

CORPORATE RESPONSIBILITY



# CULTURE OF RESPONSIBILITY STRENGTHENED FURTHER

In 2017, the two most important ways of strengthening corporate responsibility were the promotion of responsible decision-making at DNA and further development of responsible procurement.

2017 was a successful year in terms of the practical implementation of DNA's corporate responsibility strategy and advancement of corporate responsibility objectives. Particular focus areas included responsible procurement methods and procurement manager up-skilling. In addition, the realisation of DNA's corporate responsibility objectives was supported by organising corporate responsibility training for DNA Store sales personnel.

Towards the end of the year, DNA adopted a responsible decision-making model to promote further development of decision-making at DNA. The aim of the model is to ensure that every important decision is aligned with

DNA's responsibility objectives. Practical implementation of responsible decision-making will continue in 2018.

## Organisation of corporate responsibility at DNA

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

## Management of corporate responsibility risks

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

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

## Organisation of corporate responsibility at DNA

<b>BOARD OF DIRECTORS</b>	The Board of Directors' Audit Committee and Personnel Committee discuss corporate responsibility issues based on proposals by the Executive Team. The Board approves the report on non-financial information as part of the Board of Directors' report.
<b>DNA'S EXECUTIVE TEAM</b>	DNA's Executive Team monitors the results of operations and discusses factors with significant economic or other impact. The CEO is in charge of corporate responsibility in the Executive Team.
<b>SUSTAINABILITY MANAGER, CEO, VICE PRESIDENT, CORPORATE COMMUNICATIONS</b>	DNA's Sustainability Manager decides on the main principles of corporate responsibility together with the CEO and Vice President, Corporate Communications, and is responsible for meeting the targets and implementing the measures related to corporate responsibility.
<ul style="list-style-type: none"> <li>■ Climate team</li> <li>■ Responsible supply chain team</li> <li>■ Brand development steering group</li> <li>■ Great Place to Work working group</li> </ul>	The corporate responsibility teams and groups discuss and plan matters related to responsibility and decide on the implementation and responsibilities thereof.
<b>CORPORATE RESPONSIBILITY FORUM</b>	Whenever necessary, the corporate responsibility forum that comprises relevant key employees is called to plan and prepare larger CR-related entities.

## Realisation of DNA's corporate responsibility objectives in 2017

DNA's corporate responsibility strategy comprises three areas: the customer, the society and meaningful work. Each area, its objectives and examples of main measures and their results in a nutshell:

Strategy area	Objectives	Examples of measures in 2017
<p><b>CUSTOMER</b></p> <p>We look after the customer. DNA must understand what the customer needs and provide suitable solutions. We want the customer to understand what can be achieved with DNA's services and be aware of key issues in the digital world.</p>	<p>DNA acts as an enabler in the society, making customers' lives more inspiring, productive and entertaining while also preventing digital exclusion.</p>	<ul style="list-style-type: none"> <li>■ "Responsibility at the customer interface" remained a key topic covered in responsibility training sessions</li> <li>■ New products were launched for consumers, such as the DNA TV-hubi device. In addition, the DNA Valokuitu Plus (DNA Fibre Optic Plus) network that enables Gigabit-class speeds was completed in 2017</li> <li>■ DNA donated 150 tablets to children's hospitals through the Association of Friends of the University Children's Hospitals</li> <li>■ DNA continued as the main partner of SOS Children's Village</li> <li>■ As a main partner of the "HundrED – 100 Koulua" initiative, DNA supported education innovations at Finnish schools</li> </ul>
<p><b>SOCIETY</b></p> <p>DNA plays a significant role in society by providing important communication connections and maintaining infrastructure that is critical to the operation of the society.</p> <p>Our continuously expanding networks consume a lot of energy. We grow in a responsible manner and reduce greenhouse gas emissions from operations.</p>	<ul style="list-style-type: none"> <li>■ We will improve the energy efficiency of our radio network and reduce emissions from the radio network in proportion to annual data transfer volumes by 80% by 2020 (from 2014 levels)</li> <li>■ While the expansion of DNA's networks continues, we aim to reduce our total emissions by 15% by 2020 (from the levels reported in 2014)</li> </ul>	<ul style="list-style-type: none"> <li>■ The modernisation of DNA's radio network that was launched in 2011 was completed in 2017: all base stations in DNA's radio networks have been replaced with more energy-efficient next-generation base stations</li> <li>■ All directly procured electricity was generated by renewable energy</li> <li>■ Investments in the energy-efficient LTE technology help reduce emissions</li> <li>■ Finnish Shared Network Ltd, a joint operation with Telia, is more energy-efficient because the technology is shared</li> </ul>
<p><b>MEANINGFUL WORK</b></p> <p>We will increase corporate responsibility know-how and understanding at DNA.</p>	<p>Each DNA employee is familiar with the key corporate responsibility objectives and understands how they personally can help the company achieve them.</p>	<ul style="list-style-type: none"> <li>■ More than 700 DNA employees participated in training sessions related to corporate responsibility at DNA in 2017</li> <li>■ DNA Group's Code of Conduct training was started and 80% of the personnel completed it in 2017</li> </ul>

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

## CORPORATE RESPONSIBILITY TRAINING TO PERSONNEL

DNA's corporate responsibility objectives emphasise DNA's responsibility towards the customer. In 2017, DNA focused on corporate responsibility training at DNA Stores and responsible decision-making.

DNA's business objective is to make customers' lives more inspiring, productive and entertaining. DNA also considers it important that connections, services and devices are provided to both private and corporate customers in a clear, easy and cost-efficient manner.

Voice and data communications have become a necessity for people and the society at large: it is difficult to manage without good connections. However, customers may find the product, service and solution offering of the telecommunications sector very complex and even difficult to understand. As a telecommunications company, DNA shares the responsibility of understanding the customer's needs and providing solutions that meet these needs. This is why DNA strives to inform the customer about these services and their possibilities as clearly as possible, and to help the customer identify key issues that they should be aware of in the digital world.

Responsibility at the customer interface is addressed as part of customer experience development at DNA. For example, in DNA's corporate responsibility training, responsibility is a special area discussed with service advisors and sales personnel in particular. Furthermore, DNA's Code of Conduct and the Group's operating policies specify ethical practices and policies including data security and protection policies.

The brand development steering group also addresses corporate responsibility. The group prepares the further development of DNA's brand and customer experience.

In addition, the responsible decision-making model that was launched toward the end of 2017 to align decision-making with DNA's strategy encourages the employees to pay even closer attention to the impact of decisions on customers.

### Responsibility towards the customer remained a key theme

In 2017, more than 700 DNA employees participated in training sessions related to corporate responsibility at DNA. Responsibility at the customer interface was a key theme. Particular focus in training in 2017 was on DNA Store sales managers and personnel.

During the discussions, employees focused mainly on how responsibility is manifested in their personal roles.

Another important topic was how a company gains reputation as a responsible company, and how each DNA employee can contribute to this.

### Excellent customer experience drives DNA's success

In 2017, DNA added more resources to the consumer customer phone service and introduced a new live chat service to further improve service quality.

Significant investments were made in DNA's online store and self-service to further develop the digital service experience. Data and analytics capabilities were also leveraged to drive customer satisfaction. The aim is to proactively detect and react to customer problems before customers contact DNA. Special emphasis was also paid to the training of employees at the customer interface to improve customer service quality further.

DNA's development is guided by customer satisfaction, which is measured by means such as the Net Promoter Score (NPS), a measure of the likelihood that a customer would recommend the product or service. In Consumer Business, product-specific NPS improved across the main product groups. The rNPS score, which measures the overall customer satisfaction, increased by 5 points. In Corporate Business, NPS remained at the good level reached last year.

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.

### High level of security and data protection

Use of mobile devices that have a constant network connection is increasing strongly among both business and private users. As the Internet of Things (IoT) becomes more common, for example through the introduction of new kinds of smart devices, the role of good data security, data privacy and high operational network reliability gain importance.

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



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

DNA's data protection policy determines how DNA can ensure that its operations and operating models are compliant with legislation on the processing of

personal data and related responsibilities and that it implements a high level of data security. It also specifies the main implementation methods. Data protection is closely tied to data security.

