



ANNUAL REPORT
2021



Index

3	YEAR 2021	12	SUSTAINABILITY AT DNA	43	DNA'S CORPORATE GOVERNANCE STATEMENT 2021	51	BOARD OF DIRECTORS' REPORT
3	CEO's review	16	Digital inclusion	44	General meeting	72	FINANCIAL STATEMENTS 2021
6	Highlights 2021	19	Great place to work	45	Board of Directors	73	Consolidated Financial Statements
7	Operating environment and strategy	24	Climate-friendly operations	47	CEO and the Executive Team	77	Notes to the consolidated Financial Statements
10	Business	27	Reliable data security and protection	49	Risk management and internal control	114	Parent company Financial Statements
		29	Good governance	50	Auditing of the Accounts	119	Notes to parent company Financial Statements
		32	Taxes and economic impact			129	Auditors' Report
		33	DNA's reporting principles				
		34	Key figures				
		38	GRI Content Index				

CEO's review

Having taken the helm at DNA last autumn, I am happy to have the opportunity to discuss positive and stable growth figures for the whole of 2021. The positive development also signals the critical role DNA plays in Finnish society as a service provider and enabler of success. The prolonged pandemic has underpinned the importance of our role in a society, that would have ground to a halt without secure modern network connections and cloud-based communications solutions.



Profitable growth continued

Our total revenues increased by 3% and amounted to EUR 956 million (932) in 2021. Our mobile revenues were also up by 2% and amounted to EUR 565 million (552). DNA's EBITDA developed well in 2021, growing 8% to EUR 359 million (333). Our operating result also increased and amounted to EUR 154 million (151), up 2% from 2020. Our mobile communication subscription base increased by 5,000. At the same time, our average revenue per user (ARPU) increased to EUR 17.1 (16.8). The number of fixed subscriptions was down by 9,000. While the number of fixed voice and TV subscriptions decreased, the number of fixed broadband subscriptions grew by 19,000. In May, we announced that DNA had become the leader of the fixed-network broadband market, and DNA's lead has increased ever since.

Significant investment activities in networks and information security

We continued to engage in major investment activities in 5G networks so we can offer our customers the fastest possible connections. Sales of 5G subscriptions gained clear momentum during 2021. This was reflected in the sales of 5G phones, which increased four-fold. This development was driven by the rapid construction of our 5G network, which covered the residences of approximately 3.5 million Finns at the end of the year. This means that the population coverage almost doubled within a space of a year. A DNA mobile subscription recorded the highest average mobile download speed measured by Omnitel in twelve cities in the Helsinki metropolitan area, the Turku region and the Tampere region in October and November 2021.

Last year, we introduced DNA Seaway, which includes two completely independent submarine cable routes between Finland and Sweden. DNA Seaway is wholly owned by DNA. This enables us to offer our customers secure, duplicated telecommunications connections. As a member of the Telenor family, we can also offer connections to the Nordic countries and many other important hubs in Europe.

Unfortunately, the number of cyber threats and attacks continues to climb. We are constantly investing to secure our networks and operations against such threats. We have also taken it upon ourselves to do everything we can to instruct our customers on how to detect and avoid online scams.

New Nordic cooperation strengthens our competitive position

We are working more closely with the other companies in Telenor Group, enabling synergies in procurement, the sharing of best practices and joint solution development in certain areas. Telenor Group also presents DNA's employees with excellent international career and development opportunities. Above all, it is our goal to provide our customers with straightforward service, whether in Finland or abroad.

Our personnel are our most important asset

Our personnel are our most important asset, and the abnormal circumstances of the pandemic posed new challenges in terms of helping DNA employees to cope with their work. We have developed suitable methods of

ensuring engagement and acknowledging our personnel, encouraged teams and networks to take part in virtual meetings, and invested even more in supervisory work.

One-of-a-kind and equal

DNA is a pioneer in flexible working models, and it provides employees with the means of working wherever and whenever suits them best. This has become one of DNA's biggest success factors in the last ten years. The freedom to choose the place and time of work has increased significantly, and the flexible approach is now a mainstay of DNA's corporate culture. Pursuing this model has required trust on both sides, determination and continuous efforts to promote team spirit and employees' well-being. The success of the model has also translated into a healthier bottom line. Freedom, responsibility and trust are at the heart of DNA's corporate culture. What this means is that any employee whose work is not tied to a specific place or time can choose where and when they work without asking their supervisor first.

We aim to be a great place for every DNA employee to work. A place where everyone can be who they want to be and where everyone is treated equally. A personal, human approach is deeply ingrained in our culture. We also want to give everyone the opportunity for continuous learning and development.



We aim to become carbon neutral and promote digital inclusion

We have continued our work towards becoming carbon neutral at DNA and at every Nordic Telenor company by 2030. We also want to help everyone living in Finland and the companies operating here with their sustainable development objectives.

We want to promote digital inclusion in Finland, and we work in wide-ranging collaboration with various entities. One good example of this is our new collaboration with Plan International Finland to promote digital inclusion among young immigrants.

Working towards great customer experiences and making our customers' lives simpler and more straightforward

DNA's strategy is based on a consistently good customer experience in all areas of life – work, home, and leisure. We will continue with this focus as we continue to serve our customers locally. In 2022, we will focus on making our customers' lives simpler and more straightforward by continuing to invest in top-quality networks and launching new customer-oriented services for consumers and corporate customers. We will strengthen our international service capabilities in tandem with the other companies in the Telenor family. We will also continue to promote our passionate and distinctive work culture so that every DNA employee can be who they want to be and flourish in their work.

I would like to thank our personnel, customers and other stakeholders for an excellent year in 2021.

Jussi Tolvanen

Highlights 2021



Fixed-network broadband market leader

DNA became the market leader of fixed-network broadband.

5G network covers 3.5 million people

Fast expansion of DNA's 5G network continued, reaching population coverage of 64% by the end of 2021.

Proven to be fast

According to the data transfer speed comparison published in December by Omnitele¹⁾, the data transfer speed of DNA's mobile network is the best by a large margin in the cities of Helsinki, Espoo and Vantaa, as well as the economic districts of Tampere and Turku.

1) [Source: Omnitele's study on data transfer speeds in mobile networks, 11/2021.](#)

Diversity

We published our [diversity goals](#) and launched cooperation with Plan International Finland to promote workforce diversity and diversity awareness at DNA.

Science Based Targets

DNA's [climate target](#) and our progress towards it were deemed to meet the requirements of the Science Based Targets initiative (SBTi). As part of Telenor, we aim to become carbon neutral by 2030. According to SBTi, the target meets the framework conditions of the Paris Climate Agreement to limit global warming.



Operating environment and strategy

The Finnish telecommunications market is characterised by tough competition between established operators and a high degree of service penetration. The sector is strictly regulated.

Our society is highly digitalised, and the pandemic year of 2021 further increased the use of digital services. Finnish people are quality-conscious in their use of digital services, and they are alert to the dangers of, for example, online scams. The advancement of digitalisation is constantly bringing new users to network services.



DNA is working towards great customer experience.

DNA's strategy

Our vision is to have the industry's most satisfied customers. Our mission is to provide products and services that make our customers' lives easier. An excellent customer experience is supported by the cornerstones of our business: high-quality networks, motivated and skilled personnel, advanced data analytics, and our culture as a challenger, which is reflected in agility and efficiency.

The use of digital services is rising, and IoT is becoming more widespread as people, companies and society demand higher-quality telecommunications connections and substantial investment from operators.



The most satisfied customers



Excellent employer



Industry-leading financial development



Faster than average market growth

DNA in brief

DNA's values:

Fast, Straightforward, Bold



We provide services to consumers and businesses based in Finland.



We build connections so that everyone can participate fully in society and stay connected.

60

DNA stores around the country.



DNA Store is the largest retail chain selling mobile devices and subscriptions in Finland.



We operate in all of Finland, and with our owner Telenor, we also provide international connections to corporate customers.



DNA's subsidiaries

include Moi Mobiili Oy, DNA Store Ltd, DNA Tower Finland Ltd, and DNA Welho Ltd.



DNA is a Finnish company domiciled in Helsinki.





Business

DNA's total revenues, EBITDA and result improved in 2021. In addition, the coverage of the 5G network almost doubled. Sales of 5G subscriptions gained clear momentum during 2021, and sales of 5G phones quadrupled.

The 5G network covered approximately 3.5 million residents at the end of the year. In May, DNA became the market leader in fixed-network broadband, and its lead has increased ever since.

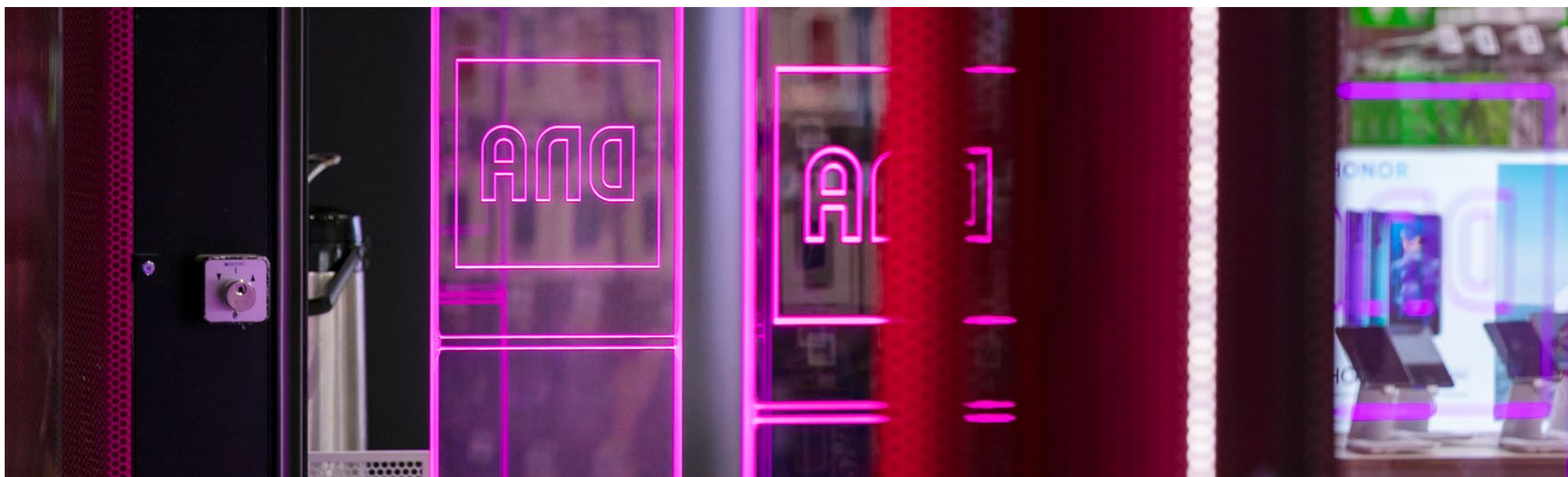
Our mobile communication subscription base increased by 5,000. At the same time, the average revenue per subscription increased to EUR 17.1 (16.8).

Consumer business

In 2021, consumers realised the importance of information security. DNA expanded its range of information security services, and sales increased by almost 30% year-on-year. DNA introduced a new device – the DNA Hubi – with the aim of improving the customer experience. In addition, the new DNA Multi-SIM add-on service boosted the sales of smartwatches with eSIM cards by 50% over the previous year as consumers were keen to use the convenient solution.

Corporate business

During the year, DNA gained some important new corporate customers and expanded its collaboration with many of its long-term corporate customers. Corporate customers showed an increased interest in information security services and the opportunities presented by 5G, and international and conventional corporate networks and solutions based on SD-WAN provided by DNA remained popular, especially with regard to corporate networks between the Nordic countries. DNA Seaway, the submarine cable routes between Finland and Sweden, offered companies a new alternative for their international telecommunications connections.



A man and a woman are jogging along a waterfront promenade. The man is in the foreground, wearing a red long-sleeved shirt and black pants, smiling and looking towards the woman. The woman is wearing a grey and black jacket and black pants, also smiling and looking towards the man. They are running on a paved path next to a body of water. The background shows a calm sea and some large rocks.

Sustainability at DNA

DNA continued to advance its sustainability programme in 2021. DNA gave voice to diversity and further developed work in the areas of human rights and climate impact. We also adopted new policies to steer sustainability at DNA.

DNA's responsibility in the digital world

Digitalisation brings both challenges and opportunities. Good connections, working devices, digital skills and the feeling of inclusion in the digital world are a necessity in day-to-day life in Finland. This is why DNA wants to participate in the creation of a more sustainable Finland where everyone has equal opportunities to participate.

However, we are also aware of the footprints we leave on this planet. Thousands of base stations and kilometres of fibre-optic cable, as well as their continuous maintenance and development require energy and natural resources. Finns lead the way in mobile data usage, which means a heavy workload for DNA's equipment facilities. Therefore, it is a necessity to participate in the global fight against climate change. We are also aware of the fact that electrical and electronic waste is the world's fastest growing waste stream. We also sell devices which may contain conflict minerals. We need to know our supply chain as thoroughly as possible and support the recycling of customers' old devices.

The significance of data security and protection is increasingly vital in the digital world. We want to be worthy of trust and at the same time open about the personal data we collect and how we process it. Maintaining a good data security culture is of vital importance for DNA.

None of these objectives can be achieved without a committed and motivated workforce. This is why DNA considers it important to be a great place to work for all our employees – now and in the future.

DNA's sustainability programme

DNA's sustainability programme, objective setting, measures and reporting are steered by stakeholder expectations and materiality analysis. DNA has adopted a continuous materiality analysis process where important themes are added to the sustainability programme when there is a clear significant increase in stakeholder expectations. In addition, DNA collects customer and employee feedback by several means and from many channels. For instance, DNA carries out extensive research and user interviews to study the customer experience and market.

DNA's sustainability programme consists of the following key areas:

- Digital inclusion
- Great place to work
- Climate-friendly operations
- Reliable data security and protection
- Good governance

DNA will review its sustainability programme thoroughly in 2022, making adjustments where needed.



DNA and Telenor – sustainable together

DNA became part of the Telenor Group in 2019. As a global operator, Telenor has brought new expertise to the table, helping DNA fine-tune its sustainability approach. DNA has gained powerful insight into the global telecommunications operator business and new international perspective on the management of

sustainability. Also, by comparing our operations with those of other Telenor countries, we are motivated to improve even further. We believe that these insights give DNA a rewarding opportunity to make our operations in Finland increasingly sustainable.








Learning also goes both ways. Well-functioning models from DNA have been implemented globally, such as DNA's [flexible working](#) concept, which has been

implemented at Telenor Group as a whole. DNA's strong vision of fast, straightforward and bold operations and principles have also gained ground, and DNA has been able to contribute, for example, to the development of policies and guidelines at Telenor Group.



DNA's sustainability objectives

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

Strategic area	Target	Status	Measures taken to reach target in 2021
DIGITAL INCLUSION	Increasing digital inclusion in Finland.		<ul style="list-style-type: none"> • Co-operation to support families with children: DNA continued its partnerships with SOS-Lapsikylä, Hope ry and Protect Children. • Co-operation to support senior citizens: DNA continued its partnerships with HelsinkiMissio, Nordea and Lammin Säästöpankki. • Co-operation to support immigrants: DNA began a partnership with Plan International Suomi. • DNA continued the Digiakatemia for entrepreneurs of SMEs • DNA published several articles advising our customers on digital skills
GREAT PLACE TO WORK	DNA is the most wanted employer in Finland.		<ul style="list-style-type: none"> • DNA was again the best Nordic subsidiary in Telenor's work satisfaction survey when it came to commitment and satisfaction with work practices that enable efficiency. • 85% of DNA employees see us as an employer where their career can be promoted regardless of age, gender, nationality or other personal factors. • Need to further increase real diversity of employees in different job levels and sectors continues at DNA. • DNA received a certificate of a Family-Friendly Workplace by the Family Federation of Finland.
	Positively changed, diverse and inclusive work community that accepts differences.		
	Increasing women in leadership: <ul style="list-style-type: none"> • Share of women in Executive Team 35% by 2023 (2021: 30%) • Share of women in senior management 35% by 2023 (2021: 20%) • Share of women in leadership roles (2021: 31%) 		
CLIMATE-FRIENDLY BUSINESS	Achieving carbon neutrality by 2030 (Net zero Scope 1 and 2).		<ul style="list-style-type: none"> • DNA's Scope 2 (market-based) emissions decreased by 30% from 2020, thanks to increased use of green electricity. • DNA continued co-operation with Telenor's Nordic countries. • DNA's targets (as part of Telenor) are approved by SBTi.
	68% of largest suppliers covered by SBTs by 2025.		
DATA SECURITY AND PRIVACY	Continuous development of DNA's data security and privacy and increasing and maintaining security knowledge (DNA and key partners).		<ul style="list-style-type: none"> • DNA improved its stringent security culture by training employees and developing risk detection and preparation, among other measures.
GOOD GOVERNANCE	All DNA employees have completed Telenor's Code of Conduct training.		<ul style="list-style-type: none"> • By the end of 2021, 100% of DNA employees had completed Telenor's Code of Conduct training.



Target achieved



We are very close to reaching the target



The work is in progress



We are behind schedule

Digital inclusion

Promotion of digital inclusion is a cross-cutting theme in all of DNA's operations. We want to promote digital inclusion of everyone in Finland so that nobody is left behind.



Why is digital inclusion so important to DNA?

Voice and data links have become a necessity for people and 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 disability.

DNA wants to contribute to the promotion of digital inclusion in Finland. We place 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 most vulnerable. In 2021, we continued our partnerships with SOS Children's Villages Finland, Helsinki Mission and Hope. We also started new partnerships with Protect Children and Plan International Finland.

DNA conducts surveys to increase awareness

Here at DNA, we are making constant efforts to deepen our understanding of digital citizens and their needs in Finland. This includes both internal surveys at DNA and surveys conducted by external partners. Data from the surveys helps us improve the customer experience, understand customer needs, develop our service offering, and disseminate useful information in the society.

In 2021, we published the Digital Inclusion in Finland survey to examine consumers' views on digital inclusion. We also published the annual School Survey to examine the phone use of Finnish children and young people, as well as the factors influencing the purchase and use of their phones. You can see all our surveys [here](#).

We help consumers navigate the fast-changing digital landscape

Digitalisation is accelerating, and DNA understands that consumers can sometimes struggle to keep up with the transformation. We help consumers increase their safety awareness and make their digital lives more secure by publishing [articles](#) on topics including the most common online scams and methods, such as identity theft. DNA is also aware of parents' concerns

over getting their children their first phone, and we have created a dedicated [webpage](#) for useful information on this topic (in Finnish). The usefulness of DNA's articles is manifested by the number of views they get: the tips and guidelines are among the most viewed and engaging content on our website.

Accessibility at DNA

Accessibility means that information is available to everyone, and that products or services are designed in a way that makes them suitable for a wide range of users. Accessibility is not limited to users with visual, hearing or physical disability, but benefits everyone in terms of ease of use. DNA's [Digital Inclusion in Finland](#) survey revealed that accessibility is very important: more than one million people in Finland have a permanent or temporary limitation that affects the use of digital devices and services.

Accessibility at DNA is linked to our business on a practical level: such as the design of our website, sending machine-readable files to our customers, making our invoices easy to read and understand, avoiding jargon when we communicate with customers, creating presentations that are easy to see and read, and making sure that DNA Stores are easy to access physically.

DNA aims to make accessibility part of our everyday business and processes. We want to act quickly to be able to meet the requirements of the European Accessibility Act, which enters into force in 2025. The work is already in progress, and in 2021 DNA organised a number of training sessions for employees on how to assess and test the accessibility of products, services and documents, and create new accessible services and materials.

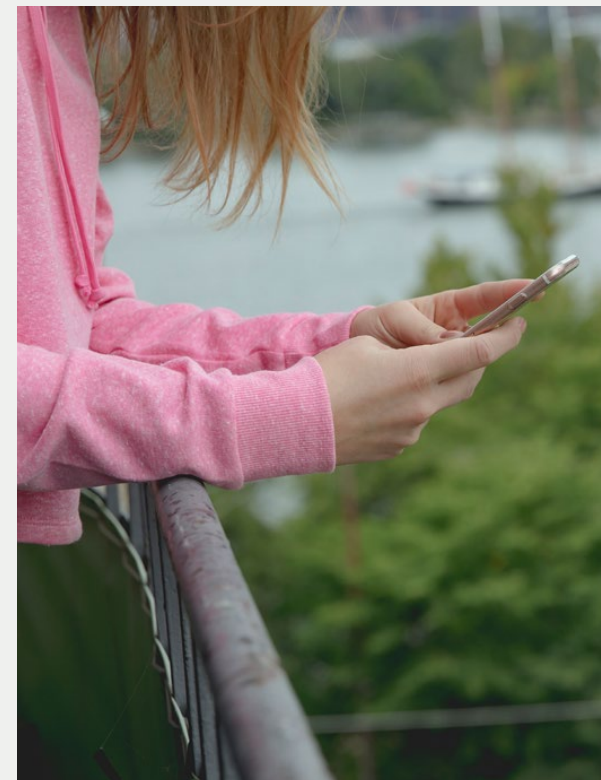
One in three people under the age of 25 has suffered from loneliness

DNA published the Digital Inclusion in Finland survey also in 2021. The aim of the Digital Inclusion in Finland survey was to investigate the realisation of digital inclusion in Finland; interest in and adoption of new devices and services, existing devices and connections, and use of services.

Among other things, the survey revealed that the digitalisation of society has caused feelings of loneliness for one in three people aged 15 to 24. The proportion of young people is considerable, as only around one in six in the entire population has experienced digital loneliness.

The survey also asked whether respondents have people close to them who have been excluded from society as a result of digitalisation. According to the responses, as many as one in three (33%) has at least one such person in his or her immediate circle. In addition, more than a third (38%) of people fear that someone close to them will be left out of society in the next ten years due to a lack of digital skills or digital tools.

You can read more about the survey and its results [here](#).



We also improved the accessibility of our customer service in 2021. At the end of 2021, DNA's senior service line called "Seniorilinja" was expanded to assist other groups that benefit from unhurried support, such as

people with limited vision. At the same time, the service was given a new name, "[Kiireetön linja](#)" ("non-hurried service line").

Making day-to-day life easier for seniors

Learning digital skills is not always easy for senior citizens, but without at least some degree of digital skills, running many everyday errands may become very difficult. DNA has teamed up with the Nordea and Lammin Säästöpankki banks to make the use of digital banking services as easy as possible 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 own a smart device.



In 2021, DNA and Lammin Säästöpankki started collaboration on a partner benefit for elderly customers of the bank comprising a tablet computer and a DNA mobile broadband subscription at a special price. The digital package for senior citizens is available at DNA Stores and is part of the senior services provided by the Lammin Säästöpankki bank.

DNA's support line, "[Kiireetön linja](#)" ("non-hurried service line"), offers unhurried customer service for the elderly.

Collaboration with partners

We cannot achieve digital inclusion in isolation. We need to work together with partners to make our work more effective and to bring expertise to the table to make sure those most vulnerable in our society will also benefit from digitalisation. The principal aim of the partnerships is to promote the digital inclusion of the elderly, children and young people, families with limited means as well as immigrants.

SOS Children's Village

We support the operations of the child welfare organisation SOS Children's Village in various ways as a principal partner. Our partnership dates back to 2011. In 2021, the focus of our cooperation was on the "Apuu" ("Help") chat service aimed at children aged 7 to 15 who feel vulnerable or threatened.

HelsinkiMissio

DNA supports HelsinkiMissio in the organisation's work to mitigate the loneliness of the elderly. DNA's sponsorship is channelled to free digital assistance for senior citizens, i.e., personal assistance intended to help those who want to improve their digital skills. The assistance was mostly provided remotely in 2021 because of the pandemic. DNA employees also have the opportunity to participate in HelsinkiMissio volunteer work to improve the situation.

Hope ry

DNA has made an agreement with Hope to donate devices for low-income families. DNA's sponsorship is directed according to the needs reported by Hope and it enables the charity's work for the benefit of families with limited means.

Suojellaan Lapsia ry – Protect Children

DNA supports Protect Children's #OnlineRoadSafety campaign. The project aims to support children's and parents' ability to recognise harmful, threatening or high-risk digital situations and the understanding, knowledge, and skills to act when these are encountered.

Plan International Finland

In the autumn of 2021, DNA started a project with the children's rights organisation Plan International Finland. DNA's main objectives for the cooperation include increasing diversity in its own operations and providing young people with an immigrant background the opportunity to learn how to apply for jobs and explore the ICT sector as a workplace. The cooperation will be fully launched in 2022.

“

DNA aims to make accessibility a part of its everyday business. Our “non-hurried service line” assists groups that benefit from unhurried support, such as people with limited vision.

Great place to work

Being a great place to work is a cornerstone of both DNA's strategy and sustainability programme. Looking after the satisfaction and well-being of our personnel has a major impact on both our customer satisfaction and our ability to operate in a responsible manner.



Why does DNA want to be a great place to work?

For years, here at DNA we have followed a philosophy according to which the most satisfied customers can be achieved when we look after the well-being of our personnel. This is why we support the well-being of our personnel in many ways. DNA is a family-friendly employer that embraces diversity and trust among employees. We want to support the development of our personnel and encourage a working culture that is aligned with our values: fast, straightforward and bold.

Our workforce is diverse in many ways already. The personnel at DNA comprises more than 1,600 professionals from a range of different fields. It includes experts in information and communication technologies, data coding and programming, marketing and communications, legal affairs and regulation, customer service and sales as well as human resources – and this

represents just a small part of our operations. DNA operates in approximately 15 office locations around Finland and serves customers in more than 60 DNA Stores.

Great place to work – proven by surveys

In 2019, DNA placed first in Finland in the Great Place to Work survey (GPTW). DNA decided to stop participating in the GPTW survey after that, because following our merger with Telenor we are now included in the Group-wide personnel satisfaction survey. It will provide us with valuable insight into the experience of DNA employees, feedback for assessing the current situation and development, as well as comparative information about where we are in comparison to the other countries. DNA can continue to take pride in the results: DNA was the clear number one among Telenor's Nordic subsidiaries.

According to the results, DNA's strengths are its corporate culture and the ability to maintain a healthy work-life balance. Suggestions for improvements included provision of feedback and encouraging cooperation across organisational boundaries. DNA's Executive Team will compile a list of development measures for the company and will communicate them to the personnel in early 2022.

Diversity and equality at DNA

We need a tolerant, non-discriminatory, and inclusive working culture to provide a safe working environment and to be able to fully look after the diverse needs of our customers.

DNA conducted diversity mapping in 2019 to uncover how diverse DNA is, what kind of attitudes prevail at the moment, and to collect feedback on discrimination.

This work continued in 2020 with the introduction of an operational plan to promote diversity. This remained a strong focus area for DNA in 2021, and the work resulted, for example, in the launch of the [One-of-a-kind website](#), which includes information about how we aim to promote diversity at DNA.

One-of-a-kind DNA

Diversity. What does it really mean? It is appreciating everyone as they are – as one-of-a-kind. No matter the age or gender, no matter how you look, where you come from, who you love, or how you see the world. Diversity is a richness. An asset to our work community – now, and in the future.

In 2020, DNA wrote its own diversity story. Now the story has been published on its website.

On DNA's One-of-a-kind website, you can read DNA's perspectives on diversity and view DNA's progress in its goals.

one-of-a-kind

[Explore One-of-a-kind DNA.](#)

The overall goal is a diverse workforce with a positively changed mindset towards diversity and inclusion. We have already worked towards this successfully: as many as 93% (N/A) of DNA employees feel that they can be themselves at work, and 85% (84%) feel they can advance their careers regardless of their background.

However, DNA will need to place more emphasis on diversity in practice, because at the moment, the workforce is quite homogenous. We will do this by placing special attention to the recruitment of women, people of all ages as well as non-native Finnish speaking candidates, and by promoting career path opportunities, for example.

DNA has also set specific targets in this area. We will increase the proportion of women in management to 35% by 2023 (currently 31%). DNA also monitors several internal diversity targets, such as the number of employees attending English classes, and reports these to the Board of Directors every three months. Other means of promoting diversity at DNA in 2021 included continuing the recruitment campaign where applicants are not asked to reveal their age or gender, nor do they need to write an application or provide a CV. We also made the decision to make English the second official language in DNA's internal communication from the beginning of 2023.

DNA, Elisa, and Telia Finland continued as official partners of Helsinki Pride in 2021.

Family-Friendly Workplace

At DNA, family friendliness consists of practical action above all else. For some, it means more time for hobbies or friends, while for others it means flexible work that takes account of the needs of their family – keeping in mind that family does not only refer to a family with

DNA's Diversity Promise

In October 2021, the Finnish job board and recruiting media Duunitori launched a Diversity Promise on its job ads to help employers attract applicants with a wide range of backgrounds and promote workforce diversity. DNA was the first employer in Finland to include the Diversity Promise in its job ads.

The idea for the Diversity Promise came from Vilma Hoviniemi, 16, who took over as the CEO of Duunitori as part of the global #GirlsTakeover campaign of Plan International around the International Day of the Girl. The campaign is a call to action to tear down barriers of discrimination and prejudice that continue to hold girls back.

[Read more here.](#)

**MONI
MUOTOISUUS
LUPAUS**

children. We understand that a healthy work-life balance promotes well-being and the ability to work.

The Family Federation of Finland has granted DNA [the Family-Friendly Workplace certificate](#). The evaluation criteria consisted of the outcome of a family-friendliness survey among employees, the quality and implementation of our development plan, as well as audits by the Family Federation of the practical implementation of family friendliness in various DNA offices.

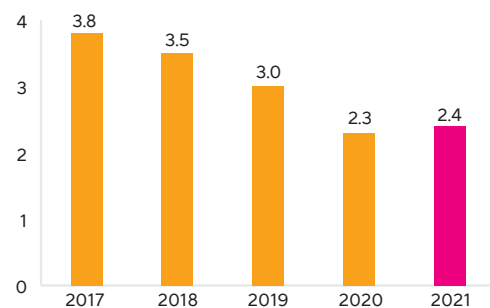
In 2021, DNA published a series of 15 “Our family” videos to showcase different types of families around Finland. For some, family means children, to others a spouse or spouses, yet others consider their friends or pets as family members. What is important is that everyone has a family.

We promote health and well-being at DNA

DNA considers the rate of sickness absences as an important metric of well-being at work. The sickness absence rate at DNA has dropped significantly in the past five years. In 2021, the relative rate of absenteeism was 2.4, which is practically the same as in 2020 (2.3).

DNA conducts pulse surveys regularly to monitor the well-being of personnel. With the help of the survey results, we have been able to prioritise and introduce the kind of support and training required at the moment. Examples of services made available include occupational healthcare psychologist appointments

Relative rate of absenteeism



as well as training sessions on well-being at work. DNA can consider this one of its success areas: mental health issues are causing less sick-leave days at DNA than on average.

In 2021, we again conducted the health survey with Mehiläinen, which is DNA’s occupational health care service provider. According to the results, musculoskeletal system problems are on the increase, and employees feel that they have a negative impact on their ability to work. Action items for 2022 will be planned based on the survey results. For instance, DNA will provide more support for everyday physical activity and at-work exercise. We will also aim to promote the long-term lifestyle services provided by Mehiläinen.

DNA supports its personnel in different life stages

Employees are always at the core of our responsible HR policy. We support our personnel’s ability to work by means such as flexible work, a care service for sick children, and the option of swapping holiday pay for extra days off. At DNA, we understand that life is full of surprises and support is especially welcome when they occur. This is why we want to support our personnel in the following situations:

Grandparental leave

DNA’s grandparental leave for employees is a well-established benefit, and several new grandparents took the leave in 2021. All DNA employees who become grandparents are entitled to one week’s paid grandparental leave to spend time with their family. In total, almost 90 DNA employees have taken the leave so far.



Support for looking after elderly relatives

An increasing proportion of the working population is worried about a senior citizen, such as a parent. To address this issue, DNA continued to support employees who are looking after a senior citizen in 2021. The pilot stage started in early 2020. The employee benefit is provided in cooperation with [Gubbe Sydänystävä Oy](#), which provides companionship services for elderly people. DNA pays a large proportion of the non-medical service purchased by an employee to an elderly relative.

Support in the face of everyday challenges

In 2021, DNA continued its wide-ranging pilot to support its personnel in their everyday lives. The Auntie service comprises five video meetings with a professional in order to discuss problems such as stress or relationship issues. The personal service is provided online and is absolutely confidential. DNA's employees have been very happy with the service. They have reported that their stress levels have dropped by almost 20% after they started to use the service.

