate is based on the following reference: IPCC Fourth Assessment Report (AR4 - 100 year). DNA's climate objectives are compared against 2014.

305-2 INDIRECT GREENHOUSE GAS EMISSIONS (SCOPE 2) (TCO₂)*

	2018**	2017	2016	2015	2014
Indirect greenhouse gas emissions***	17,900	19,600	16,800	29,700	30,100

*Global Warming Potential (GWP) rate is based on the following reference: IPCC Fourth Assessment Report (AR4 - 100 year). DNA's climate objectives are compared against 2014.

**DNA monitors emissions from energy consumption with the market-based approach, which takes into account e.g. the Guarantees of Origin obtained by DNA. DNA's location-based emissions in 2018 were 31,200 tCO₂, based on the specific carbon dioxide emissions from electricity production in Finland.

***In 2018, the method for collecting source data relating to the procurement of purchased electricity was adjusted. The emissions figures for 2016 and 2017 were also updated retroactively, in accordance with the new data collection method. No corresponding initial data is available for earlier years. The impact of the update on the figures for 2016 and 2017 was around 50% for electricity consumption and around 40% for Scope 2 emissions. The Scope 2 emissions reported by DNA are based on both measurement and evaluation.

REPORTING (GRI)

305-3 OTHER INDIRECT GREENHOUSE GAS EMISSIONS (SCOPE 3) (TCO₂)*

	2018	2017	2016	2015	2014
Other indirect greenhouse gas emissions	202,000	196,000	191,000	178,000	179,000

*Global Warming Potential (GWP) rate is based on the following reference: IPCC Fourth Assessment Report (AR4 - 100 year). DNA's climate objectives are compared against 2014.

305-4 GREENHOUSE GAS EMISSIONS INTENSITY

Radio network emissions in proportion to annual radio network data transfer volumes (tCO₂/TB)*

	2018	2017	2016	2015	2014
Radio network emissions in proportion to annual radio network data transfer volumes (tCO ₂ /TB)**	0.02	0.03	0.04	0.14	0.26

*Global Warming Potential (GWP) rate is based on the following reference: IPCC Fourth Assessment Report (AR4 - 100 year). DNA's climate objectives are compared against 2014.

**In 2018, the method for collecting source data relating to the procurement of purchased electricity was adjusted. The emissions figures for 2016 and 2017 were also updated retroactively, in accordance with the new data collection method. No corresponding initial data is available for earlier years. The impact of the update on the figures for 2016 and 2017 was around 50% for electricity consumption and around 40% for Scope 2 emissions. The Scope 2 emissions reported by DNA are based on both measurement and evaluation.

DNA's emissions in proportion to net sales (tCO₂/EUR MILLION)*

	2018	2017	2016	2015	2014
DNA's emissions in proportion to net sales (tCO ₂ /MEUR)**	241	244	242	251	272

*Global Warming Potential (GWP) rate is based on the following reference: IPCC Fourth Assessment Report (AR4 - 100 year). The indicator includes Scope 1, 2 and 3 emissions. DNA's climate objectives are compared against 2014.

**In 2018, the method for collecting source data relating to the procurement of purchased electricity was adjusted. The emissions figures for 2016 and 2017 were also updated retroactively, in accordance with the new data collection method. No corresponding initial data is available for earlier years. The impact of the update on the figures for 2016 and 2017 was around 50% for electricity consumption and around 40% for Scope 2 emissions. The Scope 2 emissions reported by DNA are based on both measurement and evaluation.

302-1 ENERGY CONSUMPTION WITHIN THE ORGANISATION (TJ)

	2018	2017	2016	2015	2014
Total consumption of non-renewable fuels*:					
- Diesel and gasoline	4.2	4.8	6.2	7.2	6.6
- Fuel oil	2.0	3.2	1.2	1.2	1.4
Electricity consumption**	590.5	586.2	539.9	422.9	367.5
Heat consumption	15.6	15.4	16.1	21.6	15.9
Cooling consumption	6.7	4.6	4.0	3.5	N/A
Total energy consumption	619.0	614.2	567.4	456.3	391.5

*The calculation presumes that fuel used by DNA's vehicles is from non-renewable sources.