DNA is preparing for the end of the transition period of the EU General Data Protection Regulation (GDPR) by documenting and specifying the processes and operating methods related to the processing of customer data as regulated. DNA considers it very important to make sure that all personal data held by DNA is processed in compliance with the regulation.

# DNA PROMOTES DIGITALISATION AND COMPETITIVENESS IN FINLAND

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

## Domestic investments and employment

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

DNA's investments in 2017 were EUR 144.0 million (EUR 143.6 million). Major items include investments in 4G network capacity expansion, fibre optics networks and transmission systems.

At the end of 2017, the company employed 1,601 people.

DNA is an important regional employer with operations in 12 locations. DNA Store operates in 40 locations. Furthermore, the company traditionally employs young people in DNA Stores in particular. At the end of 2017, those under 25 accounted for approximately 40% of store personnel.

## DNA's tax footprint

In 2017, the taxes and tax-like fees paid by DNA in Finland amounted to EUR 176 million. DNA pays all its

taxes in Finland. By doing so, DNA contributes to the development of the Finnish society as a whole.

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

Finnish Communications Regulatory Authority (FICORA) is a public sector operator to which DNA pays tax-like fees, which were EUR 14 million in 2017. These fees include, for example, spectrum licences, the information society fee and communications network numbering fees.

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

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

## Anti-corruption and anti-bribery

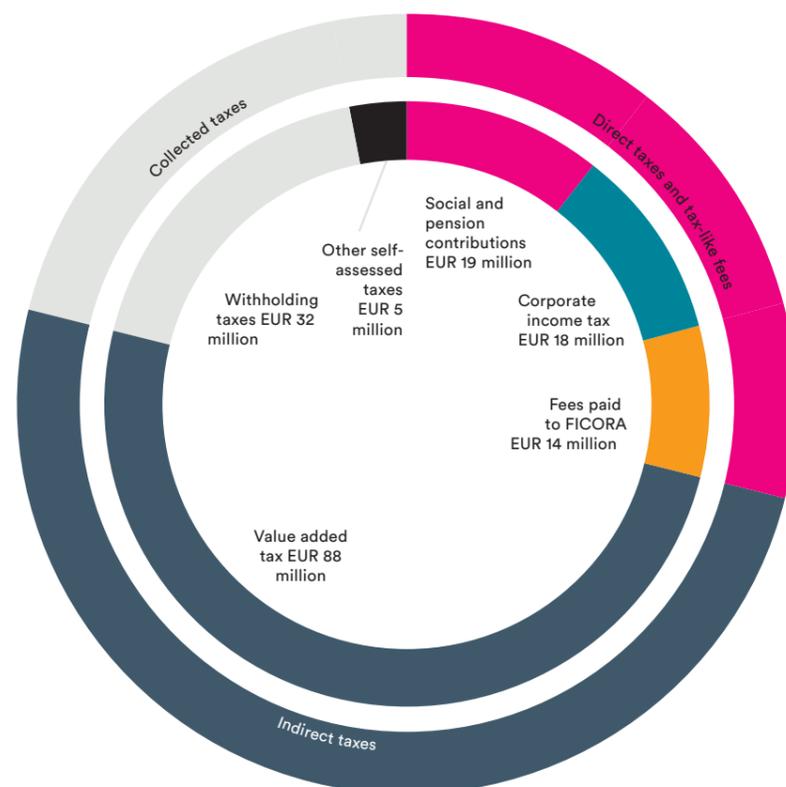
DNA has zero-tolerance of corruption and bribery: DNA's Code of Conduct bans any corruption. Every DNA employee is required to attend DNA's Code of Conduct training, which was implemented in the beginning of 2017. In 2017, 80% of the personnel completed the training. In addition, DNA's Sustainability Manager and Fraud Manager train DNA personnel on DNA Group's anti-corruption policies and procedures as required.

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

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

There were no incidents of corruption or bribery at DNA in 2017.

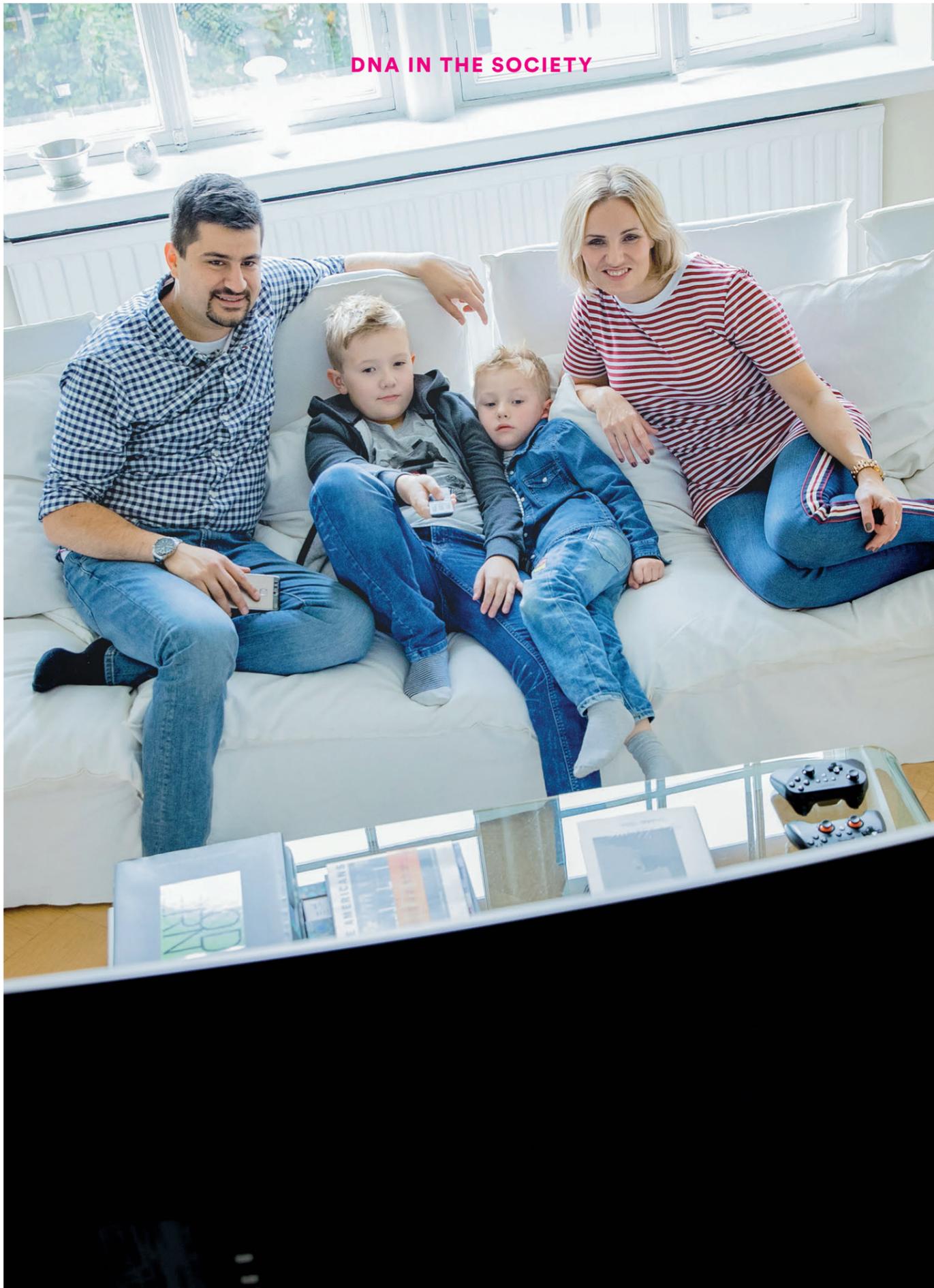
DNA's tax footprint	
2017, EUR million	
<b>Direct taxes and tax-like fees</b>	
Social and pension contributions	19
Corporate income tax	18
Fees paid to FICORA	14
<b>Indirect taxes</b>	
Value added tax	88
<b>Collected taxes</b>	
Withholding taxes	32
Other self-assessed taxes	5
<b>Total</b>	<b>176</b>



## Economic value for stakeholders, EUR million

Generation of added value		2017	2016	2015	2014
From the customers	Net sales	886.1	858.9	828.8	831.5
<b>Total generated added value</b>		<b>886.1</b>	<b>858.9</b>	<b>828.8</b>	<b>831.5</b>
Distribution of added value		2017	2016	2015	2014
Goods and service suppliers	Materials and services as well as other operating expenses	507.4	513.5	498.5	530.1
Personnel	Wages and salaries as well as pension expenses	107.7	107.0	102.3	96.4
Public sector	Income tax, value added tax, personnel expenses as well as payments to the Finnish Communications Regulatory Authority	123.8	110.6	90.0	77.1
Financial sector	Financial items	9.4	9.6	11.5	10.5
Shareholders	Dividends for 2017*	145.2	72.8	40.1	30.0
<b>Total distributed added value</b>		<b>893.5</b>	<b>814.4</b>	<b>743.4</b>	<b>744.9</b>

\*DNA's Board of Directors has proposed to the Annual General Meeting that a dividend and a capital payment from the reserve for invested unrestricted equity of EUR 1.10 in total per share (EUR 0.55) be distributed for the financial year 2017, EUR 145,242,551 in total (EUR 72,766,925).