The Job Match model

Changes sometimes occur in our employees' working ability, personal circumstances or career aspirations. As a result, the person and the job no longer fit one another in the best possible way. When this happens, we can help the employee identify a new role within DNA or help them find a completely new career path with the Job Match service. The employee is assigned a personal career coach, who, by means of career planning, guides them to find a more suitable role in work or study. The Job Match model is usually recommended by the joint assessment of the employee, supervisor and occupational health service.

DNA ensures personnel has necessary skills also in the future

Skills management at DNA is based on strategic capabilities, which ensure that the company and employees can succeed also in the future. At DNA, strategic capabilities are used to communicate about the direction of skills development, so that employees know what is expected of them and which areas require further development so that they can maintain the skills required in the changing working environment.

To support learning at work and to emphasise its importance at DNA, we launched a new learning challenge in February 2020, allowing each employee to allocate 40 hours of working time on their personal development per year. The learning challenge continued in 2021.

DNA is embracing internationalisation, which means that we need employees with good language skills. DNA's language training partner provides interactive English lessons that our employees can attend at a time and place that is convenient to them. The aim is to improve each student's language skills by at least one level, or otherwise help them achieve a sufficient number of credits.

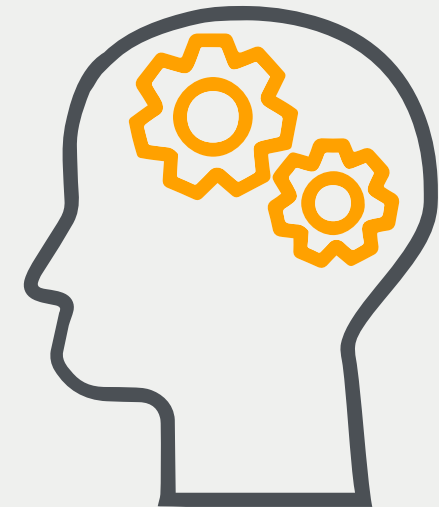
Flexible working 2.0

DNA's flexible working concept is based on freedom, responsibility and trust. Using mobile workstations, the employees decide independently where they work, without discussing this with their supervisor. DNA's flexible method of working was introduced 10 years ago. With such long-running experience, DNA was well placed to start running its business remotely on a more permanent basis during the pandemic. This has also helped us look after the well-being and safety of our personnel during these exceptional circumstances.

Telenor and DNA employees set the Guinness World Record for e-learning

In October 2021, the entire Telenor Group, DNA employees included, attempted to set the record for most users to take an online personal development lesson in 24 hours by conducting the online course Growth Mindset.

In total, 4,504 employees completed the training, smashing the previous record by more than 4,000. As a result, Telenor Group is now a proud holder of the world record for most users to take an online personal development lesson in 24 hours.



We have pioneered remote working, and in 2021 we have created new operating models and increased the flexibility of work at DNA even further. We believe that work will become increasingly flexible in the future, with office facilities that are better geared towards supporting team spirit and systems and tools that better enable our employees to succeed in their roles. At the same time, it is important to place more emphasis on supporting and looking after the physical and mental well-being of our personnel.

Telenor has also been very interested in DNA's flexible working concept and is in the process of implementing it in its global operations.

Leadership by coaching with a human touch

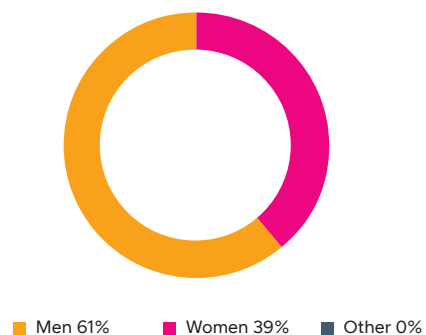
DNA believes that good leadership lays the foundation for the growth and success of our personnel, and also their well-being. Freedom, responsibility and trust are at the heart of leadership at DNA. Leadership by coaching places special emphasis on continuous interaction between the supervisor and the employee. DNA supports continuous interaction by regular one-to-one discussions between supervisors and team members.

At DNA, leadership is based on working according to DNA's values. Value-based leadership skills are backed

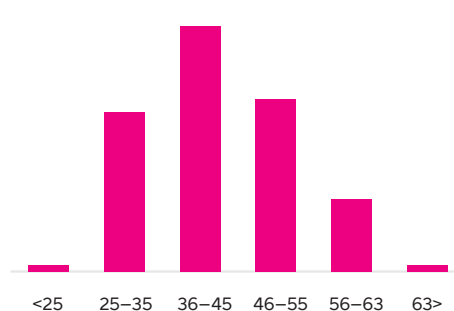
by measurable leadership competences. One method of leadership development is a 360-degree survey intended for supervisors, which is used to assess these leadership competences in practice, and to focus support to develop them based on the feedback.

Some 30 certified internal coaches support the work of all supervisors and employees at DNA. They have been trained by Suomen Coaching Instituutti. With these skills, the internal DNA coaches can find new perspectives in the dynamic development of individuals, groups and organisations.

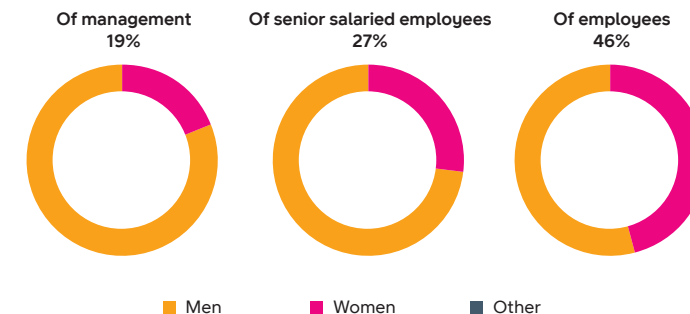
Gender distribution 2021



Age distribution



Proportion of women



Climate-friendly operations

The ICT sector uses approximately 4–10% of global electricity and accounts for approximately 3–5% of all greenhouse gas emissions. DNA aims to make sure that data is transferred in its networks in the most climate-friendly way. We also look after the environment by recycling our waste and by helping customers recycle their old devices.



Why are climate-friendly operations so important to DNA?

Our digital services rely on our ICT infrastructure, which unfortunately can place the climate under stress. At the same time, digitalisation provides connections, which can help us tackle some climate-related issues. DNA operates in a sector that can provide new solutions that can help us combat climate change, while also facing challenges such as smart use of energy.

The increasing data volumes used by consumers, businesses and the society will inevitably increase telecommunications operators' electricity consumption. Our customers' mobile data use per subscription has long been among the highest in the world. As a result, operators face a new challenge: how to meet the growing data needs while being mindful of the climate implications of increased energy consumption? To tackle this challenge, DNA has made the decision to move to

electricity produced solely from renewable resources in its direct electricity procurement and to implement advanced and more energy-efficient technologies. It is now possible to optimise the efficiency of the network's energy-saving functionalities, for example, with the help of artificial intelligence solutions.

DNA's goal is to be fully carbon-neutral by 2030

DNA has joined Telenor's ambition for the Nordics, which is carbon-neutral business operations by 2030. In the summer of 2021, the Science Based Emission Targets Initiative (SBTi) approved Telenor's goal, confirming that the reduction target is in line with what climate science deems necessary to meet the Paris Climate Agreement target of limiting global warming to 1.5°C above pre-industrial levels.

DNA has a new Environmental Management System (EMS)

In March, DNA nominated a team of approximately 30 people and tasked it with considering DNA's climate impact. The discussion ranged from procurement to the climate, DNA's facilities, health as well as network construction. DNA identified more than 50 different environmental impacts linked to its operations. For the main impacts, DNA specified the following targets that will be monitored.

By systematic implementation of the EMS, DNA adopts a new approach that encourages continuous improvement through a critical review of the results twice a year. DNA aims to certify the EMS according to ISO 14001 during 2022.

To be able to achieve the target, DNA will need to review the electricity contracts of leased premises and include its carbon handprint services in the calculations in the coming years. In 2021, DNA sent a survey to all parties leasing radio network equipment facilities and masts about electricity quality, but the response rate was low. DNA will repeat the survey by new means in 2022.

In 2021, DNA expanded the implementation of the Telenor-wide target to our suppliers. Our aim is that 68% of our main suppliers, by spend, shall set science-based targets for their operations by 2025. DNA conducted surveys among its main suppliers already in the autumn of 2021. Most of the suppliers included in the survey sent their responses to DNA by the end of 2021.

You can read more about [Telenor's climate ambitions here](#).

Electricity consumption is responsible for most of DNA's emissions

For almost a decade, DNA has assessed its greenhouse gas emissions to identify the climate impact of DNA's operations. Our emissions comprise of the following:

- **Direct greenhouse gas emissions (Scope 1):** Fuels used in company vehicles and back-up generators.
- **Indirect greenhouse gas emissions (Scope 2):** Electricity consumption of DNA's radio network and transmission equipment as well as the maintenance of their equipment facilities.
- **Other indirect greenhouse gas emissions (Scope 3):** Logistics, business travel, waste as well as purchased goods, services, and capital goods.

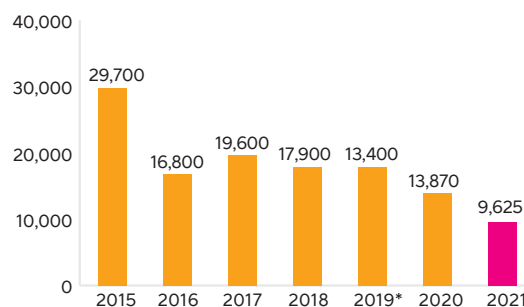
Indirect emissions account for most of our emissions. In 2021, DNA's energy indirect greenhouse gas emissions (Scope 2, market-based) were 9,625 tonnes (13,870),

which is very close to the level reported in 2020 despite the significant expansion of DNA's 5G network in 2021.

You can find information on DNA's total emissions and Scope 1 and Scope 3 indicators under the section on [Environmental Indicators](#).

DNA's directly procured energy is hydro or wind power and comes with a Guarantee of Origin (GoO). Renewable hydro power is a green choice in Finland, but it has its challenges such as the reduction of the living space for migratory fish species. DNA is monitoring the situation and regularly assesses the origin of purchased electricity. In 2021, all purchased electricity was produced by wind power.

Indirect greenhouse gas emissions (market-based), tonnes



* In 2019, the method for collecting data for Scope 2 was adjusted. The emissions figures for earlier years could not be updated in accordance with the new data collection method. As a result, emission data from different years is not fully comparable. Scope 2 emissions are based on both measurement and evaluation.

Small actions, big impact

In recent years, DNA has taken several measures to curb the energy consumption caused by increasing amounts of data. Our actions include the following:

- DNA will introduce large-scale energy-saving technologies utilising artificial intelligence in its radio networks. Based on practical field experiments, the savings will be significant, with further improvements in efficiency expected at least on an annual basis. Among other things, artificial intelligence enables energy consumption reductions during quiet traffic. In the past, generic network algorithms took care of computation, but artificial intelligence offers new possibilities to do that even more efficiently and accurately.
- DNA is also striving to abandon any aging and energy-guzzling technology as soon as possible and, for example, it will replace its services that are based on the 3G radio network and telephone copper network with new solutions utilising 5G and fibre technologies in the coming years.
- All the electricity that DNA buys directly is produced with renewable energy. In 2021, all electricity purchased by DNA was produced by wind power.

DNA's handprint: energy-efficient services

DNA's customers can avail of many solutions that help reduce greenhouse gas emissions:

5G network

DNA's 5G network construction continued in 2021, and one third of the population was covered by it by the end of the year. During the construction, the network is upgraded to the latest radio technology, with the best energy-efficiency available. In the future, 5G will play an increasingly important role in the transmission of both

fixed-network and mobile data. The current network upgrade makes DNA's network energy efficient for years to come. [You can follow DNA's 5G network construction here.](#)

IoT

Internet of Things (IoT) has become part of everyday for many people. Sensors can measure, for example, air temperature and humidity or the fill-levels of bins, which helps make many everyday tasks more environmentally friendly. The real estate sector is a good example of an area where various sensors and remotely controlled lock solutions can make operations more efficient and climate-friendly thanks to data provided by the IoT. Read more about [DNA's IoT services here.](#)

Hosting services

DNA offers hosting services for corporate customers for various telecommunications needs. With no physical servers at their own premises, corporate customers can use servers at least five times more effectively in terms of emissions and electricity consumption. DNA's hosting services are provided by data centres that are managed and maintained by DNA in Finland. You can read more about the [services here.](#)

Wattinen

Heating buildings is one of the biggest sources of climate emissions. In 2019, DNA launched Wattinen, a new smart heating service, which helps housing companies reduce climate emissions from heating. With Wattinen, residents can maintain an ideal room temperature, while saving money and without compromising comfort. With the service, a housing company can save 15-30% on the energy used in heating while reducing greenhouse gas emissions in the same proportion. Read more about [the Wattinen service here.](#)

DNA continues to provide climate-smart services also in 2022.

More than 26,400 recycled devices

DNA encourages its customers to recycle their old devices. According to a study conducted by DNA, it can be estimated that the recycling of old devices through DNA reduces 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 addition, precious metals can be salvaged and recycled: the batteries and screens of smart phones and computers contain metals such as gold, platinum, silver and copper. In 2021, we recycled more than 26,400 devices. The volume increased by 23% from 2020, which is an excellent demonstration of the consumers' growing interest in recycling.

Recycling is smart not only because of the climate, but also because of human rights: unfortunately, the global raw material supply chains in many countries involve child labour. DNA takes supply chain control seriously and works hard to ensure that our suppliers' operations are responsible.

At the moment, our clients receive a replacement refund for all functioning mobile phones and tablets when they replace it with a new one. A refund is also available for newer devices that are faulty. Customers can also simply bring their old devices to a DNA Store for recycling.

In addition, DNA organised a device recycling campaign around Christmas 2021. We felt Christmas was a perfect time to remind the public about device recycling and highlight the danger of digital exclusion among low-income families. During the campaign, DNA donated EUR 5 to Hope ry for each mobile phone brought to DNA Store for recycling, whether a smart phone or not. Well over 1,000 phones were brought to DNA Stores to be recycled over the campaign period of just over two weeks.

DNA compensates for 440 tonnes of greenhouse gas emissions

In 2021, DNA decided to compensate all its 2020 Scope 1 emissions through [Compensate](#), a nonprofit combating climate change.

By doing so, we support reforestation projects in Myanmar and Kenya, and help protect forests in Peru, Indonesia and Zambia.

Climate change is taking place here and now, and we want to help tackle one of the greatest societal challenges in any way we can. However, our main focus must always be on reducing our own emissions, compensation alone is not enough.

We will compensate our Scope 1 emissions also in 2022.



Reliable data security and protection

We continue to improve our data security culture to secure our customers' data reliably and efficiently.



Why does DNA want to make sure that data security and protection is reliable?

Data protection and security go hand in hand. Only by securing our own operations can we guarantee reliable services for our customers. DNA is aware of its critical role as a provider of key services in the society. DNA wants to be a security-conscious service provider and works continuously to make its data security culture more robust both within the company and among our partners.

During the past decade, use of mobile devices that have a constant network connection has increased strongly among both business and private users, making them more vulnerable. The increase in cyber security threats seen in 2020 continued in 2021. As a result, the theme is of great interest to our customers, and there was more public discussion on the subject.

Data security policy steers our operations

DNA maintains a high level of data security and protection and a stringent security culture in the handling of all data related to its operations by adhering to laws, regulations, orders issued by authorities and best practices as well as Telenor's and DNA's policies.

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

Telenor Group's data protection policy and guidelines determine 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. The policy also specifies the main implementation methods.

Close cooperation with the Telenor Group has provided substantial added value to various areas of data security. Telenor's data security culture and operative performance are particularly strong, and DNA now has an opportunity to match them on a national level. As part of a global Group, DNA will also examine its practices in line with the Schrems II judgment issued by the Court of Justice of the European Union, taking into account the considerably stricter privacy requirements for international transfer of personal data.

DNA's data security policy is complemented by the [ethical code for the use of artificial intelligence](#), which DNA specified in 2020 and which contains requirements for data protection. DNA was the first company in its industry to specify the ethical code.

High level of data security and protection

We make our data security and policies increasingly robust by training our personnel and informing them of the threats related to the telecommunications operator business. Telenor's and DNA's training platforms contain courses that are common for all Telenor Group employees as well as DNA-specific mandatory courses and additional training for different occupational groups.

We place special emphasis on working continuously to improve our administrative and technical capabilities to anticipate, identify and combat new and developing cyber threats.

Data security and protection issues have featured at a particularly high level in our customers' concerns. We have published a comprehensive information package on data security and privacy on our [website](#). We also publish a live feed of cyber security alerts and announcements published by Traficom's National Cyber Security Centre Finland (NCSC-FI).

DNA prevented more than 10 million scam calls in 2021

Our customers continued to be plagued by scam calls in 2021. The number of scam attempts via text messages continued to increase during 2021 and only levelled off towards the end of the year. Fraudsters are impersonating parcel delivery services, banks and mobile operators. They attempt to install a scam application to an unsuspecting customer's device by sending them messages about the need to update their banking details or informing them about parcel deliveries or voicemail.

During the pandemic, consumers have been threatened by the scourge of attempts to use their personal data and bank connections directly.

In cooperation with its partners, DNA managed to stop close to one million scam calls to Finland per month and was also successful in blocking scam messages. DNA works actively and continuously with other telecommunications operators and Traficom to keep the network threat-free. We will develop our ability to respond to new challenges further in 2022.

Services to boost our customers' data protection

We provide data security services to all our customers for various needs in cooperation with the best partners. We have a wide range of services for consumer customers who want to look after their own and their family members' data security as well as for corporate customers who want to protect their business, customers and personnel.

DNA "Turvapaketti" service

Looking after data security makes sense to keep your family safe online. In addition to anti-virus protection, the service helps you set limits to children's screen time and make sure their Wi-Fi connections and data are always protected. [Read more here.](#)

DNA "Tunnusturva" security app

DNA Tunnusturva is an easy-to-use password management solution which also alerts users about security concerns. It alerts the customer immediately about data breaches involving their data and provides clear instructions for preventing further damage. The password manager can also be used to create and manage passwords securely. [Read more here.](#)

“

DNA's leadership is highly committed in increasing its governmental and technical preparedness to predict, detect and fight back cyber threats.

Freedome VPN

The Freedome VPN service protects your privacy online so that advertisers and other third parties cannot track and collect information about you. It helps block unnecessary and malicious websites, protects your connection in open Wi-Fi networks and hides your IP address from the services you use. The service is developed by F-Secure and provided by DNA. [Read more here.](#)

Data security services for corporate customers

DNA has a comprehensive data security service offering for businesses to support them in the changing operating environment. DNA's experts maintain the services, leaving customers free to focus on their business without having to worry about security risks. By choosing the right data security services a business can not only secure its data, devices and networks, but also protects itself against denial-of-service attacks and can provide secure connections to employees who work remotely. [Read more here.](#)

Good governance

Responsible operations at DNA covers DNA's personnel, suppliers and subcontractors. The promotion of DNA's responsible decision-making model continued in 2021, complemented by Telenor's new policies.



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.

The main guideline for our operations is [Telenor's Code of Conduct](#), which applies to all DNA employees. By the end of 2021, 100% of DNA personnel had completed and recapped Telenor's Code of Conduct training. DNA has an anonymous notification channel for reporting concerns about unethical or unlawful behaviour. DNA's employees can report any concerns through the Telenor-wide Integrity Hotline.

No incidents of discrimination, corruption or bribery, or human rights violations were identified at DNA in 2021.

DNA participates in the following sustainability initiatives:

- UN Global Compact
- Corporate Responsibility Network FIBS
- Inklusiiv ry

Policies guide DNA's sustainability work

DNA approved all of Telenor's updated policies in 2021 and will adjust operations as required during 2022 in areas where our operations are not yet aligned with them. Our sustainability policies and manuals that complement them include the following:

- Group Policy, Sustainability
 - Group manuals: Sustainability Environment & Climate, Sustainability Human Rights Due Diligence, Sustainability Partnerships, Sustainability E-Waste and Recycling, Responsible Business Reporting
- Group Policy, Privacy
- Group Policy, Anti-Corruption
- Group Policy, People
 - Group manual: Diversity & Inclusion

Organisation of sustainability at DNA

The Sustainability Manager reports on the realisation of sustainability objectives to DNA's Executive Team and Board of Directors every six months. In 2021, they reported on the diversity progress to the Board of Directors every three months. The body that ultimately accounts for DNA's sustainability is the Board of Directors.

In addition, DNA reports to Telenor four times a year in accordance with the Group-level responsibility objectives and DNA's figures are also included in the Telenor Group Sustainability report. You can read the report [here](#).

DNA and human rights

DNA conducted its first Human Rights Due Diligence assessment and reviewed possible human rights challenges. During the review, we discussed the impact and meaning of potential human rights related risks and impacts resulting from DNA's activities. Furthermore, we drafted a plan of action addressing ways to tackle each challenge to prevent such violations in the future.

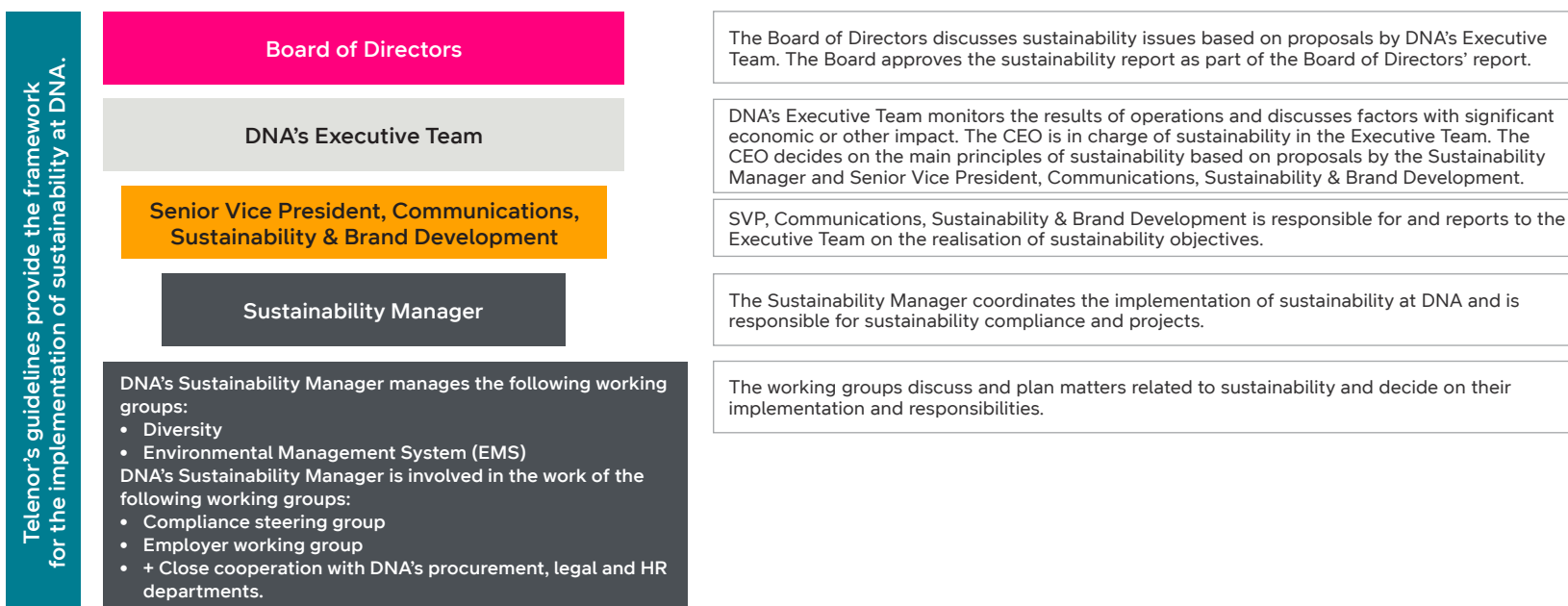
As DNA is a telecommunications operator, the main human rights related impacts are related to freedom of expression and privacy. This is why we must pay special attention to data security, and make sure that everyone

at DNA understands the potential risks related to their everyday work.

Other important themes in this area include looking after the well-being of our employees as well as enabling diversity at work. We also need to focus on protecting and safeguarding children online as well as preventing corruption in our daily operations.

To ensure full human rights compliance at DNA, we need to train our personnel, support our supervisors, and encourage communication about human rights.

Organisation of sustainability at DNA



DNA's responsible decision-making path supports managers

DNA implemented its Päätöspolku (“decision-making path”) model a few years ago to support responsible decision-making in accordance with DNA's strategy. It is a checklist for the effects of decisions on four areas: strategy alignment, economy and risks, compliance, and overall acceptability. DNA plans to revamp the training in 2022 to include both DNA's and Telenor's common guidelines.

Management of sustainability risks

DNA's risk management process provides reports on risks and risk management methods to the Executive Team 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. Sustainability 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](#).

Responsible procurement at DNA

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.

DNA works with thousands of suppliers and subcontractors, a few dozen of which are considered

to be significant suppliers. Significant suppliers include equipment manufacturers, solution providers, developers and consulting companies, for example. Significant suppliers are assessed regularly in terms of product and service risks, supplier risks, and country risks. For instance, some of the most significant suppliers and subcontractors operate in countries that involve risks, such as China and India. Responsibility of significant suppliers and subcontractors is also monitored regularly by surveys and joint meetings.

DNA had planned to adopt Telenor's Supplier Conduct Principles (SCP) already in 2021, but Telenor introduced some updates during the year. DNA will adopt the new principles during 2022. Telenor's principles will introduce a much more detailed and structured model, which covers the suppliers' operations from the signing of the contract to the post-contract stage.

The responsible supply chain team, which comprises experts on sustainability, 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. These measures will be reinforced during 2022 according to Telenor's requirements.

Anti-corruption and anti-bribery

DNA has zero-tolerance of corruption and bribery: the Group's Code of Conduct bans any corruption. DNA also has separate guidelines for the giving and receiving of business gifts. In December 2021, as part of Telenor, DNA organised an anti-corruption day for the employees in Finland. During the day, the personnel heard presentations about anti-corruption measures from speakers inside and outside the company. 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. No incidents of corruption or bribery were identified at DNA in 2021.

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.

Telenor 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.

As part of the Telenor Group, DNA has had the opportunity to access Telenor's EU networks and expertise as well as working on a joint Nordic platform in EU affairs.

DNA's tax footprint

In 2021, the taxes and tax-like fees paid by DNA in Finland amounted to EUR 201 million (175). DNA pays all its taxes in Finland. By doing so, DNA contributes to the development of the Finnish society as a whole.

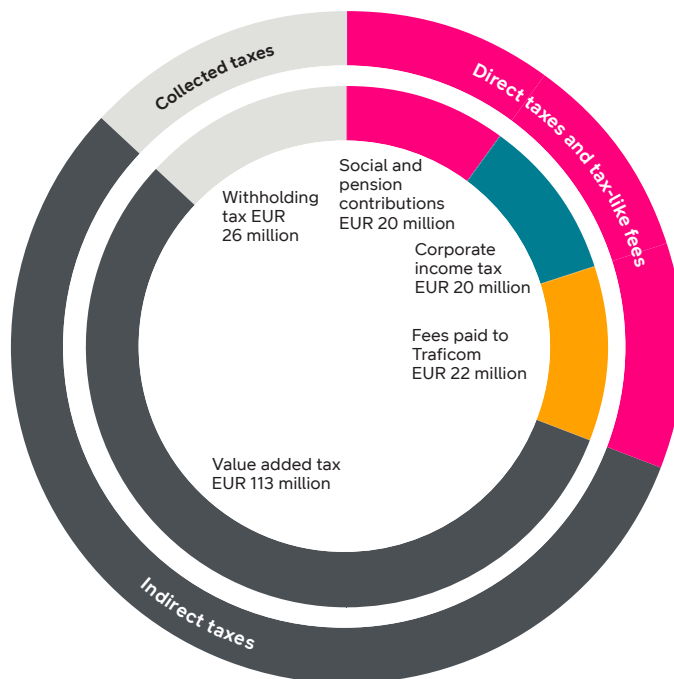
Taxes paid by DNA comprise direct, indirect, and collected taxes. Direct taxes consist of corporate income tax and tax-like fees paid directly by DNA. Value-added tax is an indirect tax paid by DNA. Collected taxes include tax collected and paid to the state, such as withholding taxes collected from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

Traficom is a public sector operator to which DNA pays tax-like fees, which were EUR 22 million in 2021 (8). 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.

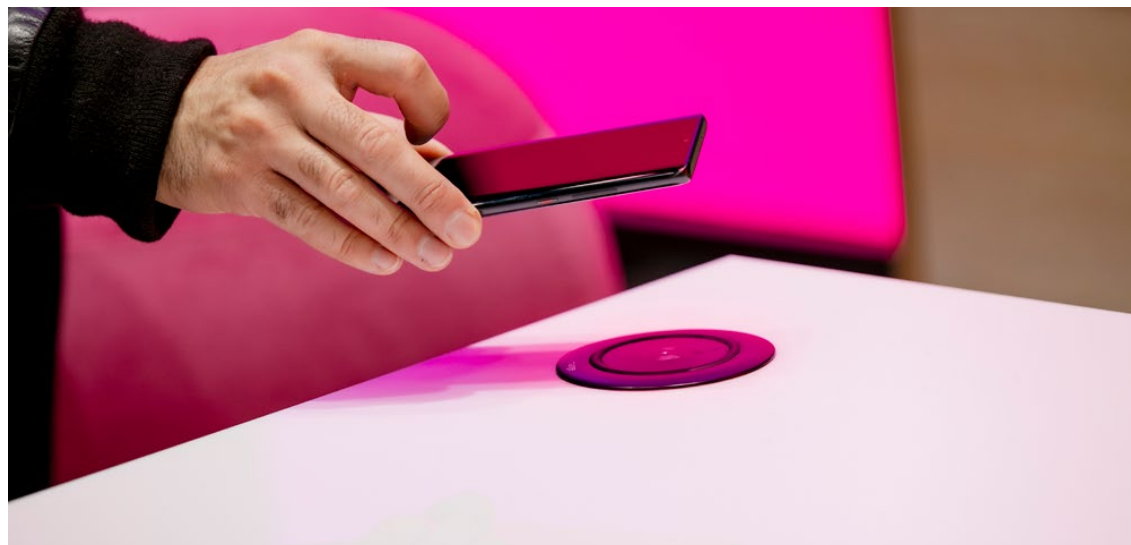
Tax footprint



DNA'S TAX FOOTPRINT 2021	EUR million
Direct taxes and tax-like fees	
Social and pension contributions	21
Corporate income tax	20
Fees paid to Finnish Transport and Communications Agency Traficom	22
Indirect taxes	
Value added tax	113
Collected taxes	
Withholding tax	26
Source tax	0
Other self-assessed taxes	0
Total	202

DNA's reporting principles

As in previous years, DNA continued to report on sustainability in 2021 according to the Global Reporting Initiative reporting model.



Reporting according to GRI

As in previous years, DNA continued to report on corporate responsibility in 2021 according to the Global Reporting Initiative reporting model. This is DNA's twelfth GRI report. With a reporting period of one calendar year, DNA publishes this GRI-compliant sustainability report annually with the annual report. The previous report was published on 4 March 2021. This report has been prepared in accordance with the GRI Standards in force for the Core option. DNA has not yet adopted the new standards published in October 2021.

DNA's sustainability reporting is based on the guidelines, principles and calculation methods specified by GRI. It includes the data for DNA Plc, including DNA Store Ltd.

Any deviations from or changes to the calculation limits are mentioned with each key figure. Similarly, any changes in measurement methods are mentioned with each figure in the GRI table.

The indicators reported by DNA cover all of DNA's operations in all of Finland. As a subsidiary, DNA only operates in Finland, which is why DNA hasn't deemed it relevant to report on the basis of locations or activities.

Assurance of the sustainability report

Unlike previous years, this report is not assured by an external party. This change is due to Telenor owning DNA. Telenor Group publishes its own sustainability report, which also includes DNA's information. Telenor's report will be assured in full. You can read more about Telenor's report [here](#). DNA will reassess the need for assurance by an external party once the EU Corporate Sustainability Reporting Directive (CSRD) enters into force.

Contacts

We value stakeholder input. To learn more about DNA's sustainability themes, do not hesitate to contact us.