**In 2018, the method for collecting source data relating to the procurement of purchased electricity was adjusted. The emissions figures for 2016 and 2017 were also updated retroactively, in accordance with the new data collection method. No corresponding initial data is available for earlier years. The impact of the update on the figures for 2016 and 2017 was around 50% for electricity consumption and around 40% for Scope 2 emissions. The Scope 2 emissions reported by DNA are based on both measurement and evaluation.

302-2 ENERGY CONSUMPTION OUTSIDE OF THE ORGANISATION (TJ)

	2018	2017	2016	2015	2014
Total energy consumption outside of the organisation in terajoules*	1.5	1.6	1.3	1.4	1.3

*Information on energy consumption outside of the organisation is collected on a limited scope for Scope 3 calculation. This indicator includes the energy consumption during usage of products and services sold by DNA, which is the same as in indicator 305-3, i.e. Google office communications service. Energy consumption has been calculated based on the average consumption information provided by Google.

306-2 TOTAL WEIGHT OF WASTE BY TYPE AND DISPOSAL METHOD (TONNES)*

	2018	2017	2016	2015	2014
Hazardous waste, total**	21	19	18	8	26
Other waste, total	556	564	867	540	698
Recyclable waste	515	513	799	478	531
Combustible waste	33	50	44	37	121
Disposable waste	7	0	25	25	46
Total, all waste	577	583	885	548	724

*Waste reporting is based on data received from the waste operators.

**Accurate information in terms of processing hazardous waste was not available. Hazardous waste consists mostly of lead-acid batteries, the materials of which are recycled (lead, chemicals) or combusted in energy production facilities (plastic).

SOCIAL RESPONSIBILITY INDICATORS

102-8 INFORMATION ON EMPLOYEES AND OTHER WORKERS*

Open-ended	2018	2017	2016	2015	2014
Women	625	641			
Men	946	935			
Total	1,571	1,576	1,644	1,626	1,710

Fixed-term	2018	2017	2016	2015	2014
Women	12	13			
Men	7	12			
Total	19	25	24	48	29

Full-time	2018	2017	2016	2015	2014
Women	575	591			
Men	938	934			
Total	1,513	1,525	1,590	1,636	1,651

Part-time	2018	2017	2016	2015	2014
Women	62	63			
Men	15	13			
Total	77	76	78	38	88

*Information on employees and other workers by gender is only reported since 2017 as DNA has not reported these figures by gender in previous years. Agency employees are not included in the figures.

405-1 DIVERSITY OF GOVERNANCE BODIES AND PERSONNEL

Gender structure

By gender	2018	2017	2016	2015	2014
Women	40%	40%	41%	40%	41%
Men	60%	60%	59%	60%	59%
Total	100%	100%	100%	100%	100%

Share of women (%) per personnel group

Personnel groups include women as follows:	2018	2017	2016	2015	2014
Of management	24%	21%	26%	24%	30%
Of senior salaried employees	26%	26%	27%	26%	25%
Of salaried employees	47%	49%	47%	47%	48%
Of service and production employees	0%	0%	0%	0%	3%

Age structure

By age group	2018	2017	2016	2015	2014
< 25	1%	1%	2%	3%	5%
25-35	26%	29%	30%	31%	31%
36-45	38%	37%	36%	35%	32%
46-55	24%	23%	22%	22%	22%
56-63	10%	10%	9%	9%	9%
> 63	0%	0%	1%		
Total	100%	100%	100%	100%	100%

REPORTING (GRI)

401-1 NEW EMPLOYEE HIRES AND EMPLOYEE TURNOVER*

New hires and employee turnover

New hires			Employee turnover		
	2018	2017		2018	2017
Women	39	45	Women	54	72
Men	89	70	Men	70	107
< 25	27	28	< 25	14	23
25-35	61	61	25-35	40	67
36-45	31	16	36-45	39	34
46-55	9	8	46-55	14	27
56-63	0	2	56-63	14	7
> 63	0	0	> 63	3	21

*Information on new hires and employee turnover by gender and age is only reported since 2017 as DNA has not reported these figures by gender in previous years.