## DNA PROVIDES SOLUTIONS FOR CHANGING SERVICE NEEDS

DNA offers high-quality voice, data and TV services for communication, entertainment and work, and continuously aims to provide new solutions to meet the changing customer needs.

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

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

### Strong growth of mobile data volumes continued

At the end of 2017, DNA's 4G network reached 99.7% of the population in mainland Finland. The focus of DNA's network investments shifted from network coverage expansion to capacity expansion.

In the fourth quarter of 2017, 4G traffic volumes in DNA's networks grew by more than 51% year-on-year. DNA's total data traffic volume in the mobile communication network grew by 39%. In the fourth quarter, approximately 88% of all mobile data was transferred in the 4G network.

The DNA Valokuitu Plus (DNA Fibre Optic Plus) network enables Gigabit-class broadband speeds without any changes to the housing company's internal network. At the end of 2017, the Gigabit-class speed was available to more than 620,000 households. Giga-

bit-class speeds are required because the number of Internet-connected devices is growing in households.

### New way of working is effective and mobile

DNA has acted as a pioneer in the promotion of digital and mobile work. Companies are seeking smart solutions to improve the efficiency of their processes by means such as cloud applications and remote working. The Internet of Things places high demands on the capacity and security of networks.

DNA takes the changing service needs of working life into consideration, and develops smart solutions for data communication between devices.

### DNA guides young users on safe use of the internet

DNA has been guiding young users on safe use of the internet and mobile phones for several years. DNA has signed a European framework agreement, European Framework for Safer Mobile Use by Younger Teenagers and Children, which aims to improve the safety of mobile phone use by teenagers and children.

DNA is also a long-term partner of SOS Children's Villages Finland, providing financial support and data communication connections to the organisation.

# ACTIONS TO MITIGATE CLIMATE IMPACTS CONTINUED

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

DNA has calculated its greenhouse gas emissions since 2013 to identify the direct effect of the company's operations on climate change. The source of DNA's direct greenhouse gas (GHG) emissions (Scope 1) are fuels used in company vehicles and back-up generators. Energy indirect greenhouse gas (GHG) 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 (GHG) emissions (Scope 3) include, for example, logistics, business travel, waste as well as purchased goods, services and capital goods.

DNA has set the following climate objectives:

- We will improve the energy efficiency of our radio network and reduce emissions from the radio network in proportion to annual data transfer volumes by 80% by 2020 (from the level reported in 2014).
- While the expansion of DNA's networks continues, we aim to reduce our total emissions by 15% by 2020 (from the level reported in 2014).

In 2017, radio network emissions in proportion to annual radio network data transfer volumes were 0.02 tCO<sub>2</sub>/TB (0.03). The decrease is due to the increased energy efficiency of the radio network as well as strong expansion of data transfer volumes. Emissions from the radio network in proportion to annual data transfer volumes have already decreased by more than 90% from 2014, which is well above target.

DNA's total emissions (Scope 1, 2 and 3) in 2017 were 208,000 tonnes (201,000). The increase in 2017 was due to higher level of IT equipment purchases for ex-

ample. To decrease total emissions, the company uses renewable energy and improves the energy efficiency of operations. Indirect emissions from the generation of purchased energy (Scope 2) have decreased by approximately 50% since 2014, which is due to procurement of renewable energy.

DNA's climate team, which comprises experts from different parts of the organisation, plans emission reductions and possible reduction methods. The climate team reports on the completion of climate objectives and measures to the Executive Team and the Board of Directors' Audit Committee twice a year.

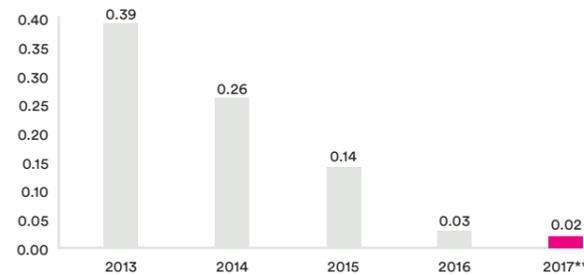
As part of the Group's risk management process, DNA has identified possible risks and opportunities related to climate change in terms of the impact of physical or political events and changes in consumer behaviour and has specified control practices for them.

## DNA's directly procured energy is renewable

DNA's directly procured renewable energy is hydro power and comes with a Guarantee of Origin. Hydro power is an emission-free energy source and as such, a good option in terms of reducing the climate impacts of DNA's business.

However, renewable hydro power has its challenges. For example, hydroelectric plants can prevent the movement of migratory fish in rivers. Fish passages and ladders are constructed in Finland according to Finland's National Fish Passage Strategy to enhance the viability of migratory fish stocks. In addition, hydro power companies compensate the environmental

## Radio network emissions in proportion to annual radio network data transfer volumes (tCO<sub>2</sub>/TB)\*



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

\*\*In 2017, the method for collecting source data relating to the procurement of purchased electricity was adjusted. The emissions figures for 2016 were also updated retroactively, in accordance with the new data collection method. No corresponding initial data is available for earlier years. The impact of the update on the figures for 2016 figure was around -30% for electricity consumption and around 30% for Scope 2 emissions.



effects of their plants by environmental measures such as stocking fish.

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

## Radio network modernisation improves energy efficiency

The modernisation of DNA's radio network that was launched in 2011 was completed in 2017 with the deployment of new, more energy-efficient next-generation base stations.

Practically all old base stations in DNA's radio networks have now been replaced with more energy-efficient models. The new system requires fewer devices, thereby reducing relative energy consumption. During the network upgrades, thousands of radio units have also been relocated from inside the equipment facilities to the masts, reducing the level of mechanical cooling required. This saves significant amounts of energy.

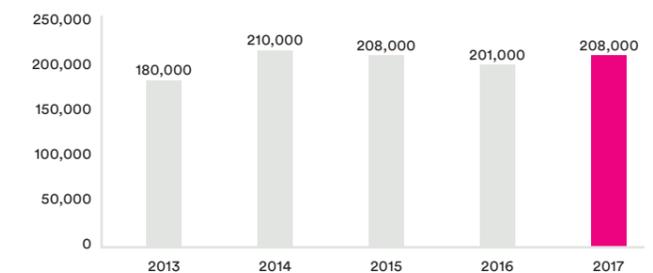
Increased mobile data volumes challenge the energy efficiency of the radio network, because the continuously growing volumes require more equipment, which in turn increases energy consumption. On the other hand, the 4G network reduces the relative per-data energy consumption through improved technical performance of LTE.

## New energy-efficient facilities and working methods

In recent years, DNA has placed special emphasis on the modernisation of its facilities. The energy efficiency of DNA's facilities has improved notably as the company has modernised old buildings and moved to new facilities.

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

## Development of DNA's emissions, total tCO<sub>2</sub>\*



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

In 2017, the method for collecting source data relating to the procurement of purchased electricity was adjusted. The emissions figures for 2016 were also updated retroactively, in accordance with the new data collection method. No corresponding initial data is available for earlier years. The impact of the update on the figures for 2016 figure was around -30% for electricity consumption and around 30% for Scope 2 emissions. In addition, the 2014 emission calculations were updated retrospectively for acquisitions, by using emission factors that are more illustrative of the period. The impact of the update on Scope 3 emissions was around -9%.

