Telia Sustainability Report 2024

Telia Eesti AS



We are committed to contributing to the development of society so that Estonia becomes a better place for both living and working.

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The platform is built based on the ESG framework, and aligned with our three focus areas: environmental sustainability, digital inclusivity, privacy, and cybersecurity

01 Environmental

Environmental sustainability is one of Telia's three focus areas.



Zero CO2 and waste

Emissions, energy and mobility

Our greenhouse gas emissions originate from sources or activities under Telia's control, as well as activities within the value chain controlled by other companies, such as partners and suppliers. Various greenhouse gas emissions are measured in CO2e units. Emissions are categorized into different Scopes - 1, 2, and 3.

Telia's own emission fall into Scopes 1 and 2.

- **Scope 1** signifies emissions over which the company has direct control and can influence through daily decisions. Category 1 includes fuel consumption of Telia's vehicles, fuels consumed for backup power, refrigerants used in cooling equipment, and electricity generated by Telia's solar panels.
- **Scope 2** represents indirect emissions resulting from purchased and consumed energy that the company has not produced itself. The company cannot influence the energy production method but can control its energy consumption. This category includes Telia's electricity consumption (offices, stores, technical locations, including leased premises) and district heating.

Scope 3 includes indirect emissions over which Telia Estonia does not have direct control.

Such emissions are caused by purchased and sold products and services (excluding activities and sources in Scope 2). This category includes purchased goods and services, products consumed by customers at their premises, employee commuting, business trips, and waste management and end-of-life handling of sold products.

Together, these Scopes encompass Telia's emissions across the entire value chain.

Telia's total emissions in 2023 amounted to 723 tons of CO2. This represents a significant decrease compared to the base year (2018). However, methodological changes prevent direct comparison between these numbers. Since 2016, Telia has transitioned to using electricity solely from renewable sources, effectively eliminating associated emissions.

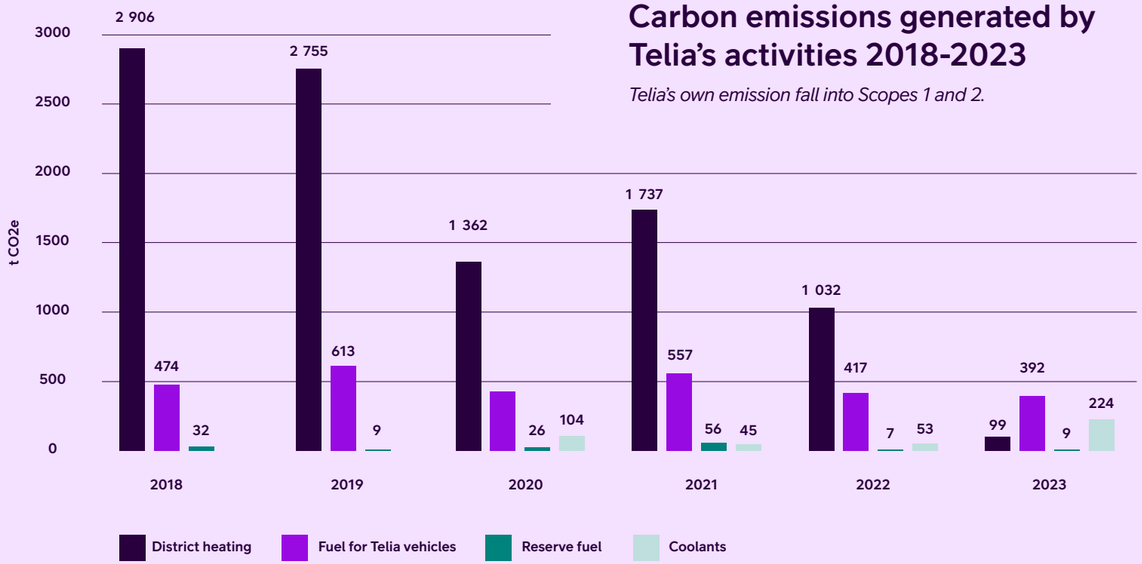
The actual reduction in emissions is supported by the 2022 installation of a ground-source heat pump, facilitating the transition to renewable energy. However, the impact of this transition is only reflected in the 2023 CO2 calculations, where an emission factor of 0 is used. In the previous year, the footprint included the proportion of ground-source heating using a general emission factor. Additionally, several methodological changes have influenced the consolidated figure for 2023:

- Previously, emissions related to business trips were included in Telia's own emissions. Since 2023, however, business trips are accounted for only in Scope 3 emissions;
- The methodology for calculating district heating emissions has been updated to consider producer-specific emission factors. This more accurate approach has resulted in a significant reduction, with emissions now 97% lower compared to our 2018 baseline. Additionally, by relocating from large spaces to smaller, more energy-efficient ones, we've achieved a further 63% reduction in heat energy consumption.