Average employee turnover

	2018	2017	2016	2015	2014
Average employee turnover, % (calculated from monthly average values)	1.44	1.48	1.72	1.70	2.06

404-1 AVERAGE HOURS OF TRAINING PER YEAR PER EMPLOYEE*

	2018	2017	2016
Gender			
Women	15.3	13.3	14.1
Men	16.0	17.6	16.8
Personnel group			
Managers	24.0	26.4	29.7
Senior salaried employees	17.0	22.1	22.5
Salaried employees	14.6	12.8	12.7
Service and production employees	27.0	19.1	2.2

*Average hours of training per employee by gender and personnel group are available only since 2016.

	2018	2017	2016	2015	2014
Average hours of training per employee, DNA Group	15.6	15.8	15.7	12.0	11.0

403-2 TYPES OF INJURY AND RATES OF INJURY, OCCUPATIONAL DISEASES, LOST DAYS, AND ABSENTEEISM, AND TOTAL NUMBER OF WORK-RELATED FATALITIES*

	2018	2017	2016	2015	2014
Relative rate of absenteeism	3.5	3.8	4.7	4.9	4.9
Work time injuries and commuting accidents	15	25	22	20	26
Days lost (work-related reasons)**	34	45	22	22	34
Work-related fatalities	0	0	0	0	0

*DNA does not report these figures by gender, because the Group believes that breakdown by gender is not relevant considering the nature of the work.

**DNA reports commuting accidents under Days lost since 2018. In 2018, all days lost were due to commuting accidents.

GRI CONTENT INDEX

GRI	Indicator	Reference	External assurance
102 – General disclosures			
Organisational profile			
102-2	Activities, brands, products, and services	Primary brand is DNA. No DNA products are banned in any markets. For products and services, see Year 2018 and Board of Directors' Report.	x
102-3	Location of headquarters	Consolidated financial statements: Note 1 The Group in brief	x
102-4	Location of operations	Almost 100% of DNA's operations occur in Finland. Finnish operations are supported by some sales and service employees in other countries. See DNA's subsidiaries in notes to the consolidated financial statements, 32 Related party transactions.	x
102-5	Ownership and legal form	Year 2018. See Shares and shareholders in the financial statements.	x
102-6	Markets served	Almost 100% of DNA's operations occur in Finland. Finnish operations are supported by some sales and service employees in other countries. Highlights in 2018. See DNA's subsidiaries in notes to the consolidated financial statements, 32 Related party transactions.	x
102-7	Scale of the organisation	Number of personnel 31 Dec 2018: 1,590 Social responsibility indicators, Year 2018	x
102-8	Information on employees and other workers	Social responsibility indicators	x
102-9	Supply chain	Good governance	x
102-10	Significant changes to the organization and its supply chain	Board of Directors' Report	x
102-11	Precautionary Principle or approach	Risk management	x
102-12	External initiatives to which the organisation subscribes, or which it endorses	In autumn 2010, DNA signed the Finnish Code of Conduct for Safer Mobile Use by Younger Teenagers and Children as well as the European Framework for Safer Mobile Use (SMF) by younger teenagers and children. In 2012, DNA signed the Finnish Diversity Charter and joined the Diversity Charter Finland. In 2015, DNA joined the EU Transparency Register.	x
102-13	Memberships of associations and advocacy organisations	DNA is a member of Groupe Speciale Mobile Association (GSMA), European Competitive Telecommunications Association (ECTA), the Finnish Federation for Communications and Teleinformatics (FiCom), the Service Sector Employers PALTA, Association of Finnish Advertisers, IAB Finland, Data & Marketing Association of Finland (DMA Finland/ASML) and the Helsinki Region Chamber of Commerce. DNA is also a member of Corporate Responsibility Network FIBS and Diversity Charter Finland. DNA engages in active communication with various authorities and political decision-makers. Good governance	x
Strategy			
102-14	Statement from senior decision-maker	CEO's review	x
102-15	Key impacts, risks and opportunities	Corporate responsibility at DNA, CEO's review, Operating environment, Strategy, Board of Director's report	x