Sustainability Manager
Tuuli Nummelin
[tuuli.nummelin\(at\)dna.fi](mailto:tuuli.nummelin(at)dna.fi)



CEO
Jussi Tolvanen
[jussi.tolvanen\(at\)dna.fi](mailto:jussi.tolvanen(at)dna.fi)

Key figures

Environmental indicators

DEVELOPMENT OF DNA'S EMISSIONS, TOTAL (tCO₂)*

	2021	2020	2019	2018	2017
Emissions, total**	158,806	167,310	229,000	220,000	216,000

* 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).

** In 2019, the method for collecting source data relating to the procurement of purchased electricity (Scope 2) was adjusted. The emissions figures for earlier years could not be updated in accordance with the new data collection method. As a result, emission data from different years is not fully comparable. Total emissions reported by DNA are based on both measurement and evaluation.

DIRECT GREENHOUSE GAS EMISSIONS (SCOPE 1)(tCO₂)*

	2021	2020	2019	2018	2017
Direct greenhouse gas emission	419	440	500	520	680

* Global Warming Potential (GWP) rate is based on the following reference: IPCC Fourth Assessment Report (AR4 - 100 year).

INDIRECT GREENHOUSE GAS EMISSIONS (SCOPE 2) (tCO₂)*

	2021	2020	2019**	2018	2017
Indirect greenhouse gas emissions (market-based)	9,625	13,870	13,400	17,900	19,600
Indirect greenhouse gas emissions (location-based)	17,130	18,960	29,450	n/a	n/a

* The Global Warming Potential (GWP) is based on the following reference: IPCC Fourth Assessment Report (AR4 - 100 year). The comparison year for DNA's Scope 2 climate objectives is 2019.

** In 2019, the method for collecting source data relating to the procurement of purchased electricity (Scope 2) was adjusted. The emissions figures for earlier years could not be updated in accordance with the new data collection method. As a result, emission data from different years is not fully comparable. The Scope 2 emissions reported by DNA are based on both measurement and evaluation.

OTHER INDIRECT GREENHOUSE GAS EMISSIONS (SCOPE 3) (tCO₂)*

	2021	2020**	2019	2018	2017
Other indirect greenhouse gas emissions	148,800	153,000	215,000	202,000	196,000

* Global Warming Potential (GWP) rate is based on the following reference: IPCC Fourth Assessment Report (AR4 - 100 year). The comparison year for DNA's climate objectives is 2019.

** Some of the emissions from DNA's waste management are absent from the calculation as not all of the waste management suppliers could provide the necessary data. Therefore, the figure is not entirely comparable with the figures previously reported.

Environmental indicators

GREENHOUSE GAS (GHG) EMISSIONS INTENSITY

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

	2021	2020	2019	2018	2017
Radio network emissions in proportion to annual radio network data transfer volumes (tCO ₂ /TB)**	0.01	0.01	0.01	0.02	0.03

* Global Warming Potential (GWP) rate is based on the following reference: IPCC Fourth Assessment Report (AR4 - 100 year).

** In 2019, the method for collecting source data relating to the procurement of purchased electricity (Scope 2) was adjusted. The emissions figures for earlier years could not be updated in accordance with the new data collection method. As a result, emission data from different years is not fully comparable. Total emissions reported by DNA are based on both measurement and evaluation.

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

	2021	2020	2019	2018	2017
DNA's emissions in proportion to net sales (tCO ₂ /MEUR)**	166	179	243	241	244

* 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.

** In 2019, the method for collecting source data relating to the procurement of purchased electricity (Scope 2) was adjusted. The emissions figures for earlier years could not be updated in accordance with the new data collection method. As a result, emission data from different years is not fully comparable. Total emissions reported by DNA are based on both measurement and evaluation.

ENERGY CONSUMPTION WITHIN THE ORGANISATION (TJ)

	2021	2020	2019	2018	2017
Total consumption of non-renewable fuels*:					
– Diesel and gasoline	2.1	2.6	4.1	4.2	4.8
– Fuel oil	0.2	1.8	1.1	2.0	3.2
Electricity consumption**	572.7	570.9	542.4	590.5	586.2
Heat consumption	12.9	12.8	15.6	15.6	15.4
Cooling consumption	1.6	1.5	4.0	6.7	4.6
Total energy consumption	589.5	589.6	567.2	619.0	614.2

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

** In 2019, the method for collecting source data relating to the procurement of purchased electricity was adjusted. The consumption figures for earlier years could not be updated in accordance with the new data collection method. As a result, emission data from different years is not fully comparable. The energy consumption reported by DNA is based on both measurement and evaluation.

TOTAL WEIGHT OF WASTE BY TYPE AND DISPOSAL METHOD (TONNES)

	2021	2020*	2019	2018	2017
Hazardous waste (also includes potentially hazardous WEEE waste)	83	N/A	10	21	19
Recyclable waste	136	N/A	415	515	564
Combustible waste	156	N/A	24	33	50
Disposable waste	96	N/A	11	7	0
Scrap electrical and electronic items**	249	N/A	N/A	N/A	N/A
Total	720	N/A	460	577	586

* No reliable figures are available for 2020 due to the low response rate among major waste management operators.

** Presented as a separate fraction due to DNA's business sector.

Social responsibility indicators

INFORMATION ON EMPLOYEES AND OTHER WORKERS*

Open-ended	2021	2020	2019	2018	2017
Women	620	608	623	625	641
Men	980	973	971	946	935
Other	0	N/A	N/A	N/A	N/A
Total	1,579	1,581	1,594	1,571	1,576

Fixed-term	2021	2020	2019	2018	2017
Women	8	9	14	12	13
Men	13	18	12	7	12
Other	0	N/A	N/A	N/A	N/A
Total	21	27	26	19	25

Full-time	2021	2020	2019	2018	2017
Women	584	569	584	575	591
Men	953	972	966	938	934
Other	0	N/A	N/A	N/A	N/A
Total	1,537	1,541	1,550	1,513	1,525

Part-time	2021	2020	2019	2018	2017
Women	43	48	54	62	63
Men	20	19	16	15	13
Other	0	N/A	N/A	N/A	N/A
Total	63	67	70	77	76

* Data does not include leased workers or summer help. Other sections of this report also include summer help.

DIVERSITY OF GOVERNANCE BODIES AND PERSONNEL

Gender structure

By gender	2021	2020	2019	2018	2017
Women	39%	38%	39%	40%	40%
Men	61%	62%	61%	60%	60%
Other	0%	N/A	N/A	N/A	N/A
Total	100%	100%	100%	100%	100%

Share of women (%) per personnel group

Personnel groups include women as follows:	2021	2020	2019	2018	2017
Of management	19%	22%	23%	24%	21%
Of senior salaried employees	27%	28%	27%	26%	26%
Of salaried employees	46%	46%	47%	47%	49%

Age structure

By age group	2021	2020	2019	2018	2017
< 25	1%	1%	1%	1%	1%
25–35	24%	24%	25%	26%	29%
36–45	37%	38%	38%	38%	37%
46–55	26%	25%	24%	24%	23%
56–63	11%	11%	10%	10%	10%
> 63	1%	1%	1%	0%	0%
Total	100%	100%	100%	100%	100%

Social responsibility indicators

NEW EMPLOYEE HIRES AND EMPLOYEE TURNOVER*

New hires and employee turnover

New hires	2021**	2020	2019	2018	2017
Women	55	40	56	39	45
Male	62	73	102	89	70
Other	0	N/A	N/A	N/A	N/A
< 25	10	12	28	27	28
25–35	70	42	82	61	61
36–45	25	43	32	31	16
46–55	11	15	14	9	8
56–63	0	0	2	0	2
> 63	1	1	0	0	0

Employee turnover	2021**	2020	2019	2018	2017
Women	50	76	66	54	72
Male	118	84	89	70	107
Other	0	N/A	N/A	N/A	N/A
< 25	2	19	21	14	23
25–35	51	47	55	40	67
36–45	58	37	42	39	34
46–55	24	25	16	14	27
56–63	18	20	12	14	7
> 63	15	12	9	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 and age in previous years.

**Data does not include leased workers or summer help. Other sections of this report also include summer help.

Average employee turnover

	2021	2020	2019	2018	2017
Average employee turnover, % (calculated from monthly average values)	1.98	1.6	1.73	1.44	1.48

AVERAGE HOURS OF TRAINING PER YEAR PER EMPLOYEE*

	2021	2020	2019	2018	2017
Average hours of training per employee	21.5	18.8	13.4	15.6	15.8

GRI Content Index

GRI	Disclosure	Reference and comments
102 – General		
Organisational profile		
102-1	Name of the reporting organisation	DNA Plc
102-2	Activities, brands, products, and services	DNA Plc is a Finnish telecommunications group that provides voice, data and TV services. Primary brand is DNA. No DNA products are banned in any markets. For products and services, see Board of Directors' Report 2021 .
102-3	Location of headquarters	DNA Plc Läkkisepäntie 21 00620 Helsinki
102-4	Location of operations	100% of DNA's operations occur in Finland.
102-5	Ownership and legal form	DNA is owned by the Norwegian-based Telenor Group. DNA Plc is a Finnish public limited company with bonds listed on NASDAQ Helsinki Stock Exchange.
102-6	Markets served	Board of Directors' Report 2021
102-7	Scale of the organisation	Number of personnel 31 Dec 2021: 1 579. Board of Directors' Report 2021
102-8	Information on employees and other workers	Great place to work , Social responsibility indicators
102-9	Supply chain	Good governance
102-10	Significant changes to the organization and its supply chain	Board of Directors' Report 2021
102-11	Precautionary Principle or approach	DNA follows the Precautionary Principle.
102-12	External initiatives to which the organisation subscribes, or which it endorses	DNA is a member of UN Global Compact, Corporate Responsibility Network FIBS ry and Inklusiiv ry. DNA has also been Helsinki Pride's partner for several years.

GRI	Disclosure	Reference and comments
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 engages in communication with various authorities and political decision-makers. Good governance
Strategy		
102-14	Statement from senior decision-maker	CEO's review
Ethics and Integrity		
102-16	Values, principles, standards, and norms of behavior	Strategy , Sustainability at DNA , Digital inclusion
Governance		
102-18	Governance structure	Board of Directors' Report 2021 , Sustainability at DNA
Stakeholder engagement		
102-40	List of stakeholder groups engaged by the organisation	DNA's important stakeholders include: customers, personnel, suppliers and subcontractors, partners, NGO's, authorities and political decision-makers, the media, financial and insurance markets, labour market organisations and competitors. Good governance , Sustainability at DNA
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.

GRI	Disclosure	Reference and comments
102-42	Basis for identifying and selecting stakeholders with whom to engage	DNA's stakeholder groups are its key business stakeholders, partners and the actors interested or affected by the impact of DNA.
102-43	Approach to stakeholder engagement	Sustainability at DNA , Digital inclusion , Good governance
102-44	Key topics and concerns that have been raised through stakeholder engagement	Sustainability at DNA
Reporting practice		
102-45	Entities included in the consolidated financial statements	Financial statements 2021
102-46	Defining report content	Sustainability at DNA
102-47	List of material topics	Sustainability at DNA
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 or information provided.
102-49	Significant changes from previous reporting periods in the scope and topic boundaries	Any deviations or changes to the boundaries are mentioned together with each key figure or information provided.
102-50	Reporting period	The reporting period is one year and the GRI report is published annually with the Annual Report.
102-51	Date of the most recent report	March 4, 2021
102-52	Reporting cycle	Annual
102-53	Contact point for questions regarding the report	DNA's reporting principles
102-54	Claims of reporting in accordance with the GRI Standards	This report has been prepared in accordance with the GRI Standards: Core option. DNA to move into to the new standards published in 2021 in next years report.
102-55	GRI content index	GRI content index

GRI	Disclosure	Reference and comments
102-56	External assurance	No assurance made for DNA's Sustainability Report. Telenor's Sustainability Report is assured and the report also includes DNA's data input. DNA's reporting principles
103 – Management approach		
103-1	Explanation of the material topic and its boundary	Sustainability at DNA
103-2	The management approach and its components	Sustainability at DNA
103-3	Evaluation of the management approach	Sustainability at DNA and under each key area section in the report. DNA is currently going through a transition where new policies are being adapted from Telenor to DNA's ways of working. Implementation on new Telenor policies begin in 2022.
200 – Economic performance		
Economic performance		
201-1	Direct economic value generated and distributed	Taxes and economic impact
201-2	Financial implications and other risks and opportunities due to climate change	Sustainability at DNA , Climate-friendly operations , Environmental indicators , Board of Directors' Report 2021: EU Taxonomy
201-3	Defined benefit plan obligations and other retirement plans	Financial statements 2021 , Notes to the consolidated financial statements, Section 2 and Section 24
201-4	Financial assistance received from government	DNA did not receive financial assistance from any government in 2021.
Indirect economic impacts		
203-1	Development and impact of infrastructure investments and services supported	DNA Plc is one of the leading Finnish telecom service providers. We are providing easily deployable and secure network services to our customers. Board of Directors' Report 2021 , Digital inclusion , Taxes and economic impact

GRI	Disclosure	Reference and comments
Anti-corruption		
205-1	Operations assessed for risks related to corruption	Corruption is completely forbidden in DNA's Code of Conduct. DNA also has a separate guidance for receiving and giving corporate gifts. DNA does not have a separate risk process for only corruption. By the end of 2021, 100% of personnel had completed the Code of Conduct training. There were no incidents of corruption at DNA in 2021.
205-2	Communication and training on anti-corruption policies and procedures	By the end of 2021, 100% of personnel had completed the Code of Conduct training.
205-3	Confirmed incidents of corruption and actions taken	There were no incidents of corruption at DNA in 2021.
Anti-competitive behaviour		
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	During the reporting period DNA was not a subject to legal actions for violation of competition legislation.
300 – Environmental		
Energy		
302-1	Energy consumption within the organisation	Climate-friendly operations , Environmental indicators
302-2	Energy consumption outside the organisation	Climate-friendly operations , Environmental indicators
Emissions		
305-1	Direct greenhouse gas (GHG) emissions (Scope 1)	Environmental indicators
305-2	Energy indirect greenhouse gas (GHG) emissions (Scope 2)	Environmental indicators
305-3	Other indirect greenhouse gas (GHG) emissions (Scope 3)	Environmental indicators

GRI	Disclosure	Reference and comments
305-4	Greenhouse gas (GHG) emissions intensity	Environmental indicators
Effluents and waste		
306-2	Total weight of waste by type and disposal method	Environmental indicators
Environmental compliance		
307-1	Non-compliance with environmental laws and regulations	There were no incidents of non-compliance with environmental laws and regulations DNA in 2021.
Employment		
401-1	New employee hires and employee turnover	Social responsibility indicators
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.
400 – Social		
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.
Occupational health and safety		
403-1	Occupational health and safety management system	DNA has applied to Telenor's policies and guidelines related to people management in 2021 and will continue it during 2022.
403-2	Hazard identification, risk assessment, and incident investigation	DNA does risk management according to the Telenor guidelines and manuals.
403-3	Occupational health services	DNA offers all of its employees a wide range of services from its occupational health service provider.

GRI	Disclosure	Reference and comments
403-4	Worker participation, consultation, and communication on occupational health and safety	The statutory labour protection activities in Finland cover the requirement. All DNA employees are represented. DNA's labour protection committee 2021 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. In addition DNA constantly activates and creates questionnaires to receive instant feedback on OHS questions.
403-5	Worker training on occupational health and safety	DNA offers many courses related to OHS depending on the different job descriptions we have. OHS issues are also a compulsory part of the Code of Conduct training. 100% of DNA's employees had gone through the training in 2021.
403-6	Promotion of worker health	We support our personnel's ability to work by means such as flexible work, a care service for sick children, grand-parental leave and the option of swapping holiday pay for extra days off. Read more Great place to work .
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	DNA's products or services or their set up do not cause any harmful impacts on health for DNA's employees. DNA continues to closely follow discussions related to radiation and its supply chain (conflict minerals and child labour).
403-8	Workers covered by an occupational health and safety management system	All employees are covered by DNA's OHS management system.
403-10	Work-related ill health	Musculoskeletal system diseases and mental health issues are the most common reasons for longer periods of sick leaves at DNA. In 2021 there were no fatalities. Read more Great place to work .
Own indicator	Sickness absence rate	The sickness absence rate at DNA has dropped significantly in the past four years. In 2021, the relative rate of absenteeism decreased further and came to 2,3 (2,2). Read more: Great place to work .

GRI	Disclosure	Reference and comments
Training and education		
404-1	Average hours of training per year per employee	Social responsibility indicators
404-2	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings	Social responsibility indicators
404-3	Percentage of employees receiving regular performance and career development reviews	In connection to the development of value-based leadership at DNA, the entire organization adopted the one-to-one discussion model in 2019. The new one-to-one model replaced traditional development discussions. The new model is in place to support leadership by coaching by maintaining an open channel for interaction during daily work. 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. 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.
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	In 2021, two of the six members of DNA's Board of Directors were women. Three of the nine members of DNA's Executive Team were women. Board of Directors 2021 , Great place to work , Social responsibility indicators

GRI	Disclosure	Reference and comments
Non-discrimination		
406-1	Total number of incidents of discrimination and corrective actions taken	No incidents of discrimination occurred at DNA Group in 2021.
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 2021.
Marketing and labelling		
417-3	Incidents of non-compliance with regulations and voluntary codes concerning marketing communications	In 2021, no court decisions were issued in relation to DNA's marketing, nor did the Market Court issue any conditional fines.
Customer privacy		
418-1	Substantiated complaints regarding breaches of customer privacy and losses of customer data	<p>In 2021 DNA received six substantiated complaints regarding breaches of customer privacy and losses of customer data, which were submitted by Data Protection Ombudsman and cases related to personal data processing practices in DNA. DNA reports data breach notifications to authorities as part of Telenor Group reporting.</p> <p>DNA considers the data security of both private and business customers a top priority in all its operations and added it as one of its key areas in 2021.</p>

GRI	Disclosure	Reference and comments
Socioeconomic compliance		
419-1	Non-compliance with laws and regulations in the social and economic area	<p>In 2021, DNA was not ordered to pay any fines or other sanctions for non-compliance with laws or regulations.</p> <p>Previous case: In 2021 DNA appealed to the Administrative Court on a case from 2019 where The Finnish Non-Discrimination and Equality Tribunal found in its decision that DNA had discriminated a disabled person as the DNA Store in Turku by not building a wheelchair ramp fast enough. DNA's appeal was however dismissed. DNA has discussed the case internally in order to react faster in future.</p>



DNA's Corporate Governance Statement 2021

DNA's Corporate Governance Statement 2021

DNA Plc is a Finnish telecommunications Group providing voice, data, and TV services to private customers and corporations. The parent company, DNA Plc, and its subsidiaries form the DNA Group. DNA is owned by Telenor Group, which is a leading telecommunications operator in the Nordic countries and Asia. Telenor is listed on the Oslo Stock Exchange. The company is domiciled in Helsinki, Finland.

DNA complies with its Articles of Association, the rules of procedure of DNA's Board of Directors, the Finnish Limited Liability Companies Act, Accounting Act and Securities Markets Act, and the rules, regulations and instructions issued by Nasdaq Helsinki Ltd and the Finnish Financial Supervisory Authority, as well as other applicable regulations in Finland.

After the delisting of its shares, DNA is not subject to reporting obligations as an issuer of shares as set out in the Finnish Securities Markets Act. DNA is still subject to reporting obligations as an issuer of the senior unsecured fixed rate notes that are due 2025 (ISIN: FI4000312095).

This report describes DNA's corporate governance in 2021 and is published separately from the Board of Directors' annual report.

DNA's governing bodies

DNA's governing bodies comprise the General Meeting, the Board of Directors and the CEO. The Board of Directors and the CEO are responsible for management. The Executive Team assists the CEO.

General meeting

The General Meeting is DNA's highest decision-making body. The Annual General Meeting is held within six months of the end of the financial year, at the time specified by the Board of Directors. According to the Articles of Association, the meeting discusses matters that fall within the scope of its responsibility, and any proposals to the Annual General Meeting. Extraordinary General Meetings can be organised as required. General Meetings are convened by the Board of Directors.

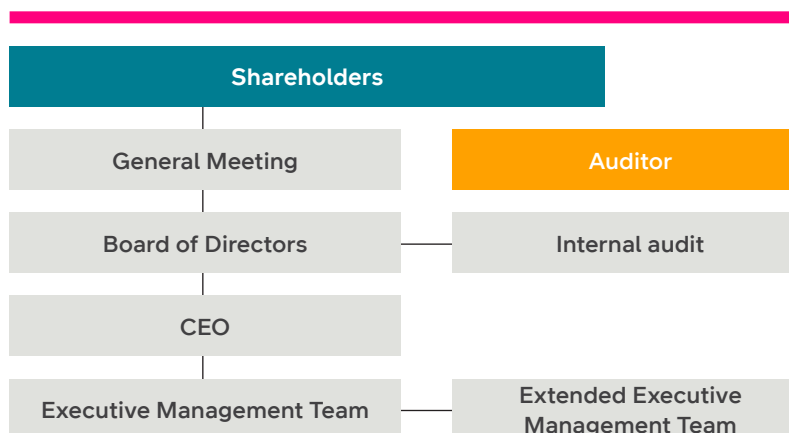
According to DNA's Articles of Association, the responsibilities of the General Meeting includes among other things:

- Adopting the financial statements, which in the parent company also means the consolidated financial statements

- Deciding on the distribution of the profit shown on the balance sheet
- Discharging the members of the Board of Directors and the CEO from liability
- Electing the members of the Board of Directors and deciding on their remuneration
- Electing the auditor and deciding on the auditor's remuneration.

The General Meeting may also make decisions on other matters falling within its competence according to the Finnish Limited Liability Companies Act, such as amending the Articles of Association.

In addition to the Annual General Meeting, Extraordinary General Meetings are convened by the Board of Directors as necessary.



General Meeting 2021

DNA Plc's Annual General Meeting was held on 26 March 2021.

The AGM adopted DNA's consolidated financial statements for 2020 and the financial statements of the parent company. The AGM discharged DNA's Board of Directors members and CEO from liability for the financial period 2020.

The AGM elected Sigve Brekke as the Chairman of the Board of Directors and the following as Members of the Board of Directors: Birgitte Engebretsen, Gaute Simen Gravir, Nils Katla, Håvard Naustdal and Trine Rønningen.

Extraordinary General Meeting 2021

DNA Plc's Extraordinary General Meeting was held on 11 October 2021.

The AGM elected Jukka Leinonen as the Chairman of the Board of Directors and the following as Members of the Board of Directors: Birgitte Engebretsen, Gaute Simen Gravir, Nils Katla, Håvard Naustdal and Trine Rønningen.

DNA's Board of Directors

According to DNA's Articles of Association, the Board of Directors comprises three to seven ordinary members. Members and the Chairman of the Board are elected by the General Meeting.

The Board of Directors has a duty to promote the interests of the company and its shareholders. The Board of Directors has confirmed a written charter on the duties of the Board of Directors, matters to be addressed, meeting practices, and the decision-making process.

Board of Directors in 2021

Board of Directors 1 January – 26 March 2021: Jørgen C. Arentz Rostrup (Chairman), Fredric Scott Brown, Nils Katla, Tero Ojanperä, Anni Ronkainen, Kirsi Sormunen and Ulrika Steg.

Board of Directors 26 March – 11 October 2021: Sigve Brekke (Chairman), Birgitte Engebretsen, Gaute Simen Gravir, Nils Katla, Håvard Naustdal and Trine Rønningen.

Board of Directors 11 October 2021 – 31 December 2021: Jukka Leinonen (Chairman), Birgitte Engebretsen, Gaute Simen Gravir, Nils Katla, Håvard Naustdal, Trine Rønningen.

The Board convened 12 times in 2021.

Board-Level Employee Representation

On 26 March 2021, DNA Plc signed a local agreement on personnel representation in the administration of DNA. This agreement replaced the agreement on personnel representation signed on 13 October 2016. The personnel elected two representatives to the Board, Teemu Kaski and Mika Oja, as well as their alternates Jorma Airaksinen (until 1 October 2021) and Katja Komeza.

Board of Directors at the end of 2021



Jukka Leinonen

Born 1962

Chairman of the Board
M.Sc. (Tech.)

Head of Telenor Group's
Nordic Cluster

Member of DNA's Board of
Directors since 2021



Birgitte Engebretsen

Born 1972

Member of DNA's Board of
Directors

Business Economist,
BI Norwegian Business
School Telenor Norway,
CMO, Business Segment

Member of DNA's Board of
Directors since 2021.



Gaute Simen Gravir

Born 1973

Member of DNA's Board of
Directors

LLM

Telenor Group Legal,
Corporate and M&A team

Member of DNA's Board of
Directors since 2021.



Nils Katla

Born 1966

Member of DNA's Board of
Directors

M. Sc. (Tech.), MBA

Telenor Group, Vice
President, M&A

Member of DNA's Board of
Directors since 2019.



Håvard Naustdal

Born 1981

Member of DNA's Board of
Directors

M. Sc. (Econ)

Telenor ASA, Business
Manager

Member of DNA's Board of
Directors since 2021.



Trine Rønningen

Born 1975

Member of DNA's Board of
Directors

M. Sc. (Econ)

Telenor ASA, SVP Global
Rewards, Mobility and
Systems

Member of DNA's Board of
Directors since 2021.

CEO



Jussi Tolvanen

Born 1978

With DNA since 2021

M.Sc. (Econ.)

CEO

The CEO and the Executive Team

The CEO is nominated and overseen by the Board of Directors. The terms of the CEO's employment are specified in a written CEO agreement, which is approved by the Board of Directors.

The duties of DNA's CEO are determined in accordance with the Limited Liability Companies Act.

DNA's Executive Team comprises of the CEO, Senior Vice Presidents of the Group's business segments, the CFO, Senior Vice Presidents for Technology, Corporate Affairs, Human Resources, and Strategy, the CIO and Senior Vice President, Communications, Sustainability and Brand Development. The CEO is the Chair of DNA's Executive Team. Members of the Executive Team are nominated by the Board of Directors.

Jussi Tolvanen was appointed CEO of DNA Plc as of 11 October 2021. At the same time, the company's previous CEO Jukka Leinonen moved to head Telenor Group's Nordic Cluster fulltime and was elected Chairman of the Board of Directors.

Changes in DNA's Executive Team in 2021

Maria Strömberg, M.Sc. (Econ.) was appointed Chief Financial Officer (CFO) and member of the Executive Team of DNA Plc as of 1 February 2021. Maria Strömberg succeeded Timo Karppinen, who served as DNA's CFO until the end of January 2021.

Ville Virtanen, Engineer, EMBA, was appointed CTO and member of the Executive Team as of 1 September 2021. Ville Virtanen succeeded Tommy Olenius, who served as DNA's CTO until the end of August.

Vilhelmiina Wahlbeck, Senior Vice President, Communications, Sustainability and Brand Development at DNA Plc, was appointed member of the Executive Team as of 19 July 2021.

Christoffer von Schantz, M.Sc. (Tech.), Senior Vice President, Strategy, and a member of the Executive Team, was appointed Vice President of DNA's broadband and TV business as of 22 November 2021. He left the Executive Team on 31 December 2021.

Executive Team



Pekka Väisänen

Born 1966
 With DNA
 2003–2006 and
 again since 2007
 M.Sc. (Econ.)
 Senior Vice
 President,
 Consumer Business



Olli Sirkka

Born 1972
 With DNA since
 2019
 M.Sc. (Tech.)
 Senior Vice
 President,
 Corporate Business



Maria Strömberg

Born 1968
 With DNA
 2003–2006 and
 again since 2007
 M.Sc. (Econ.)
 Chief Financial
 Officer



Ville Virtanen

Born 1975
 With DNA since
 2004
 Engineer, EMBA
 Senior Vice
 President,
 Technology



Asta Rantanen

Born 1962
 With DNA since
 2003
 LL.M.
 Senior Vice
 President,
 Corporate Affairs



Marko Rissanen

Born 1974
 With DNA since
 2003
 Vocational
 Qualification in
 Business and
 Administration
 Senior Vice
 President, Human
 Resources



Janne Aalto

Born 1965
 With DNA since
 2014
 MBA, Business
 College Graduate,
 Information
 Technology
 Chief Information
 Officer



Vilhelmiina Wahlbeck

Born 1976
 With DNA since
 2003
 M.Sc. (Pol. Sc.)
 Senior Vice
 President,
 Communications,
 Sustainability and
 Brand Development

More detailed CVs of the members of the Executive Team are available at <https://corporate.dna.fi/company/executiveteam>.

Risk management and internal control

The purpose of internal control is to ensure that the company's operations comply with applicable laws and regulations, as well as the operating principles, and that financial and operational reporting is reliable.

DNA strives to ensure that its internal control and risk management systems are reliable and appropriate in relation to the scope and nature of its operations. The purpose of internal control and risk management procedures is to ensure the efficiency and effectiveness of the company's business, as well as the reliability of information, prevent malpractice and ensure compliance with all applicable laws, regulations and operating principles, as well as to identify, assess and monitor risks related to the business.

Key features of risk management and internal control related to the financial reporting process

DNA's business segments are Consumer and Corporate Business. The company's financial reporting is based on the financial information of each unit on the profitability of their respected businesses, combined with segment and Group-level information.

Setting and monitoring financial targets forms an essential part of DNA's management. Near-term financial goals are specified during annual planning.

Internal control of financial reporting aims to ensure that the company management has up-to-date, adequate, essential and accurate data at its disposal to perform its duties and that the reports published by the company provide essential and accurate information on the financial position of the company.

Financial management is headed by the Group CFO, who is responsible for the accuracy of the Group's financial

reporting. Internal control reviews and monitors the operation of the reporting process and assesses the reliability of financial reporting. Management of financing and financial risks is one of the responsibilities of the Group's financial management. The Group applies the International Financial Reporting Standards (IFRS).

Monitoring and oversight

DNA earnings are monitored in monthly reporting, which is reviewed by the company's Executive Team and Board of Directors. Quarterly results are reviewed at meetings of the Executive Team and the Board of Directors. DNA also reports to the parent company of the Telenor Group, Telenor ASA.

Purpose and objectives of risk management

The purpose of risk management at DNA is to identify, assess and process all major foreseeable risks in an effective, proactive, and appropriate manner.

Risk refers to events or circumstances which, if they materialise, could affect DNA's ability to achieve its strategic targets or the operative targets derived from them. If they materialise, risk factors could affect the ability to achieve strategic and operational goals.

The identification and management of risk factors considers the special characteristics of DNA's business and operational environment.

Risk management process

As part of Telenor, DNA's risk management process is largely based on the ISO 31000 standard. The process is ongoing and continuous and is used throughout Telenor.

Monitoring, oversight, and reporting

Risk management reporting is integrated into the internal reporting of each business unit as well as their reporting

to the Telenor Group. Identified risks and responses are to be monitored, and Telenor must monitor both internal and external developments and conditions which may have an impact on the risk landscape.

Main areas of monitoring, oversight, and reporting:

- Monitoring any events and circumstances that could have an impact on the risk landscape
- Monitoring the status of identified risks and actions
- Reporting on the risk landscape to Group management.

Key risk management roles

Role of the Board of Directors of Telenor ASA

The Board of Directors of Telenor ASA monitors and guides Telenor's executive management by evaluating the acceptable level of risk and keeping up to date in terms of main risks. The Board evaluates whether Telenor's executive management has acted appropriately (in relation to the specified acceptable risk level) and provides feedback on this to the executive management.

Role of Telenor Group's CEO

Telenor Group's CEO (President and Chief Executive Officer) is responsible for Telenor's risk management by:

- Ensuring that the organisation's risk culture is positive
- Deciding on Telenor's main risk landscape and appropriate actions based on the feedback from business units and Group companies as well as Group functions
- Presenting the Group-wide risk framework to the Board of Directors twice a year with the Group Risk Forum and, when necessary, escalating decisions on risk management to the Board of Directors.

The role of the Group Enterprise Risk Management

Telenor's Group Enterprise Risk Management has a Group-wide focus. It develops, implements and maintains an advanced risk management framework, process and system throughout Telenor.

Roles of Group functions

Group functions are responsible for the Group-wide risk landscape in their respective area (e.g. security, regulation, legislation or taxation) and support the Business Units in the identification and assessment of risks in these areas.

The role of DNA's CEO

DNA's CEO has the ownership responsibility for DNA's risk management:

- Ensuring the presence of a positive risk culture within the Business Unit ("tone at the top")
- Providing leadership and direction to the management and monitoring DNA's overall risk activities in relation to Telenor's risk appetite
- Deciding DNA's top risks and appropriate actions based on input from management, DNA's risk manager and subject matter experts
- Reporting DNA's top risk landscape to the Group quarterly through the Quarterly Financial Review process.