While all other elements contributing to Telia's own emissions decreased in 2023, emissions from refrigerants added to cooling equipment increased. This is due to the larger-scale replacement of refrigerant equipment in 2023.

Carbon emissions generated by Telia's activities 2018-2023

Telia's own emission fall into Scopes 1 and 2.



Telia's indirect emissions and emissions across the entire value chain

Emissions throughout the entire value chain denote Scopes 1-3, with Scope 3 signifying indirect emissions over which Telia lacks direct control.

We present data for Scope 3 from 2021 onwards, as in preceding years, not all necessary data were available to us at the required quality.

Methodology: Greenhouse Gas Protocol

	Goods and services purchased	Energy consumption by Telia devices at customer premises	Energy	Employee commuting to and from work	Business trips	Handling of waste and end-of-life products
2023	48%	23%	27%	1%	0,32%	0,02%
2022	63%	20%	16%	1%	0,25%	0,01%
2021	45%	41%	13%	1%	0,09%	0,02%

Zero CO2 and waste

“Our overall distribution of emissions across the value chain has remained largely unchanged. In other words, in 2023, our biggest climate impact still lies within Scope 3, which accounted for 99% in 2023. A significant portion of this is related to purchased products and services, as well as customer-operated equipment (71%). Collaborating closely with manufacturers and extending the lifecycle of products are necessary steps to reduce the impact in Scope 3.“ “



Raina Jürgens
Telia Environmental Management Expert and Process Manager

2019

Telia Company sets ambitious environmental goals to become emission and waste-free throughout its value chain by 2030

2021

Telia Company formulated its environmental goals for 2023 and 2025, based on which Telia Estonia established its focus objectives for 2022

2022

Telia Company set a net-zero emissions goal. Since 2018, Telia has reduced its operational CO2e emissions by 85%

2023

It was agreed upon that Telia’s overarching goal is to achieve net-zero greenhouse gas emissions across the entire value chain by 2040.

100% Green Energy

SCIENCE BASED TARGETS
DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

In the **upcoming years, Telia Company plans** to achieve the following goals regarding Environmental, Social, and Governance (ESG).

2025

To reduce indirect greenhouse gas emissions by 29% compared to the base year of 2018 by 2025.

By 2025, 72% of Telia Company’s suppliers, who supply Telia services and goods, have set themselves science-based targets.

2030

To reduce our operational greenhouse gas emissions by 90% compared to the 2018 baseline by the year 2030.

2040

To reduce indirect greenhouse gas emissions by 90% compared to the 2018 baseline year, and to compensate for any remaining emissions from our operations.*.

**Telia Company uses electricity sourced entirely from renewable energy in all countries where it operates. The remaining emissions from its operations, which cannot be reduced (emissions from Scope 1, 2, and business travel), are offset through the voluntary purchase of carbon credits at the Telia Company level.*

Energy

Solar, wind, and hydrogen energy

- In 2023, we pursued the goals agreed upon in our green energy strategy.
- We teamed up with Sunly to establish approximately 100 solar parks with a combined capacity of at least 1200 kW near Telia mobile towers.
- The amount of energy purchased from the Telšai wind farm increased significantly year-over-year (35% in 2023 vs. 8% in 2022 of Telia Estonia's total energy consumption). According to forecasts, this trend will continue in 2024, with purchased energy accounting for over 55% of Telia Estonia's total consumption.
- The trial project to replace diesel generators with hydrogen generators, initiated in 2022, progressed. A hydrogen generator was installed at one of the mobile sites.
- In addition to electricity, we annually monitor the proportion of heat energy generated from renewable sources. Since 2022, the geothermal heating system at Telia Estonia's headquarters has been operating on renewable energy sources, accounting for 77% of the headquarters' and 39% of Telia's total heat consumption in 2023.

"The construction of solar parks is in full swing. In 2023, we built parks with a total capacity of 578 kW, and construction continues this year. By year's end, Telia aims to have a total solar park capacity of 1325 kW."



Anna-Mai Allikmäe
Technical Systems Specialist

Data transmissions

The energy consumption for transmitting a unit of data continues to decrease.

"With the digitalization of society, the volumes of data used are increasing rapidly, including on the Telia mobile network, which we are constantly developing and modernizing. Although the volumes of data and electricity used grow every year, we are increasing the efficiency of the mobile network year by year, thereby reducing the energy required to transmit a unit of data."



Anna-Mai Allikmäe
Technical Systems Specialist

Difference between energy consumption and data transmission volumes.