Ethics and Integrity			
102-16	Values, principles, standards, and norms of behavior	Strategy, Corporate responsibility at DNA, Digital inclusion	x
102-17	Mechanisms for advice and concerns about ethics	Great place to work	x
Governance			
102-18	Governance structure	Corporate Governance Statement	x
102-19	Delegating authority	Corporate responsibility at DNA	x
102-20	Executive-level responsibility for economic, environmental, and social topics	Corporate responsibility at DNA, Contacts (under GRI)	x
102-21	Consulting stakeholders on economic, environmental, and social topics	Shareholders exercise their shareholder power in the General Meeting. DNA's Board of Directors does not have an employee representative. Personnel representatives attend meetings of the Extended Executive Team. See Corporate Governance Statement.	x
102-22	Composition of the highest governance body and its committees	Corporate Governance Statement	x
102-23	Chair of the highest governance body	The Chairman of DNA Plc's Board of Directors is not an executive officer. See Board of Directors and Members of the Board of Directors.	x
102-24	Nominating and selecting the highest governance body	See Board of Directors for information on the nomination and selection process of Board and committee members.	x
102-25	Conflicts of interest	As stipulated by law, a member of the Board of Directors shall be disqualified from the consideration of a matter that involves a conflict of interest. See Board of Directors.	x
102-26	Role of highest governance body in setting purpose, values, and strategy	Strategy, Corporate Governance Statement	x
102-28	Evaluating the highest governance body's performance	The Board of Directors carries out an internal self-evaluation of its performance once per year. In 2018, the self-evaluation focused on the effectiveness of the Board's operation, competence of the Board, the relationship between the Board and executive management as well as the competences, strengths and weaknesses of the Group.	x
102-29	Identifying and managing economic, environmental and social impacts and risks	The Board of Directors monitors DNA's corporate responsibility performance according to the same principles that apply to the monitoring of DNA's other operations. See Board of Directors and Risk management.	x
102-30	Effectiveness of risk management processes	The Board of Directors monitors DNA's corporate responsibility performance according to the same principles that apply to the monitoring of DNA's other operations. See Board of Directors and Risk management.	x
102-31	Risk assessment frequency	The Board of Directors monitors DNA's corporate responsibility performance according to the same principles that apply to the monitoring of DNA's other operations. See Board of Directors and Risk management.	x
102-32	Highest governance body's role in sustainability reporting	Corporate responsibility at DNA	x
102-33	Communicating critical concerns	Critical corporate responsibility concerns are communicated to the Board of Directors.	x
102-34	Critical concerns	No concerns specific to corporate responsibility have been communicated during the reporting period. Critical concerns are communicated to the Board of Directors by means such as CEO's monthly reports, internal audit reports, external audit reports and risk reports. Corporate responsibility at DNA and Risk management.	x

REPORTING (GRI)

102-35	Remuneration policies for the Board of Directors and senior executives	DNA's compensation principles do not specify a linkage between the organisation's responsibility performance and compensation for members of the Board of Directors and senior executives. For more details on compensation, see the following notes to the consolidated financial statements: 13 Earnings per share and 9 Employment benefits and number of personnel. See also Governance - Compensation.	x
102-37	Stakeholders' involvement in remuneration	Shareholders exercise their shareholder power in the General Meeting. DNA's Board of Directors does not have an employee representative. Personnel representatives attend meetings of the Extended Executive Team. See Corporate Governance Statement and Compensation.	x
Stakeholder engagement			
102-40	List of stakeholder groups engaged by the organisation	DNA's important stakeholders include customers, shareholders, investors and analysts, personnel, suppliers and subcontractors, partners, civic organisations, authorities and political decision-makers, the media, financial and insurance markets, labour market organisations and other organisations as well as competitors. Good governance	x
102-41	Percentage of employees covered by collective bargaining agreements	All DNA Group employees are covered by the applicable collective bargaining agreements specific to each employee category. Service and production employees are covered by the collective agreement in the energy-ICT-networks sector, and administrative and managerial employees by the collective agreement for salaried and senior salaried employees in the ICT sector.	x
102-42	Basis for identifying and selecting stakeholders with whom to engage	Stakeholders have been specified as part of updating the materiality analysis. DNA's important stakeholders include customers, shareholders, investors and analysts, personnel, suppliers and subcontractors, partners, civic organisations, authorities and political decision-makers, the media, financial and insurance markets, labour market organisations and other organisations as well as competitors. Good governance	x
102-43	Approach to stakeholder engagement	Digital inclusion, Good governance	x
102-44	Key topics and concerns that have been raised through stakeholder engagement	Reporting (GRI)	
Reporting practice			
102-45	Entities included in the consolidated financial statements	Highlights in 2018. See also Development per business segment and notes to the consolidated financial statements: 16 Investments in associates and 32 Related party transactions	x
102-46	Defining report content	Reporting (GRI)	x
102-47	List of material topics	Reporting (GRI)	x
102-48	Restatements of information given in previous reports	Possible adjustments to the information presented in previous reports have been presented separately, together with the key figures. See Reporting (GRI) for more details.	x
102-49	Significant changes from previous reporting periods in the list of material topics and topic boundaries	Any deviations from or changes to the boundaries are mentioned with each key figure. See Reporting (GRI) for more details.	x
102-50	Reporting period	The reporting period is one year and the GRI report is published annually with the Annual Report.	x
102-51	Date of the most recent report	1/3/2018	x
102-52	Reporting cycle	Annually	x
102-53	Contact point for questions regarding the report	Contacts	x