## EXAMPLES OF ENERGY EFFICIENCY IN THE RADIO NETWORK AND EQUIPMENT FACILITIES IN 2017

- The proportion of new, more energy-efficient base station equipment in DNA's radio network continued to grow.
- Energy efficiency in the radio networks was improved further with a wider adoption of software-based energy-saving functions.
- More efficient use of ambient air to cool the equipment was implemented in three large equipment facilities based on the solution tested in Oulu in 2016. The solution uses cool outdoor air, transferred by fans.
- Automation of equipment facility cooling and ventilation was increased, which provides energy savings and prolongs the useful life of cooling equipment.
- A review of large equipment facilities began to investigate whether an increase in the operating temperatures could reduce cooling requirements and significantly prolong the ambient cooling period.

# RESPONSIBLE PROCUREMENT PRACTICES STRENGTHENED FURTHER

DNA has placed special emphasis on the development of responsible procurement processes and upskilling during 2016 and 2017.

DNA specified the processes of responsible procurement in more detail in 2016. The entire procurement department was involved in the work. The detailed specifications were mostly related to the categorisation of suppliers and subcontractors, risk assessment, requirement setting and monitoring. The updated practices were adopted gradually during 2017.

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

## DNA's supply chain

DNA works with thousands of suppliers and subcontractors, some 20 of which are considered as significant suppliers. Significant suppliers and subcontractors include, for example, equipment manufacturers,

solution providers and developers as well as consulting companies.

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

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

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

Suppliers' and subcontractors' responsibility performance is evaluated annually by means of a survey and responsibility dialogue.

### Responsibility in the supply chain

The mobile device starts its journey at a factory, from where it is transported overseas to a DNA Store. We emphasise responsibility and ethical operations in the supply chain and calculate logistics emissions.

### Recycling of materials

Recyclable materials recovered from mobile devices find a new life in products such as musical instruments, garden furniture, traffic safety products and jewellery.

### Safe disposal

When your old mobile device is no longer of use to you, bring it to your nearest DNA Store, where our experts dispose of it safely and responsibly without burdening the environment.



### Expert advice

At the DNA Store, our customer service experts help you find the right product for you. In addition to voice and data subscriptions, we also provide entertainment services, such as DNA TV subscriptions and the Deezer music service.

### Energy-efficient networks

DNA's networks provide reliable, extensive and fast connections – both at home and on the move. DNA has systematically improved the energy efficiency of its network by upgrading the base stations and radio network, for example.

### Environmentally friendly data centres

The robust servers that live in DNA's data centres make sure that you can easily access the services you need over DNA's networks. Thanks to district cooling, DNA's new, environmentally friendly data centre will be practically emission-free.



# DNA LISTENS TO CUSTOMER FEEDBACK

DNA evaluates stakeholders' responsibility expectations at regular intervals. At the turn of the year 2017, DNA conducted an extensive survey to explore customers' views on responsible operations. Reliable network, smooth service and fair and straightforward operations were the qualities deemed the most important in a responsible operator.

The survey was conducted among the consumer customers of the three largest operators in Finland: Elisa, DNA and Telia. According to the results, customers expect a responsible operator to provide good coverage and reliable network connections, fair and straightforward service as well as a tailored and smooth customer experience.

Consumers would also like to see operators take environmental matters into consideration in their operations and specifically mentioned recycling of old devices at operators' stores as important.

DNA collects customer feedback by several means and from many channels and carries out extensive research and user interviews in order to review the customer experience and market.

## 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 dialogue is respectful of the views of the other party, such as a decision-maker or other type of stakeholder.

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



## DNA FARED WELL IN THE GREAT PLACE TO WORK® SURVEY

DNA aims to be one of the most desired employers in Finland. Based on the Great Place to Work® survey conducted at the end of 2017, DNA was awarded in February 2018 as the second best workplace in Finland in the category of large organisations.

The Trust Index®, measuring the job satisfaction of DNA's personnel, continued to rise for a third year in a row. Thanks to this result, DNA fared excellently in the survey conducted by the Great Place To Work Institute and was ranked the second in the category of large organisations.

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

Suggestions for improvements included, for example, that the company management could keep employees better up to date on current topics and provide better opportunities for career advancement for those who deserve it.

In 2017, 1,336 (1,380) DNA employees participated in the Great Place to Work® survey, resulting in a very good response rate of 82% (83%).

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

At the end of 2017, DNA employed 1,601 people (1,668).

### Genuine method of working improves work-life balance

DNA's Genuine method of working is based on trust and flexibility. Using mobile workstations, the employees decide independently where they work without discussing this with their supervisor. The method

changes not only the working environment but also the working culture, and DNA's employees have welcomed this change enthusiastically.

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

As planned, DNA implemented the Genuine method of working at all facilities (except customer service operations) during 2017.

All service advisors in Consumer Customer Service now have the opportunity to work remotely. Corporate Customer Service personnel has worked remotely with good results since 2015.

### Increasingly family-friendly workplace

DNA participates in the Family-Friendly Workplace programme of the Family Federation of Finland with the goal of implementing practices that improve job satisfaction and productivity at the workplace.

DNA's participation in the programme continued as planned in 2017. Most important areas developed include extending the opportunity to work remotely to all service advisors in Consumer Customer Service, while the Corporate Customer Service adopted flexible working hours.

In addition, DNA became the first company in Finland to introduce grandparental leave. All DNA employees

who become grandparents are entitled to one week's paid grandparental leave to spend time with their family. Almost 20 grandparents who work at DNA already took the leave in 2017.

DNA's grandparental leave was recognised as the Working Life Action of the year in the 100 Actions campaign organised by Ilmarinen Mutual Pension Insurance Company. Grandparental leave was commended for its pioneering and innovative character and agile implementation.

### Support for supervisors' individual development

DNA provides ongoing support for supervisors' professional and personal development by means such as the supervisor coaching programme. In 2017 DNA had 17 supervisor coaches, 11 of whom started working towards the Associate Certified Coach (ACC) certification granted by ICF.

For several years now, both DNA Plc and DNA Store employees have had the opportunity to enrol in the JET qualification programme in leadership training. By the end of 2017, 130 persons in total have participated in the programme, 88 of whom have acquired the qualification. DNA Store employees also have the opportunity to work towards a specialist qualification in commerce through apprenticeship training. In total, 14 persons have started working towards a specialist qualification in commerce, 4 of whom have received their degree.

## TEAM OF TOP EXPERTS



## WELL-BEING AT WORK PROMOTED IN MANY WAYS

In 2017, DNA placed special emphasis on physical workplace health. In the autumn, a new DNA Liikuttaja (“Exercise coach”) concept was piloted at DNA House. The exercise coach was on-site for two weeks, encouraging personnel to try different types of exercise. The exercise coach will visit DNA’s other premises during 2018.

In addition, employees at DNA started to use two mobile applications which encourage them to maintain and improve their well-being: Cuckoo Workout encourages interval exercise and Parempi vire (“Better shape”) promotes healthy, lasting choices.

DNA also promotes the well-being of its personnel with, for example the Edenred Duo card, which provides exercise opportunities for the personnel, and by organising different activity clubs. The quit smoking campaign which was organised with occupational health services, continues.

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

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

DNA Peers continued to volunteer and be active: in 2017, they participated in the organisation of various events, such as a theme month focusing on cleaning and recycling, Christmas parties for personnel, the Joulupuu (“Christmas Tree”) collection of Christmas presents for children at need as well as celebrations of Finland’s 100 years of independence.

### Leadership practices embrace diversity

DNA is a member of FIBS’s Diversity Charter Finland. DNA was among the first members to sign the Diversity Charter in Finland, and has been an active participant in the diversity charter network.

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

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

Deeper customer understanding is also an important area in DNA’s diversity vision. A diverse and pluralistic working community helps DNA understand customer needs in different segments.

DNA’s objectives in diversity management include:

- Enhanced employee recognition and commitment to improve reputation as a good employer and result
- Increasing the value of the company in the long term

### We adhere to our Code of Conduct and legislation

As an employer, DNA adheres to national legislation and the principles of the ILO Declaration on Fundamental Principles and Rights at Work, the UN Convention of the Rights of the Child, legislation on minimum wage and working hours as well as general environmental, health and safety requirements. These are taken into consideration in DNA Group’s Code of Conduct, which applies to all employees. In 2017, DNA started a Code of Conduct training, which is mandatory for all personnel. In 2017, 80% of the personnel completed the training.