Transportation

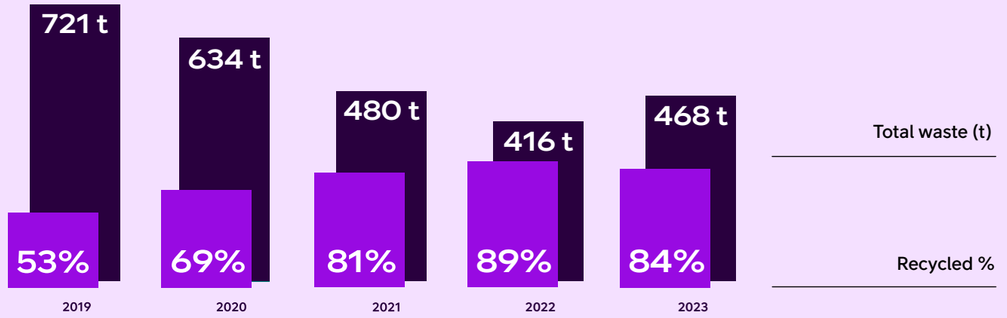
- In 2023, there were no significant changes in the structure of the Telia fleet. By the end of the year, we had 30 electric cars in use, constituting 20% of the entire Telia fleet (just two more cars than the previous year). At the beginning of 2024, we will replace another 16 cars with electric ones, aiming to transition 30% of our mileage to electric. By the end of 2024, all Telia M1-class cars will be electric.
- Furthermore, Telia work vehicles still allow for personal use, which serves as a good example of efficient vehicle sharing practices.

"We have long awaited positive developments in the market for electrically powered utility vehicles with sufficient battery capacity. Currently, there are no vehicles with adequate battery capacity in the utility vehicle class, and vehicles equipped with only 50 kWh batteries do not meet our operational needs. In 2024, 50% of Telia van leases will expire, thus we cannot wait for the arrival of sustainable utility vehicles but must instead procure another large fleet of gasoline-powered cars."



Mari-Liis Männisalu
Head of Administration

The proportion of waste, recycling, and reuse



Waste and Circular Economy

In 2023, the proportion of waste increased, while the proportion of recycled waste decreased slightly.

"The total weight of waste increased because we included office waste and waste from clients' mobile devices and network equipment in the calculation. The proportion of reuse and recycling decreased because a large portion of office waste consists of general household waste."



Kairi Pahapill
Supply Chain Development Manager

"The majority of our office waste is comprised of hand drying paper used in the restrooms. Due to its significant volume, we do not dispose of it in the organic waste, in accordance with the regulations of our waste management company. Following the example of the Nordic countries, we are seeking solutions in Estonia for separating hand drying paper from household waste."



Mari-Liis Männisalu
Head of Administration

The quantity of emerging waste and the accuracy of sorting it by type are measured using WasteLocker devices.

Waste and Circular Economy

Recycling of customer devices

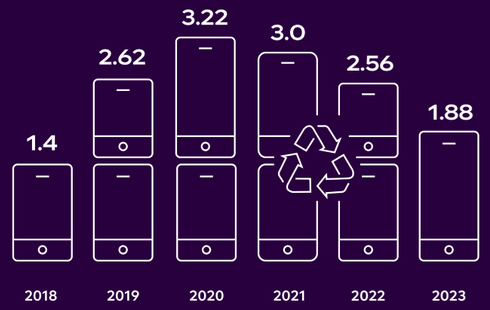
Telia recycles customer devices, such as routers and set-top boxes.

In 2023, there was a decline in the reuse of customer devices for two main reasons.

- The supply crisis for devices continued to impact us, forcing us to rely on our existing stock of used devices during delivery delays.
- •Our transition to a new Android digital set-top box in the TV sector has resulted in a temporary shortage of devices. Customers are still returning the older model devices, leading to a lower volume of the new model currently in stock.

Recycling of customer devices

(mEUR)



- In 2023, we launched a successful initiative selling refurbished equipment. Now, we're aiming to multiply that achievement fivefold in 2024. Hence, our intention is to vigorously promote the reuse of equipment.
- At Telia, we currently focus on selling refurbished smartphones and laptops. Each device undergoes a rigorous technical inspection and comes with a warranty.

"Trade-In" device return program

The "Trade-In" program enables customers to return their old smart devices (phones, laptops, tablets, or smartwatches) to Telia and purchase a new device from Telia's online store. We also run campaigns where purchasing certain new devices entitles customers to additional discounts on the trade-in value of their old devices.

- In 2023, the proportion of transactions made through the "Trade-In" program reached 12.9%, exceeding the established goal of 7%.
- In 2024, we plan to further enhance the flexibility and convenience of the "Trade-In" program for customers.
- Approximately half of the devices are purchased using the "Trade-In" program during campaigns.