102-54	Claims of reporting in accordance with the GRI Standards	This report has been prepared in accordance with the GRI Standards (2016): Core option.	x
102-55	GRI content index	GRI content index	x
102-56	External assurance	DNA's Corporate Responsibility Report has been assured by an independent external party. The assurance statement is on page 54 of the report.	x

103 – Management approach

103-1	Explanation of the material topic and its boundary	Internal boundary: For economic and social responsibility reporting, the scope is DNA Group. The boundary is specified by DNA Group's financial reporting. This is why DNA's responsibility reporting for 2018 includes the electricity consumption and purchases of the radio network of Finnish Shared Network Ltd. DNA Ltd owns 49% of Finnish Shared Network Ltd shares. DNA's financial reporting for 2018 includes 47% of Finnish Shared Network Ltd's figures. Correspondingly, the responsibility reporting includes 47% of the electricity consumption and purchases of the radio network of Finnish Shared Network Ltd.	x
103-2	The management approach and its components	Corporate responsibility at DNA, Contacts	x
103-3	Evaluation of the management approach	Marketing and labelling, p. 24-25 Customer privacy, p. 33-34 Compliance, p. 24-25, 32-35, 36-37 Economic performance, p. 36-37 Indirect economic impacts, p. 36-37 Anti-corruption, p. 32, 36-37 Anti-competitive behaviour, p. 32-35 Energy, p. 30-31 Emissions, p. 30-31 Effluents and waste, p. 30-31 Supplier environmental assessment, p. 35 Supplier social assessment, p. 35 Public policy, p. 35 Employment, p. 26-29 Labour/management relations, p. 26-29 Occupational health and safety, p. 26-29 Training and education, p. 26-29 Diversity and equal opportunity, p. 26-29 Non-discrimination, p. 26-29	x

200 – Economic performance

Economic performance			
201-1	Direct economic value generated and distributed	Taxes and economic impact, Consolidated income statement	x
201-2	Financial implications and other risks and opportunities due to climate change	Corporate responsibility at DNA, Climate-friendly operations, Environmental indicators, Risk management	x
201-3	Defined benefit plan obligations and other retirement plans	Notes to the consolidated financial statements: 2 Accounting principles and 24 Defined benefit plan	x
201-4	Financial assistance received from government	DNA did not receive financial assistance from government in 2018.	x
Indirect economic impacts			
203-1	Development and impact of infrastructure investments and services supported	Digital inclusion, Taxes and economic impact	x

REPORTING (GRI)