The role of DNA's risk manager

The responsibilities of DNA's risk manager include raising awareness of risks, participating in discussions about risks and keeping the risk register up to date. DNA's risk manager is a member of the risk community headed by Telenor's Group Enterprise Risk Management and contributes to the further development of DNA's risk community.

Principles of internal control

Internal control is a process approved by DNA's Board of Directors to enhance risk management in DNA Group regarding risks that threaten the company's goals and business. A further objective is to identify, analyse, and monitor business-related risks. The Board of Directors has confirmed the principles of internal control, which are based on recognised international principles of good internal control.

The CEO and the Board of Directors are responsible for DNA's internal control and for ensuring that it is appropriate in relation to operational risks.

The company has a separate compliance programme related to competition law.

Internal audit

The Group's internal audit supports the CEO, the Board of Directors, and the operative management in their control-related duties. Internal audit has been established by Telenor's Board of Directors, and the functions and principles of the company's internal audit have been defined in the Internal Audit Charter confirmed by Telenor's Board of Directors. Internal audit's sphere of duties covers the DNA Group.

Internal audit is independent of the Group companies and their management. Governance of internal audit is the responsibility of the Senior Vice President, Corporate Affairs, who is a member of the Executive Team. Internal audit has direct and unlimited access to the senior management and Board of Directors of the company, and issues regular reports to the Board. Internal audit carries out its duties in accordance with an operational plan approved by the Board of Directors. When required, internal audit performs additional checks at its own

initiative or that of the Board of Directors. Internal audit communicates with DNA's Board of Directors and external audit to ensure the efficient coordination of auditing activities.

Internal audit reports on the results of the audit to the management of the audited business area, the CEO, the Executive Team and the Board of Directors. The Board of Directors confirms decisions on the appointment and dismissal of the person in charge of internal auditing.

Internal audit complies with the international standards for the professional practice of internal auditing and the ethical principles and practical instructions of the Institute of Internal Auditors (IIA) in its work.

Auditing of the Accounts

The company's financial period is the calendar year. Under the Articles of Association, the company has one auditor, who is nominated by the Annual General Meeting. The auditor must be an audit firm, and the principal auditor must be an Authorised Public Accountant. The auditor is elected at the General Meeting for a term of one financial period covering the year of election. The auditor's mandate expires at the end of the following Annual General Meeting. The auditor shall present the company's shareholders with an auditors' report as part of the financial statements as required by law. The auditor reports regularly to the Audit Committee and the Board of Directors.

Auditing of the Accounts in 2021

In 2021, DNA's auditor was Ernst & Young Oy, with Terhi Mäkinen, Authorised Public Accountant, acting as the principal auditor.



Board of Directors' Report and Financial statements 2021

Index

53	BOARD OF DIRECTORS' REPORT 2021	72	FINANCIAL STATEMENTS 2021	109	28 Trade and other payables
53	Operating environment		IFRS-consolidated financial statements	109	29 Fair value of borrowings
53	Regulation	73	Consolidated income statement	110	30 Lease agreements
54	Total revenues and result	74	Consolidated statement of financial position	111	31 Guarantees and contingent liabilities
56	Cash flow and financial position	75	Consolidated statement of cash flows	112	32 Related party transactions
57	Development per business segment	76	Consolidated statement of changes in equity		
59	Capital expenditure		Notes to the consolidated financial statements		Parent company financial statements
60	Network infrastructure and new technologies	77	Notes to the consolidated financial statements	114	Parent company income statement, FAS
61	Personnel	77	1 General information	115	Parent company balance sheet, FAS
62	Management and governance and significant litigation matters	77	2 Accounting principles	117	Parent company cash flow statement, FAS
63	Shares and shareholders	87	3 Financial risk management	118	Parent company accounting principles, FAS
63	EU Taxonomy and DNA: Climate mitigation and action	90	4 Segment information		Notes to parent company financial statements
64	Report on non-financial information	91	5 Revenue from contracts with customers	119	1 Net sales
66	Near-term risks and uncertainties	93	6 Other operating income	119	2 Depreciation and amortisation
67	Market outlook for 2022	93	7 Other operating expenses	119	3 Other operating expenses
67	DNA's guidance for 2022	93	8 Depreciation, amortisation and impairment	120	4 Finance income and expense
67	Events after the financial period	94	9 Employment benefit expenses	120	5 Appropriations
68	Group key financial figures	94	10 Finance income	120	6 Income tax
68	Reconciliation of comparable key figures	94	11 Finance expense	121	7 Intangible assets and property, plant and equipment
69	Cash flow and financial key figures	95	12 Income tax expense	123	8 Investments
69	Per-share key figures	95	13 Earnings per share	124	9 Receivables from Group companies
69	Key operative indicators	96	14 Property, plant and equipment	124	10 Deferred tax liability/asset
70	Calculation of key figures	97	15 Intangible assets and impairment testing	124	11 Prepaid expenses
		100	16 Investments in associates	125	12 Equity
		101	17 Other investments	125	13 Provisions
		101	18 Trade and other receivables	125	14 Non-current liabilities
		102	19 Deferred tax assets and liabilities	126	15 Liabilities to Group companies
		103	20 Inventories	126	16 Accrued expenses
		103	21 Cash and cash equivalents	126	17 Pledged assets and contingent liabilities
		103	22 Equity	127	18 Related party transactions
		104	23 Share-based payments	128	Signatures of the annual report and financial statements
		104	24 Employment benefit obligations	128	Auditors' note
		107	25 Provisions	129	Auditors' report
		108	26 Borrowings	133	Auditor's ESEF assurance report
		108	27 Net debt		

Board of Directors' Report 2021

DNA is a Finnish telecommunications group providing high-quality voice, data and TV services for communication, entertainment and work. Our mission is to provide products and services that make our private and corporate customers' lives uncomplicated. As a telecommunications operator, DNA plays a significant role in society by providing important communication connections and by enabling digital development.

On 3 February 2020, Norwegian telecommunications group Telenor gained title to all outstanding shares in DNA and the DNA shares was delisted from Nasdaq Helsinki. Due to delisting, DNA is not subject to reporting obligations as an issuer of shares as set out in the Finnish Securities Markets Act. However, DNA is still subject to reporting obligations as an issuer of the senior unsecured fixed rate notes that are due in 2025 (ISIN: FI4000312095) listed in Nasdaq Helsinki stock exchange.

Unless otherwise stated, the comparison figures in brackets refer to corresponding year, 2020.

Operating environment

In 2021, the Finnish telecommunications market remained characterised by tough competition between established operators. By the end of the year, the COVID-19 pandemic had been going on for almost two years. The immediate financial impact for DNA's business, however, has diminished during 2021.

At the end of 2021, DNA's 5G services were available in nearly 140 residential areas, reaching 3.5 million people. In other words, 64% of Finns now live in the network area. Population coverage of 5G increased significantly with the activation of the 700 MHz frequency band for 5G use. It carries a lot further than the 3.5 GHz frequency band, which was the only frequency band used in 5G networks for a long time. Rapid construction of the network continues, and we will continue to improve the capacity of our 4G network parallel to the upgrade to 5G. In addition to mobile use, 5G enables fast broadband connections also in single-family house areas where the construction of fibre is very expensive or impossible. In cities and densely populated areas, connections will be built with fixed fibre.

Consumers were interested in solutions that made their everyday lives easier in 2021. DNA introduced a new device, "DNA Hubi", which aims for further improving customer experience. Based on an open ecosystem, the device provides an easy and convenient way to watch entertainment in one place. DNA also launched the "DNA Multi-SIM" service in 2021, which boosted the sales of smartwatches with eSIM cards by 50% from 2020 as consumers were keen to use the convenient solution.

The need for strong data security and data protection gained even more importance in 2021, and there was more public discussion on the subject. The purpose of data security at DNA is to protect DNA's service quality, customers, personnel, reputation as well as DNA's trademark and brand name. DNA's information security offering grew significantly in 2021, and sales of these services increased by nearly 30% from 2020.

Regulation

The revised Finnish Act on Electronic Communications Services entered into force on 1 January 2021. The amended Act adopts the EU requirements on electronic communications and audiovisual media services and measures included in the common toolbox to protect critical parts of the communications network related to the security of the EU's 5G networks. A new advisory board for network security was set up to monitor the security of communications networks. The advisory board consists of representatives of key authorities from different administrative branches and the telecom industry.

Finland started the review of national must-carry obligations towards the end of 2021. The EU is also planning several projects to revise regulations related to DNA's industry in areas such as the joint construction of broadband networks, data protection of electronic services, artificial intelligence, network security and the provision and markets of digital services.

Changes related to regulation and decisions of authorities may have significant impacts on DNA's business.

Total revenues and result

Consolidated key figures

EUR million	1–12/2021	1–12/2020	Change, %
Total revenues ¹⁾	956	932	3
EBITDA ^{1) 2)}	359	333	8
% of total revenues	38	36	
Operating result	154	151	2
% of total revenues	16	16	
Net result for the period	118	115	3

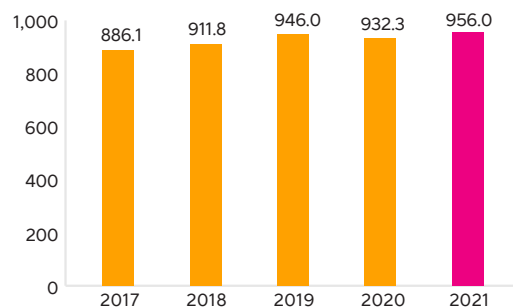
1) Total revenues and EBITDA before other income and expenses differ from those previously reported for 2020 due to the transition to Telenor's reporting method. This is a classification difference of EUR 2 million in 2020.

2) DNA reassessed the duration of short-term leases in the autumn of 2020 based on the new owner and new long-term forecast. The effect of the reassessment on EBITDA was EUR 15 million in 2021.

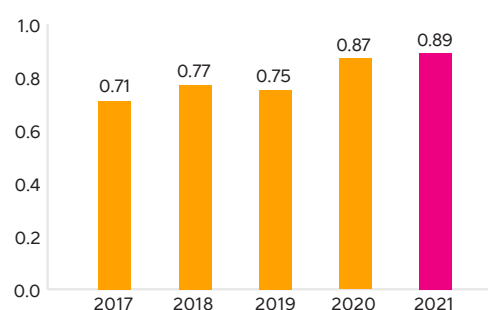
DNA's total revenues for January–December increased 3% and amounted to EUR 956 million (932). Mobile revenues increased 2% and amounted to EUR 565 million (552). 76% (76) of total revenues was generated by consumer business and 24% (24) by corporate business.

EBITDA increased 8% year-on-year and amounted to EUR 359 million (333), or 38% of total revenues (36). Operating result increased 2% and was EUR 154 million (151). Operating result as a percentage of total revenues was 16% (16). Net result for the period increased 3% and was EUR 118 million (115).

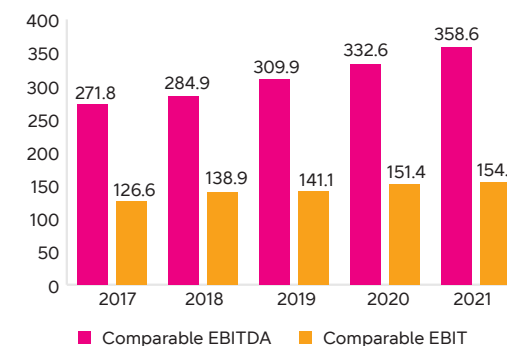
Net sales, EUR million



Earnings per share, EUR



Comparable EBITDA and comparable EBIT, EUR million

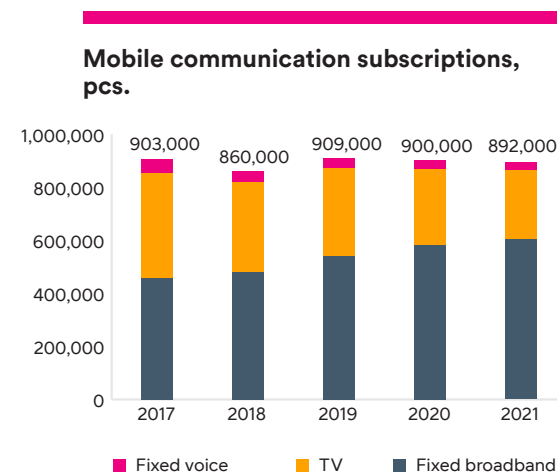
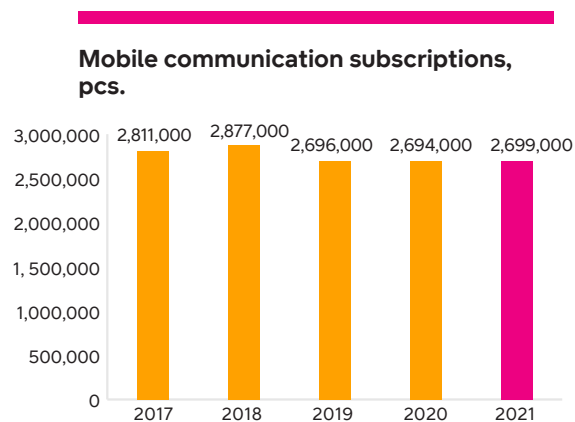


Key operative indicators

	1–12/2021	1–12/2020	Change, %
Number of mobile subscriptions at end of period	2,699,000	2,694,000	0
average revenue per user (ARPU) ¹⁾ , EUR	17.1	16.8	2
Number of fixed subscriptions at end of period	892,000	900,000	-1

1) ARPU = Monthly mobile revenues (company's subscriptions) and traffic revenues + interconnection / average number of subscriptions

DNA's mobile subscription base increased by 5,000 subscriptions from 2020. Average revenue per user (ARPU) was EUR 17.1 (16.8). DNA's fixed subscription base decreased by 9,000 but the number of broadband subscriptions grew by 19,000.



Cash flow and financial position

Cash flow and financial key figures

EUR million	1-12/2021	1-12/2020	Change, %
Cash flow after investing activities ¹⁾	174	105	65

EUR million	1-12/2021	1-12/2020	Change, %
Net debt ¹⁾	492	619	-21
Net debt/EBITDA ¹⁾	1,4	1,9	
Net gearing ¹⁾ , %	64	94	
Equity ratio, %	47	41	

1) The figures for 2020 differ from those previously reported due to classification changes introduced in 2021, with particular impact on the comparison of changes in working capital.

Cash flow after investing activities in 2021 was EUR 174 million (105). Cash flow was impacted, for example, by an increase in trade payables and lower level of investment activities.

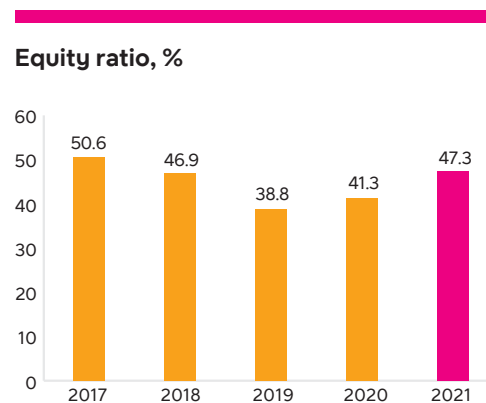
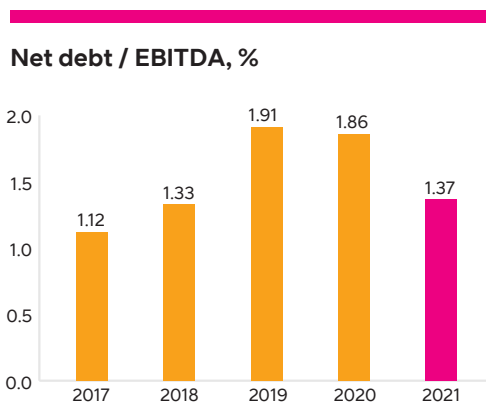
At the end of 2021, DNA had a EUR 195 million internal revolving credit facility, of which EUR 130 million (90) remained undrawn, and a 45 million (51) Group overdraft.

Net gearing decreased and was 64% (94) at the end of the year. Net gearing was impacted by payment of borrowings.

DNA's liquidity is at a healthy level. The Group's liquid assets amounted to EUR 11 million (8). Net debt was EUR 492 million (619). The Group's liquid assets and undrawn committed credit facilities amounted in total to EUR 186 million (144). In addition to liquid assets, DNA has cash pool receivables of EUR 28 million (24).

Changes in working capital had an EUR 2 million positive (EUR 6 million negative) impact on cash flow in the whole of 2021. The decrease in working capital was mainly due to increased trade payables.

DNA has a strong balance sheet. The net debt/EBITDA ratio was 1.4 (1.9) at the end of 2021. DNA's equity ratio at the end of the year was 47% (41).



Development per business segment

Consumer business

EUR million	1–12/2021	1–12/2020	Change, %
Total revenues ¹⁾	727	707	3
EBITDA ^{1) 2)}	279	258	8
% of total revenues	38	37	
Operating result	147	137	8
% of total revenues	20	19	

1) Total revenues and EBITDA before other income and expenses differ from those previously reported for 2020 due to the transition to Telenor's reporting method. This is a classification difference of EUR 2 million in 2020.

2) DNA reassessed the duration of short-term leases in the autumn of 2020 based on the new owner and new long-term forecast. The effect of the reassessment on EBITDA was EUR 11 million in 2021.

Consumer business total revenues increased and came to EUR 727 million (707). EBITDA increased and was EUR 279 million (258). The EBITDA percentage of total revenues was 38% (37). Consumer business operating result increased and was EUR 147 million (137), or 20% of consumer business total revenues (19).

While fast and reliable connections gained in importance in 2021, the year also marked the breakthrough of 5G phones and subscriptions as well as more user-friendly solutions and data security services.

Services of DNA's mobile and fixed networks became more important for consumers in the increasingly digital society, while the continued expansion of DNA's

fast 5G network boosted the sales of 5G phones and subscriptions. The sales of 5G phones using fifth generation data connections increased four-fold in 2021. The high quality and reliability of the network helped DNA become the leader of the fixed-network broadband market, after which the lead has increased¹⁾.

DNA introduced a new device, "DNA Hubi", which aims for further improving customer experience. Based on an open ecosystem, the device provides an easy and convenient way to watch entertainment in one place.

DNA also launched the "DNA Multi-SIM" service in 2021, which boosted the sales of smartwatches with eSIM cards by 50% from 2020 as consumers were keen to use

the convenient solution. With smartwatches, it is possible to receive messages and phone calls without the phone.

DNA's long-running commitment to reliability and security has enabled us to provide secure digital services for our customers. In 2021, consumers also realized the importance of information security. DNA's information security offering grew significantly in 2021, and sales of these services increased by nearly 30% from 2020.

1) Source: Fixed broadband subscriptions reported in the interim reports of the largest broadband operators in Finland, Q1/2021 (DNA: 591,000, Elisa 567,000 and Telia 470,000) and Q3/2021 (DNA: 601,000, Elisa: 562,000 and Telia 472,000).

Corporate business

EUR million	1–12/2021	1–12/2020	Change, %
Total revenues	228	225	2
EBITDA ¹⁾	79	74	7
% of total revenues	35	33	
Operating result	7	14	–53
% of total revenues	3	6	

1) DNA reassessed the duration of short-term leases in the autumn of 2020 based on the new owner and new long-term forecast. The effect of the reassessment on EBITDA was EUR 4 million in 2021.

Corporate business total revenues increased and came to EUR 228 million (225). EBITDA also increased and was EUR 79 million (74). EBITDA percentage of total revenues was 35% (33). Corporate business operating result decreased and was EUR 7 million (14), or 3% of corporate business total revenues (6).

Systematic development of corporate business continued in 2021 in order to provide streamlined

services to corporate customers of all sizes through different channels. The functions of DNA's self-service and digital channels were expanded further.

In July, DNA and the City of Espoo announced that DNA was chosen as the become Espoo's main provider of telecommunications services. DNA has been a supplier of telecommunications services to the City of Espoo for several years, and the cooperation will expand and

deepen with the new agreement, which includes a jointly agreed service management model in addition to telecommunications equipment and subscriptions.

The demand for international corporate network solutions, or SD-WAN solutions, remained strong and corporate business gained many new SD-WAN clients, such as Ropo Capital.

Capital expenditure

EUR million	1-12/2021	1-12/2020	Change, %
Consumer business	126	185	-32
Corporate business	65	123	-47
Total capital expenditure¹⁾	191	308	-38

Capital expenditure comprises additions to property, plant and equipment, and intangible assets, excluding business acquisitions and asset retirement obligations.

EUR million	1-12/2021	1-12/2020	Change, %
Operative capital expenditure ²⁾	160	171	-6
% of total revenues	17	18	
Lease investments (IFRS 16) ³⁾	31	137	-77
Total capital expenditure¹⁾	191	308	-38

1) Capex no longer includes frequency payments. In the future, DNA reports the acquisition cost of a new frequency as an investment at the time of acquisition.

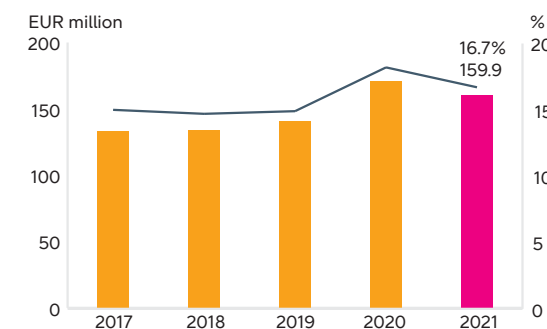
2) Operative capital expenditure is reported capital expenditure excluding annual cash instalments for capitalised spectrum licences and lease investments (IFRS 16).

3) DNA reassessed the duration of short-term leases in the autumn of 2020 based on the new owner and new long-term forecast. The effect of the reassessment on the balance sheet was EUR 121 million in 2020.

In 2021, capital expenditure decreased 38% to EUR 191 million (308). Operative capital expenditure also decreased year-on-year and amounted to EUR 160 million (171), or 17% of total revenues (18).

The most significant individual capital expenditures in 2021 consisted of radio network capacity expansion and development, the building of 5G network and fibre optic networks and transmission systems.

Operative Capex, EUR million and Operative Capex, % of net sales



Network infrastructure and new technologies

DNA continues to make strong investments in mobile and fixed network infrastructure to keep providing high-quality connections to support the growing use of devices and digital services. At the end of 2021, DNA's 5G services were available in nearly 140 residential areas, reaching 3.5 million people. In other words, 64% of Finns now live in the network area.

We will continue to improve the capacity of our 4G network parallel to the 5G investments, and DNA's 4G network now reaches nearly 100% of the population in mainland Finland. As a result, data speeds in the 4G network have improved despite the growth of traffic volumes. DNA's mobile network supports NB-IoT and LTE-M technologies, which makes it possible to provide advanced M2M services.

At the end of January 2021, it was reported that DNA Plc and Telia Finland Oyj had agreed to expand their existing cooperation in the construction of a mobile network. The network area will be expanded further towards the inland of Finland. Since 2015, Suomen Yhteisverkko Oy (Finnish Shared Network) has been building a mobile network on behalf of the two companies in Eastern and Northern Finland. During 2021, the 5G upgrade construction was started, and the 5G service area will expand considerably during 2022.

DNA announced in 2021 that it will replace its remaining copper-based networks in Finland with modern solutions by 2025. The network will be fully replaced during 2025 at the latest. The work will be carried out in stages in municipalities where DNA provides services that use the copper-based network. There are several dozen municipalities, and DNA will contact users of the copper-based network to help in the transition to a replacement service.

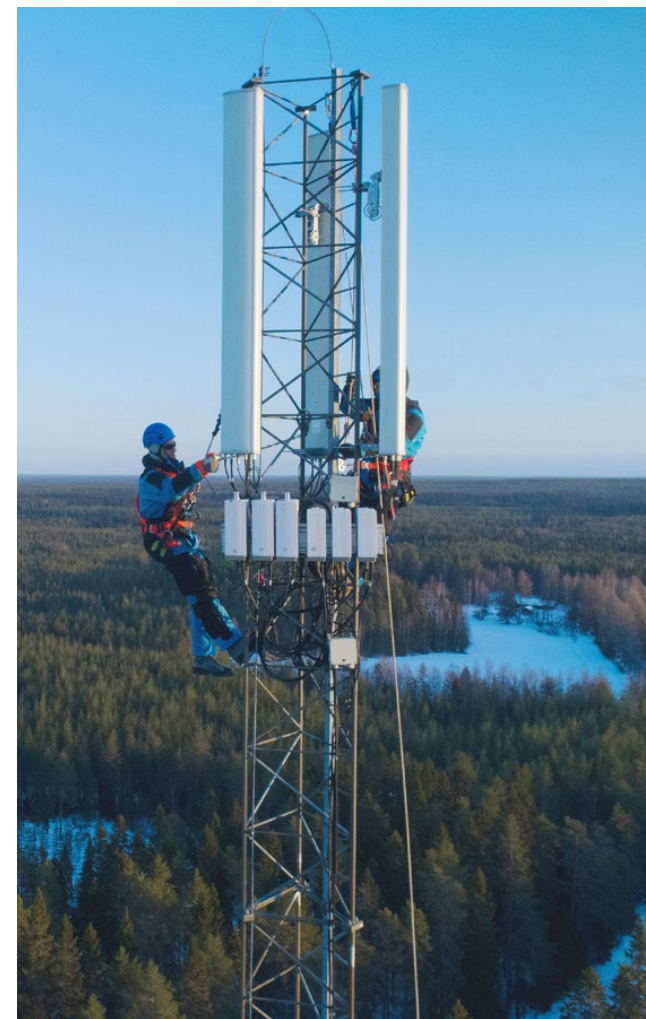
DNA announced in August that it will shut down its 3G network by the end of 2023. A particularly important factor contributing to DNA's decision is the desire to enable a better customer experience by updating technology. With the shutdown, frequencies and resources will be freed up for 4G and 5G connections and other new technologies. The shutdown will not generally require any action from the customers, such as buying a new phone, as almost all devices in DNA's network already utilise 4G and 5G networks.

DNA's subsidiary DNA Tower Finland Ltd started operations on 1 October 2021, tasked with the responsibility for the management of DNA's small equipment facilities. The company manages and leases small equipment facilities and masts to its parent company DNA and other customers.

At the end of 2021, all DNA 5G base stations were connected to a standalone 5G core network. Customers will be able to start using the services of the standalone network gradually during 2022. Until now, 5G technology has relied on the 4G core network, but the standalone (SA) 5G networks marks the next step in 5G. The solution operates independently of the 4G network and enables the 5G technology to be fully utilised.

According to the data transfer speed comparison published in December by Omnitel¹⁾, the data transfer speed of DNA's mobile network is the best by a large margin in the cities of Helsinki, Espoo and Vantaa, as well as the economic districts of Tampere and Turku. In October–December 2021, DNA's total average mobile data usage per subscription was already 43.3 GB/month/subscription (38.9). Growth compared to the comparison period was 11%.

1) Source: Omnitel's study on data transfer speeds in mobile networks, 11/2021. The study was carried out in the following twelve cities in Finland: Helsinki, Espoo, Vantaa, Turku, Naantali, Raisio, Kaarina, Tampere, Pirkkala, Nokia, Ylöjärvi and Kangasala. DNA's mobile subscription reached the highest average download speed in all of them. The results are presented as averages for each area. The data transfer speeds and



ranking of the operators varied between locations within each area. The study was carried out with the operators' fastest 5G consumer subscriptions and smartphones with 5G. The full report (in Finnish) is available at https://www.dna.fi/documents/753910/5166098/mobiliverkkojen_tiedonsiirtonopeuksien_vertailu+2021.pdf/a0ecaf02-b0d0-75a9-e234-c339de7f19d2

Personnel

Personnel by business segment

	31 Dec 2021	31 Dec 2020	Change, %
Consumer business	898	899	0
Corporate business	706	710	-1
Total personnel	1,604	1,609	0

At the end of 2021, DNA Group had 1,604 employees (1,609), of whom 621 were women (616) and 983 men (993). Salaries and employee benefit expenses paid during the year amounted to EUR 117 million (2020: 113, 2019: 113).

Promotion of family-friendly practices was one of DNA's main areas of development as an employer in 2021. For some, these practices allow more time with friends, while others feel that they bring flexibility into working life for the needs of children or parents. At DNA, we believe that

unique families are the power source of everyday life.

A flexible and uncomplicated way of working, regardless of place and time, has been one of DNA's success stories since 2012. However, no one was prepared for the full-flexed remote working caused by the coronavirus pandemic. DNA announced in June that the lessons of the exceptional year are being used to take the flexible work culture even further. Among other things, this means that DNA's personnel do not have to return to the office after the pandemic. Instead, DNA will focus on identifying ways to support their work broadly also outside the office environment. This decision was made based on the feedback from personnel. As the COVID-19 situation deteriorated towards the end of 2021, it seems

safe to say that this was the right decision.

For years, DNA has also understood that only a tolerant, non-discriminatory and inclusive work culture can best promote customer needs and guarantee an excellent workplace. DNA published its diversity goals in June 2021 to promote diversity at DNA, and the first challenge is gender equality. At the time, women held 31% of executive positions and 22% of managerial positions. DNA aims to increase both to at least 35% by 2023.

In November, DNA and the children's rights organisation Plan International Finland announced that they will start promoting digital inclusion and diversity in their new joint project. DNA's main objectives for the cooperation include increasing diversity in its own operations and providing young people with an immigrant background the opportunity to explore the ICT sector as a workplace.

Management and governance and significant litigation matters

Significant litigation matters

On 26 October 2021, Finnish transport and communications regulator Traficom directed DNA to improve its mobile network coverage along roadways 9704 and 9553. Sufficient mobile network coverage must be in place by 31 December 2022.

Management and governance

DNA Plc has a line organisation comprising of Consumer Business, Corporate Business, Technology, and Information Management and IT units, as well as support functions.

At the end of the year, DNA's Executive Team comprised CEO Jussi Tolvanen, CFO Maria Strömberg, Senior Vice President, Consumer Business Pekka Väisänen, Senior Vice President, Corporate Business Olli Sirkka, Senior Vice President, Technology Ville Virtanen, Senior Vice President, Human Resources Marko Rissanen, Senior Vice President, Corporate Affairs Asta Rantanen, CIO Janne Aalto and former Senior Vice President, Strategy Christoffer von Schantz, who took over as Vice President of DNA's broadband and TV business starting from 22 November.

On 12 November 2021, DNA announced that Christoffer von Schantz, Senior Vice President, Strategy and a member of the Executive Team, was appointed Vice President of DNA's broadband and TV business starting from 22 November 2021. He left the Executive Team by the end of the year. New SVP, Strategy is yet to be appointed.

Decisions of DNA's Annual and Extraordinary General Meeting

DNA's Annual General Meeting was held in Helsinki on 26 March 2021. The Annual General Meeting (AGM) adopted the consolidated financial statements and parent company financial statements for the financial year 1 January – 31 December 2020. It was noted that the Board of Directors had proposed to the Annual General Meeting that the company pays no dividend for the financial year 2020 and that the net profit for 2020 is allocated to retained earnings. The AGM decided to approve the proposal concerning the use of distributable funds shown on the balance sheet. The AGM also decided to discharge the Members of the Board of Directors and the CEO from liability for the financial year 1 January – 31 December 2020.

It was decided that the number of the Members of the Board of Directors will be six. The AGM decided to elect Sigve Brekke as the Chairman of the Board of Directors and the following people as Members of the Board of Directors: Birgitte Engebretsen, Gaute Simen Gravir, Nils Katla, Håvard Naustdal and Trine Rønningen. The members of the board are independent of the company but non-independent of Telenor Group. The Board Members who are not independent of Telenor Group shall not be paid remuneration.

The AGM decided to elect Authorised Public Accountants Ernst & Young as the company's auditor. APA Terhi Mäkinen will act as the principal auditor.

DNA's Extraordinary General Meeting held on Monday, October 11, 2021, decided to elect the following persons as members of the Board of Directors: Jukka Leinonen, Birgitte Engebretsen, Gaute Simen Gravir, Nils Katla,

Håvard Naustdal and Trine Rønningen. The members of the board are independent of the company but non-independent of Telenor Group. The Board Members who are not independent of Telenor Group shall not be paid remuneration.

Jukka Leinonen was elected Chair of the Board of Directors.

Board of Directors in 2021

From 1 January to 26 March 2021, Jørgen C. Arentz Rostrup was the Chair and members were Anni Ronkainen, Kirsi Sormunen, Tero Ojanperä, Ulrika Steg, Fredric Scott Brown and Nils Katla.