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

DNA has an anonymous notification channel for reporting concerns about unethical or unlawful behaviour. The notifications are processed by DNA’s Whistle Blowing group, which consists of DNA’s Senior Vice President, Legal Affairs, Senior Vice President, Human Resources, Fraud Manager and Legal Counsel, Employment Law.

There were no incidents of corruption and bribery or human rights violations at DNA in 2017.

### DNA’s diversity vision

#### INCREASED CUSTOMER SATISFACTION

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

#### MORE VERSATILE EXPERTISE

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

#### NEW WAYS OF WORKING AND THINKING EXPAND

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

# REPORTING ACCORDING TO GRI GUIDELINES

As in previous years, DNA continued to report on corporate responsibility in 2017 according to the Global Reporting Initiative reporting model. This is DNA's eighth GRI report. With a reporting period of one calendar year, DNA publishes this GRI-compliant corporate responsibility report annually with the annual report. The previous report was published on 1 March 2017. This report has been prepared in accordance with the GRI Standards (2016): Core option. This is DNA's first GRI Standards (2016)-compliant corporate responsibility report.

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

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

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

DNA's responsibility strategy, objective setting, measures and reporting are steered by the materiality analysis which gives consideration to business objectives and stakeholder expectations. The analysis identifies the most relevant topics in terms of business and stakeholder impact. In 2017, DNA updated the materiality analysis based on the consumer survey.

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

DNA's corporate responsibility focus areas	Material GRI topics	Reporting boundary
<p><b>CUSTOMER</b></p> <p>We look after the customer. DNA must understand what the customer needs and provide suitable solutions. We want the customer to understand what can be achieved with DNA's services and be aware of key issues in the digital world.</p>	<ul style="list-style-type: none"> <li>Marketing and labelling</li> <li>Customer privacy</li> <li>Compliance</li> </ul>	DNA Plc, including DNA Store Ltd
<p><b>SOCIETY</b></p> <p>DNA plays a significant role in society by providing important communication connections and maintaining infrastructure that is critical to the operation of the society. Our continuously expanding networks consume a lot of energy. We grow in a responsible manner and reduce greenhouse gas emissions from operations.</p>	<ul style="list-style-type: none"> <li>Economic performance</li> <li>Indirect economic impacts</li> <li>Anti-corruption</li> <li>Anti-competitive behaviour</li> <li>Energy</li> <li>Emissions</li> <li>Effluents and waste</li> <li>Supplier environmental assessment</li> <li>Supplier social assessment</li> <li>Public policy</li> </ul>	DNA Plc, including DNA Store Ltd
<p><b>MEANINGFUL WORK</b></p> <p>We will increase corporate responsibility know-how and understanding at DNA.</p>	<ul style="list-style-type: none"> <li>Employment</li> <li>Labour/management relations</li> <li>Occupational health and safety</li> <li>Training and education</li> <li>Diversity and equal opportunity</li> <li>Non-discrimination</li> </ul>	DNA Plc, including DNA Store Ltd

## DNA's corporate responsibility reporting has external assurance

DNA's Corporate Responsibility Report has been assured by an independent external party. The assurance statement is on page 58 of the report.

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

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

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

# ENVIRONMENTAL INDICATORS

## DEVELOPMENT OF DNA'S EMISSIONS, TOTAL (TCO<sub>2</sub>)\*

	2017	2016	2015	2014	2013
Emissions, total	208,000	201,000	208,000	210,000	180,000

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

In 2017, the method for collecting source data relating to the procurement of purchased electricity was adjusted. The emissions figures for 2016 were also updated retroactively, in accordance with the new data collection method. No corresponding initial data is available for earlier years. The impact of the update on the figures for 2016 figure was around -30% for electricity consumption and around 30% for Scope 2 emissions. In addition, the 2014 emission calculations were updated retrospectively for acquisitions, by using emission factors that are more illustrative of the period. The impact of the update on Scope 3 emissions was around -9%.

## 305-1 DIRECT GREENHOUSE GAS EMISSIONS (SCOPE 1)(TCO<sub>2</sub>)\*

	2017	2016	2015	2014	2013
Direct greenhouse gas emissions	680**	590	660	840	1 100

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

\*\*DNA's Scope 1 emissions increased in 2017 because of extended operation of back-up generators, which increased fuel consumption.

## 305-2 INDIRECT GREENHOUSE GAS EMISSIONS (SCOPE 2) (TCO<sub>2</sub>)\*

	2017**	2016	2015	2014	2013
Indirect greenhouse gas emissions	14,000	11,800	29,700	30,100	28,800

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

\*\*In 2017, the method for collecting source data relating to the procurement of purchased electricity was adjusted. The emissions figures for 2016 were also updated retroactively, in accordance with the new data collection method. No corresponding initial data is available for earlier years. The impact of the update on the figures for 2016 figure was around -30% for electricity consumption and around 30% for Scope 2 emissions. The Scope 2 emissions reported by DNA are based on both measurement and evaluation.

DNA monitors emissions from energy consumption with the market-based approach, which takes into account e.g. the Guarantees of Origin obtained by DNA. DNA's location-based emissions in 2017 were 21,100 tCO<sub>2</sub>, based on the specific carbon dioxide emissions from electricity production in Finland.

## REPORTING (GRI)

### 305-3 OTHER INDIRECT GREENHOUSE GAS EMISSIONS (SCOPE 3) (TCO<sub>2</sub>)\*

	2017	2016	2015	2014**	2013
Other indirect greenhouse gas emissions	194,000	189,000	178,000	179,000	150,000

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

\*\*The 2014 emission calculations were updated retrospectively for acquisitions, by using emission factors that are more illustrative of the period. The impact of the update on Scope 3 emissions was around -9%.

### 305-4 GREENHOUSE GAS EMISSIONS INTENSITY

#### Radio network emissions in proportion to annual radio network data transfer volumes (tCO<sub>2</sub>/TB)\*

	2017**	2016	2015	2014	2013
Radio network emissions in proportion to annual radio network data transfer volumes	0.02	0.03	0.14	0.26	0.39

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

\*\*In 2017, the method for collecting source data relating to the procurement of purchased electricity was adjusted. The emissions figures for 2016 were also updated retroactively, in accordance with the new data collection method. No corresponding initial data is available for earlier years. The impact of the update on the figures for 2016 figure was around -30% for electricity consumption and around 30% for Scope 2 emissions.

#### DNA's emissions in proportion to net sales (tCO<sub>2</sub>/MEUR)\*

	2017**	2016	2015	2014	2013
DNA's emissions in proportion to net sales	235	234	251	272	235

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

\*\*In 2017, the method for collecting source data relating to the procurement of purchased electricity was adjusted. The emissions figures for 2016 were also updated retroactively, in accordance with the new data collection method. No corresponding initial data is available for earlier years. The impact of the update on the figures for 2016 figure was around -30% for electricity consumption and around 30% for Scope 2 emissions. In addition, the 2014 emission calculations were updated retrospectively for acquisitions, by using emission factors that are more illustrative of the period. The impact of the update on Scope 3 emissions was around -9%.

### 302-1 ENERGY CONSUMPTION WITHIN THE ORGANISATION (TJ)

	2017	2016	2015	2014	2013
Total consumption of non-renewable fuels*:					
- Diesel and gasoline	4.8	6.2	7.2	6.6	6.3
- Fuel oil	3.2	1.2	1.2	1.4	1.5
Electricity consumption**	395.0	363.5	422.9	367.5	355.0
Heat consumption	15.4	16.1	21.6	15.9	21.0
Cooling consumption	4.6	4.0	3.5	N/A	N/A
Total energy consumption	423.0	391.0	456.3	391.5	383.8

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

\*\*In 2017, the method for collecting source data relating to the procurement of purchased electricity was adjusted. The emissions figures for 2016 were also updated retroactively, in accordance with the new data collection method. No corresponding initial data is available for earlier years. The impact of the update on the figures for 2016 figure was around -30% for electricity consumption and around 30% for Scope 2 emissions. The electricity consumption reported by DNA is based on both measurement and evaluation.