Anti-corruption			
205-1	Operations assessed for risks related to corruption	DNA's Code of Conduct bans any corruption. DNA has issued separate guidelines for the giving and receiving of business gifts. The company does not have a separate risk assessment process for corruption. By the end of 2018, 84% of personnel had completed DNA's Code of Conduct training. No significant risk related to corruption has been identified. Good governance	x
205-2	Communication and training on anti-corruption policies and procedures	DNA's Code of Conduct bans any corruption. DNA has issued separate guidelines for the giving and receiving of business gifts. The company does not have a separate risk assessment process for corruption. By the end of 2018, 84% of personnel had completed DNA's Code of Conduct training. No significant risk related to corruption has been identified. Good governance	x
205-3	Confirmed incidents of corruption and actions taken	There were no incidents of corruption at DNA in 2018.	x
Anti-competitive behaviour			
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	DNA Plc operates according to competitive regulations. During the reporting period, neither the Group nor any of its wholly-owned subsidiaries were subject to legal actions for violation of competition legislation.	x
300 – Environmental			
Energy			
302-1	Energy consumption within the organisation	Climate-friendly operations, Environmental indicators	x
302-2	Energy consumption outside the organisation	Climate-friendly operations, Environmental indicators	x
Emissions			
305-1	Direct greenhouse gas (GHG) emissions (Scope 1)	Environmental indicators	x
305-2	Energy indirect greenhouse gas (GHG) emissions (Scope 2)	Environmental indicators	x
305-3	Other indirect greenhouse gas (GHG) emissions (Scope 3)	Environmental indicators	x
305-4	Greenhouse gas (GHG) emissions intensity	Environmental indicators	x
Effluents and waste			
306-2	Total weight of waste by type and disposal method	Environmental indicators	x

Supplier environmental assessment			
308-1	Percentage of new suppliers that were screened using environmental criteria	DNA's supplier agreements include the Supplier Code of Conduct according to which suppliers agree to adhere to environmental legislation and regulations. The Supplier Code of Conduct was included in a significant proportion of new procurement and logistics agreements signed in 2018. The exact percentage is not currently available. The Supplier Code of Conduct is based on the UN Declaration on Human Rights and the ILO Declaration on Fundamental Principles and Rights at Work. Environmental responsibility considerations are also included. The Supplier Code of Conduct also applies to the suppliers' subcontractors. Good governance	x
400 – Social			
Employment			
401-1	New employee hires and employee turnover	Social responsibility indicators	x
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	DNA Plc provides the same benefits to all employees, regardless of employment type. The benefits and policies of DNA's sales organisation, DNA Store Ltd, apply to all DNA Store employees regardless of employment type.	x
Labour/management relations			
402-1	Minimum notice periods regarding operational changes	During operational changes, DNA has observed the minimum notice periods for the applicable collective agreements.	x
Occupational health and safety			
403-1	Percentage of total workforce represented in formal joint management-worker health and safety committees	DNA Plc has a statutory labour protection committee. All DNA employees are represented. DNA's labour protection committee 2018 had one labour protection delegate per area (four in total), a labour protection officer as well as representatives from office and human resource management. The committee meets once a quarter. A typical agenda includes reviewing areas such as accident, sick leave and overtime statistics, and dealing with possible occupational safety issues, for example, based on feedback from employees.	x
403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender	Social responsibility indicators	x
403-4	Health and safety topics covered in formal agreements with trade unions	DNA believes that statutory labour protection activities in Finland cover the requirements. All DNA employees are represented. DNA's labour protection committee 2018 had one labour protection delegate per area (four in total), a labour protection officer as well as representatives from office and human resource management. The committee meets once a quarter. A typical agenda includes reviewing areas such as accident, sick leave and overtime statistics, and dealing with possible occupational safety issues, for example, based on feedback from employees.	x

REPORTING (GRI)