The Annual General Meeting held on March 26, 2021, decided to elect the following persons as members of the Board of Directors: Sigve Brekke, Birgitte Engebretsen, Gaute Simen Gravir, Nils Katla, Håvard Naustdal and Trine Rønningen. Sigve Brekke was elected Chair of the Board of Directors.

DNA's Extraordinary General Meeting held on Monday, October 11, 2021, decided to elect the following persons as members of the Board of Directors: Jukka Leinonen, Birgitte Engebretsen, Gaute Simen Gravir, Nils Katla, Håvard Naustdal and Trine Rønningen. Jukka Leinonen was elected Chair of the Board of Directors.

The Board convened 12 times in 2021.

Board committees

In 2021, DNA's Board of Directors did not have any committees elected.

Shares and shareholders

Shares

DNA's shares were delisted from Nasdaq Helsinki on 3 February 2020.

On 31 December 2021, DNA's shares totalled 132,303,500 (132,303,500) and the share capital registered in the Finnish Trade Register amounted to EUR 72,702,225.65 (EUR 72,702,225.65). At the end of December, DNA held 121,316 treasury shares.

Members of DNA's Executive team or Board of Directors did not have any holdings of DNA shares on 31 December 2021.

Sustainability

DNA's approach to sustainability is guided by the sustainability program and its five main areas: digital inclusion, being a great place to work, climate-friendly operations, reliable data security and privacy, and good governance. DNA's corporate responsibility objectives are specified in the strategy. DNA has assessed corporate responsibility risks as part of the Group's overall risk management process.

DNA's sustainability objectives and measures are described in a separate sustainability report according to the Global Reporting Initiative (GRI) reporting model. The report is published annually with DNA's Annual Report.

EU Taxonomy and DNA: Climate mitigation and action

DNA is closely following the development of the EU Taxonomy Regulation 2020/852. We have made our first assessment of the extent to which our activities are in line with EU taxonomy when it comes to climate mitigation and adaptation.

Currently, most telecom operations are not covered by the taxonomies. However, the Taxonomy Climate Delegated Act is still an evolving document that is constantly adding new functionality to its scope.

DNA came to its result by first going through the list provided by the EU Taxonomy Compass, and marking potential areas for its business. After this the potential areas were confirmed together with business controlling function. Final results were established together with the business owner.

	Total (EUR million)	Eligible (EUR million)	Eligible %	Non-eligible %
Total revenues ¹⁾	956.0	0.1	0.01	99.99
Capital expenditure ²⁾	191.3	0.1	0.05	99.95
Operational expenses ³⁾	288.7	2.1	0.73	99.27

1) Total revenues according to the financial statements 2021.

2) Investments in tangible and intangible assets according to the financial statements 2021.

3) Maintenance and rental expenses as well as other expenses that describe the expenses necessary to ensure the continued and effective functioning of property, plant and equipment, as reported in other operating expenses of the financial statements 2021.

EU Taxonomy economic activity

Climate mitigation 8.2, Data-driven solutions for GHG emissions reductions

Climate mitigation 8.2, Data-driven solutions for GHG emissions reductions

Company products/technologies/services

Wattinen reduces the heating energy consumption of apartment buildings. Homes always have a suitable temperature during the heating season, energy is saved and residents only have to give up old thermostats. In addition, the investment in heating control with Wattinen made by the housing association is compensation neutral. Wattinen also helps in balancing the heating and planning the housing association's geothermal project.

Power Star for Radio Networks: RAN equipment that is part of equipment related energy consumption reduction. Utilizing software features to reduce energy consumption.

Report on non-financial information

Business model description

DNA plays a significant role in society by providing important communication connections and maintaining infrastructure that is critical to the operation of society.

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.

In terms of corporate responsibility, the main areas include the provision of comprehensive high-quality connections to customers, satisfied and productive personnel, mitigation of the environmental impact of DNA's business and greenhouse gas emissions in particular, and responsible business practices and good governance.

Social responsibility and employee-related factors

One of DNA's strategic objectives is being a great place to work. Satisfied, motivated, and qualified employees are a crucial foundation for DNA's ability to provide the best customer experience on the market.

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

One of DNA's strategic objectives is being a great place to work. DNA places special emphasis on personnel development with the aim of having every task performed by a dedicated and qualified person. Any risks related to the availability of competent personnel are reviewed as part of the Group's risk management process.

Respect for human rights

DNA operates in Finland, where the risk of human rights violations is relatively low. However, human rights issues are substantial in all its operations, and they are especially relevant in the supply chain. In the case of mobile devices for example, some suppliers operate in countries that involve human rights risks. Corporate responsibility risks of DNA's most significant suppliers are assessed, and their responsibility performance is evaluated annually. In 2021, DNA also conducted its first human rights assessment.

DNA's Supplier Code of Conduct is added to all new supplier agreements and also applies to the suppliers' subcontractors. According to the Supplier Code of Conduct, the suppliers undertake to comply with the internationally recognised human rights as set out in the United Nations Universal Declaration of Human Rights, the basic international labour rights as set out in the basic conventions of the International Labour Organization (ILO), and all laws and official regulations in all countries where they operate.

There were no human rights violations related to DNA's own activities in 2021.

Any risks related to the supply chain and human rights violations are reviewed as part of the Group's risk management process.

Environmental responsibility

The main environmental impact of DNA's business is related to greenhouse gas emissions. In 2020, DNA joined Telenor and its climate ambitions. With Telenor's other Nordic operations, DNA aims to have carbon-neutral business operations by 2030.

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. The implementation of 5G technology in the coming years will improve relative efficiency further even if total energy consumption increases.

In 2021, indirect emissions from DNA energy consumption (Scope 2, market-based) were 9,625 tonnes (13,870), which is about 30% less than last year. Although DNA's electricity consumption increased, its emissions decreased thanks to energy-efficient solutions that replace old technology. In addition, DNA has invested in the use of renewable energy and the development of energy efficiency in the radio network.

In 2021, DNA created an environmental management system in accordance with the ISO 14001 standard. As part of the Group's risk management process, DNA has identified possible physical risks related to climate change, such as the impact of weather extremes on networks. Furthermore, DNA has identified possible political and regulatory risks related to the transition to a low-carbon society as well as any risks and opportunities related to consumer behaviour. Mitigation practices have been specified for the identified risks.

Anti-corruption and anti-bribery

DNA has zero-tolerance of corruption and bribery: Telenor's Code of Conduct bans any corruption. Every DNA employee is required to attend Telenor's Code of Conduct training. By the end of 2021, 100% 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. DNA enforces a Supplier Code of Conduct which is appended to its agreements with suppliers and subcontractors. Its requirements include combating corruption and bribery. 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 2021.

Near-term risks and uncertainties

Strategic and operative risks

The Finnish telecommunications market is characterised by tough competition between established operators, and a high degree of penetration of telecommunications solutions.

The COVID-19 pandemic may still have direct or indirect negative impacts on areas such as the health of DNA's employees or DNA's subcontractors' employees and DNA's service reliability. The negative effects of the pandemic on the Finnish economy may reduce demand for DNA's services.

International players have a strong presence in the competitive environment of TV and entertainment services. DNA's competitors include traditional operators as well as OTT (over-the-top) service providers that deliver content over the Internet to mobile devices. The role of media companies' own distribution channels and services is also becoming more important.

The nature of DNA's operations and customer requirements place high demands on DNA's information systems and network infrastructure. DNA's business is capital-intensive, and continuous maintenance and improvement of the Group's network infrastructure is essentially linked to its success.

DNA makes significant investments in high-quality data systems and data analytics tools to deepen customer understanding and to create a good omnichannel customer experience. DNA's business operations are dependent on information systems, which involve several interconnected risks but also provide business-critical opportunities for utilising data.

Cyber security risks have increased significantly over the last few years with digitalisation and more widespread use of digital networks and services. The role of information security, data security, and high operational network reliability are expected to gain in importance in the future.

Uncertainty in global trade policies may have an impact on DNA's subcontractors and partners and their product availability, service quality, and reliability, as well as DNA's customers' behaviour.

Regulatory risks

Both national and EU regulations have a significant impact on the operation of the telecommunications market in Finland. Regulatory influence on areas such as the price level of DNA's products and services, wholesale products that DNA procures from other operators, critical network components and the criteria used for distributing frequencies may have a significant impact on DNA's business.

Financing risks

In order to manage the interest rate risk, the Group's borrowings have been spread between fixed- and variable-rate instruments. In order to manage liquidity risk, in addition to liquid assets the Group uses credit limits. To manage customer credit risk, the credit history of new customers is checked as part of the ordering process. The Group's foreign interest risk is insignificant, since the majority of its cash flow is euro denominated.

Damage risk

In anticipation of possible unforeseen damage risks, DNA has continuous insurance policies covering aspects of its operations, including personnel, property, business interruption, third-party liability, and criminal action. There is specific insurance in place for cyber damage risks. Damage risks are prevented and minimised by means such as security guidelines and personnel training.

Market outlook for 2022

According to the Bank of Finland, the Finnish economy has recovered rapidly in 2021 from the deep recession caused by the COVID-19 crisis. The Bank of Finland forecasts that the Finnish economy will continue to grow in 2022, although global disruptions in supply chains and component availability, as well as high raw material prices, will slow down growth and accelerate inflation in Finland as well.

We expect the competitive situation to remain tight. The use of mobile data will continue to grow as people and businesses continue to use digital services and online video services. As a result, the demand for faster subscriptions is growing and data usage per subscription is increasing. The share of 5G subscriptions in DNA's mobile subscription base is expected to grow.

In the mobile communication network, the volume of SMS and voice traffic is expected to continue to fall. The decline of the market for fixed-network voice services is expected to continue predictably.

In the consumer market, demand for fast broadband subscriptions and entertainment services is expected to increase, driven in particular by the popularity of streaming and on-demand video services. The demand for traditional pay-TV services is expected to decline further.

Companies are increasingly migrating their applications to the cloud service environment to streamline operations, increasing demand for secured high-speed connections. The general digitalisation of services in the private and public sectors is creating a new digital business, in which the smooth operation of networks and the availability of services are key. The increased amount of remote work due to the corona pandemic is expected to remain well above pre-pandemic levels, which will continue to have a positive impact on the demand for digital services.

DNA's guidance for 2022

DNA will not issue guidance on its net sales and EBITDA for 2022. DNA expects competition to remain strong in 2022. Nonetheless, DNA's business is anticipated to develop favourably. DNA's financial position and liquidity are expected to remain at a healthy level.

The COVID-19 pandemic may have direct or indirect negative impacts on areas such as the health of DNA's employees or DNA's subcontractors' employees and DNA's service reliability.

Board of Directors' proposal on dividend payment

DNA Plc's distributable funds in the financial statements amount to EUR 295,968,754.29 of which profit for the financial year came to EUR 33,329,631.83.

The Board of Directors proposes to the Annual General Meeting that a dividend of EUR 1.52 per share will be distributed for the financial period ending 31 December 2021. Based on the number of shares on 31 December 2021, the total dividend to be paid comes to EUR 200,916,919.68. The Board proposes that the remaining profit be retained and carried further in the Group's non-restricted equity.

Events after the financial period

In its decision in February 2022, the Finnish Transport and Communications Agency has ruled that DNA Plc violates section 109 (5) of the Electronic Communications Services Act and order 46 K/2021 M 13 of the Finnish Transport and Communications Agency's regulation on telephone number portability by requiring their consumer customers to separately allow the contract information inspection service for telephone subscriptions. DNA has appealed the decision to the administrative court. The case is pending.

DNA responded to the Finnish Competition and Consumer Authority's request for clarification on the area expansion of Finnish Shared Network (Suomen Yhteisverkko Oy) on 7 January 2022.

DNA Plc
Board of Directors

Group key financial figures

EUR million	2021	2020*	2019*	2018	2017
Net sales	956.0	932.3	946.0	911.8	886.1
EBITDA	358.6	332.6	305.6	284.9	271.8
% of net sales	37.5	35.7	32.3	31.2	30.7
Comparable EBITDA	358.6	332.6	309.9	284.9	271.8
% of net sales	37.5	35.7	32.8	31.2	30.7
Depreciation, amortisation and impairment	204.4	181.2	171.9	146.0	148.2
Operating result, EBIT	154.2	151.4	133.7	138.9	123.5
% of net sales	16.1	16.2	14.1	15.2	13.9
Comparable operating result, EBIT	154.2	151.4	141.1	138.9	126.6
% of net sales	16.1	16.2	14.9	15.2	14.3
Net result before tax	147.3	143.4	124.6	127.7	114.2
Net result for the period	117.7	114.8	98.8	102.2	93.1
Return on investment (ROI), %	12.1	12.5	12.1	14.1	13.1
Return on equity (ROE), %	16.5	19.0	17.1	16.4	15.5
Capital expenditure	191.3	307.9	158.7	138.3	144.0
Cash flow after investing activities	173.7	105.3	35.6	63.4	107.7
Net debt	491.7	619.5	584.1	379.3	304.3
Net debt/EBITDA	1.37	1.86	1.91	1.33	1.12
Net gearing, %	63.9	94.3	106.0	62.7	50.3
Equity ratio, %	47.3	41.3	38.8	46.9	50.6
Personnel at the end of period	1,604	1,609	1,624	1,590	1,601

* The calculation method of the key figures presented in this table differs from that of DNA's previous key figures. The figures in this table are presented the same way as the figures published by Telenor Group. The main changes concern the reclassification of spectrum acquisitions from intangible assets to right-of-use assets and the corresponding reclassification of spectrum licence liabilities from non-interest-bearing to interest-bearing borrowings, which has an impact on the presentation of net debt and cash flows. In addition, some receivables have been reclassified from non-current to current items, and certain items reclassified from current to non-current receivables. Figures for the reference periods have been adjusted accordingly.

Reconciliation of comparable key figures

EUR thousand	2021	2020*	2019*	2018	2017
EBITDA	358,591	332,613	305,575	284,921	271,772
Fair value opinion	-	-	1,683	-	-
Share based programme	-	-	1,572	-	-
Share based programme Bridge	-	-	878	-	-
Matching shares plan for personnel	-	-	157	-	-
Comparable EBITDA	358,591	332,613	309,865	284,921	271,772
Operating result	154,163	151,418	133,692	138,898	123,523
Write-off of other non-current assets	-	-	-	-	3,057
Fair value opinion	-	-	1,683	-	-
Share based programme	-	-	1,572	-	-
Share based programme Bridge	-	-	878	-	-
Matching shares plan for personnel	-	-	157	-	-
Write-off of terrestrial network	-	-	3,109	-	-
Comparable operating result	154,163	151,418	141,091	138,898	126,579

* The calculation method of the key figures presented in this table differs from that of DNA's previous key figures. The figures in this table are presented the same way as the figures published by Telenor Group. The main changes concern the reclassification of spectrum acquisitions from intangible assets to right-of-use assets and the corresponding reclassification of spectrum licence liabilities from non-interest-bearing to interest-bearing borrowings, which has an impact on the presentation of net debt and cash flows. In addition, some receivables have been reclassified from non-current to current items, and certain items reclassified from current to non-current receivables. Figures for the reference periods have been adjusted accordingly.

Cash flow and financial key figures

	2021	2020	2019	2018	2017
Cash flow after investing activities*, EUR million	173.7	105.3	35.6	63.4	107.7
Net debt*, EUR million	491.7	619.5	584.1	379.3	304.3
Net debt/EBITDA*	1.37	1.86	1.91	1.33	1.12
Net gearing*, %	63.9	94.3	106.0	62.7	50.3
Equity ratio, %	47.3	41.3	38.8	46.9	50.6

* The figures for the comparison periods 2019 and 2020 differ from those previously reported due to classification changes introduced in 2021, with particular impact on the comparison of changes in working capital.

Per-share key figures

	2021	2020	2019	2018	2017
Earnings per share, basic and diluted, EUR	0.89	0.87	0.75	0.77	0.71
Equity per share, EUR	5.82	4.97	4.17	4.58	4.58

Key operative indicators

	2021	2020	2019	2018	2017
Number of mobile communication network subscriptions at end of period*	2,699,000	2,694,000	2,696,000	2,877,000	2,811,000
Revenue per user (ARPU), EUR**	17.1	16.8	16.3	18.7	18.4
Number of fixed line subscriptions at end of period***	892,000	900,000	909,000	860,000	903,000

* Mobile communication network subscriptions include postpaid, prepaid, mobile home phone ("Luuri") and mobile broadband subscriptions. Years 2017-2018: include voice and mobile broadband subscriptions.

**ARPU = Monthly mobile revenues (company's subscriptions) and traffic revenues + interconnection / average number of subscriptions. Years 2017-2018: Include only postpaid phone subscriptions.

*** The figure for the number of fixed-network subscriptions includes voice, broadband and cable pay-TV subscriptions.

Calculation of key figures

Earnings per share, EUR	=	$\frac{\text{Net result for the period}}{\text{Weighted number of shares during the financial period excluding treasury shares}}$
Equity per share, EUR	=	$\frac{\text{Equity attributable to owners of the parent}}{\text{Number of outstanding shares at end of period}}$
Net debt, EUR	=	Non-current and current borrowings - cash and cash equivalents
Net gearing, %	=	$\frac{\text{Net debt}}{\text{Total equity}}$
Equity ratio, %	=	$\frac{\text{Total equity}}{\text{Total assets – advances received}}$
EBITDA, EUR	=	Operating result (EBIT) + depreciation, amortisation and impairments
Return on investment (ROI), %*	=	$\frac{\text{Net result before income taxes + finance expense}}{\text{Total equity + borrowings (average for the period)}}$
Return on equity (ROE), %*	=	$\frac{\text{Net result for the period}}{\text{Total equity (average for the period)}}$
Net debt/EBITDA*	=	$\frac{\text{Net debt}}{\text{Operating result + depreciation + amortisation + impairments}}$
Comparable EBITDA, EUR	=	EBITDA excluding items affecting comparability
Comparable operating result, EBIT, EUR	=	Operating result, EBIT excluding items affecting comparability

*12-month adjusted

Items affecting comparability	=	Items affecting comparability being material items outside ordinary course of business such as net gain or losses from business disposals, direct transaction costs related to business acquisitions, write-off of non-current assets, costs for closure of business operations and restructurings, costs relating to the change of ownership structure as well as costs of terminating share-based payments as well as fines, damages and other similar payments.
Cashflow after investing activities, EUR	=	Net cash generated from operating activities + net cash used in investing activities
Capital expenditure, EUR	=	Capital expenditure comprises additions to property, plant and equipment and intangible assets excluding business acquisitions, gross acquisition cost of spectrum license and additions through asset retirement obligations and including annual cash instalments for the spectrum license.
Operative capital expenditure	=	Operative capital expenditure is reported capital expenditure without annual cash instalments for spectrum licenses and without lease investments (IFRS 16).

DNA presents alternative performance measures as additional information to financial measures presented in the consolidated income statement, consolidated statement of financial position and consolidated statement of cash flows prepared in accordance with IFRS. In DNA's view, alternative performance measures provide significant additional information on DNA's results of operations, financial position and cash flows and are widely used by analysts, investors and other parties.

DNA presents comparable EBITDA and comparable operating result, which have been adjusted with material items outside of ordinary course of business to improve comparability between periods. There were no items affecting comparability in the financial period or in the comparison period 2020. EBITDA, comparable EBITDA and comparable operating result are presented as complementing measures to the measures included in the consolidated income

statement because, in DNA's view, they increase understanding of DNA's results of operations. Net debt, ratio of net debt to EBITDA, net gearing, equity ratio, return on equity and return on investment are presented as complementing measures because, in DNA's view, they are useful measures of DNA's ability to obtain financing and service its debts. Capital expenditure, operative capital expenditure and cash flow after investing activities provide also additional information of the cash flow needs of DNA's operations.

Alternative performance measures should not be viewed in isolation or as a substitute to the IFRS financial measures. All companies do not calculate alternative performance measures in a uniform way, and therefore DNA's alternative performance measures may not be comparable with similarly named measures presented by other companies.



Financial Statements 2021

Consolidated income statement

EUR thousands	Note	1 Jan– 31 Dec 2021	1 Jan– 31 Dec 2020
Total revenues	5, 6	955,961	932,295
Materials and services		–379,389	–385,280
Employee benefit expenses	9	–116,590	–112,648
Depreciation, amortisation and impairments	8	–204,429	–181,196
Other operating expenses	7	–101,390	–101,754
Operating result		154,163	151,418
Finance income	10	304	530
Finance expense	11	–7,191	–8,539
Share of associates' results	16	16	12
Net result before income tax		147,291	143,420
Income tax expense	12	–29,554	–28,618
Net result for the period		117,737	114,802
Attributable to:			
Owners of the parent company		117,737	114,802
Earnings per share for net result attributable to the owners of the parent company:			
Earnings per share, basic and diluted, EUR	13	0.89	0.87

Notes are an integral part of the consolidated financial statements.

Due to the reclassifications, the comparative figures differ from those published in the 2020 financial statements.

Consolidated statement of comprehensive income

EUR thousands	Note	1 Jan– 31 Dec 2021	1 Jan– 31 Dec 2020
Net result for the period		117,737	114,802
Items that will not be reclassified to profit or loss:			
Remeasurements of post employment benefit obligations	24	–310	290
Other comprehensive income, net of tax		–310	290
Total comprehensive income		117,427	115,092
Attributable to:			
Owners of the parent company		117,427	115,092

Notes are an integral part of the consolidated financial statements.

Consolidated statement of financial position

EUR thousands	Note	31 Dec 2021	31 Dec 2020	1 Jan 2020
ASSETS				
Non-current assets				
Goodwill	15	338,706	338,706	338,706
Other intangible assets	15	127,653	130,128	137,295
Property, plant and equipment	14	469,730	461,717	427,442
Right-of-use assets	30	232,554	249,055	135,504
Investments in associates	16	1,240	1,228	1,219
Other investments	17	111	111	110
Other receivables	18	76,482	70,713	64,470
Deferred tax assets	19	7,000	7,617	7,164
Total non-current assets		1,253,475	1,259,274	1,111,910
Current assets				
Inventories	20	38,217	33,724	34,303
Trade and other receivables	18	311,671	272,755	241,924
Contract assets	5	1,305	6,166	8,793
Income tax receivables	18	10,280	3,884	2,155
Accrued expenses	18	23,840	28,359	24,912
Cash and cash equivalents	21	10,817	7,633	17,423
Total current assets		396,131	352,522	329,510
Total assets		1,649,606	1,611,796	1,441,420
EQUITY				
Equity attributable to the owners of the parent company				
Share capital	22	72,702	72,702	72,702
Reserve for invested unrestricted equity	22	506,079	506,079	506,079
Treasury shares	22	-1,728	-1,728	-1,728
Retained earnings		74,620	-34,653	-124,757
Net result for the period		117,737	114,802	98,819
Total equity		769,410	657,202	551,115

EUR thousands	Note	31 Dec 2021	31 Dec 2020	1 Jan 2020
LIABILITIES				
Non-current liabilities				
Borrowings	26, 27, 29	313,890	357,628	472,445
Lease liabilities	30	144,706	161,463	77,254
Employment benefit obligations	24	1,513	1,156	1,540
Provisions	25	14,070	11,833	4,996
Deferred tax liabilities	19	52,667	44,145	36,863
Other non-current liabilities		12,009	12,110	8,939
Total non-current liabilities		538,854	588,334	602,038
Current liabilities				
Borrowings	26, 27, 29	-	59,987	28,810
Lease liabilities	30	43,889	48,031	22,969
Contract liabilities	5	2,886	3,254	4,689
Provisions	25	326	208	470
Trade and other payables	28	284,395	254,397	230,941
Income tax liabilities		9,846	381	388
Total current liabilities		341,342	366,259	288,267
Total equity and liabilities		1,649,606	1,611,796	1,441,420

Notes are an integral part of the consolidated financial statements.

The presentation of certain balance sheet items differs from that of DNA's previous financial statements. The figures are presented the same way as the figures published by Telenor Group. The main changes concern the reclassification of spectrum acquisitions from intangible assets to right-of-use assets and the corresponding reclassification of spectrum license liabilities from non-interest-bearing to interest-bearing borrowings, which has an impact on the presentation of net debt and cash flows. In addition, some receivables have been reclassified from non-current to current items, and certain items reclassified from current to non-current receivables. Figures for the reference periods have been adjusted accordingly.

Consolidated statement of cash flows

EUR thousands	Note	1 Jan– 30 Dec 2021	1 Jan– 31 Dec 2020
Cash flows from operating activities			
Net result for the period		117,737	114,802
Adjustments ¹⁾		240,770	214,958
Change in net working capital ²⁾		2,296	–6,141
Dividends received		36	36
Interest paid		–5,259	–5,480
Interest received		272	471
Other financial items		–2,151	–1,734
Income taxes paid		–15,889	–21,018
Net cash generated from operating activities		337,812	295,894
Cash flows from investing activities			
Investments in property, plant and equipment (PPE) and intangible assets		–160,614	–169,136
Proceeds from sale of PPE		585	2,205
Other investments		–91	–1
Group account receivable		–3,958	–23,666
Net cash used in investing activities		–164,077	–190,598
Cash flows from financing activities			
Proceeds from borrowings	26, 27	95,000	77,195
Repayment of borrowings	26, 27	–223,123	–168,041
Repayment of lease liabilities		–42,428	–24,240
Net cash used in financing activities		–170,551	–115,085

EUR thousands	Note	1 Jan– 30 Dec 2021	1 Jan– 31 Dec 2020
Change in cash and cash equivalents		3,184	–9,790
Cash and cash equivalents at beginning of period	21	7,633	17,423
Cash and cash equivalents at end of period	21	10,817	7,633
1) Adjustments:			
Depreciation, amortisation and impairment	8	204,429	181,196
Gains and losses on disposals of non-current assets		–431	–2,201
Other non-cash income and expense		–16	–12
Finance income and expense	10, 11	6,887	8,010
Income tax expense	12	29,554	28,618
Change in provisions		346	–652
Total adjustments		240,770	214,958
2) Change in net working capital:			
Change in trade and other receivables		–20,887	–1,003
Change in inventories	20	–4,493	579
Change in trade and other payables		27,676	–5,717
Change in net working capital		2,296	–6,141

Notes are an integral part of the consolidated financial statements.

Due to the reclassifications, the comparative figures differ from those published in the 2020 financial statements.

Consolidated statement of changes in equity

EUR thousands	Note	Share capital	Reserve for invested unrestricted equity	Treasury shares	Retained earnings	Total equity
1 Jan 2020		72,702	506,079	-1,728	-25,938	551,115
Comprehensive income						
Net result for the period					114,802	114,802
Other comprehensive income						
Total other comprehensive income, net of tax	24				290	290
Total comprehensive income		-	-	-	115,092	115,092
Transactions with owners						
Share-based payments	23				1,494	1,494
Group contribution					-10,498	-10,498
Total transactions with owners		-	-	-	-9,004	-9,004
31 Dec 2020		72,702	506,079	-1,728	80,149	657,202
1 Jan 2021		72,702	506,079	-1,728	80,149	657,202
Comprehensive income						
Net result for the period					117,737	117,737
Other comprehensive income						
Total other comprehensive income, net of tax	24				-310	-310
Total comprehensive income		-	-	-	117,427	117,427
Transactions with owners						
Share-based payments	23				300	300
Group contribution					-5,519	-5,519
Total transactions with owners		-	-	-	-5,219	-5,219
31 Dec 2021		72,702	506,079	-1,728	192,357	769,410

Notes are an integral part of the consolidated financial statements.

Notes to the consolidated financial statements

1 GENERAL INFORMATION

DNA Group (“DNA”, the “Company”) is a national supplier of mobile communication services. The parent company of DNA Group is DNA Plc domiciled in Helsinki, Finland at the registered address Lökkisepäntie 21.

Copies of the Consolidated Financial Statements are available online at www.dna.fi or at the Group parent company head office at Lökkisepäntie 21, 00620 Helsinki, Finland.

DNA is part of the Telenor Group. DNA's parent company is Telenor Finland Holding Oy since 21 August 2019. Telenor ASA is the parent company of the Telenor Group. Copies of the Consolidated Financial Statements are available at Telenor head office at Snarøyveien 30, N-1360 Fornebu, Norway.

DNA Plc's Board of Directors approved the release of these consolidated financial statements at a meeting on 18 February 2022. Under the Finnish Limited Liability Companies Act, shareholders can approve or disapprove the consolidated financial statements in the Annual General Meeting held after the release.

2 ACCOUNTING PRINCIPLES

Basis of preparation

The Consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) the IAS and IFRS standards as well as SIC and IFRS interpretations applicable as at 31 December 2021. International Financial Reporting Standards refer to the standards and interpretations applicable by corporations set out by the Finnish Accounting Act and other regulations set out on the basis

of this ordinance enforced for application in accordance with the procedure stipulated in the regulation (EC) No 1606/2002 of the European Parliament and of the Council. The notes to the Consolidated financial statements also comply with Finnish accounting and corporate legislation complementing the IFRS standards.

The Consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of investments, and financial assets and financial liabilities at fair value through the income statement. The consolidated financial statements are presented in thousand euros.

New and amended standards adopted by the Group

The Group has adopted the followings standards and amended standards during the financial year commencing 1 January 2021:

Amendments to **IFRS 9, IAS 39, IFRS 7 and IFRS 16 Interest Rate Benchmark Reform – Phase 2**

Amendments to **IFRS 16 Leases: Covid-19-Related Rent Concessions beyond 30 June 2021**

These changes have not had material impact on the Group.

Subsidiaries

The Consolidated financial statements comprise the parent company DNA Plc and all its subsidiaries. Subsidiaries are all entities over which the Group has control. The Group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity.

The acquisition method of accounting is applied to business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred and the equity interests issued by the Group. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquirees' net assets.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the group's share of the identifiable net assets acquired is recorded as goodwill.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

All inter-company transactions, receivables, liabilities, unrealised gains and internal profit distribution are eliminated in the consolidated financial statements. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Distribution of profit between parent company shareholders and non-controlling shareholders is presented in the income statement, and non-controlling interest in equity is presented in the balance sheet as a separate component of shareholder's equity. The Group did not have any non-controlling shareholders during the 2020–2021 financial periods.

Associated companies

Associated companies are companies in which the Group has a significant influence. A significant influence is realised if the Group holds more than 20 per cent of the voting rights or otherwise has a significance influence without exercising full control.

Associated companies are consolidated using the equity method. If the Group's share of the associated companies' losses exceeds the carrying amount of the investment, the investment is recognised in the balance sheet at zero value and the portion of the losses exceeding the carrying amount is not consolidated unless the Group has agreed to meet the associated companies' obligations. Unrealised profits between the Group and its associated companies are eliminated to the extent of the Group's share of ownership. The investment in each associated company includes goodwill arising from the acquisition. The Group's share of the associated companies' result for the financial year corresponding the Group's share of ownership is recognised separately below the operating result line. The Group's share of its associates' movements in other comprehensive income is

recognised in the Group's other comprehensive income. The Group's associates have not had any such items during the financial years 2020 and 2021.

Joint arrangements

Joint arrangement refers to an arrangement where two or more entities jointly control an arrangement. Joint arrangements are classified either as a joint venture or a joint operation. A joint venture is a joint arrangement whereby the Group has rights to the net assets of the arrangement, whereas in a joint operation, the Group has rights to the assets, and obligations for the liabilities, relating to the arrangement.

Suomen Yhteisverkko Oy, established during the reporting period 2014 is accounted for in accordance to IFRS 11 as a joint operation. The parties control the arrangement jointly. According to the contractual agreement, all decisions on essential operations of the company require unanimous agreement by both parties. The joint arrangement is classified as a joint operation. The contractual arrangement establishes the owners of Suomen Yhteisverkko Oy rights to the assets and obligations for liabilities, relating to the arrangement, and the parties' rights to the corresponding revenues and obligations for the corresponding expenses. DNA recognises its share of Suomen Yhteisverkko Oy's assets, liabilities, revenues and expenses in its consolidated financial statements.

Segment reporting

The reporting on the operating segments is consistent with the internal reporting to the chief operating decision maker and the DNA's operating segments forms also the reportable segments. The CEO, who is responsible for strategic and operative decisions, has been nominated the chief operating decision maker to make decisions about resources to be allocated to the segments and to assess their performance.

Foreign currency translation

The consolidated financial statements are presented in euro, which is the functional and presentation currency of the Group's parent company.

Foreign currency transactions

Foreign currency transactions are translated into functional currency applying the exchange rates valid on the date of the transaction. Monetary items denominated in foreign currency are translated into functional currency applying the exchange rates quoted on the balance sheet date.

Gains and losses on foreign currency transactions and translation of monetary items are recognised in the income statement. Exchange gains and losses related to business operations are included in other operating income or expenses.