Refurbished devices

Telia Estonia's range of devices includes refurbished iPhones, iPads, various smartwatches, and laptops. These devices have undergone technical inspection, come with a warranty, and are in like-new condition.

"Studies show that most of a product's emissions occur during its production phase (around 70–95%). This highlights the importance of maximizing a product's lifespan. High-quality products, like smartphones and business-class laptops, can last through multiple users with proper care. While current trends suggest phone replacements every two to three years and computers every three to five years, we believe a single device can have multiple life cycles and owners. By purchasing a good-quality device, even from a reliable reseller, you don't necessarily need the latest model"



Laura Kuusik
Head of Goods and Financing Department

- In 2023, we launched a successful initiative selling refurbished equipment. Now, we're aiming to multiply that achievement fivefold in 2024. Hence, our intention is to vigorously promote the reuse of equipment.

Reusable KIUD packaging

- In 2023, we utilized KIUD packaging both in the "Trade-In" program and in our Christmas campaign.
- Customers can return their old devices to us using KIUD packaging as part of the "Trade-In" program.

  A total of 2,705 packages were produced, each averaging 4.3 cycles. The same packages will continue circulation in 2024.
- To raise awareness among customers about our reusable packaging option, we also incorporated KIUD packaging into our Christmas campaign.

  We sent out 4,520 KIUD packages. Initially, an estimated 18% of packages were returned to circulation. However, we acknowledge that many customers have chosen to either use or gift the received KIUD boxes themselves.

"Made from textile waste generated on production lines and then sent into circulation, KIUD packages help reduce a product's footprint by up to 50% compared to regular paper packaging. To introduce a new circular packaging option and promote sustainable practices among our customers, Telia covered the €3 deposit on their behalf"



Elina Piirmets
Marketing Project Manager



Digital waste

Paper-free stores

Telia aims to make its stores paper-free.

In stores, 90% contracts are signed digitally.

"By making conscious choices, we have streamlined our sales process to establish digital contract signing as the standard, even within our branches. As a result, only about 10% of branch contracts are now paper-based. Looking ahead to 2024, we plan to leverage further IT advancements to facilitate a continued increase in electronic contract processing at the branch level"

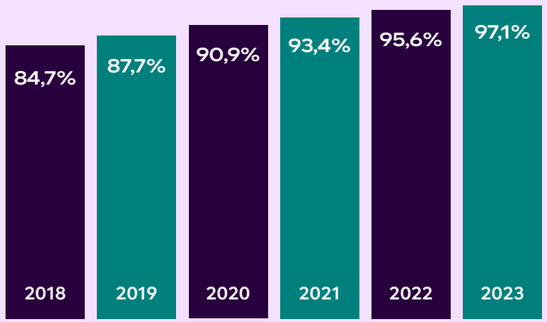


Katriin Tšepurin
Sales Process Manager

E-invoices

We've seen success in transitioning away from paper invoices. Our target for the proportion of e-invoices in 2023 was 97%, and we reached it. For 2024, we won't be setting a new goal to further decrease paper invoices, as we've already attained a significant level. In 2024, our emphasis will be on digital channels. Our goal is to diminish the environmental impact linked with invoice delivery by removing the PDF version of invoices sent via email.

Percentage of e-invoices



Digital Cleanup Day

- The Digital Cleanup Day took place at the beginning of 2024, during which we collaborated with the "Green School" program (Tartu Nature House), the University of Tartu, Foxway, and EES-Ringlus.
- In 2024, the number of individuals registered online significantly increased compared to the previous year. 2,500 individuals, 8,000 students, 260 Telia employees, 230 organizations, and 158 schools and kindergartens from the "Green School" network participated. The Digital Cleanup Day's Facebook live had 25,000 viewers.
- Telia aimed to bring in 10,000 devices, including organizational equipment for Green IT.
- Additionally, in collaboration with the University of Tartu, we conducted a study on digital waste and electronic waste.



Survey on digital and electronic waste

From the 2023 survey on e-waste, we conclude that while awareness about e-waste is high, behavior hasn't caught up yet.