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

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

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

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

	2017	2016	2015	2014	2013
Hazardous waste, total**	19	18	8	26	6
Other waste, total	564	867	540	698	510
Recyclable waste	513	799	478	531	398
Combustible waste	50	44	37	121	80
Disposable waste	0	25	25	46	32
Total, all waste	583	885	548	724	516

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

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

## SOCIAL RESPONSIBILITY INDICATORS

### 102-8 INFORMATION ON EMPLOYEES AND OTHER WORKERS\*

Open-ended	2017	2016	2015	2014	2013
Women	641				
Men	935				
<b>Total</b>	<b>1,576</b>	1,644	1,626	1,710	1,537
<b>Fixed-term</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>
Women	13				
Men	12				
<b>Total</b>	<b>25</b>	24	48	29	26
<b>Full-time</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>
Women	591				
Men	934				
<b>Total</b>	<b>1,525</b>	1,590	1,636	1,651	1,468
<b>Part-time</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>
Women	63				
Men	13				
<b>Total</b>	<b>76</b>	78	38	88	95

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

### 405-1 DIVERSITY OF GOVERNANCE BODIES AND PERSONNEL

#### Gender structure

By gender	2017	2016	2015	2014	2013
Women	40%	41%	40%	41%	43%
Men	60%	59%	60%	59%	57%
<b>Total</b>	<b>100%</b>	100%	100%	100%	100%

#### Share of women (%) per personnel group

Personnel groups include women as follows:	2017	2016	2015	2014	2013
Of management	21%	26%	24%	30%	21%
Of senior salaried employees	26%	27%	26%	25%	26%
Of salaried employees	49%	47%	47%	48%	49%
Of service and production employees	0%	0%	0%	3%	6%

#### Age structure

By age group	2017	2016*	2015	2014	2013
< 25	1%	2%	3%	5%	5%
25-35	29%	30%	31%	31%	32%
36-45	37%	36%	35%	32%	32%
46-55	23%	22%	22%	22%	22%
56-63	10%	9%	9%	9%	8%
> 63	0%	1%			
<b>Total</b>	<b>100%</b>	100%	100%	100%	100%

\*DNA Group redefined the age groups in 2016, and they differ slightly from previous years.

## REPORTING (GRI)

### 401-1 NEW EMPLOYEE HIRES AND EMPLOYEE TURNOVER\*

#### New hires and employee turnover\*

New hires	2017	Employee turnover	2017
Women	45	Women	72
Men	70	Men	107
< 25	28	< 25	23
25-35	61	25-35	67
36-45	16	36-45	34
46-55	8	46-55	27
56-63	2	56-63	7
> 63	0	> 63	21

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

#### Average employee turnover

	2017	2016	2015	2014	2013
Average employee turnover rate*	1.48	1.72	1.70	2.06	2.23

\*The calculation method for average employee turnover was changed in 2017. The new method has been applied to calculate employee turnover for 2013-2016. The figure includes open-ended and fixed-term contracts. The Group's internal turnover has no impact on the average turnover rate.

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

	2017	2016**
Gender		
Women	13.3	14.1
Men	17.6	16.8
Personnel group		
Managers	26.4	29.7
Senior salaried employees	22.1	22.5
Salaried employees	12.8	12.7
Service and production employees	19.1	2.2

\*Average hours of training per employee by gender and personnel group are available only for 2016 and 2017.

\*\*The average hours of training per employee reported for DNA Store in 2016 are slightly below actual hours due to system-related issues. This has a minor impact on the overall totals.

	2017	2016	2015	2014	2013***
Average hours of training per employee, DNA Group	15.8	15.7	12.0	11.0	22.0

\*\*\*Does not include DNA Store.

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

	2017	2016	2015	2014	2013
Relative rate of absenteeism	3.8**	4.7	4.9	4.9	3.9
Work time injuries and commuting accidents	25	22	20	26	11
Days lost (work-related reasons)***	45	22	22	34	4
Work-related fatalities	0	0	0	0	0

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

\*\*In 2017, the relative rate of absenteeism was reduced for instance in customer service by placing emphasis on well-being at work.

\*\*\*DNA does not include commuting accidents in the number of days lost. DNA will develop reporting further in this area.

# GRI CONTENT INDEX

GRI	Indicator	Reference	External assurance
<b>102 – General disclosures</b>			
Organisational profile			
102-1	Name of the reporting organisation	DNA Plc	x
102-2	Activities, brands, products, and services	Primary brand is DNA. No DNA products are banned in any markets. For products and services, see Year 2017 and Business.	x
102-3	Location of headquarters	Consolidated financial statements: Note 1 The Group in brief	x
102-4	Location of operations	Almost 100% of DNA's operations occur in Finland. Finnish operations are supported by some sales and service employees in other countries. See DNA's subsidiaries in notes to the consolidated financial statements, 32 Related party transactions.	x
102-5	Ownership and legal form	DNA in figures. See Shares and shareholders in the financial statements.	x
102-6	Markets served	Almost 100% of DNA's operations occur in Finland. Finnish operations are supported by some sales and service employees in other countries. Business. See DNA's subsidiaries in notes to the consolidated financial statements, 32 Related party transactions.	x
102-7	Scale of the organisation	Number of personnel 31 Dec 2017: 1,601 Social responsibility indicators, Key figures	x
102-8	Information on employees and other workers	Social responsibility indicators	x
102-9	Supply chain	Supply chain	x
102-10	Significant changes to the organization and its supply chain	Board of Directors' Report	x
102-11	Precautionary Principle or approach	Risk management	x
102-12	External initiatives to which the organisation subscribes, or which it endorses	In autumn 2010, DNA signed the Finnish Code of Conduct for Safer Mobile Use by Younger Teenagers and Children as well as the European Framework for Safer Mobile Use (SMF) by younger teenagers and children. In 2012, DNA signed the Finnish Diversity Charter and joined the Diversity Charter Finland. In 2015, DNA joined the EU Transparency Register.	x
102-13	Memberships of associations and advocacy organisations	DNA is a member of Groupe Speciale Mobile Association (GSMA), European Competitive Telecommunications Association (ECTA), the Finnish Federation for Communications and Teleinformatics (FiCom), the Service Sector Employers PALTA, Amcham Finland, Association of Finnish Advertisers, IAB Finland, Data & Marketing Association of Finland (DMA Finland/ASML) and the Helsinki Region Chamber of Commerce. DNA is also a member of Corporate Responsibility Network FIBS and Diversity Charter Finland. DNA engages in active communication with various authorities and political decision-makers. Stakeholder relations	x

Strategy			
102-14	Statement from senior decision-maker	CEO's review	x
102-15	Key impacts, risks and opportunities	Corporate responsibility at DNA, CEO's review, Operating environment, Strategy, Board of Director's report	x
Ethics and integrity			
102-16	Values, principles, standards, and norms of behavior	Strategy, Corporate responsibility at DNA, Responsibility towards customers	x
102-17	Mechanisms for advice and concerns about ethics	Team of top experts	x
Governance			
102-18	Governance structure	Corporate Governance Statement	x
102-19	Delegating authority	Corporate responsibility at DNA	x
102-20	Executive-level responsibility for economic, environmental, and social topics	Corporate responsibility at DNA, Contacts (under GRI)	x
102-21	Consulting stakeholders on economic, environmental, and social topics	Shareholders exercise their shareholder power in the General Meeting. DNA's Board of Directors does not have an employee representative. Personnel representatives attend meetings of the Extended Executive Team. See Corporate Governance Statement.	x
102-22	Composition of the highest governance body and its committees	Corporate Governance Statement	x
102-23	Chair of the highest governance body	The Chairman of DNA Plc's Board of Directors is not an executive officer. See Board of Directors and Members of the Board of Directors.	x
102-24	Nominating and selecting the highest governance body	See Board of Directors for information on the nomination and selection process of Board and committee members.	x
102-25	Conflicts of interest	As stipulated by law, a member of the Board of Directors shall be disqualified from the consideration of a matter that involves a conflict of interest. See Board of Directors.	x
102-26	Role of highest governance body in setting purpose, values, and strategy	Strategy, Corporate Governance Statement	x
102-28	Evaluating the highest governance body's performance	The Board of Directors carries out an internal self-evaluation of its performance once per year. In 2017, the self-evaluation focused on the effectiveness of the Board's operation, competence of the Board, the relationship between the Board and executive management as well as the competences, strengths and weaknesses of the Group.	x
102-29	Identifying and managing economic, environmental, and social impacts and risks	The Board of Directors monitors DNA's corporate responsibility performance according to the same principles that apply to the monitoring of DNA's other operations. See Board of Directors and Risk management.	x
102-30	Effectiveness of risk management processes	The Board of Directors monitors DNA's corporate responsibility performance according to the same principles that apply to the monitoring of DNA's other operations. See Board of Directors and Risk management.	x
102-31	Risk assessment frequency	The Board of Directors monitors DNA's corporate responsibility performance according to the same principles that apply to the monitoring of DNA's other operations. See Board of Directors and Risk management.	x
102-32	Highest governance body's role in sustainability reporting	Corporate responsibility at DNA	x
102-33	Communicating critical concerns	Critical corporate responsibility concerns are communicated to the Board of Directors.	x