Property, plant and equipment

Items of property, plant and equipment have been carried at their historical cost less accumulated depreciation and impairment.

If an item consists of several components with varying useful lives, each component is treated as a separate asset. In this case, the cost of replacement is capitalised. In other cases, subsequent costs are included in the carrying amount of the asset only when it is probable that the future economic benefits that are attributable to the asset will flow to the Group and the cost of the item can be measured reliably. Other repair and maintenance costs are recognised against profit or loss as they are incurred.

Depreciation on assets is calculated using the straight-line method over the estimated useful lives. Land is not recognised as a depreciable asset.

The depreciation periods are as follows:

Buildings and constructions

Buildings	25 years
Constructions	10–25 years

Machinery and equipment

Networks	5–15 years
Machinery and equipment	3–15 years

Residual values and useful lives are reviewed at the end of each reporting period and, if appropriate, adjusted to reflect any changes in the expectation of financial benefit.

Depreciation on property, plant and equipment ceases when the asset is classified as held for sale.

Capital gain or loss on the decommissioning and disposal of property, plant and equipment are included in other operating income or other operating expenses.

Intangible assets

Goodwill

Goodwill arises on the acquisition of subsidiaries and represents the excess of the consideration transferred over the Group's interest in the fair value of the identifiable net assets acquired at the acquisition date. Goodwill arising from business combinations is included in intangible assets. Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Goodwill is allocated to operating segments for the purpose of impairment testing.

Research and development expenditure

Research expenditure is recognised as an expense in the income statement. Expenditure for the development of new or improved products is capitalised as intangible assets in the balance sheet when the product is technically feasible and commercially viable and it is likely that the future economic benefits attributable to the development expenditure will go to the company. Capitalised development expenditure comprises material, work and testing expenses that are directly attributable of completing the product for its intended use. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period. Intangible assets are amortised from the date they are ready for use. Subsequent the initial recognition, capitalised development expenditure is carried at cost less accumulated amortisation and impairment. Currently the Group has no

uncompleted capitalised development expenditure.

Contractual customer base

Contractual customer base acquired in a business combination is recognised at fair value at the acquisition date. The contractual customer base has a finite useful life and is carried at cost less accumulated amortisation. Amortisation is calculated using the straight-line method over the expected life of the customer base.

Other intangible assets

Intangible assets are recorded at historical cost in the balance sheet only when it is probable that the future economic benefits that are attributable to the asset will flow to the Group and the cost can be measured reliably.

Intangible assets with finite useful life are recognised as an expense on a straight-line basis in the income statement over their known or foreseeable useful life.

The useful lives of other intangible assets are as follows:

Development costs	3 years
Customer contracts and the related customer relationships	1–20 years
IT software	3–10 years
Brand	Indefinite useful life
Spectrum license	17–20 years
Other intangible assets	2–10 years

Inventories

Inventories are stated at the lower of cost or probable net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less estimated cost to sell. Inventories are stated at the weighted average price.

Lease agreements

DNA Plc mostly acts as a lessee. The Group enters into agreements to lease office premises, equipment facilities and aerial sites in particular. For office premises, the average lease period is 2 to 5 years and for equipment facilities 4 to 7 years. Due to the nature of leases, the Group's most essential contracts are related to leased premises and equipment spaces. In addition, the Group has essential individual agreements related to technology which have an essential impact on the assets and liabilities on the balance sheet. After consideration, DNA does not separate non-lease components from associated lease components and report lease components and non-lease components as a single lease component. DNA Plc uses the exemption for short-term leases. Lease payments associated with short-term leases are recorded as an expense. Lease agreements are reported in the profit and loss as depreciation and interest expense.

For more information on lease agreements, please see note 30.

Impairment of property, plant and equipment and intangible assets

Goodwill, intangible assets with indefinite useful life and intangible assets in progress are tested for impairment

annually and whenever there is any indication of impairment of an asset. Intangible assets with finite useful lives and tangible assets, including Right-of Use assets, are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent.

Recoverable amount is the higher of the asset's fair value less costs to sell, or the value in use. Value in use refers to the estimated future net cash flows obtainable from the asset or a cash generating unit (CGU), which are discounted to their present value. The discount rate is the pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss is recognised when the asset's carrying amount exceeds its recoverable amount. An impairment loss is immediately recognised in the income statement. If an impairment loss is recognised for a CGU, the loss is first allocated to reduce goodwill on the CGU and then to reduce other assets of the unit on a pro-rata basis. When an impairment loss is recognised, the useful life of the amortised asset is reassessed. In respect of assets other than goodwill, an impairment loss is reversed if there is a change in the estimates used to determine the recoverable amount for the asset. However, the reversal will not exceed the carrying amount that the asset would have if an impairment loss had not been recognised. An impairment loss for goodwill cannot be reversed.

Employee benefits

Retirement benefit obligations

The Group's employee pension plans are managed by external insurance companies. The TyEL pension insurances managed by the pension insurance companies are treated as defined contribution plans.

A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefit relating to employee service in the current and prior periods. Post-employment plans other than defined contribution plans are defined benefit plans.

Defined benefit plans generally pay an agreed benefit at retirement, determined by a formula based on one or more factors, such as the employee's age at retirement, years of service and compensation earned while in employment.

Net defined benefit plan liability is reported in the balance sheet at present value at the end of the annual reporting period. The fair value of any plan assets is deducted from the present value. The Group's obligations with regard to defined benefit plans are based on unbiased actuarial assumptions using the projected unit credit method. The present value of the obligation is determined by using the market yields of high-quality bonds issued by companies as the discount rate. These bonds are issued in the currency in which the benefits are to be paid and their maturity corresponds in essential aspects to the maturity of the pension obligation being considered.

Gains or losses resulting from actuarial losses or past service costs are recognised in the statement of other comprehensive income when they occur.

Past service costs are recognised immediately at fair value through the income statement.

In contribution-based plans, the Group makes payments to publicly or privately managed pension insurances, which are mandatory, contract-based or voluntary. The Group has no other payment obligations apart from these. The payments are recognised as employee expenses when they fall due. Payments made in advance are recognised as assets in the balance sheet to the extent there are economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan

Share-based payments

Telenor has long-term share incentive plans based on which individuals perform work in order to gain Telenor Group's equity instruments. Payments will be made in cash, which will be used to purchase Telenor's shares. The fair value of the consideration received for equity instruments is recognized as an expense in the period in which all vesting conditions are expected to be met. An estimate of how many equity instruments are expected to vest is reviewed at the end of each reporting period. The potential effect of revisions to the original estimates is recognized in the income statement and a corresponding adjustment is made to equity. If the right to the shares is canceled due to the non-fulfillment of performance-based conditions, the expenses previously recorded for those shares will be canceled.

More information regarding share-based payments is presented in note 23.

Provisions and contingent liabilities

Provisions are recognised when the Group has a legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are measured at the present value of the expenditure required to settle the obligation. The discount rate used to determine the present value reflects current market assessments of the time value of money at the time of review and the risks involved in the obligation. Where the Group expects some of the obligation to be reimbursed by a third party, the reimbursement is recognised as a separate asset but only when it is virtually certain.

A restructuring provision is recognised if the Group has prepared a detailed restructuring plan and initiated its implementation or notified thereof.

The Group recognises a provision for onerous contracts when the expected benefits to be derived from a contract are less than the unavoidable costs of meeting the obligations under the contract. Provisions are not recognised for future operating losses.

A provision for asset retirement obligation is recognised when the Group is under contractual obligation regarding dismantling and demolition of leased equipment and aerial sites, and telephone poles and masts.

Current and deferred income tax

The tax expense for the period comprises current and deferred income tax. Income tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively. The current income tax charge on taxable income for the year is calculated using the tax rate enacted at the balance sheet date adjusted by any income taxes for prior periods.

Deferred income tax is recognised on temporary differences arising between the carrying amount of assets and liabilities and their tax bases. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill or if it arises from initial recognition of an asset or liability in a transaction other than a business combination that, at the time of the transaction, affects neither accounting, nor taxable profit or loss. The most significant temporary differences arise from the depreciation of property, plant and equipment and fair value measurement on business combinations, unused tax losses and unused taxable depreciation.

Deferred income tax is determined using tax rates enacted by the balance sheet date.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary difference can be utilised.

Revenue recognition

Contractual performance obligations include voice, data, operator and TV services as well as mobile and data terminal equipment. One contract may include several performance obligations and DNA may agree on the delivery of several services or combinations of services and equipment to a customer. Those service and equipment contracts that have been signed with a customer at the same time are treated as one contract in revenue recognition. Prices specified in the contract are used as transaction prices, which are allocated to each performance obligation in proportion to the standalone selling price. These are determined based on the standalone selling prices of the products included in the contract at time of sale.

A performance obligation may be fulfilled over time or at a point in time, and the main criterion is the transfer of control. Subscription service contracts mainly comprise performance obligations that are satisfied over time. The performance is carried out throughout the contract period, and discounts and activation fees are allocated evenly throughout the contract period. For performance obligations that are satisfied at a certain point in time, such as mobile equipment or services independent of other services, the customer is deemed to gain control at the entry to contract or at the time the separate service is ordered. The customer pays for the mobile equipment fully at the time of sale or by monthly payments throughout the contract period. Monthly service fees are paid by monthly payments throughout the contract period.

The time for the payment of a performance obligation may be different from the time of recognition. According to management evaluation, no financing component applies to the performance obligations. Revenue from monthly services is recognised when the service is performed even though discounts are generally given

in the beginning of the contract period. Revenue from the sales of mobile devices is recognised at the time of sale, i.e. when the device is transferred to the customer, regardless of whether the customer pays for the device fully at the time of sale or by monthly payments throughout the contract period. A customer has the right to cancel the service contract and return the device to DNA for 14 days. If the customer cancels the contract, the activation fee is not returned to the customer. No allocation applies to the refund right in accounting, and returns are processed as normal refunds. Revenue has not been adjusted by the estimated amount of refunds as they are expected to be low. Mobile devices have an extended warranty of 3 years. During the warranty period, DNA is obliged to service or replace the mobile device. In terms of accounting, there are no essential provisions made in relation to the warranty. The prolonged warranty period is not considered a separate performance obligation. A contract may include discounts, such as a lower activation or monthly fee. Discounts are allocated to each performance obligation in proportion to the standalone selling prices and allocated evenly throughout the contract period. The time of allocation may differ from the time of payment, because discounts are generally applied at the time of activation or included in the first monthly service fees of the contract period. When a customer purchases several products included in certain product combinations, discounts for these are allocated to the relevant performance obligations in proportion to the standalone selling prices at time of sale. Activation and connection fees are charged for subscription and data services. No individual good or service is transferred, so they are included in the transaction price, which is allocated to each performance obligation in proportion to the standalone selling prices and allocated evenly throughout the contract period. For fixed-term contracts, sales commissions and fees paid on obtaining a contract are recognised as incremental costs

and amortised. Incremental costs are amortised over the expected contract period or the customer's average contract period depending on the nature of the purchase cost and the service.

For more information, please see note 5.

Interest and dividend

Interest income is recognised using the effective interest method, and dividend income is recognised when the right to receive dividend is established.

Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred.

Financial assets and liabilities

Classification of financial assets and liabilities

Financial assets

Financial assets are recorded on the settlement date. During the initial recognition of financial assets, the Group classifies them into the following groups: amortised cost, fair value through profit and loss and fair value through other comprehensive income. Classification depends on the business model in which the financial asset is held and the contractual terms of the financial asset. Financial assets are derecognised when the right to receive the contractual cash flows has expired and the Group has transferred substantially all risks and rewards of ownership.

Impairment of financial instruments

According to the impairment model, impairment provisions must be recognised based on expected credit losses. At DNA, the impairment model applies to the recognition of impairment loss of trade receivables. DNA applies a simplified approach and a provision matrix for trade receivables as trade receivables do not have a significant financing component. Accordingly, they are measured for impairment purposes at an amount equal to lifetime expected credit losses. The approach based on expected credit losses is forward-looking, and expected default rates are based on historical realised credit losses. The lifetime expected credit loss allowance is calculated by multiplying the gross carrying amount of trade receivables by the lifetime expected credit loss rate. The changes in expected credit losses will be recognised in profit and loss. Regarding assets measured at amortised cost, DNA is actively monitoring such instruments and will recognise impairment through profit and loss in accordance with the set criteria.

Borrowings

Borrowings recognised initially at the fair value of consideration received less transaction costs incurred. Borrowings are subsequently carried at amortised cost using the effective interest method. Borrowings may include both current and non-current borrowings. The Group has both current and non-current borrowings. They can be interest-bearing or non-interest-bearing. Borrowings are derecognised once the Group's obligations in relation to liability is discharged, cancelled or expired. When a financial liability measured at amortised cost is modified without this resulting in derecognition, a gain or loss is calculated as the difference between the original contractual cash flows and the modified cash flows discounted at the original effective interest rate.

Derivative financial instruments and hedge accounting

The Group does not currently hold any derivative financial instruments. DNA does not apply hedge accounting.

Cash

Cash and cash equivalents consist of cash and bank deposits available on demand. Items classified as cash and cash equivalents have a maximum maturity of three months from the date of acquisition. The related credit accounts in the group accounts are included in current financial liabilities.

Share capital

Outstanding ordinary shares are presented in share capital.

Critical accounting judgements and key sources of estimation uncertainty

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the group's accounting policies. These estimates are based on historical experience and various other assumptions that management believe are reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in all subsequent periods.

Management believes that the following areas comprise the most difficult, subjective or complex judgments it has to make in the preparation of the financial statements. For information on accounting policies applied, see the respective sections of note 2 "Accounting policies" to the Audited consolidated financial statements.

Business acquisitions

Net assets acquired through acquisitions are measured at fair value. The consideration exceeding the fair value of assets acquired is recognized as goodwill. The measurement of fair value of the assets is based on estimated market value of similar assets (tangible assets), estimate of expected cash flows (intangible assets such as customer relationships) or estimate of payments required to fulfil an obligation (such as assumed provisions).

Active markets, where fair values for assets and liabilities are available, exist only seldom for the acquired net assets. Therefore the valuation exercise, which is based on repurchase value, expected cash flows or estimated payments, requires management judgement and assumptions. Management believes that the estimates and assumptions used are sufficiently reliable for determining fair values. See note 5 Business combinations.

Valuation of intangible assets and property, plant and equipment

Intangible assets including goodwill represent approximately 28 percent of DNA's total assets in 2021 (29) and property, plant and equipment represent approximately 28 percent of DNA's total assets in 2021 (29).

Depreciation and amortisation expenses

Depreciation and amortisation expenses are based on management's estimates of residual value, depreciation and amortisation method and the useful life of property, plant and equipment and intangible assets. Estimates may change due to technological developments, competition, changes in market conditions and other factors and may result in changes in the estimated useful life and in the amortisation or depreciation charges recognised through the income statement. Technological developments are difficult to predict and the Group's views on the trends and pace of development may change over time. Critical estimates in the evaluations of useful lives for tangible and intangible assets include, but are not limited to, licence period and expected developments in technology and markets and in the cash inflows expected to be derived from the use of intangibles such as a brand or customer relationships. The useful lives of property, plant and equipment and intangible assets are reviewed at least annually taking into consideration the factors mentioned above and all other important relevant factors. A change in estimated useful life is a change in accounting estimate, and depreciation and amortisation plans are adjusted prospectively. For additional information on intangible assets as well as property, plant and equipment subject to amortisation and depreciation and their carrying values as of the end of the reporting period, see notes 14 and 15 to the Consolidated financial statements.

Impairment testing

The Group has made significant investments in goodwill and other intangible assets including IT systems, licences, acquired brands and customer relationships as well as in property, plant and equipment comprising mainly mobile and fixed broadband network. Goodwill, intangible assets with indefinite useful life and intangible assets not yet in use are tested for impairment annually or more often if

indicators of impairment exist, whereas other assets are tested for impairment when circumstances indicate there may be a potential impairment.

The determination of impairments of goodwill and other intangible assets as well as property, plant and equipment involves the use of estimates that include, but are not limited to, the cause, timing, and amount of the impairment. Impairment is based on a large number of factors, such as changes in current competitive conditions, expectations of growth in the telecommunications industry, increased cost of capital, technological obsolescence, discontinuance of services, current replacement costs, prices paid in comparable transactions, and other changes in circumstances that indicate an impairment exists. The identification of impairment indicators, as well as the estimation of future cash flows and the determination of fair values for assets (or groups of assets) require management to make significant judgments concerning the identification and validation of impairment indicators, expected cash flows, applicable discount rates, useful lives, and residual values. When determining the values in use for the cash generating units, additional planning uncertainties are factored in that reflect the risks of macroeconomic development, which could adversely affect future results of operations. The most significant assumptions in goodwill impairment testing comprise of growth in net sales, development of EBITDA, determination of the discount rate (WACC), and long-term growth rate used after the five-year forecast period. The carrying amount of goodwill at 31 December 2021 was EUR 338.7 million (338.7). Further details on goodwill impairment testing, including a sensitivity analysis, are included in note 15.

Lease agreements

Critical judgements and material estimates are mainly related to the length of the lease period as well as the determination of the discount rate.

Provisions

Provisions for asset retirement obligations related to equipment facilities, masts and telephone poles in use and onerous contracts by DNA are determined based on the net present value (NPV) of DNA's total estimated dismantling or demolition costs for asset retirement obligations and unavoidable costs for onerous costs. The estimates are based on future estimated level of expenses taking into account the effect of inflation, cost-base development and discounting. Assumptions are also used in assessing the time periods for which the asset retirement costs are incurred. Because actual outflows can differ from estimates due to changes in laws and regulations, technology, prices and conditions, and can take place many years in the future, the carrying amounts of provisions are regularly reviewed and adjusted to take into account of any such changes. The discount rate applied is reviewed monthly.

Provisions recognized for future costs related to asset retirement obligations amounted to EUR 13.8 million at 31 December 2021 (EUR 11.6 million at 31 December 2020) and for onerous contracts EUR 0.0 million at 31 December 2021 (EUR 0.0 million at 31 December 2020). See note 25 for more information on provisions.

Revenue recognition

Principal or agent – gross versus net presentation

When DNA acts as a principal, income and payments to suppliers are reported on a gross basis in revenue and operating costs. If the DNA sells goods or services as an agent (mainly value added or content services for mobile services) revenue and payments to suppliers are recorded in revenue on a net basis, representing the margin/commission earned. Whether the Group is considered to be principal or agent in a transaction depends on analysis by management of both the legal form and substance of the agreement between the group and its business partners; such judgments impact the amount of reported revenue and operating expenses but do not impact net income or cash flows. Features indicating that the Group is acting as a principal include: responsibility for providing the goods or services and the group has latitude in establishing prices or provides additional goods and services. Features indicating that the Group is acting as an agent include: it does not have exposure to significant risks and rewards associated with the sale of goods or services or the amount it earns is predetermined, being either a fixed fee per transaction or a stated percentage of the amount billed to the customer.

New standards and interpretations not yet adopted by the Group

Following new accounting standards and interpretations have been published that are not mandatory until after 1 January 2021 reporting periods and have not been early adopted by the group:

Amendments to IFRS 3: Reference to the Conceptual Framework (effective from 1 Jan 2022).

Amendments to IAS 37: Onerous Contracts – Costs of Fulfilling a Contract (effective from 1 Jan 2022).

Amendments to IAS 16: Proceeds before Intended Use (effective from 1 Jan 2022).

Amendments to IFRS 9: Fees in the '10 per cent' test for derecognition of financial liabilities (effective from 1 Jan 2022).

Amendments to IAS 8: Definition of Accounting Estimates (effective from 1 Jan 2023 or later).

Amendments to IAS 1 and IFRS Practice Statement 2: Disclosure of Accounting Policies (effective from 1 Jan 2023 or later).

Each standard will be adopted by the Group on the effective date, or if the effective date is other than the first day of the reporting period, the next day, subject to endorsement by the EU.

No already published but not yet applied IFRS standards or IFRIC interpretations are expected to have material impact on the Group.

Change in accounting methods

The calculation method of the figures presented in these consolidated financial statements differs from that of DNA's previous key figures. The figures are presented the same way as the figures published by Telenor Group. The main changes concern the reclassification of spectrum acquisitions from intangible assets to right-of-use assets and the corresponding reclassification of spectrum licence liabilities from non-interest-bearing to interest-bearing borrowings. In addition, trade receivables as well as contract assets and liabilities previously classified as non-current have been reclassified to current items, and receivable related to contract acquisition costs previously presented as current was reclassified to non-current items. Figures for the reference periods have been adjusted accordingly, as follows:

Impact on balance sheet

EUR thousands	Restated reporting 31.12.2020	Change	Previous reporting 31 Dec 2020	Restated reporting 1.1.2020	Change	Previous reporting 31 Dec 2019
Assets						
Non-current assets						
Other intangible assets	130,128	-79,665	209,793	137,295	-59,267	196,562
Right-of-use assets	249,055	79,665	169,390	135,504	59,267	76,237
Other receivables	70,713	-11,511	82,224	64,470	-11,995	76,465
Contract assets	-	-2,727	2,727	-	-3,881	3,881
Current assets						
Trade and other receivables	272,755	11,511	261,244	241,924	11,995	229,929
Contract assets	6,166	2,727	3,440	8,793	3,881	4,912
Liabilities						
Non-current liabilities						
Lease liabilities	161,463	12,299	149,163	77,254	16,667	60,587
Contract liabilities	-	-1,338	1,338	-	-1,813	1,813
Other non-current liabilities	12,110	-12,299	24,409	8,939	-16,667	25,606
Current liabilities						
Lease liabilities	48,031	9,783	38,248	22,969	8,316	14,652
Contract liabilities	3,254	1,338	1,916	4,689	1,813	2,876
Trade and other payables	254,397	-9,783	264,180	230,941	-8,316	239,257

Impact on key figures

	Restated reporting 31.12.2020	Change	Previous reporting 31 Dec 2020	Restated reporting 1.1.2020	Change	Previous reporting 31 Dec 2019
Net debt, EUR in thousands	619,476	22,082	597,394	584,056	24,984	559,073
Net debt/EBITDA	1.9	0.1	1.8	1.9	0.1	1.8
Net gearing, %	94.3	3.4	90.9	106.0	4.5	101.4

The changes had no effect on other balance sheet items or key figures, nor the income statement.

3 FINANCIAL RISK MANAGEMENT

The main objectives of the Group's treasury operations are funding, optimising cost of capital and managing financing risks. Principles of risk managements are defined in the Group treasury policy, approved by the parent company Board of Directors. The policy includes guidelines for raising capital, investing cash surplus and managing finance risk. The Group treasury activities are centralised at the parent company treasury department which coordinates and monitors financing in the subsidiaries and reports to the Group management. The Group liquidity is centralised by using Group accounts and pooling systems. The parent company is responsible for investing the surplus liquidity as well as managing the Group's external funding requirements. Any finance deficit in the subsidiaries will be financed through internal loans within the Group.

The main financial risks in the Group are liquidity, credit and interest rate risk. The objective of the Group financing risk management is to identify and measure the total risk position created by the Group financing operations and to carry out risk management measures to ensure that the total financing risk will not exceed the Group risk-bearing capacity and objectives. The Group's currency risk is not material since its operations are mainly carried out in Finland.

Liquidity risk

Liquidity risk refers to situations where the Group's financial assets and extra funding opportunities fall short of the Group's requirements or the cost of raising funding is higher than the market cost. Creating cash flow forecasts and determining any related uncertainties are the key measures to manage liquidity risk. At the end of 2021, the Group had a strong liquidity position

with cash and cash equivalents of EUR 10.8 million (7.6), and borrowings (non-current and current) of EUR 313.9 million (417.6). In addition to cash and bank deposits, DNA had group cash pool receivables of EUR 27.6 million (23.7) and unused credit facilities and other committed credit facilities of EUR 174.9 million (136.1).

The Group's cash and bank deposits and undrawn committed credit facilities, excluding group cash pool receivable, amounted to EUR 185.7 million (143.7). During the past year, DNA repaid a EUR 60 million bond. Loan repayments in 2021 totalled EUR 135 million.

Debt maturity analysis

2021

EUR thousands	Less than 1 year		1-5 years		over 5 years		Total		Total
	Interest payment	Re-payment	Interest payment	Re-payment	Interest payment	Re-payment	Interest payment	Re-payment	Cash flow
Borrowings*	3,489	-	10,529	315,096	54	3,000	14,072	318,096	332,169
Lease liabilities**	-	44,927	-	126,319	-	20,319	-	191,565	191,565
Trade payables	-	120,569	-	-	-	-	-	120,569	120,569

2020

EUR thousands	Less than 1 year		1-5 years		over 5 years		Total		Total
	Interest payment	Re-payment	Interest payment	Re-payment	Interest payment	Re-payment	Interest payment	Re-payment	Cash flow
Borrowings*	5,163	60,000	13,759	360,096	-	-	18,922	420,096	439,018
Lease liabilities**	-	49,121	-	138,990	-	25,514	-	213,626	213,626
Trade payables	-	119,737	-	-	-	-	-	119,737	119,737

*Borrowings excluding finance leases

**Undiscounted cash flows of lease liabilities. Due to the reclassifications of spectrum liabilities, the comparative figures differ from those published in the 2020 financial statements.

The following year's repayments are included in current liabilities. At balance sheet date, the average rate of variable rate loans was 0.0 per cent (0.0) and variable rate loans constituted 21 per cent (26) of the Group's borrowings.

Borrowings from financial institutions have variable rates and bonds have fixed rates. The coupon rate for the bond maturing in March 2025 is 1.375 per cent.

Credit risk

The Group has a large number of customers and the individual receivable amounts are small, and as such there are no major individual risks. New customers are subjected to credit check as part of the ordering process, and if any existing customers are found to have credit problems, unsecured new sales are not made. In 2021, the impairment loss of trade receivables totalled EUR 3.0 million (3.9). The maximum exposure to credit risk at the reporting date is the carrying value of financial assets. Customer with weaker solvency are required to pay the basic charges in advance as a deposit. Counterparty risk refers to a situation where the other party fails to meet its obligations under the financing agreement. To restrict and monitor the counterparty risk, investments and derivative instruments are managed by counterparty, financial instrument and maturity limits. Counterparty risk mainly relates to the cash and cash equivalents of the company. DNA is not subject to any significant counterparty risk since cash and cash equivalents are distributed to several financial institutions with good credit ratings.

Trade receivables and contract assets

Under IFRS 9, DNA can apply a simplified approach for expected credit losses from trade receivables and contract assets, according to which expected credit losses are measured for impairment purposes at an amount equal to lifetime expected credit losses.

For the purpose of determining expected credit losses, trade receivables and contract assets have been grouped based on their credit risk characteristics and historical loss rates. Contract assets are included in non-invoiced items, and their risk characteristics are similar to trade receivables from similar types of contracts.

The age distribution of outstanding trade receivables is shown in the following table. Due to the reclassifications, the comparative figures differ from those published in the 2020 financial statements.

EUR thousands	2021	2020
Undue trade receivables	229,997	228,631
Trade receivables 1–45 days overdue	12,962	5,858
Trade receivables 46–90 days overdue	1,706	979
Trade receivables 91–180 days overdue	2,452	1,359
Trade receivables more than 180 days overdue	4,602	2,635
Total	251,719	239,462

Interest rate risk

The Group's interest rate risk primarily comprises interest rate sensitivity of financial items, referring to the direct effect of changes in the interest rate level on financial items, mainly borrowings, and historically also derivative instruments. DNA's interest rate risk arises from borrowings that are issued at floating rates and expose DNA to cash flow interest rate risk. To manage its interest rate risk, the Group may use interest rate derivatives. At 31 December 2021, DNA did not hedge any of its borrowings (31.12.2020 hedged 0%). At the end of 2021, the Group had no interest rate derivatives (0).

Borrowings issued at fixed rates, mainly the fixed rate bonds, expose the Group to fair value interest rate risk. As at 31 December 2021, 79% of DNA's borrowings were fixed rate (74).

If interest rates had been one percentage point higher, with all other variables held constant, the calculated post-tax result would have been EUR 0.2 million (–0.6) lower and, with the corresponding decrease in interest rates, the calculated post-tax result would have been EUR 0.2 million (0.6) higher. The sensitivity analysis covers the Group's variable-rate loans, cash and cash equivalents.

The sensitivity of the fair value of hedge accounting interest rate swaps to changes had zero effect on equity because the company had no active interest rate swaps at the end of 2021 and 2020.

Capital management

The objective of the Group's capital management is to support the business operations by optimising the capital structure, as well as increasing shareholder value by maximising return on capital.

The capital structure can be influenced for example through dividend distribution, repayment of capital and planning the cash outflows for investments. The Group management monitors the development of the capital structure for example on the basis of the gearing and equity ratios as well as the net debt to EBITDA ratio. The Group's credit facility agreements do not include financial covenants. The equity ratio on the balance sheet date was 47.3% (41.3) and net debt to EBITDA ratio was 1.37:1 (1.86:1).

Financial instruments by class

Financial assets	2021	2020
Financial assets recognised at amortised cost		
Trade receivables ¹⁾	251,719	239,462
Other financial assets recognised at amortised cost	8,777	11,299
Cash and cash equivalents	10,817	7,633
Financial assets recognised at fair value through other comprehensive income	111	111
Total	271,424	258,505
Financial liabilities	2021	2020
Financial liabilities recognised at amortised cost		
Trade and other payables ²⁾	151,124	145,680
Borrowings	502,486	627,109
Total	653,610	772,789

1) Prepayments are excluded from trade and other receivables as they do not represent financial instruments.

2) Trade and other payables do not include items other than financial liabilities because this analysis is only required for financial instruments.

Due to the reclassifications, the comparative figures differ from those published in the 2020 financial statements.

4 SEGMENT INFORMATION

The Group's operations are managed and reported according to the following business segments:

DNA's Consumer segment offers consumers diverse telecommunication services such as communication, information, safety and entertainment, including mobile phones and mobile phone subscriptions, broadband (mobile and fixed), data security services, TV services from connections to channel packages as well as fixed telephone connections.

DNA's Corporate segment offers companies and communities nationwide, standardised and easy-to-use communication and data network solutions, including SMS, telecommunication and voice services, comprehensive solutions as well as services to domestic and international teleoperators.

The primary key indicators for the segments' result monitoring comprise net sales, EBITDA and operating result. Items not allocated to segments include finance items, share of associates' results and income tax expense.

The DNA Group operates in Finland, domestic operations accounting for a majority of its net sales. In 2021, foreign operations accounted for EUR 22.1 million (21.5).

As the products and services of the Group's extensive portfolio are targeted at the mass market, the Group is not dependent on any single customer.

1–12/2021

EUR thousands

Business segments	Consumer business	Corporate business	Unallocated	Group total
Total revenues	727,483	228,478		955,961
EBITDA	279,153	79,439		358,591
Depreciation, amortisation and impairment	131,708	72,720		204,429
Operating result	147,444	6,718		154,163
Net finance items			-6,887	-6,887
Share of associates' results			16	16
Net result before income tax				147,291
Net result for the period				117,737
Capital expenditure*	126,221	65,034		191,256
Employees at end of period	898	706		1,604

1–12/2020

EUR thousands

Business segments	Consumer business	Corporate business	Unallocated	Group total
Total revenues	707,369	224,926		932,295
EBITDA	258,353	74,261		332,613
Depreciation, amortisation and impairment	121,269	59,926		181,196
Operating result	137,083	14,335		151,418
Net finance items			-8,010	-8,010
Share of associates' results			12	12
Net result before income tax				143,420
Net result for the period				114,802
Capital expenditure*	185,436	122,504		307,940
Employees at end of period	899	710		1,609

* Capital expenditure is defined as additions to property, plant and equipment and intangible assets excluding business acquisitions and asset retirement obligations. Capital expenditure includes capitalised licences.

The primary key indicators for the segments' profit and loss monitoring comprise net sales, EBITDA and operating result. The company believes that the EBITDA measure provides meaningful supplemental information to the company management and the readers of its financial statements by excluding items that may not be indicative of the company's operating result or cash flows.

EBITDA is not prepared in accordance with IFRS and is therefore considered a non-IFRS financial measure, which should not be viewed in isolation or as a substitute to the equivalent IFRS financial measures. EBITDA should not be considered as an alternative to (a) operating result or net result for the period as a measure of operating performance, (b) cash flows from operating, investing or financing activities as a measure of the company's ability to meet its cash needs or (c) any other IFRS financial measures, or as a measure of performance or liquidity.