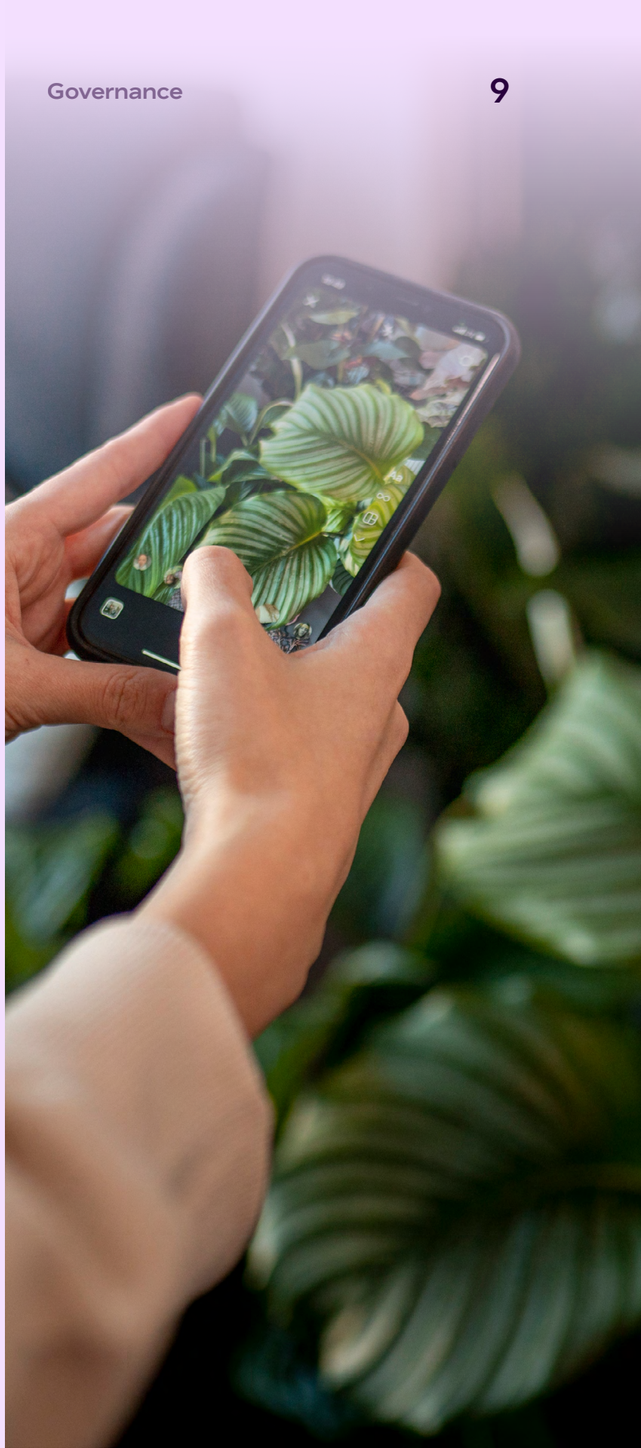
- The term "e-waste" is familiar to 99% of respondents.
- Over 40% of survey participants engage in digital decluttering on a regular basis. This involves getting rid of old electronic devices and deleting unnecessary files.
- Discarding unused files is a key motivator for digital decluttering, according to a survey of 71% of participants. Additionally, 15% of survey participants expressed a desire to act environmentally friendly in the digital world.
- 73% of Estonian households have unused old digital devices.

"Many people are unfamiliar with transferring data to cloud solutions or between devices. In these cases, we encourage seeking assistance. For example, Telia's representatives can provide advice on how to dispose of unused digital devices securely, ensuring important data is preserved and private information remains protected."



Hele Tammenurm
Head of Quality and Environmental Management at Telia

A December 2023 e-waste survey by Norstat, in collaboration with Telia and the University of Tartu's Johan Skytte Institute of Political Studies, polled 400 Estonian residents aged 15-65.



Promoting environmental awareness through internal and external communication

Sustainability was the focal point at the Telia Meetup and Telia Digital Hub. Every year, we organize a Digital Cleanup Day, which aims not only to reduce our direct digital footprint but also to foster positive habits. The sale of refurbished devices, the use of reusable packaging, and Telia stores' paper-free initiatives all contribute to raising customers' environmental awareness.

Environmental awareness among Telia employees

Environmental Month

- In April, we organized Environmental Month, featuring various activities to engage employees and raise awareness about environmental goals and actions, sustainable transportation, waste management, and the circular economy.
- We provided employees with an update on the progress of our current environmental goals and our future plans.
- Additionally, we invited experts from Ragn-Sells and Wastelocker to discuss waste management, the circular economy, and innovation.
- We also offered insights into Tallinn's activities and plans as the European Green Capital.
- To promote employee convenience, we acquired an electric cargo bike and facilitated their participation in a Tallinn electric bike demo day.
- During Environmental Month, we also conducted an environmental survey among our employees.

Environmental awareness surve among Telia employees

Results of the study:

- 50% of the respondents stated they have sufficient information about environmental issues; only 9% indicated sufficient knowledge.

The top three most interesting topics for Telia Estonia employees are:

21% Telia's environmental footprint and impact;
20% Telia's environmental activities;
19% equipment-related matters

Additionally, there was a separate mention of interest in preventing greenwashing.