Training and education			
404-1	Average hours of training per year per employee	Social responsibility indicators	x
404-2	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings	<p>DNA is steering its management culture towards leadership by coaching, which is the main theme for DNA's supervisor development. Continuous interaction between the supervisor and the employee is a key element of leadership by coaching: the supervisor asks questions, inspires, helps, understands, listens actively, acts as a sparring partner, evaluates progress, is available and cares.</p> <p>Leadership by coaching is based on working according to DNA's values. Value-based leadership skills are based on measurable leadership competence. Specification of value-based leadership competence is a natural extension to DNA's leadership principles and the next step in their development. The specification was jointly made by DNA's supervisors, supervisor coaches, coaches and the Executive Team.</p> <p>Supervisors' work at DNA is supported continuously by means such as the supervisor coaching programme, which provides ongoing support for their professional and personal development. In 2018, DNA had 17 supervisor coaches, 11 of whom have started working towards or have completed the Associate Certified Coach (ACC) certification.</p> <p>DNA had no need for transition and re-employment programmes in 2018 apart from the statutory model providing security during changes.</p> <p>Great place to work</p>	x
404-3	Percentage of employees receiving regular performance and career development reviews	<p>DNA Ltd and DNA Welho Ltd supervisors will be conducting performance and development reviews with all employees throughout the organisation. They will cover topics such as well-being at work, setting new objectives and evaluating the achievement of objectives. Employees will also receive constructive feedback on their performance. To develop value-based leadership further at DNA, and as a response to the results of surveys on development discussions from previous years, the entire organisation has been encouraged to adopt a one-to-one discussion model towards the end of 2018 and no later than in the beginning of 2019. The new one-to-one discussion model will support leadership by coaching by maintaining an open channel for interaction with the supervisor during daily work.</p> <p>DNA Store Ltd has replaced performance and development reviews with regular one-to-one discussions between employees and their supervisors. All DNA Store employees are included in the reviews. The objective of these discussions is to review the employee's role, assess whether they have met the objectives set for the previous year, set new objectives, make sure the employee understands what is expected of them and give feedback on their performance. Objective setting and development review supports the role of each employee in strategy implementation. Sales-related performance reviews are organised as required. These reviews focus on the development of skills and competence.</p>	x
Diversity and equal opportunity			
405-1	Composition of governance bodies and breakdown of employees per employment category according to gender, age group, minority group membership, and other indicators of diversity	Two of the seven members of DNA's Board of Directors were women during the reporting period. One of the nine members of DNA's Executive Team was a woman. Board of Directors, Executive Team, Great place to work, Social responsibility indicators	x

Non-discrimination			
406-1	Total number of incidents of discrimination and corrective actions taken	No incidents of discrimination occurred at DNA Group in 2018.	x
Supplier social assessment			
414-1	Suppliers that were screened using social criteria	<p>DNA's supplier agreements include the Supplier Code of Conduct according to which suppliers agree to adhere to social responsibility practices and regulations. The Supplier Code of Conduct was included in a significant proportion of new procurement and logistics agreements signed in 2018. The exact percentage is not currently available.</p> <p>The Supplier Code of Conduct is based on the UN Declaration on Human Rights and the ILO Declaration on Fundamental Principles and Rights at Work. Environmental responsibility considerations are also included. The Supplier Code of Conduct also applies to the suppliers' subcontractors. Good governance</p>	x
Public policy			
415-1	Political contributions	DNA Group does not support any political parties, politicians or similar institutions. According to this policy, DNA did not provide any political contributions in 2018.	x
Marketing and labelling			
417-3	Incidents of non-compliance with regulations and voluntary codes concerning marketing communications	In 2018, no court decisions were issued in relation to DNA's marketing, nor did the Market Court issue any conditional fines.	x
Customer privacy			
418-1	Substantiated complaints regarding breaches of customer privacy and losses of customer data	According to the Finnish Information Society Code, telecommunications operators shall notify Traficom (previously the Finnish Communications Regulation Authority, Ficora) of significant information security violations or threats to information security in their network and communication services. DNA issued less than five so-called CERT notifications to Traficom in 2018. In total, less than 10 notifications of personal data breaches (pursuant to Article 33 of the EU GDPR) and access requests related to the processing of personal data were sent to the Office of the Data Protection Ombudsman in 2018. DNA considers the data security of both private and business customers a top priority in all its operations.	x
Socioeconomic compliance			
419-1	Non-compliance with laws and regulations in the social and economic area	In 2018, DNA was not ordered to pay any fines or other sanctions for non-compliance with laws or regulations.	x

INDEPENDENT ASSURANCE STATEMENT

TO THE MANAGEMENT AND STAKEHOLDERS OF DNA

Scope and Objectives

The Management of DNA Plc. commissioned us to perform a limited assurance engagement on the Corporate Responsibility Report (pages 22-53) of DNA's Annual Report 2018 ("the Report") the reporting period 1st January to 31st December 2018. The assurance engagement was conducted in accordance with the AA1000 Assurance Standard (2008) with 2018 addendum, and as a type 2 engagement.

We have duly performed an independent external assurance, the objective of which was to evaluate:

- DNA's adherence to the AA1000 Accountability Principles (2018) of inclusivity, materiality, responsiveness and impact;
- the reliability of performance information presented in the Report according to the Principles for defining report quality defined in the GRI Standard 101 Foundation (2016); and
- the compliance with the GRI Standards in accordance criteria at the Core option.