5 REVENUE FROM CONTRACTS WITH CUSTOMERS

Aggregation of revenue

The group revenue consists of income from contracts with customers. The Consumer segment revenue in 2021 was EUR 727,5 million (707,4) and the Corporate segment revenue was EUR 228,5 million (224,9).

Segment revenue is derived from the transfer of goods and services in the following product lines over time and at a point in time:

EUR thousands	1–12/2021		1–12/2020	
	Point in time	Over time	Point in time	Over time
Timing of revenue recognition				
Subscription and traffic		512,461		500,095
Interconnect revenues		39,311		40,746
Mobile revenues subscriptions		551,772		540,841
Other mobile revenues		13,239		10,720
Total mobile revenues		565,011		551,561
Non-mobile revenues	152,122	19,992	149,134	18,858
Other revenues*		3,749		3,794
Total revenues mobile operation	152,122	588,752	149,134	574,212
Telephony		16,300		16,768
Internet and TV		157,136		147,193
Other revenues		26,356		28,988
Total retail revenues		199,792		192,949
Wholesale revenues		15,296		16,000
Total revenues fixed operation		215,088		208,949
Total revenues	152,122	803,839	149,134	783,161

*Other revenues consist of, among other things, rental income and income from the sale of assets.

Contract assets and liabilities

DNA has recognised the following contract assets related to revenue. Contract assets include deferred discounts. Discounts are recognised evenly throughout the contract period.

EUR thousands	2021	2020
Contract asset	1,317	6,222
Loss allowance	-12	-56
Total contract assets	1,305	6,166

DNA has recognised the following contract liabilities related to revenue. The debt includes activation and connection fees as well as adjustments to subscription and device bundles as a result of the allocation of separate performance obligations on the basis of their relative standalone selling prices. Activation and connection fees are recognised during the contract period.

EUR thousands	2021	2020
Contract liabilities	2,886	3,254

Significant changes in contract assets and liabilities

Contract assets have decreased by EUR 4.9 million and contract liabilities by EUR 0.4 million due to decreased connection-equipment sales.

Liabilities related to contracts with customers

The following table shows how much of the revenue recognised in the current reporting period relates to carried-forward liabilities.

EUR thousands	2021	2020
Revenue recognised that was included in the contract liability balance at the beginning of the period	1,916	2,876

Management expects that 57% (53) or EUR 0.9 million (-1.6) of the transaction price allocated to the unsatisfied contracts as of 31 December 2021 will be recognised as revenue during the next reporting period. The remaining 43% (47) or EUR 0.7 million (-1.4) will be recognised during 2023 or later.

The figure above does not include variable consideration, which is constrained.

All other contracts are for periods of one year or less or are billed based on time incurred. As permitted under IFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

Assets recognised from costs to obtain a contract

In addition to the contract balances disclosed above, DNA has also recognised an asset in relation to costs to obtain a contract. The asset is recognised as a cost throughout the contract period consistent with the pattern of recognition of the associated revenue.

EUR thousands	2021	2020
Asset recognised from costs incurred to obtain a contract at 31 December	74,884	68,438
Costs recognised through profit and loss during the period	33,191	32,041

6 OTHER OPERATING INCOME

EUR thousands	2021	2020
Rental income	3,026	3,259
Other income	643	535
Total	3,669	3,794

Due to the reclassifications, the comparative figures differ from those published in the 2020 financial statements.

7 OTHER OPERATING EXPENSES

EUR thousands	2021	2020
Maintenance expenses	57,521	44,851
Rental expenses	2,001	16,613
External services	5,812	6,316
Other expenses	36,057	33,975
Total	101,390	101,754

Auditor fees

EUR thousands	2021	2020
Ernst & Young Oy		
Audit fees	415	395
Actions referred to in Section 1.1.2 of the Finnish Auditing Act		
Tax services	21	35
Other services	99	149
Total	535	579

Due to the reclassifications, the comparative figures differ from those published in the 2020 financial statements.

8 DEPRECIATION, AMORTISATION AND IMPAIRMENT

EUR thousands	2021	2020
Depreciation and amortisation charges per category		
Intangible assets¹⁾		
Customer base	4,037	4,284
Brand	0	902
Other intangible assets	40,846	39,054
Total	44,883	44,240
Property, plant and equipment		
Buildings and constructions	3,791	4,803
Machinery and equipment	107,941	101,488
Total	111,732	106,291
Right of use assets¹⁾		
Other intangible assets	6,217	5,009
Land and water	387	387
Buildings and constructions	40,523	24,398
Machinery and equipment	688	872
Total	47,814	30,665
Total depreciation, amortisation and impairment	204,429	181,196

1) The presentation of certain balance sheet items differs from that of DNA's previous financial statements. The figures are presented the same way as the figures published by Telenor Group, including reclassification of spectrum acquisitions from intangible assets to right-of-use assets.

9 EMPLOYMENT BENEFIT EXPENSES

EUR thousands	2021	2020
Wages and salaries	94,662	92,756
Pension expenses – defined contribution plan	16,563	14,595
Pension expenses – defined benefit plan	61	–31
Share-based payments	1,304	2,037
Other personnel expenses	4,000	3,291
Total	116,590	112,648

Number of personnel, average

Consumer business	914	906
Corporate business	718	715
Total	1,632	1,621

Key management compensations are presented in note 32 Related party transactions.

10 FINANCE INCOME

EUR thousands	2021	2020
Interest income from receivables	272	351
Dividend income from other investments	32	179
Total	304	530

11 FINANCE EXPENSE

EUR thousands	2021	2020
Interest expense	4,138	5,816
Other financial expenses ¹⁾	3,053	2,723
Total	7,191	8,539

1) Other financial expenses include financial expenses related to lease liabilities amounting to EUR 0.9 million (1.0).

12 INCOME TAX EXPENSE

EUR thousands	2021	2020
Income tax, current year	-21,653	-22,219
Income tax, previous years	1,315	362
Change in deferred tax	-9,217	-6,762
Total	-29,554	-28,618
Reconciliation of the income tax expense and the taxes calculated at the Finnish tax rate:		
Net result before tax	147,291	143,420
Income tax at Finnish tax rate 20 per cent	-29,458	-28,684
Tax effects of:		
Income not subject to tax	48	40
Non-deductible expenses	-1,517	-393
Income taxes from previous years	1,315	362
Additional deductible expenses	58	56
Tax expense in the consolidated profit and loss statement	-29,554	-28,618

13 EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the net result attributable to owners of the parent for the financial period, by the weighted average number of outstanding shares during the financial period. Earnings per share adjusted for dilution effect is calculated by including the potential dilution effect of the share-based reward plan.

	2021	2020
Net result attributable to owners of the parent, (EUR 1,000)	117,737	114,802
Weighted average number of shares (thousands)*	132,182	132,182
Basic earnings per share (euros/share)	0.89	0.87
Weighted average number of shares for the purpose of calculating EPS adjusted for dilution (thousands)	132,182	132,182
Earnings per share adjusted for dilution effect (EUR/share)	0.89	0.87

14 PROPERTY, PLANT AND EQUIPMENT

EUR thousands	Land and water	Buildings and constructions	Machinery and equipment	Prepayments and non-current assets under construction	Total
31 December 2019					
Cost	713	56,549	1,690,236	57,329	1,804,827
Accumulated depreciation	-	-42,655	-1,334,730	-	-1,377,385
Net book amount	713	13,893	355,507	57,329	427,442
Year ended 31 December 2020					
Opening net book amount	713	13,893	355,507	57,329	427,442
Additions and transfers	-	13,082	133,034	-7,857	138,259
Disposals	-	-	-310	-	-310
Accumulated depreciation relating to disposals	-	-	2,618	-	2,618
Depreciation charge	-	-4,803	-101,488	-	-106,291
Closing net book amount	713	22,172	389,360	49,473	461,717
31 December 2020					
Cost	713	69,631	1,822,958	49,473	1,942,776
Accumulated depreciation	-	-47,458	-1,433,600	-	-1,481,059
Net book amount	713	22,172	389,360	49,473	461,717
Year ended 31 December 2021					
Opening net book amount	713	22,172	389,360	49,473	461,717
Additions and transfers	-	6,636	118,897	-5,633	119,900
Disposals	-18	-325	-974	-	-1,317
Accumulated depreciation relating to disposals	-	310	853	-	1,162
Depreciation charge	-	-3,845	-107,887	-	-111,732
Closing net book amount	695	24,948	400,248	43,840	469,730
31 December 2021					
Cost	695	75,942	1,940,881	43,840	2,061,359
Accumulated depreciation	-	-50,993	-1,540,635	-	-1,591,628
Net book amount	695	24,948	400,248	43,840	469,730

15 INTANGIBLE ASSETS AND IMPAIRMENT TESTING

EUR thousands	Goodwill	Customer base	Brand	Other intangible assets	Prepayments and non-current assets under construction	Total intangible assets
31 December 2019						
Cost	443,184	133,502	46,744	401,485	12,655	1,037,572
Accumulated amortisation and impairment	-104,479	-84,538	-23,663	-345,834	-3,057	-561,570
Net book amount	338,706	48,964	23,080	55,652	9,599	476,001
1 January 2020						
Cost	443,184	133,502	46,744	401,485	12,655	1,037,572
Accumulated amortisation and impairment	-104,479	-84,538	-23,663	-345,834	-3,057	-561,570
Opening net book amount	338,706	48,964	23,080	55,652	9,599	476,001
1 January – 31 December 2020						
Opening net book amount	338,706	48,964	23,080	55,652	9,599	476,001
Additions and transfers	-	-	-	38,668	-1,595	37,072
Disposals	-	-	-	-5,606	-	-5,606
Amortisation relating to disposals	-	-	-	5,606	-	5,606
Amortisation charge	-	-4,284	-902	-39,054	-	-44,240
Closing net book amount	338,706	44,680	22,179	55,266	8,003	468,833
31 December 2020						
Cost	443,184	133,502	46,744	434,547	11,060	1,069,039
Accumulated amortisation and impairment	-104,479	-88,822	-24,565	-379,282	-3,057	-600,205
Closing net book amount	338,706	44,680	22,179	55,265	8,003	468,833

EUR thousands	Goodwill	Customer base	Brand	Other intangible assets	Prepayments and non-current assets under construction	Total intangible assets
1 January – 31 December 2021						
Opening net book amount	338,706	44,680	22,179	55,266	8,003	468,833
Additions and transfers	-	-	-	43,172	-763	42,409
Disposals	-	-	-	-799	-	-799
Amortisation relating to disposals	-	-	-	799	-	799
Amortisation charge	-	-4,037	0	-40,846	-	-44,883
Closing net book amount	338,706	40,643	22,179	57,591	7,240	466,359
31 December 2021						
Cost	443,184	133,502	46,744	476,920	10,297	1,110,648
Accumulated amortisation and impairment	-104,479	-92,859	-24,565	-419,330	-3,057	-644,289
Closing net book amount	338,706	40,643	22,179	57,590	7,240	466,359

Due to the reclassifications, the comparative figures differ from those published in the 2020 financial statements.

Goodwill allocation

Goodwill is allocated to DNA's cash-generating units as follows:

EUR thousands	2021	2020
Consumer segment	192,222	192,222
Corporate segment	146,483	146,483
Total	338,706	338,706

Impairment testing

In order to carry out impairment testing, goodwill and brands are allocated to cash-generating units (CGUs) in accordance with DNA's business organisation. The balance sheet values of all CGUs are subjected to an annual impairment testing. The recoverable amount (the higher of an asset's fair value less costs to sell and its value in use) of each CGU is defined as the value in use according to the projected discounted cash flows (the DCF method). Cash flow projections are based on the plans approved by management, covering a five-year period. Management considers the projections to reflect development to date and other information available from external sources. The (before tax) discount rate (weighted average cost of capital, WACC) used in testing represents 5.5–5.8% depending on the segment. The growth rate forecasted after five years was depending on the segment 0.9–2.0%.

The impairment test indicated that the recoverable amounts of the CGUs exceeded their balance sheet values and their goodwill have not been impaired. The assumptions used are based on management's best judgement based on the information available at the publication of the financial statements.

The key assumptions used were growth in net sales, development of profitability, weighted average cost of capital (WACC) as well as the cash flow growth rate after the five-year forecast period. The major sensitivities in the result are associated with the forecasted net sales and levels of profitability.

Applied parameters used in impairment testing and sensitivity analysis

Applied parameters 2021	Consumer segment	Corporate segment
Applied forecast parameters	2021	2021
Average growth in net sales, %*	1.7	3.4
Average operating margin, %*	41.2	35.7
Average investment, % of net sales*	14.4	25.8
Growth after the forecast period, %	0.9	2.0
WACC, %	5.8	5.5
Amount of headroom, EUR million	2,986	223

* Five-year forecast period average

The table below illustrates the change in percentage points for the key forecast parameters before the fair value falls below the carrying value (and other parameters remaining unchanged).

	Consumer segment	Corporate segment
Sensitivity analysis of forecast parameters	2021	2021
Average EBITDA, % of net sales	-19.1	-3.1
WACC, %	17.8	1.9

Applied parameters 2020	Consumer segment	Corporate segment
Applied forecast parameters	2020	2020
Average growth in net sales, %*	1.9	3.8
Average operating margin, %*	39.9	35.9
Average investment, % of net sales*	16.8	24.0
Growth after the forecast period, %	0.9	2.0
WACC, %	7.0	6.6
Amount of headroom, EUR million	2,179	292

* Five-year forecast period average

The table below illustrates the change in percentage points for the key forecast parameters before the fair value falls below the carrying value (and other parameters remaining unchanged).

	Consumer segment	Corporate segment
Sensitivity analysis of forecast parameters	2020	2020
Average EBITDA, % of net sales	-17.3	-5.3
WACC, %	15.3	3.2

16 INVESTMENTS IN ASSOCIATES

EUR thousands	2021	2020
1 January	1,228	1,219
Share of the result for the financial period	12	8
31 December	1,240	1,228

There was no goodwill related to the carrying value of associated companies in 2021 and 2020.

Financial information on the Group's associates, including assets, liabilities, net sales as well as the Group's share of the results

EUR thousands

2021	Domicile	Assets	Liabilities	Net sales	Share of result	Group holding
Suomen Numerot Numpac Oy	Helsinki	779	150	1,840	12	33%
Kiinteistö Oy Otavankatu 3	Pori	2,655	15	191	0	36%
Kiinteistö Oy Siilinjärven Toritie	Siilinjärvi	320	31	38	0	38%

2020	Domicile	Assets	Liabilities	Net sales	Share of result	Group holding
Suomen Numerot Numpac Oy	Helsinki	797	202	1,792	8	33%
Kiinteistö Oy Otavankatu 3	Pori	2,867	56	217	0	36%
Kiinteistö Oy Siilinjärven Toritie	Siilinjärvi	326	36	31	0	38%

Interest in joint arrangement

	Group holding
Suomen Yhteisverkko Oy	49%

The joint arrangement was established in 2014 and is classified as a joint operation. The contractual arrangement establishes the parties' rights to the assets and obligations for liabilities, relating to the arrangement, and the parties' rights to the corresponding revenues and obligations for the corresponding expenses.

DNA recognised its share of 49% (49) of assets, liabilities, revenues and expenses in its consolidated financial statements.

17 OTHER INVESTMENTS

EUR thousands	2021	2020
Shares in non-listed companies	111	111
Total	111	111

The Group has chosen a method under which the fair value of items previously classified as available-for-sale financial assets is recognised through profit and loss or other comprehensive income, because these investments are considered to be long-term strategic investments that are not expected to be sold in the short or medium term.

Other investments consist of unquoted shares and are measured at cost, if fair value cannot be reliably estimated or the market is highly illiquid. Other investments are classified as Level 3.

18 TRADE AND OTHER RECEIVABLES

EUR thousands	2021	2020
Non-current receivables		
Prepaid expenses ¹⁾	75,917	70,195
Other non-current receivables	564	518
Total non-current receivables	76,482	70,713
Current receivables		
Trade receivables	250,413	233,296
Prepaid expenses ²⁾	23,840	28,359
Contract assets	1,305	6,166
Tax receivable	10,280	3,884
Other current receivables ³⁾	61,258	39,460
Total current receivables	347,097	311,164

Due to the reclassifications, the comparative figures differ from those published in the 2020 financial statements.

- 1) Non-current prepaid expenses mainly consist of IFRS 15 accrued costs, EUR 74.9 million (68.4).
- 2) Current prepaid expenses mainly consist of: prepaid production rental invoices, prepayments for IT-support and other prepaid trade payables, EUR 17.5 million (15.6), and other prepayments, EUR 5.1 million (8.6).
- 3) Most significant other current receivables include Telenor group cash pool receivables, EUR 60.0 million (38.2) and other accrued items, EUR 1.3 million (1.2).

During 2021, the Group has recognised an impairment loss on trade receivables of EUR 3.0 million (3.9). Fair value of receivables corresponds to book value as the effect of discounting is not material considering the maturity.

Movements in the provision for impairment of trade receivables and contract assets are as follows:

	Contract assets		Trade receivables	
	2021	2020	2021	2020
At 1 January	56	80	7,013	7,658
Change in loss allowance recognised in profit or loss during the year	-44	-24	3,168	3,857
Receivables written off during the year as uncollectible	-	-	-3,136	-4,502
At 31 December	12	56	7,045	7,013

19 DEFERRED TAX ASSETS AND LIABILITIES

EUR thousands

Breakdown of deferred taxes

Deferred tax assets 2021	1 Jan	Recognised in the income statement	Recognised in other comprehensive income	31 Dec
Provisions	2,712	-1,235	78	1,555
Unused taxable depreciation	1,302	142	-	1,444
Other temporary differences	3,603	397	-	4,000
Total	7,617	-695	78	7,000

Deferred tax liabilities 2021	1 Jan	Recognised in the income statement	Recognised in other comprehensive income	31 Dec
Fair value of assets through business combinations	13,497	-1,150	-	12,347
Accelerated depreciation	11,709	9,289	-	20,998
Other temporary differences	18,938	383	-	19,321
Total	44,144	8,522	-	52,667

Deferred tax assets 2020	1 Jan	Recognised in the income statement	Recognised in other comprehensive income	31 Dec
Provisions	1,198	1,586	-72	2,712
Unused taxable depreciation	922	380	-	1,302
Other temporary differences	5,044	-1,441	-	3,603
Total	7,164	526	-72	7,617

Deferred tax liabilities 2020	1 Jan	Recognised in the income statement	Recognised in other comprehensive income	31 Dec
Fair value of assets through business combinations	15,191	-1,693	-	13,497
Accelerated depreciation	1,841	9,868	-	11,709
Other temporary differences	19,831	-893	-	18,938
Total	36,863	7,281	-	44,144

20 INVENTORIES

EUR thousands	2021	2020
Materials and supplies	38,217	33,724
Total	38,217	33,724

During the reporting period, an expense of EUR 153.2 million (148.4) was recognised in the income statement for materials and supplies. Impairments during the period were EUR 0.8 million (1.0).

21 CASH AND CASH EQUIVALENTS

EUR thousands	2021	2020
Cash and cash equivalents	10,817	7,633
Total	10,817	7,633

22 EQUITY

	Out- standing shares thousands	Treasury shares thousands	Total number of shares thousands	Share capital EUR thousands	Reserve for invested unrestricted equity EUR thousands
1 January 2020	132,182	121	132,304	72,702	506,079
31 December 2020	132,182	121	132,304	72,702	506,079
31 December 2021	132,182	121	132,304	72,702	506,079

DNA Plc has one class of shares. The total number of shares is 132,303,500 (132,303,500). The number of outstanding shares is 132,182,184 (132,182,184). On 31 December 2021, DNA Plc's share capital amounted to EUR 72,702,226. The shares do not have a nominal value, and all issued shares have been paid in full.

Reserve for invested unrestricted equity

The reserve for invested unrestricted equity includes other equity type investments and the subscription price of shares insofar as it has not been expressly recognised in the share capital.

Treasury shares

Treasury shares are presented separately in shareholders' equity. The treasury shares fund includes the acquisition costs of the company's treasury shares.

DNA holds a total of 121,316 treasury shares which represents 0.09% of voting rights.

Parent company DNA Plc's distributable funds as at 31 December 2021

EUR thousands	31 Dec 2021
Treasury shares	-1,728
Retained earnings	264,367
Net result for the period	33,330
Total distributable funds	295,969

23 SHARE-BASED PAYMENTS

Long-term share incentive schemes for DNA senior executives and other key personnel

Telenor has a long-term share incentive scheme for top executives and critical experts, where they can earn a cash bonus of up to 15–30% of annual base salary, which will be used to purchase Telenor's shares. Remuneration is granted on the basis of the profit development of the two years preceding the payment of the remuneration.

In addition, Telenor offers employees the opportunity to participate in the Employee Share Plan program, where employees are allowed to invest a certain portion of their annual salary in Telenor shares, and where they also have the opportunity to earn bonus shares based on Telenor share price performance.

There have been no share-based compensations during 2021.

Share-based payments

EUR thousands	2021	2020
Expense recorded	1,304	2,037
Liability recorded	-	352
Paid	-	4,780

Since the beginning of financial year 2021, the share-based payments have been recorded as equity instead of liability. The comparison figures have not been restated.

24 EMPLOYMENT BENEFIT OBLIGATIONS

DNA Group's employee pensions are managed by external insurance companies. The TyEL pension insurances is classified as a defined contribution plan and are managed by the pension insurance companies. DNA also has additional defined benefit plans for some employees. These plans are based on the final salary, and the persons covered receive a supplementary pension at the defined level. The size of the benefit at retirement is determined by factors such as years of service and compensation earned while in employment.

The liability recognised in the balance sheet for the defined benefit plans is determined as follows:

EUR thousands	2021	2020
Funded defined benefit obligation	3,603	3,298
Fair value of plan assets	-2,090	-2,142
Deficit	1,513	1,156
Liability recognised in the balance sheet	1,513	1,156

	Present value of obligation	Fair value of plan assets	Total
1 Jan 2020	5,876	-4,336	1,540
Current service cost	70		70
Interest cost/income (-)	35	-26	9
	105	-26	79
Remeasurements recognised:			
Return on plan assets, excluding interest cost/income		2,279	2,279
Actuarial gain or loss arising from changes in demographic assumptions			-
Gain or loss arising from changes in financial assumptions	124		124
Experience adjustments	-2,765		-2,765
	-2,641	2,279	-362
Contributions:			
Contribution paid by employer		-101	-101
Benefits paid:			
Benefits	-42	42	0
31 Dec 2020	3,298	-2,142	1,156

	Present value of obligation	Fair value of plan assets	Total
1 Jan 2021	3,298	-2,142	1,156
Current service cost	72		72
Interest cost/income (-)	13	-9	4
	85	-9	76
Remeasurements recognised:			
Return on plan assets, excluding interest cost/income		62	62
Actuarial gain or loss arising from changes in demographic assumptions	-4		-4
Gain or loss arising from changes in financial assumptions	189		189
Experience adjustments	141		141
	326	62	388
Contributions:			
Contribution paid by employer		-99	-99
Benefits paid:			
Benefits	-61	61	0
Settlements	-45	37	-8
31 Dec 2021	3,603	-2,090	1,513

Significant actuarial assumptions:

	2021	2020
Discount rate	0.90%	0.40%
Inflation	2.00%	1.20%
Salary growth rate	3.20%	2.40%
Benefit growth rate	2.30%	1.50%

Assumptions regarding future mortality are set based on actuarial advice in accordance with published statistics and experience. These assumptions translate into a weighted average life expectancy in years for a pensioner at the retirement age of 65 as follows:

2021	Men	Women
Plan participants retiring at the end of the financial year	21	25
Plan participants retiring 20 years after the end of the financial year	22	27

2020	Men	Women
Plan participants retiring at the end of the financial year	21	25
Plan participants retiring 20 years after the end of the financial year	22	27

Impact on defined benefit obligation

2021	Change in assumption	Increase	
		Increase	Decrease
Discount rate	0.50%	-8.8%	10.0%
Salary growth rate	0.50%	1.6%	-1.6%
Pension growth rate	0.50%	8.1%	-7.2%

Addition of one year	
Life expectancy	5.0%

2020	Change in assumption	Increase	
		Increase	Decrease
Discount rate	0.50%	-9.0%	10.3%
Salary growth rate	0.50%	1.8%	-1.8%
Pension growth rate	0.50%	8.2%	-7.3%

Addition of one year	
Life expectancy	5.5%

The above sensitivity analysis is based on a method where one actuarial assumption changes but the others remain unchanged. In practice, this is unlikely, and some changes in assumptions may be correlated.

When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the pension liability recognised within the statement of financial position.

The Group is exposed to several risks in relation to the defined benefit plans, the most significant of which are described below.

Changes in the bond yields

According to the employer's IFRS reporting practice, the employer's obligations and liabilities depend on the bond yields on the reporting date. Decrease in yields increases liabilities and the payment obligation of pension benefits calculated according to IAS 19. However, since the employer is not subject to an investment risk in relation to the assets covering the liabilities, an increase in the yield of bonds will also have an effect on reported assets.

Inflation risk

The benefits paid in the plan are tied to the TyEL index, which depends on inflation (80%) and a general salary index (20%). High inflation increases the TyEL index, which in turn increases liabilities (IFRS) and annual contributions to the insurance company.

Salary risk

If the salary of an employee increases by more than the general salary index, the size of benefit will increase, which in turn will increase the benefit obligation, which increases the risk of higher contributions payable by the employer.

Life expectancy risk

As regards the life expectancy risk, the insurance company carries the risk related to actual life expectancy deviating from the expected life expectancy. Changes in life expectancy have an impact on the employer's obligations. The employer's risk in terms of changes in life expectancy only applies to future costs, whereas the insurance company carries the risk for benefits accrued by the change date.

Expected contributions to the post-employment benefit plan in 2022 are expected to total EUR 101 thousand.

The weighted average duration of the defined benefit obligation was 19 years (2020 19 years, 2019 16 years).

Undiscounted pension benefits are expected to mature as follows:

EUR thousands	Pension benefits		
	2021	2020	2019
Less than 1 year	63	42	196
1–5 years	410	309	908
5–10 years	554	486	1,112
10–15 years	566	506	947
15–20 years	594	509	859
Over 20 years	2,094	1,670	2,389
Total	4,280	3,521	6,411

25 PROVISIONS

EUR thousands	1 January 2021	Additions	Provisions used	31 December 2021
Asset retirement obligation	11,633	2,369	–210	13,791
Restructuring provision	200	196	-	396
Other provisions	208	-	-	208
Total	12,041	2,565	–210	14,396

EUR thousands	1 January 2020	Additions	Provisions used	31 December 2020
Asset retirement obligation	4,789	6,844	-	11,633
Restructuring provision	469	2	–270	200
Other provisions	208	-	-	208
Total	5,466	6,845	–270	12,041

EUR thousands	31 Dec 2021	31 Dec 2020
Non-current provisions	14,070	11,833
Current provisions	326	208
Total	14,396	12,041

Asset retirement obligation

The asset retirement obligation provision comprises the estimated dismantling and demolition costs of data centres, masts and telephone poles. The asset retirement period for telephone poles is estimated at 10 years, and 40 years for data centres and masts. The realization of the dismantling and demolition costs does not involve any significant uncertainties.

26 BORROWINGS

EUR thousands	2021	2020
Non-current		
Bonds	245,794	244,532
Other loans	68,096	113,096
Lease liabilities	144,706	161,463
Total	458,597	519,091
Current		
Bonds	-	59,987
Lease liabilities	43,889	48,031
Total	43,889	108,018

The figures for the comparison period differ from those previously reported due to classification changes introduced in 2021.

DNA repaid the EUR 60 million bond that fell due in March 2021. DNA has a long-term credit rating BBB+ from Standard & Poor's Global Ratings and CreditWatch positive. The decrease in borrowings was mainly due to repayments of loans.

27 NET DEBT

EUR thousands	31 Dec 2021	31 Dec 2020
Non-current borrowings	458,597	519,091
Current borrowings	43,889	108,018
Total borrowings	502,486	627,109
Less cash and cash equivalents	10,817	7,633
Net debt	491,669	619,476

EUR thousands	Reported in cash flows from financing activities			
	Cash	Current borrowings	Non-current borrowings	Net debt
1 January 2020	17,423	51,779	549,700	584,056
Change in cash	-9,790			9,790
Proceeds from borrowings		8,467	68,729	77,195
Repayment of borrowings		-118,435	-73,846	-192,281
Other non-cash transactions		166,207	-25,491	140,716
31 December 2020	7,633	108,018	519,091	619,476
Change in cash	3,184			-3,184
Proceeds from borrowings		-	95,000	95,000
Repayment of borrowings		-125,551	-140,000	-265,551
Other non-cash transactions		61,422	-15,495	45,928
31 December 2021	10,817	43,889	458,597	491,669

The figures for the comparison period differ from those previously reported due to classification changes introduced in 2021.

28 TRADE AND OTHER PAYABLES

EUR thousands	2021	2020
Current financial liabilities carried at amortised cost		
Trade payables	120,569	119,737
Accrued expenses ¹⁾	84,376	72,346
Advances received	22,834	21,987
Contract liabilities	2,886	3,254
Other current liabilities	56,617	40,328
Total current liabilities	287,281	257,651

1) Accrued expenses comprise: holiday pay and bonuses including social expenses totalling EUR 23.8 million (EUR 21.9 million), interest expenses EUR 2.6 million (EUR 4.0 million), deferred income EUR 11.7 million (EUR 11.8 million), debt related to share-based reward plan EUR 0.4 million (EUR 0.1 million) as well as other accrued operative expenses EUR 45.6 million (EUR 34.5 million).

Due to the reclassifications, the comparative figures differ from those published in the 2020 financial statements.

29 FAIR VALUE OF BORROWINGS

Non-current borrowings

EUR thousands	2021		2020	
	Carrying amount	Fair value	Carrying amount	Fair value
Bonds	245,794	259,103	244,532	318,155
Other borrowings	68,096	68,393	113,096	113,566
Lease liabilities	144,706	144,706	149,163	149,163
Total	458,597	472,202	506,792	580,885

Current borrowings

	2021		2020	
	Carrying amount	Fair value	Carrying amount	Fair value
Bonds	-	-	59,987	60,314
Lease liabilities	43,889	43,889	38,248	38,248
Total	43,889	43,889	98,235	98,562

Fair value of borrowings has been calculated by discounting the expected cash flow of borrowings using the market interest rate at balance sheet date plus the company's risk premium. The market value of the bond is the average value of the year-end quoted prices from two banks.

30 LEASE AGREEMENTS

Amounts recognised in the balance sheet

Right-of-use assets

EUR thousands	Land and water	Buildings and constructions	Machinery and equipment	Other intangible assets	Total
Net book amount 1 January 2020	4,147	70,756	1,334	59,267	135,504
1 Jan– 31 Dec 2020					
Cost at beginning of period	4,147	70,756	1,334	59,267	135,504
Additions and transfers	452	117,703	653	25,407	144,215
Disposals	–51	–815	–647	0	–1,513
Accumulated depreciation relating to disposals and transfers	51	815	647	0	1,513
Depreciation	–387	–24,398	–872	–5,009	–30,665
Net book amount 31 December 2020	4,212	164,061	1,116	79,665	249,055
31 Dec 2020					
Cost	4,882	203,031	2,236	100,248	310,397
Accumulated depreciation	–670	–38,970	–1,120	–20,582	–61,342
Net book amount	4,212	164,061	1,116	79,665	249,055
1 Jan– 31 Dec 2021					
Cost at beginning of period	4,212	164,061	1,116	79,665	249,055
Additions and transfers	1,186	29,479	647	0	31,313
Disposals	–205	–2,838	–891	0	–3,934
Accumulated depreciation relating to disposals and transfers	205	2,838	891	0	3,934
Depreciation	–489	–40,420	–688	–6,217	–47,814
Net book amount 31 December 2021	4,909	153,121	1,076	73,449	232,554
31 Dec 2021					
Cost	5,864	229,672	1,992	100,248	337,776
Accumulated depreciation	–955	–76,552	–917	–26,799	–105,222
Net book amount	4,909	153,121	1,076	73,449	232,554

The average weighted discount rate on 31 December 2021 was 0.6% (0.9). Deferred tax assets on 31 December 2021 were EUR 0.1 million (0.0).

The figures for the comparison period differ from those previously reported due to classification changes introduced in 2021.