We also examined what Telia employees are willing to do to protect the environment. The results were:

18% 18% participate in waste sorting;
17% avoid food waste;
17% consider whether they need a product before making a purchase.

"Telia employees' environmental awareness survey results were encouraging and give us confidence that we are doing the right things and that they really matter to employees. Telia employees gave the company's environmental awareness a score of 7 (out of 10), which is a good result. But we want to be even better."



Hele Tammenurm
Head of Quality and Environmental Management at Telia

Environmental issues and business clients

"Our business customers want to understand how Telia's environmental activities create value for their businesses as well. They seek information on everything from the energy consumption of the services we provide to the use of renewable energy at our sites, along with the energy efficiency and broader environmental friendliness of our offerings. There's also significant interest in the certificates and labels awarded to us."



Raina Jürgens
Telia Environmental Management Expert and Process Manager.



02 Social

Digital inclusion, privacy, and cybersecurity are the primary focus areas of Telia Estonia, along with environmental protection. Telia's social impact is demonstrated in two ways: firstly, through external activities aimed at our customers, and secondly, through the impact created by our employees, who then disseminate this influence.



Cooperation with the government and various networks, R&D

Collaboration with the Ministry of Economic Affairs and Communications within the framework of the event "Telia Digital Hub"

For the fourth year in a row, the Telia Digital Hub has organized Estonia's largest innovation and technology conference in collaboration with the Ministry of Economic Affairs and Communications.

"Digital Hub is the year's most important meeting place for top executives, IT leaders, information security managers, and technology sector officials and specialists. Held in Tallinn, it keeps attendees up-to-date on the latest industry developments. The 2023 conference featured renowned visionaries from the USA, Western Europe, and Estonia."



Rebecca Andreas
B2B Segment Manager

- The 2023 Telia Digital Hub focused on sustainability in business, IT solutions, and technology. The conference drew 1,052 attendees.
  - The opening discussion explored how artificial intelligence and the need for sustainable solutions are shaping our technological landscape and businesses.
  - The event concluded with a keynote address by Howard Brodsky from Ukraine, who founded a $12 billion company in the United States built on social and sustainable business principles.
  - The conference boasted roughly 60 presentations and expert talks, including sessions tailored for chairmen, IT managers, IT gurus, the public sector, and solution providers.
- The 2024 Digital Hub is scheduled for November 14th and will delve into topics like "Privacy and security - how to move life and business forward safely?", "Environmental awareness - how to reduce your digital footprint", and "Leadership - what is the role of a future leader and what kind of business culture do we want"

Telia MeetUp in Tallinn and Narva

The MeetUp is Telia's main headquarters open day. In 2023, the event took place for the fifth time, but for the first time, a similar event also occurred simultaneously in Narva.

- Nearly 400 IT and business leaders and specialists participated in Tallinn, engaging in 29 seminars and freely exchanging experiences.
- In Narva, 45 business clients from Ida-Viru County attended the event.
- Sustainable operation emerged as a key theme at this year's events. Discussions focused on how new, innovative digital solutions can improve business efficiency and environmental friendliness.
- A first for MeetUp, a business leader's club convened for a discussion on sustainability titled "Sustainability as a Journey into a New Reality." Participants in the discussion circle included Jarmo Liiver (CFO, Verstoni), Eero Pärgmäe (Commercial Director, Tallinn Airport), Valdur Laid (Board Member, UG Investments), and Holger Haljand (Chairman of the Board, Telia Estonia).

Collaborating with the University of Tartu in order to reduce the digital divide among the elderly

In collaboration with Tartu University social scientists and the former student company Digiabi, we initiated a program to teach digital skills to the elderly and address the digital divide issue in this demographic

→ *Read more from the chapter "Educational programs".*









Cybersecurity Collaboration: Estonian Association of Information Technology and Telecommunications (ITL) Membership

Cooperation with NATO CCDCOE

In November, we hosted the NATO CCDCOE Critical Information Infrastructure Protection training group for a discussion on defending critical infrastructure and its associated risks.

Locked Shields Partners Run cyber defense exercise

- We participated with the Telia team in the NATO CCDCOE-organized cyber defense exercise series
- Since organizing such a large-scale exercise is demanding and costly from an infrastructure perspective, we supported and will continue to support the upcoming exercises, including providing faster internet connection and DDoS protection services.
- The Locked Shields Partner Run took place on March 6-7, 2024, and our collaboration continues.



Cooperation with ITL

- Telia Estonia actively participates in various ITL working groups, including the cybersecurity council.
- In 2023, we invested in the development of good practices aimed at small and medium-sized enterprises, including "Good Practice in Providing a Secure Computer Workplace" and "Good Practice in Providing Secure Email Services."