## REPORTING (GRI)

102-34	Critical concerns	No concerns specific to corporate responsibility have been communicated during the reporting period. Critical concerns are communicated to the Board of Directors by means such as CEO's monthly reports, internal audit reports, external audit reports and risk reports. Corporate responsibility at DNA and Risk management	x
102-35	Remuneration policies for the Board of Directors and senior executives	DNA's compensation principles do not specify a linkage between the organisation's responsibility performance and compensation for members of the Board of Directors and senior executives. For more details on compensation, see the following notes to the consolidated financial statements: 13 Earnings per share and 9 Employment benefits and number of personnel. See also Governance - Compensation.	x
102-37	Stakeholders' involvement in remuneration	Shareholders exercise their shareholder power in the General Meeting. DNA's Board of Directors does not have an employee representative. Personnel representatives attend meetings of the Extended Executive Team. See Corporate governance and internal control and Compensation.	x

### Stakeholder engagement

102-40	List of stakeholder groups engaged by the organisation	DNA's important stakeholders include customers, shareholders, investors and analysts, personnel, suppliers and subcontractors, partners, civic organisations, authorities and political decision-makers, the media, financial and insurance markets, labour market organisations and other organisations as well as competitors. Stakeholder relations	x
102-41	Percentage of employees covered by collective bargaining agreements	All DNA Group employees are covered by the applicable collective bargaining agreements specific to each employee category. Service and production employees are covered by the collective agreement in the energy-ICT-networks sector, and administrative and managerial employees by the collective agreement for salaried and senior salaried employees in the ICT sector.	x
102-42	Basis for identifying and selecting stakeholders with whom to engage	Stakeholders have been specified as part of updating the materiality analysis. DNA's important stakeholders include customers, shareholders, investors and analysts, personnel, suppliers and subcontractors, partners, civic organisations, authorities and political decision-makers, the media, financial and insurance markets, labour market organisations and other organisations as well as competitors. Stakeholder relations	x
102-43	Approach to stakeholder engagement	Customer, Stakeholder relations	
102-44	Key topics and concerns that have been raised through stakeholder engagement	Reporting (GRI)	x

### Reporting practice

102-45	Entities included in the consolidated financial statements	Business. See also Development per business segment and notes to the consolidated financial statements: 16 Investments in associates and 32 Related party transactions.	x
102-46	Defining report content	Reporting (GRI)	x
102-47	List of material topics	Reporting (GRI)	x
102-48	Restatements of information given in previous reports	Possible adjustments to the information presented in previous reports have been presented separately, together with the key figures. The most important adjustment relates to electricity consumption in 2016, which has been corrected in accordance with the latest consumption data and the data collection limitations of the calculations for 2017. The effect of the adjustments on electricity consumption in 2016 is around -30%, and 30% for Scope 2 emissions. In addition, the 2014 emission calculations were updated retrospectively for acquisitions, by using emission factors that are more illustrative of the period. The impact of the update on Scope 3 emissions was around -9%. See Reporting (GRI) for more details.	x

102-49	Significant changes from previous reporting periods in list of material topics and topic boundaries	Any deviations from or changes to the calculation limits are mentioned with each key figure. In the case of purchased electricity, the source-data collection method was adjusted in the calculations for 2017. See Reporting (GRI) for more details.	x
102-50	Reporting period	The reporting period is one year and the GRI report is published annually with the Annual Report.	x
102-51	Date of the most recent report	01 March 2017	x
102-52	Reporting cycle	Annually	x
102-53	Contact point for questions regarding the report	Contacts (under GRI)	x
102-54	Claims of reporting in accordance with the GRI Standards	This report has been prepared in accordance with the GRI Standards (2016): Core option.	x
102-55	GRI content index	GRI content index	x
102-56	External assurance	DNA's Corporate Responsibility Report has been assured by an independent external party. The assurance statement is on page 58 of the report.	x

### 103 – Management approach

103-1	Explanation of the material topic and its Boundary	Internal boundary: For economic and social responsibility reporting, the scope is DNA Group. The boundary is specified by DNA Group's financial reporting. This is why DNA's responsibility reporting for 2017 includes the electricity consumption of the radio network of Finnish Shared Network Ltd. DNA Ltd owns 49 per cent of Finnish Shared Network Ltd shares. DNA's financial reporting for 2017 includes 46 per cent of Finnish Shared Network Ltd's figures. Correspondingly, the responsibility reporting includes 46 per cent of the electricity consumption of the radio network of Finnish Shared Network Ltd.	x
103-2	The management approach and its components	Corporate responsibility at DNA, Contacts (under GRI)	x
103-3	Evaluation of the management approach	Marketing and product information, p. 28-29 Customer privacy, p. 28-29 Compliance, p. 26, 28-29, 30-31, 41 Economic performance, p. 30-31 Indirect economic impacts, p. 30-31 Anti-corruption, p. 31 Anti-competitive behaviour, p. 26 Energy, p. 34-35 Emissions, p. 34-35 Effluents and waste, p. 34-35 Supplier environmental assessment, p. 36 Supplier social assessment, p. 36 Public policy, p. 37 Employment, p. 38-41 Labour/management relations, p. 34-35 Occupational health and safety, p. 34-35 Training and education, p. 34-35 Diversity and equal opportunity, p. 41 Non-discrimination, p. 41	x

### 200 – Economic performance

#### Economic performance

201-1	Direct economic value generated and distributed	See DNA's economic impact on its operating environment, DNA and the society. For more information, see Consolidated income statement	x
201-2	Financial implications and other risks and opportunities due to climate change	Corporate responsibility at DNA, DNA and the climate, Environmental indicators, Risk management	x

## REPORTING (GRI)

201-3	Defined benefit plan obligations and other retirement plans	Notes to the consolidated financial statements: 2 Accounting principles and 24 Defined benefit plan	x
201-4	Financial assistance received from government	DNA did not receive financial assistance from government in 2017.	x
Indirect economic impacts			
203-1	Development and impact of infrastructure investments and services supported	DNA and the society	x
Anti-corruption			
205-1	Operations assessed for risks related to corruption	DNA's Code of Conduct bans any corruption. DNA has issued separate guidelines for the giving and receiving of business gifts. The company does not have a separate risk assessment process for corruption. 80% of DNA personnel completed Code of Conduct training in 2017. No significant risk related to corruption has been identified. Team of top experts	x
205-2	Communication and training on anti-corruption policies and procedures	DNA's Code of Conduct bans any corruption. DNA has issued separate guidelines for the giving and receiving of business gifts. The company does not have a separate risk assessment process for corruption. 80% of DNA personnel completed Code of Conduct training in 2017. No significant risk related to corruption has been identified. Team of top experts	x
205-3	Confirmed incidents of corruption and actions taken	There were no incidents of corruption at DNA in 2017.	x
Anti-competitive behaviour			
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	DNA Plc operates according to competitive regulations. During the reporting period, neither the Group nor any of its wholly-owned subsidiaries were subject to legal actions for violation of competition legislation.	x
<b>300 – Environmental</b>			
Energy			
302-1	Energy consumption within the organisation	DNA and the climate, Environmental indicators	x
302-2	Energy consumption outside the organisation	DNA and the climate, Environmental indicators	x
Emissions			
305-1	Direct greenhouse gas (GHG) emissions (Scope 1)	Environmental indicators	x
305-2	Energy indirect greenhouse gas (GHG) emissions (Scope 2)	Environmental indicators	x
305-3	Other indirect greenhouse gas (GHG) emissions (Scope 3)	Environmental indicators	x
305-4	Greenhouse gas (GHG) emissions intensity	Environmental indicators	x
Effluents and waste			
306-2	Total weight of waste by type and disposal method	Environmental indicators	x