Lease liabilities

EUR thousands	2021	2020
Non-current	144,706	161,463
Current	43,889	48,031
Total	188,596	209,494

Amounts recognised in the statement of profit and loss

Depreciation charge of right-of-use assets

EUR thousands	2021	2020
Land and water	489	387
Buildings and constructions	40,420	24,398
Machinery and equipment	688	872
Other intangible assets	6,217	5,009
Total	47,814	25,656

Interest expense

EUR thousands	2021	2020
Total	905	1,014

Expense relating to short-term leases *

EUR thousands	2021	2020
Total	1,937	23,129

* Short-term lease agreements consist mainly of lease agreements for premises.
The commitment for the notice period is EUR 1.0 million (EUR 1.0 million).

Investment property

DNA has a fixed term lease agreement for the property in Mechelininkatu until the end of 2025. Part of the premises are used by the group and part is sub-leased.

The majority of the lease agreements are indefinite with a 6 month notice period. Additionally, some agreements are for a fixed term of 2–3 years. Different purposes of use forms different asset groups;

DNA as lessee: The property's original valuation of the lease agreement is treated in the balance sheet as an operative lease agreement as per IFRS 16.

DNA as lessor: as per IFRS 16, the property's premises rented to third parties are valued at fair value on the basis of the lease agreements. The fair value of the investment property on 31 December 2021 is EUR 1.3 million (1.2). During 2021, rental income amounted to EUR 2.8 million (2.9).

31 GUARANTEES AND CONTINGENT LIABILITIES

In addition, DNA's agreements with some of its main suppliers contain minimum order quantities (units) for the contract period. As DNA has discretion over which units to purchase over the contract period and the price per unit varies, DNA is unable to estimate the exact EUR amount for these commitments.

Lease commitments relating to lease agreements are presented in note 30.

32 RELATED PARTY TRANSACTIONS

DNA's related parties include the main shareholders which have significant influence over the group, subsidiaries, associated companies, joint arrangements and members of the Board of Directors and the management team, including the CEO and the deputy CEO as well as their close family members. In addition, related parties include all entities controlled or jointly controlled by a person identified as related party.

Subsidiaries and ownerships:

Company	Country	Share of ownership	Share of votes
DNA Kauppa Oy	Finland	100%	100%
DNA Welho Oy	Finland	100%	100%
European Mobile Operator Oy	Finland	100%	100%
Moi Mobili Oy	Finland	100%	100%
DNA Tower Finland Oy	Finland	100%	100%

Listing of associated companies is presented in note 16.

The following related party transactions were carried out:

EUR thousands	Sales	Purchases	Group contribution	Receivables	Liabilities
2021					
Organisations exercising significant influence	3,397	8,665	6,899	28,291	72,211
Associated companies	-	458	-	-	-
2020					
Organisations exercising significant influence	1,936	6,795	13,123	23,994	123,875
Associated companies	-	431	-	-	-

Key management compensation

Company's key management comprises the Board of Directors and the Executive team.

EUR thousands	2021	2020
Salaries and other short-term employee benefits	3,012	4,890
Pension expenses – defined contribution plan and defined benefit plan	802	1,137
Share-based payments	553	2,364
Total	4,367	8,392

EUR thousands	2021	2020
CEO Jussi Tolvanen's salary and commissions (11 Oct – 31 Dec 2021):		
Salary and commissions	189	
Accrued pension expenses	16	
Total	205	

EUR thousands	2021	2020
CEO Jukka Leinonen's salary and commissions (1 Jan – 10 Oct 2021):		
Salary and commissions	767	926
Accrued pension expenses	42	100
Share-Based Compensation Plan (gross)	319	800
Total	1,128	1,826

EUR thousands	2021	2020
Members and deputy members of the Board of Directors		
Jukka Leinonen	0	0
Birgitte Engebretsen	0	0
Gaute Simen Gravir	0	0
Nils Katla	0	0
Håvard Naustdal	0	0
Trine Rønningen	0	0
Sigve Brekke	0	0
Kirsi Sormunen	17	60
Tero Ojanperä	17	59
Anna-Maria Ronkainen	0	58
Jørgen Rostrup	0	0
Fredric Brown	0	0
Ulrika Steg	0	0
Total	34	176

Those Board members who are non-independent of Telenor group, forgo their entitlement for the reward.

There were no loans given to the board members or the CEO.

Management's and CEOs' pension commitments

Members of the Group management are entitled to defined benefit pension at the age of 62 and the CEO and deputy CEO of the parent company at the age of 60. They have supplementary defined contribution plans.

Parent company income statement, FAS

EUR thousands	Note	2021	2020
NET SALES	1	812,858	808,803
Other operating income		10,039	9,430
Materials and services			
Purchases		-156,289	-144,827
Change in inventory		4,493	-292
External services		-198,161	-200,901
Total materials and services		-349,957	-346,020
Employee expenses			
Salaries and commissions		-79,736	-78,546
Social expenses			
Pensions		-14,285	-12,602
Other social expenses		-3,570	-2,878
Total employee expenses		-97,591	-94,026
Depreciation and impairments	2		
Depreciation according to plan		-138,416	-130,309
Total depreciation and impairments		-138,416	-130,309
Other operating expenses	3	-146,089	-128,458
OPERATING RESULT		90,844	119,421

EUR thousands	Note	2021	2020
Finance income and expense	4		
Income from other investments		36	172
Other interest and financial income		481	847
Interest and other financial expenses		-5,953	-7,108
Total finance income and expense		-5,436	-6,088
RESULT BEFORE APPROPRIATIONS AND TAX		85,409	113,332
Appropriations	5		
Depreciation difference		-29,488	-37,779
Group contribution		-12,399	3,871
Total appropriations		-41,886	-33,909
Income tax	6	-10,193	-17,091
RESULT FOR THE FINANCIAL PERIOD		33,330	62,333

Parent company balance sheet, FAS

EUR thousands	Note	2021	2020
ASSETS			
NON-CURRENT ASSETS			
Intangible assets	7		
Intangible rights		65,659	71,975
Goodwill		85,935	92,494
Other capitalised expenditure		50,309	46,029
Prepayments and non-current assets under construction		6,644	6,812
Total intangible assets		208,547	217,310
Property, plant and equipment	7		
Land and water		439	713
Buildings and constructions		13,238	32,721
Machinery and equipment		287,391	291,026
Advances paid and construction in progress		29,743	40,055
Total tangible assets		330,811	364,515
Investments	8		
Holdings in Group companies		101,512	98,338
Shares in associated companies		3,982	3,982
Other shares and holdings		1,095	1,098
Total investments		106,589	103,418
TOTAL NON-CURRENT ASSETS		645,946	685,243

EUR thousands	Note	2021	2020
CURRENT ASSETS			
Inventory			
Materials and supplies		38,217	33,724
Total inventory		38,217	33,724
Non-current receivables			
Trade receivables		44,006	39,308
Receivables from Group companies	9	6,000	6,000
Other receivables		7,270	9,529
Deferred tax asset	10	1,251	3,563
Total non-current receivables		58,528	58,401
Current receivables			
Trade receivables		178,755	175,206
Receivables from Group companies	9	43,322	74,344
Other receivables		1,196	883
Prepaid expenses	11	30,307	24,867
Total current receivables		253,580	275,301
Financial securities			
Other financial securities		91	0
Total financial securities		91	0
Cash and cash equivalents		2,454	3,571
TOTAL CURRENT ASSETS		352,870	370,996
TOTAL ASSETS		998,816	1,056,239

EUR thousands	Note	2021	2020
EQUITY AND LIABILITIES			
EQUITY			
	12		
Share capital		72,702	72,702
Treasury shares		-1,728	-1,728
Retained earnings		264,367	202,034
Result for the period		33,330	62,333
TOTAL EQUITY		368,671	335,341
APPROPRIATIONS			
Depreciation difference		70,553	39,985
TOTAL APPROPRIATIONS		70,553	39,985
PROVISIONS			
	13	4,932	13,354

EUR thousands	Note	2021	2020
LIABILITIES			
Non-current liabilities			
	14		
Borrowings		250,000	250,000
Advances received		214	228
Intercompany borrowings		45,096	110,096
Other non-current liabilities		18,715	24,402
Deferred tax liability	10	585	766
Total non-current liabilities		314,610	385,492
Current liabilities			
Borrowings		0	60,000
Advances received		3,045	3,128
Trade payables		93,140	98,624
Liabilities to Group companies	15	59,903	41,563
Other current liabilities		14,286	11,060
Accrued expenses	16	69,677	67,690
Total current liabilities		240,050	282,066
TOTAL LIABILITIES		554,660	667,558
TOTAL EQUITY AND LIABILITIES		998,816	1,056,239

Parent company cash flow statement, FAS

EUR thousands	2021	2020
Cash flows from operations		
Result for the period	33,330	62,333
Adjustments ¹⁾	188,744	175,098
Change in working capital ²⁾	13,591	4,161
Interest paid	-5,183	-5,474
Interest received	177	661
Dividends received	36	36
Other financial items	-969	-388
Income taxes paid	-15,451	-20,704
Net cash generated from operating activities	214,275	215,723
Cash flows from investments		
Investments in property, plant and equipment (PPE) and intangible assets	-131,322	-144,698
Proceeds from sale of PPE	580	0
Other investments	-91	-1
Short-term investments increase (-) / decrease (+)	28,820	-350
Proceeds from loans receivables	0	16,395
Net cash used in investing activities	-102,013	-128,655
Cash flows from financing activities		
Proceeds from borrowings	95,000	80,097
Repayment of borrowings	-205,053	-178,950
Group contributions received	3,871	1,060
Net cash generated from (used in) financing activities	-106,182	-97,794

EUR thousands	2021	2020
Change in cash and cash equivalents	6,080	-10,725
Cash and cash equivalents at beginning of year	3,593	14,317
Cash and cash equivalents transferred in a business transfer	-7,000	0
Cash and cash equivalents at end of year	2,672	3,593
1) Adjustments:		
Depreciation, amortisation and impairment	138,416	130,309
Gains and losses on disposals of non-current assets	-429	0
Other non-cash income and expense	34,987	20,786
Finance income and expense	5,436	6,088
Income tax expense	10,193	17,091
Change in provisions	141	824
Total adjustment	188,744	175,098
2) Change in net working capital:		
Change in trade and other receivables	-6,650	-3,852
Change in inventories	-4,493	292
Change in trade and other payables	24,735	7,721
Total change in net working capital	13,591	4,161

Parent company accounting principles, FAS

Information regarding the group

The company is part of the DNA-group. DNA Plc is the parent company of the DNA-Group, domiciled in Helsinki.

Copies of the Consolidated Financial Statements are available online at www.dna.fi or at the Group parent company head office at Läkkipäntie 21, 00620 Helsinki, Finland.

DNA is part of the Telenor Group. DNA Plc is owned by Telenor Finland Holding Oy. Telenor ASA is the parent company of the Telenor Group. Copies of the Consolidated Financial Statements are available at Telenor head office at Snarøyveien 30, N-1360 Fornebu, Norway

Valuation principles

Fixed assets

Intangible assets and property, plant and equipment are shown on the balance sheet as acquisition costs, less planned depreciation. Planned depreciation is recorded on a straight-line basis over the useful life of an asset.

The depreciation/amortisation periods are:

Intangible rights	1–20 years
Goodwill	4–20 years
Other intangible assets	3–10 years
Buildings	25 years
Constructions	10–25 years
Machinery and equipment	3–15 years

The depreciation period of the merger loss capitalised to the balance sheet is 20 years, based on management's view that the merger will generate economic benefits for a minimum of 20 years.

The company has made full increased depreciation for tax purposes in accordance with the Tax Relief Act in 2020.

Inventory valuation

Inventories are stated at the lower of acquisition cost or replacement cost or likely realisable value.

Financial assets

The company applies the valuation of financial assets under KPL 5:2§.

Research and development

Development expenditure is recognised as annual costs for the year in which it is incurred. Development expenditure expected to generate future economic benefits are capitalised under intangible assets and amortised over three years.

Pensions

The company's employee pensions are managed by an external insurance company. Pension contributions and other costs for the financial period are based on the actuary calculations. Expenditure on pensions is recognised as an expense for the year in which it is incurred.

Deferred tax

Deferred tax has been determined for temporary differences between tax bases of assets and their amounts in financial reporting, using the tax rates effective for future years confirmed on the balance sheet date. The balance sheet includes the deferred tax asset at its estimated realisable amount. The deferred tax asset comprises provisions, deferred depreciation and other temporary differences and the deferred tax liability comprises sharebased payments.

Comparability with prior period

Prior period numbers are comparable with the financial period 2021.

Foreign currency translations

Items denominated in foreign currencies are translated using the Bank of Norway reference rates.

Group financing

The company is a part of Telenor group cash pool account system.

Parent company income statement notes, FAS

1 NET SALES

EUR thousands	2021	2020
Net sales	812,858	808,803
Domestic	790,756	787,268
Foreign	22,102	21,535
Total	812,858	808,803
During the financial period, parent company employed personnel on average	1,361	1,348

2 DEPRECIATION AND AMORTISATION

EUR thousands	2021	2020
Amortisation of intangible assets	49,498	48,500
Depreciation of tangible assets	88,918	81,808
Total	138,416	130,309
Depreciation and amortisation total	138,416	130,309

3 OTHER OPERATING EXPENSES

EUR thousands	2021	2020
Operating and maintenance costs	56,184	42,941
Rental costs	62,102	57,107
External services	5,190	5,668
Other cost items	22,613	22,742
Total	146,089	128,458
Auditor fees		
Ernst & Young Oy		
Auditing fees	329	307
Tax consulting	21	35
Other fees	99	149
Total	449	490

4 FINANCE INCOME AND EXPENSE

EUR thousands	2021	2020
Income from other fixed assets investments		
Forte Netservices OOO final settlement	0	136
Dividends from associated companies	4	4
Dividends from others	32	32
Total	36	172
Other interest and financial income		
Interest income from group companies	304	481
Interest income from others	177	366
Total other interest and finance income	481	847
Other interest and financial expense		
Interest expense to group companies	0	108
Interest expense to others	3,803	5,321
Other finance expense	2,150	1,679
Total other interest and financial expense	5,953	7,108
Total financial income and expense	-5,436	-6,088

5 APPROPRIATIONS

EUR thousands	2021	2020
Depreciation difference	-29,488	-37,779
Group contribution received	2,813	26,208
Group contribution given	-15,212	-22,338
Total appropriations	-41,886	-33,909

6 INCOME TAX

EUR thousands	2021	2020
Direct taxes	10,427	18,957
Income tax from previous periods	-1,372	18
Change in deferred tax asset	1,318	-1,703
Change in deferred tax liability	-181	-181
Total income tax	10,193	17,091

Parent company balance sheet notes, FAS

7 INTANGIBLE ASSETS AND PROPERTY, PLANT AND EQUIPMENT

EUR thousands	2021	2020
Development costs		
Acquisition cost 1 January	3,828	3,828
Acquisition cost 31 December	3,828	3,828
Accumulated amortisation 1 January	3,828	3,828
Accumulated amortisation 31 December	3,828	3,828
Book value 31 December	0	0
Intangible rights		
Acquisition cost 1 January	304,338	291,838
Transfers	4,000	12,500
Acquisition cost 31 December	308,338	304,338
Accumulated amortisation 1 January	232,363	222,515
Amortisation for the financial period	10,316	9,848
Accumulated amortisation 31 December	242,679	232,363
Book value 31 December	65,659	71,975
Goodwill		
Acquisition cost 1 January	153,795	153,795
Acquisition cost 31 December	153,795	153,795
Accumulated amortisation 1 January	61,301	54,742
Amortisation for the financial period	6,559	6,559
Accumulated amortisation 31 December	67,860	61,301
Book value 31 December	85,935	92,494

EUR thousands	2021	2020
Other non-current intangible assets		
Acquisition cost 1 January	290,171	262,124
Transfers	36,903	33,652
Disposals	-22	-5,606
Acquisition cost 31 December	327,052	290,171
Accumulated amortisation 1 January	244,142	217,654
Amortisation for the financial period	32,623	32,094
Amortisation relating to disposals	-22	-5,606
Accumulated amortisation 31 December	276,743	244,142
Book value 31 December	50,309	46,029
Prepayments and non-current assets under construction		
Acquisition cost 1 January	6,812	8,262
Additions	40,735	44,703
Transfers	-40,903	-46,152
Book value 31 December	6,644	6,812
Total intangible assets	208,547	217,310

EUR thousands	2021	2020
Land and water		
Acquisition cost 1 January	713	713
Deductions due to business transfer	-256	0
Disposals	-18	0
Book value 31 December	439	713
Buildings and constructions		
Acquisition cost 1 January	52,151	39,075
Additions	2,056	6,842
Transfers	3,641	6,233
Deductions due to business transfer	-30,924	0
Disposals	-271	0
Acquisition cost 31 December	26,654	52,151
Accumulated depreciation 1 January	19,429	16,909
Depreciation for the financial period	2,827	2,520
Accumulated depreciation on deductions due to business transfer	-8,585	0
Accumulated depreciations on disposals	-256	0
Accumulated depreciation 31 December	13,416	19,429
Book value 31 December	13,238	32,721

EUR thousands	2021	2020
Machinery and equipment		
Acquisition cost 1 January	1,416,637	1,311,230
Transfers	88,830	105,409
Deductions due to business transfer	-14,462	0
Disposals	-713	-2
Acquisition cost 31 December	1,490,293	1,416,637
Accumulated depreciation 1 January	1,125,611	1,046,324
Depreciation for the financial period	86,090	79,288
Accumulated depreciation on deductions due to business transfer	-8,205	
Accumulated depreciations on disposals	-594	-2
Accumulated depreciation 31 December	1,202,902	1,125,611
Book value 31 December	287,391	291,026
Prepayments and non-current assets under construction		
Acquisition cost 1 January	40,055	49,361
Additions	83,034	102,336
Deductions due to business transfer	-874	0
Transfers	-92,472	-111,642
Acquisition cost 31 December	29,743	40,055
Total property, plant and equipment	330,811	364,5151

8 INVESTMENTS

EUR thousands	2021	2020
Holdings in Group companies		
Book value 1 January	98,338	98,348
Additions	3,174	0
Disposals	0	-10
Book value 31 December	101,512	98,338
Shares in associated companies		
Book value 1 January	3,982	3,982
Book value 31 December	3,982	3,982
Other shares and holdings		
Book value 1 January	1,098	1,097
Increase	0	1
Disposals	-3	0
Book value 31 December	1,095	1,098
Parent company ownerships:		
Holdings in Group companies		
DNA Kauppa Oy	100%	100%
DNA Welho Oy	100%	100%
European Mobile Operator Oy	100%	100%
DNA Tower Finland Oy	100%	0%

DNA Tower Finland Oy started its operations as a management company for DNA's small equipment facilities on October 1, 2021. The business was transferred from DNA Oyj to the company.

All group companies are included in the parent company consolidated financial statements.

EUR thousands	2021	2020
Interests in joint arrangements		
Suomen Yhteisverkko Oy	49%	49%
Shares in associated companies		
Suomen Numerot Numpac Oy	33%	33%
Kiinteistö Oy Otavankatu 3	36%	36%
Kiinteistö Oy Siilinjärven Toritie	38%	38%

Suomen Numerot Numpac Oy is included in the parent company consolidated financial statements

9 RECEIVABLES FROM GROUP COMPANIES

EUR thousands	2021	2020
Long-term loan receivables	6,000	6,000
Trade receivables	16,091	14,768
Prepaid expenses	2,030	4,850
Group account receivables	22,389	28,518
Group contribution receivables	2,813	26,208
Total	49,322	80,344

The company has issued a subordinated loan of EUR 6,000,000.00 under Chapter 12 of the Companies Act (624/2006) to Moi Mobiili Oy. The loan is recorded as a long-term debt in the receiving company and in DNA Plc it is recorded as a long-term receivable from group companies.

The maturity date of the loan is 20 March 2025. The annual interest rate is 5%.

Repayment of the loan is subordinate to other debts and obligations in bankruptcy and liquidation. Otherwise, repayment of capital and payment of interest may be effected only to the extent that the amount of the company's unrestricted equity and all capital loans at the time of payment exceeds the amount of the loss recognized in the balance sheet for the latest financial year. If the interest payable on the subordinated loan cannot be paid, the interest shall be transferred to the first financial statement on the basis of which it can be paid. No capital or interest shall be secured.

10 DEFERRED TAX LIABILITY/ASSET

EUR thousands	2021	2020
Deferred tax asset		
Deferred tax asset from provisions	542	2,826
Deferred tax asset from deferred depreciation	29	112
Deferred tax asset from temporary differences	680	625
Total deferred tax asset	1,251	3,563
Deferred tax liability		
Deferred tax liability from loss on sale of bond	585	766
Total	585	766

11 PREPAID EXPENSES

EUR thousands	2021	2020
Trade payables	12,112	11,266
Other receivables	7,915	9,718
Tax receivables	10,280	3,884
Total	30,307	24,867
Unrecognised costs		
Of the bond issue costs:		
Remainder of the capitalised long-term deferred receivables	628	892
Remainder of the capitalised short-term deferred receivables	264	279

12 EQUITY

EUR thousands	2021	2020
Share capital 1 January	72,702	72,702
Share capital 31 December	72,702	72,702
Treasury shares 1 January	-1,728	-1,728
Treasury shares 31 December	-1,728	-1,728
Retained earnings 1 January	264,367	202,034
Retained earnings 31 December	264,367	202,034
Result for the period	33,330	62,333
Total equity	368,671	335,341
Distributable funds		
Retained earnings	264,367	202,034
Net result for the period	33,330	62,333
Treasury shares	-1,728	-1,728
Total distributable funds	295,969	262,639

13 PROVISIONS

EUR thousands	2021	2020
Estimated decommissioning costs of data centres and masts	2,844	11,483
Onerous contracts*	1,485	1,464
Pension provision	276	198
Restructuring provision	118	0
Other provision	208	208
Total provisions	4,932	13,354

*The provision covers the under-utilised premises for the full agreement term until 2025.

14 NON-CURRENT LIABILITIES

EUR thousands	2021	2020
Bonds	250,000	250,000
Loans from other group companies	45,096	110,096
Other long-term liabilities	18,715	24,402
Accrued expenses	214	228
Deferred tax liability	585	766
Total non-current liabilities	314,610	385,492

15 LIABILITIES TO GROUP COMPANIES

EUR thousands	2021	2020
Trade payables	2,554	2,668
Accrued expenses	9,521	6,579
Group account payables	32,616	9,978
Group contribution payables	15,212	22,338
Total liabilities to Group companies	59,903	41,563

16 ACCRUED EXPENSES

EUR thousands	2021	2020
Holiday pay and bonuses	20,677	20,153
Interest expenses	2,637	4,017
Sales accruals	11,634	11,891
Other accruals	34,728	31,630
Total accruals	69,677	67,690

17 PLEDGED ASSETS AND CONTINGENT LIABILITIES

EUR thousands	2021	2020
Pledged assets		
Other obligations on behalf of Group companies		
Bank guarantee	1,416	1,345
Contingent liabilities and other liabilities		
Finance lease payments		
Payments due during the next financial period	399	440
Payments due at a later date	252	321
Total finance lease payments	651	760

Leasing contracts are made for three-year periods.

Other contractual obligations

Leasehold commitments*	76,144	97,675
------------------------	--------	--------

*Includes EUR 1.5 million (EUR 1.5 million) for the non-voidable lease agreement reported under the provision for onerous contracts.

In addition, DNA's agreements with some of its main suppliers contain minimum order quantities (units) for the contract period. As DNA has discretion over which units to purchase over the contract period and the price per unit varies, DNA is unable to estimate the exact EUR amount for these commitments.

18 RELATED PARTY TRANSACTIONS

Related party trade

DNA's related parties include the main shareholders which have significant influence over the group, subsidiaries, associated companies, joint arrangements and members of the Board of Directors and the management team, including the CEO and the deputy CEO as well as their close family members. In addition, related parties include all entities controlled or jointly controlled by a person identified as related party. The company acquires products sold to external parties from its related parties. Related party transactions are with same terms than transactions carried out with independent parties.

Key management compensation

<u>EUR thousands</u>	<u>2021</u>	<u>2020</u>
CEO Jukka Leinonen		
Wages and salaries	901	926
Share-based incentive scheme (gross)	319	800
Total	1,219	1,726
CEO Jussi Tolvanen		
Wages and salaries	189	0
Total	189	0
Members and deputy members of the Board of Directors		
Kirsi Sormunen	17	60
Tero Ojanperä	17	59
Anna-Maria Ronkainen	0	58
Total	34	176

Those Board members who are non-independent of Telenor group forgo their entitlement for the reward.

No loans have been granted to the Members of the Board of Directors or the CEO.

Members of the Executive team and the CEO and deputy CEO of the parent company are entitled to defined benefit pension at the age of 62. They have supplementary defined contribution plans.

Signatures of the annual report and financial statements

Helsinki 18 February 2022

Jukka Leinonen
Chairman of the Board of Directors

Birgitte Engebretsen
Member of the Board of Directors

Gaute Simen Gravir
Member of the Board of Directors

Nils Katla
Member of the Board of Directors

Håvard Naustdal
Member of the Board of Directors

Trine Rønningen
Member of the Board of Directors

Jussi Tolvanen
CEO

Auditors' note

An auditors' report have been issued today on the performed audit.

Helsinki 18 February 2022

Ernst & Young Oy
Authorised Public Accountants

Terhi Mäkinen
Authorised Public Accountant

Auditors' report

(Translation of the Finnish original)

To the Annual General Meeting of DNA Plc

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of DNA Plc (business identity code 0592509-6) for the year ended 31 December, 2021. The financial statements comprise the consolidated balance sheet, income statement, statement of comprehensive income, statement of changes in equity, statement of cash flows and notes, including a summary of significant accounting policies, as well as the parent company's balance sheet, income statement, statement of cash flows and notes.

In our opinion

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

Our opinion is consistent with the additional report submitted to the Board of Directors.

Basis for Opinion

We conducted our audit in accordance with good auditing practice in Finland. Our responsibilities under good auditing practice are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report.

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

In our best knowledge and understanding, the non-audit services that we have provided to the parent company and group companies are in compliance with laws and regulations applicable in Finland regarding these services, and we have not provided any prohibited non-audit services referred to in Article 5(1) of regulation (EU) 537/2014. The non-audit services that we have provided have been disclosed in note 7 to the consolidated financial statements and note 3 to the parent company financial statements.

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

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

Key Audit Matter	How our audit addressed the Key Audit Matter
<p>Revenue Recognition</p> <p><i>We refer to the Group's accounting policies and the note 5</i></p> <p>DNA Group delivers goods and services which can be sold separately or bundled. There is an inherent risk around the accuracy of revenue recognized given the complexity of IT systems, high volume of customer contracts and transactions, and changing business and pricing models (tariff structures, incentive arrangements, discounts etc.). The application of revenue recognition accounting standards is complex and revenue recognition involves a number of key judgements and estimates.</p> <p>Revenue recognition was determined to be a key audit matter and a significant risk of material misstatement referred to in EU Regulation No 537/2014, point (c) of Article 10(2) due to the identified risk of material misstatement in revenue recognition.</p>	<p>Our audit procedures, considering the significant risk of material misstatement related to revenue recognition, included amongst other:</p> <ul style="list-style-type: none"> • assessing the application of group's accounting policies over revenue recognition and comparing the group's accounting policies over revenue recognition with applicable accounting standards; • testing the IT general controls and application controls over the main IT systems and applications that bill material revenue streams; • testing the revenue recognized including testing of group's controls on revenue recognition, when applicable. Our testing included among other tracing the information to agreements and testing cash receipts for a sample of customers back to the customer invoice on a sample basis; • testing the end-to-end reconciliation from billing system to accounting system; • testing the accruals for deferred and unbilled revenue; • assessing the revenue recognized with substantive analytical procedures and • assessing the group's disclosures on revenue recognition.
<p>Valuation of Goodwill</p> <p><i>We refer to the Group's accounting policies and the note 15</i></p> <p>At the balance sheet date 31 December 2021, the value of goodwill amounted to EUR 339 million representing 21 % of total assets and 44 % of total equity (2020: EUR 339 million, 21 % of total assets and 52 % of total equity). The valuation of goodwill was a key audit matter as:</p> <ul style="list-style-type: none"> • the management's annual impairment test is complex and involves judgments • the annual impairment test is based on market and economical assumptions • the goodwill balance is significant. <p>The cash flows of the cash generating unit are based on the value in use. Changes in the assumptions used can significantly impact the value in use. The value in use is dependent on several assumptions such as the growth in net sales, development in EBITDA, discount rate and the long term growth rate used. Changes in these assumptions can lead to an impairment.</p>	<p>Our audit procedures included, among others, involving valuation internal specialists to assist us in evaluating the assumptions and methodologies used by the group including those related to forecasted net sales, EBITDA, the weighted average cost of capital and long term growth rate used in discounting the cash flows.</p> <p>We reviewed the sensitivity in the available headroom by cash generating unit and focused on whether any reasonably possible change in assumptions could cause the carrying amount to exceed its recoverable amount.</p> <p>We compared the historical forecasting of the group with actual outcome and we compared projections to the latest budgets approved by the board. We checked the mathematical accuracy of the underlying calculations.</p> <p>We compared the groups' disclosures related to impairment tests in note 15 in the financial statements with presentation requirements in applicable accounting standards and we reviewed the information provided on sensitivity analysis.</p>

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance on whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is

not a guarantee that an audit conducted in accordance with good auditing practice will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the parent company's or the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that

may cast significant doubt on the parent company's or the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the parent company or the group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events so that the financial statements give a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

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

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

Other Reporting Requirements

Information on our audit engagement

We were first appointed as auditors by the Annual General Meeting on 28 March 2019, and our appointment represents a total period of uninterrupted engagement of 3 years.

Other information

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

Our opinion on the financial statements does not cover the other information.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. With respect to report of the Board of Directors, our responsibility also includes considering whether the report of the Board of Directors has been prepared in accordance with the applicable laws and regulations.

In our opinion, the information in the report of the Board of Directors is consistent with the information in the financial statements and the report of the Board of Directors has been prepared in accordance with the applicable laws and regulations.

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

Helsinki 18 February 2022

Ernst & Young Oy
Authorized Public Accountant Firm

Terhi Mäkinen
Authorized Public Accountant

Independent Auditor's Report on DNA Oyj's ESEF Consolidated Financial Statements

(Translation of the Finnish original)

To the Board of Directors of DNA Oyj

We have performed a reasonable assurance engagement on the iXBRL tagging of the consolidated financial statements included in the digital files DNAOYJ-2021-12-31-fi.zip of DNA Oyj for the financial year 1.1.–31.12.2021 to ensure that the financial statements are tagged with iXBRL mark ups in accordance with the requirements of Article 4 of EU Commission Delegated Regulation (EU) 2018/815 (ESEF RTS).

Responsibilities of the Board of Directors and Managing Director

The Board of Directors and Managing Director are responsible for the preparation of the Report of Board of Directors and financial statements (ESEF financial statements) that comply with the ESEF RTS. This responsibility includes:

- preparation of ESEF financial statements in accordance with Article 3 of ESEF RTS
- Tagging the consolidated financial statements included within the ESEF financial statements by using the iXBRL mark ups in accordance with Article 4 of ESEF RTS
- Ensuring consistency between ESEF financial statements and audited financial statements

The Board of Directors and Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of ESEF financial statements in accordance the requirements of ESEF RTS.

Auditor's Independence and Quality Control

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

The auditor applies International Standard on Quality Control (ISQC) 1 and therefore maintains a comprehensive quality control system including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Auditor's Responsibilities

In accordance with the Engagement Letter we will express an opinion on whether the electronic tagging of the consolidated financial statements complies in all material respects with the Article 4 of ESEF RTS. We have conducted a reasonable assurance engagement in accordance with International Standard on Assurance Engagements ISAE 3000.

The engagement includes procedures to obtain evidence on:

- whether the tagging of the primary financial statements in the consolidated financial statements complies in all material respects with Article 4 of the ESEF RTS

- whether the ESEF financial statements are consistent with the audited financial statements

The nature, timing and extent of the procedures selected depend on the auditor's judgement including the assessment of risk of material departures from requirements sets out in the ESEF RTS, whether due to fraud or error.

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

Opinion

In our opinion the tagging of the consolidated financial statement included in the ESEF financial statements of DNA Oyj for the year ended 31.12.2021 complies in all material respects with the requirements of ESEF RTS.

Our audit opinion on the consolidated financial statements of DNA Oyj for the year ended 31.12.2021 is included in our Independent Auditor's Report dated 18.2.2022. In this report, we do not express an audit opinion or any other assurance on the consolidated financial statements.

Helsinki 4 March 2022

Ernst & Young Oy
Authorized Public Accountant Firm

Terhi Mäkinen
APA



DNA Plc | Läkkipäntie 21, FI-00620 Helsinki | dna.fi