"The guidelines developed by ITL aim to provide small and medium-sized enterprises with knowledge about the aspects to consider when ordering various services, ensuring that compliance with basic hygiene requirements is guaranteed by the service provider."



Ingrid Kääp
Head of Security Management Department

Cybergram content

Following a 2022 study on children's privacy and security, Telia's data protection experts helped create Cybergram content to educate children about what information is best kept private online and the potential dangers of disclosing personal data.

→ *Read more in the chapter "Educational programs".*



Impact Analysis of the Women in Tech Program

- In collaboration with the universities of Malmö and Jönköping, we conducted an impact analysis of the Women in Tech program.
- The main conclusions of the analysis revealed that the program facilitates the integration of work and family life with retraining, and the primary value for women is the support network and the opportunity to study flexibly. Within the first year after completing the program, 20% of participants have transitioned their careers towards technology.tehnoloogia suunas.

→ *Read more in the chapter "Educational programs".*





Guidelines, trainings, educational programs

In 2023, Spoofy and various Facebook live trainings for parents on children's internet safety were the platforms with the most users for learning digital skills. We broadened the scope of digital platforms that support digital skills development, encompassing both schools and older adults.

"Learn and Teach" website

- Launched in 2023, the "Learn and Teach". web page offers helpful resources for both teaching IT skills and self-learning.
- The guide is designed for user-friendly, topic-by-topic, and step-by-step application. It also includes a printable learner's dictionary of icons and applications.
- The platform had attracted 10,900 users by the end of 2023.
- The guide was developed in collaboration with the University of Tartu and Digiabi, a former student company with experience guiding seniors in digital skills.

"Telia's longstanding collaboration with the University of Tartu demonstrates the power of collective achievement. By incorporating Digiabi's materials on Telia's website, we provided research-backed recommendations alongside practical advice tested by the student company. Telia's extensive customer base allowed these resources to reach a broad audience, once again highlighting the value of collaboration in creating impactful resources that genuinely simplify digital technology use."



Inger Klesment
Communication and Media Competence Specialist at CEBID (Baltic Engagement Center of Information Disorders), University of Tartu.

Trainings

- We reached 45,000 participants through webinars and podcasts for parents on supporting children's safe internet use.
- Telia employees also volunteered as trainers, including training 625 children on internet safety at the Valma summer camp.
- Collaborating with Back to School, we organized a digital literacy class for the elderly.

"In addition to their daily work, our dedicated employees volunteer to help other develop their digital skill. We visit schools, kindergartens, camps, universities, and businesses, focusing on digital security and managing digital clutter. We develop training materials and programs ourselves, fostering knowledge sharing among volunteers. With roughly 50 regular trainers, we deeply appreciate their efforts and hope to see the program grow further."



Elo Võrk
Head of Sponsorship and CSR at Telia Estonia



Advancing Telia employees' data privacy and cybersecurity awareness

Employee data protection survey

- To improve data protection awareness, we conducted a survey in April 2023 with nearly 650 employees. Key findings included:
  - 58% participated in data protection training within the past year.
  - 75% felt their data protection awareness increased in the past year.
  - The survey identified areas requiring more focus in future training.
  - Tailored training plans were developed based on the survey results.

Internal training sessions

- Over 1,200 employees participated in internal data protection training sessions in 2023. We also raise awareness through various methods, including an internal data protection and security newsletter..
- To mark the 5th anniversary of GDPR, guest speakers from the Data Protection Inspectorate and partners addressed employees on data protection.

"Training employees on data protection and security benefits everyone. Client data protection builds a culture of personal data privacy within our workforce, extending this knowledge to their personal circles. Our internal efforts have a wider impact."



Laura Laid
Data Protection Area Lawyer and Area Manager

- 134 business customer unit employees underwent a dedicated cybersecurity training series.
- Employees in the business customer unit participate in monthly training sessions or modules to ensure a high level of security awareness.



Educational programs

In 2023, several educational programs advanced the topics of digital inclusion, privacy, and security.

“Spark Academy“ Internship program for everyone

In 2023, a total of **64 interns** participated in the program (compared to **69 in 2022)**, comprising 33 men and 31 women. Among them, **18% were hired**, which represents 8% of all hires made throughout the year.

Cybergram Privacy training platform for school students

The Estonian Human Rights Centre, in collaboration with privacy experts from Telia, created the program.

In 2023, we partnered with the Data Protection Inspectorate and the Estonian Human Rights Centre to develop a privacy and security learning environment for young people.

Launched in fall 2023, Cybergram attracted **8,000 young people** by year-end.