Responsibilities

DNA's Management is responsible for the preparation of the Report and the performance data and statements presented therein, which the Board of Directors of DNA has approved. Our responsibility as assurance providers is to express a conclusion based on our work performed. The criteria used for our assessment include the GRI Standards (2016) and DNA's own internal reporting guidelines.

Assurance Provider's Independence and Competence

We have conducted our assessment as independent and impartial from the reporting organisation. We were not committed to any assignments for DNA that would conflict with our independence, nor were we involved in the preparation of the Report. Our team consists of competent and experienced corporate responsibility reporting experts, who have the necessary skills to perform an assurance process.

Basis of Our Opinion

Assurance providers are obliged to plan and perform the assurance process to ensure that they collect adequate evidence for the necessary conclusions to be drawn. The procedures selected depend on the assurance provider's judgement, including their assessment

of the risk of material misstatement adhering to the reporting criteria.

Our opinion is based on the following procedures performed:

- Interviews with senior management representatives to gain an understanding of the major impacts, risks and opportunities related to DNA's corporate responsibility agenda;
- Assessment of the procedures DNA has in place to ensure the inclusivity of stakeholder engagement processes, the identification of material stakeholder expectations and the responsiveness to stakeholder concerns;
- Interviews with DNA specialists responsible for corporate responsibility performance data collection and consolidation at Group-level;
- Review of Group-level systems and procedures to generate, collect and report corporate responsibility performance data for the Report;
- Reviewing data at source and following this through to consolidated group data;
- Reviewing whether the evidence, measurements, and scope of the performance data is prepared in accordance with the Criteria; and
- Reviewing the Report and narrative accompanying the performance indicators in the Report with regard to the Criteria.

Inherent Limitations

Our assurance relies on the premise that the data and information provided by DNA to us as part of our review procedures have been provided in good faith. Because of the selective nature (sampling) and other inherent limitations of both procedures and systems of internal control, there remains the unavoidable risk that errors or irregularities may not have been detected. Energy use data utilised in greenhouse gas (GHG) emissions calculations are subject to inherent limitations, given the nature and the methods used for determining such data. Finally, the selection of different but acceptable measurement techniques may result in materially different measurements.

Conclusions

Adherence to AA1000 Accountability Principles

- Inclusivity: DNA has a stakeholder engagement process in place in order to understand stakeholder expectations and it has committed to active stakeholder dialogue.

- Materiality: DNA has defined material corporate responsibility reporting topics as a part of the corporate responsibility strategy.
- Responsiveness: DNA has policies and procedures in place to respond to stakeholder's expectations.
- Impact: DNA has identified impacts related to the material corporate responsibility topics and has committed to manage and disclose comprehensive and balanced information on these impacts.

Reliability of corporate responsibility performance data

We have reviewed the basis of the corporate responsibility information provided in the Report. 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 Report is not fairly stated and has not been prepared, in all material respects, in accordance with the reporting criteria.

GRI Standards in accordance criteria

The Report complies with the GRI Standards: Core option.

Observations and Recommendations

Based on our limited level assurance engagement, we present the following observations and recommendations, which do not affect the conclusions presented above.

- DNA has focused on the practical implementation of corporate responsibility in its operations. The corporate responsibility strategy defines objectives and action plans to manage the company's sustainability impact, risks, and opportunities. In 2018 DNA has updated corporate responsibility targets. We recommend that DNA continues target-driven corporate responsibility work and develops target-setting further towards more challenging and longer-term targets aligned with global sustainability targets.

- DNA has established corporate responsibility governance and management approach and discloses comprehensive information on material topics. Expectations towards the quality and credibility of corporate responsibility information are increasing. We recommend that procedures for corporate responsibility performance monitoring, more systematic data management and documentation of the reporting process will be further developed especially regarding the energy and emissions data.

- As a telecommunications operator, DNA plays an important role in society as the provider of important communication connections and the agency maintaining critical infrastructure. We encourage DNA to continue corporate responsibility work contributing to sustainable digital solutions.

Helsinki, Finland, 30 January 2019

Mitopro Oy

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