Supplier environmental assessment			
308-1	Percentage of new suppliers that were screened using environmental criteria	DNA's supplier agreements include the Supplier Code of Conduct according to which suppliers agree to adhere to environmental legislation and regulations. Supplier Code of Conduct was included in a significant proportion of new procurement and logistics agreements signed in 2017. The exact percentage is not currently available.  The Supplier Code of Conduct is based on the UN Declaration on Human Rights and the ILO Declaration on Fundamental Principles and Rights at Work. Environmental responsibility considerations are also included. The Supplier Code of Conduct also applies to the suppliers' subcontractors. Responsible purchasing	x
<b>400 – Social</b>			
Employment			
401-1	New employee hires and employee turnover	Social responsibility indicators	x
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	DNA Plc provides the same benefits to all employees, regardless of employment type. The benefits and policies of DNA's sales organisation, DNA Store Ltd, apply to all DNA Store employees regardless of employment type.	x
Labour/management relations			
402-1	Minimum notice periods regarding operational changes	During operational changes, DNA has observed the minimum notice periods for the applicable collective agreements.	x
Occupational health and safety			
403-1	Percentage of total workforce represented in formal joint management-worker health and safety committees	DNA Plc has a statutory labour protection committee that consists of regional labour protection delegates. The committee members include five labour protection delegates, including DNA Store delegate, and the labour protection officer. The committee has quarterly meetings. All DNA employees are represented.	x
403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender	Social responsibility indicators	x
403-4	Health and safety topics covered in formal agreements with trade unions	DNA believes that statutory labour protection activities in Finland cover the requirements. All DNA employees are represented. DNA's labour protection committee 2017 has one labour protection delegate per area (four in total), a labour protection officer as well as representatives from office and human resource management. The committee meets once a quarter. A typical agenda includes reviewing areas such as accident, sick leave and overtime statistics, and dealing with possible occupational safety issues, for example, based on feedback from employees.	x

## REPORTING (GRI)

Training and education			
404-1	Average hours of training per year per employee	Social responsibility indicators	x
404-2	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings	By the end of 2017, eight groups of employees have participated in the JET qualification programmes in leadership training, with about 130 participants in total, 88 of whom have completed the programme. Two groups from DNA Store Ltd completed the qualification programme in store supervision (some 20 participants) and a group of DNA customer service employees have completed a further qualification in sales (10 participants). In total, 14 persons have started working towards a specialist qualification in commerce, 4 of whom have completed their degree. DNA had no need for transition and re-employment programmes in 2017. Team of top experts	x
404-3	Percentage of employees receiving regular performance and career development reviews	<p>DNA Ltd and DNA Welho Ltd have conducted performance and development reviews with all permanently employed persons, agency employees and fixed-term employees not on a leave throughout the organisation. All DNA employees are included in the reviews. DNA has replaced quantitative monitoring of development reviews with qualitative monitoring: employee satisfaction with development discussions was assessed with a survey. According to the survey results, the employees mainly find the development reviews useful. The development reviews dealt adequately with well-being at work, succeeded in setting objectives and provided constructive feedback. Suggestions for improvements included discussing the successes and improvement areas in the past year. Some respondents felt that they do not need development reviews because of active interaction with the supervisor during their daily work.</p> <p>DNA Store Ltd has replaced performance and development reviews with regular personal discussions between employees and their supervisors. All DNA Store employees are included in the reviews. The objective of these discussions is to review the employee's role, assess whether they have met the objectives set for the previous year, set new objectives, make sure the employee understands what is expected of them and give feedback on their performance. Objective setting and development review supports the role of each employee in strategy implementation. Sales-related performance reviews are organised as required. These reviews focus on the development of skills and competence.</p>	x
Diversity and equal opportunity			
405-1	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity	Two of the seven members of DNA's Board of Directors were women during the reporting period. One of the nine members of DNA's Executive Team was a woman. Members of the Board, Executive Team, Meaningful work, Social responsibility indicators	x
Non-discrimination			
406-1	Total number of incidents of discrimination and corrective actions taken	No incidents of discrimination occurred at DNA Group in 2017.	x

Supplier social assessment			
414-1	Suppliers that were screened using social criteria	<p>DNA's supplier agreements include the Supplier Code of Conduct according to which suppliers agree to adhere to social responsibility practices and regulations. The Supplier Code of Conduct was included in a significant proportion of new procurement and logistics agreements signed in 2017. The exact percentage is not currently available.</p> <p>The Supplier Code of Conduct is based on the UN Declaration on Human Rights and the ILO Declaration on Fundamental Principles and Rights at Work. Environmental responsibility considerations are also included. The Supplier Code of Conduct also applies to the suppliers' subcontractors. Responsible purchasing</p>	x
Public policy			
415-1	Political contributions	DNA Group does not support any political parties, politicians or similar institutions. According to this policy, DNA did not provide any political contributions in 2017.	x
Marketing and labelling			
417-3	Incidents of non-compliance with regulations and voluntary codes concerning marketing communications	In 2017, no court decisions were issued in relation to DNA's marketing, nor did the Market Court issue any conditional fines.	x
Customer privacy			
418-1	Substantiated complaints regarding breaches of customer privacy and losses of customer data	According to the Finnish Information Society Code, telecommunications operators shall notify the Finnish Communications Regulatory Authority (Ficora) of significant information security violations or threats to information security in their network and communication services. DNA issued one so-called CERT notification to Ficora in 2017. The notification did not concern the privacy of DNA Plc's customers, partners or personnel. DNA considers the data security of both private and business customers a top priority in all its operations.	x
Socioeconomic compliance			
419-1	Non-compliance with laws and regulations in the social and economic area	In 2017, DNA was not ordered to pay any fines or other sanctions for non-compliance with laws or regulations.	x

# INDEPENDENT ASSURANCE STATEMENT

## TO THE MANAGEMENT AND STAKEHOLDERS OF DNA

### Scope and Objectives

The Management of DNA Plc commissioned us to perform a limited assurance engagement on the Corporate Responsibility Report (pages 25-57) of DNA's Annual Report 2017 ("the Report") with the reporting period 1 January to 31 December 2017. The assurance engagement was conducted in accordance with the AA1000 Assurance Standard (2008) and as a type 2 engagement.

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

- DNA's adherence to the AA1000 Accountability Principles of inclusivity, materiality and responsiveness;
- the reliability and quality of performance information presented in the Report according to the GRI Standard 101 Foundation (2016); and
- the compliance with the criteria of the GRI Standards (Core level).

### Responsibilities

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

### Assurance Provider's Independence and Competence

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

### Basis of Our Opinion

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

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

Our opinion is based on e.g. the following procedures performed:

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

### Inherent Limitations

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

### Conclusions

#### Adherence to AA1000 Accountability Principles

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

- Materiality: DNA has defined material corporate responsibility reporting topics as a part of the corporate responsibility strategy.
- Responsiveness: DNA has policies and procedures in place to respond to stakeholders' expectations.

#### Reliability of corporate responsibility performance data

We have reviewed the basis of the corporate responsibility information provided in the Report. Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Report is not fairly stated and has not been prepared, in all material respects, in accordance with the reporting criteria.

#### GRI Standards in accordance criteria

The Report complies with the GRI Standards: Core option.

#### Observations and Recommendations

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

- DNA has focused on the practical implementation of corporate responsibility in its operations. The corporate responsibility strategy defines objectives and action plans to manage the company's sustainability impact, risks, and opportunities. We recommend that the target-setting and key performance indicators for corporate responsibility are further developed in accordance with with business goals.

- DNA has established corporate responsibility governance and management approach and developed its corporate responsibility reporting. We recommend that procedures for corporate responsibility performance monitoring, systematic data management and documentation of the reporting process will be further developed.

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

Helsinki, Finland, 30 January 2018

Mitopro Oy

Mikael Niskala  
Independent Sustainability Practitioner

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Independent Sustainability Practitioner

## CONTACTS



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