Spoofy educational cyberbullying prevention game

For primary school students
Developed by CGI. Designed by Tallinn University with the support of Telia.

In 2023, the game had **18,000 users** and introduced its fifth world.

By the end of 2021, over **26,000 unique users** had used the web version.In 2022, the game was released in Ukrainian, attracting an additional **25,000 unique users**.

“Women in Tech“ – Telia retraining program

Empowering women to launch IT careers

Participants:
2022: **50 women** (15 from Telia);
2023: **50 women** (10 from Telia).

Retraining via Coursera’s online platform in five areas: data analytics, UX design, IT project management, cybersecurity, digital marketing, e-commerce

Summer job at Telia stores

For 16–19 years olds

Tallinn & Tartu summer workers over the years:
2020: **20** 2021: **16** 2022: **13** 2023: **9**.

Their tasks include assisting customers in stores and introducing self-service options. They also gain a broader Telia experience, encouraging post-graduation employment at Telia.

Codesters.clubi technology studies program

Telia supports the program and Telia experts mentor young people.

The number of participants has been increasing year by year:
2020 – **50** 2021 – **150** 2022 – **300** 2023 – **320**.

Women´s leadership accelerator

Developed in collaboration with the Chamber of Commerce, the Canadian and Swedish embassies. Telia serves as the program’s gold sponsor.

A development platform designed for female middle managers in medium-sized and large enterprises. In 2023, 204 leaders from the public, third, and private sectors applied to the program.

25 women commenced the program (including five from Telia)..

Internship program for education leaders arranged by the good deed foundation

Telia has been participating in the program for the fourth consecutive year. In 2023, similar to the previous three years, Telia had two school leaders participating in a ten-week internship, with two members of Telia Estonia’s management team serving as their mentors.

Cyber events series “Telia Cyber Battle of Nordics and Baltics“ For young people and university students

Title became the sponsor in 2023.

Largest cybersecurity competition for young people and university students in the Baltics and Nordics.

In 2023, we awarded a prize to the best girls team and created a separate Telia assignement for the participants. The event was broadcast on Inspira.

Telia’s CEO Holger Haljand and cyber expert Raivo Malter participated on the broadcast team and jury.

Additionally, the Cybercation conference took place, organized by Norden and CFT, featuring the Spoofy project manager as a speaker.

IT-workshop “Young people to code“ programming training program

For grades 6–9
Supported by Telia

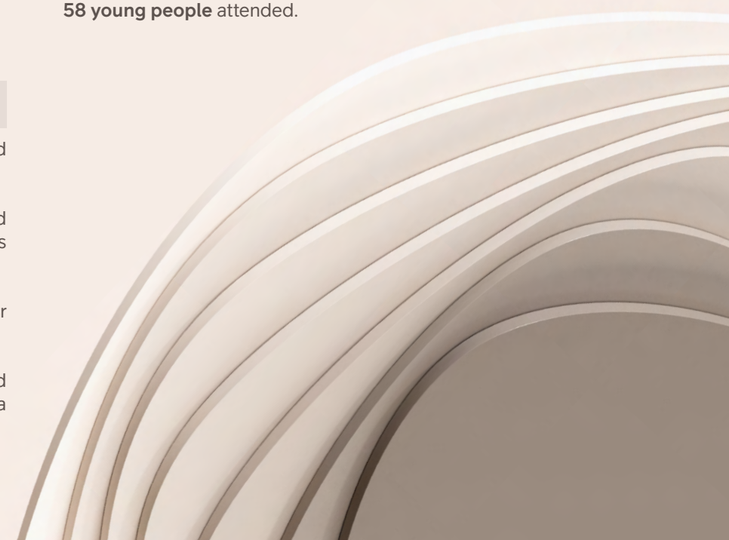
In 2023, **8 schools** participated in the program. In that year, 194 students enrolled, out of which **138** (including 4 motivated students from the 5th grade) successfully completed the course and received a certificate from the University of Tartu.

In 2022, 7 schools participated, with 160 students starting the program, out of which 78 received certificates from the workshop.

“Solaride Academy“ Training program For current and past Solariders

Telia supports the Solaride Academy,

whose opening event was held at our premises in 2023.
58 young people attended.





Social research

“Greatest Courage” follow-up survey

– In the 2023 follow-up survey of the “Greatest Courage” campaign, we inquired about children’s and young people’s experiences with cyberbullying. A panel survey conducted by Norstat included 400 respondents aged 16–65 and 200 respondents aged 7–16. Among the respondents, 10% have experienced cyberbullying themselves and 29% have witnessed cyberbullying. Compared to the study conducted in 2021, there has been an increase in exposure to sharing images and videos without permission. Cyberbullying within closed groups has also increased (see figures).

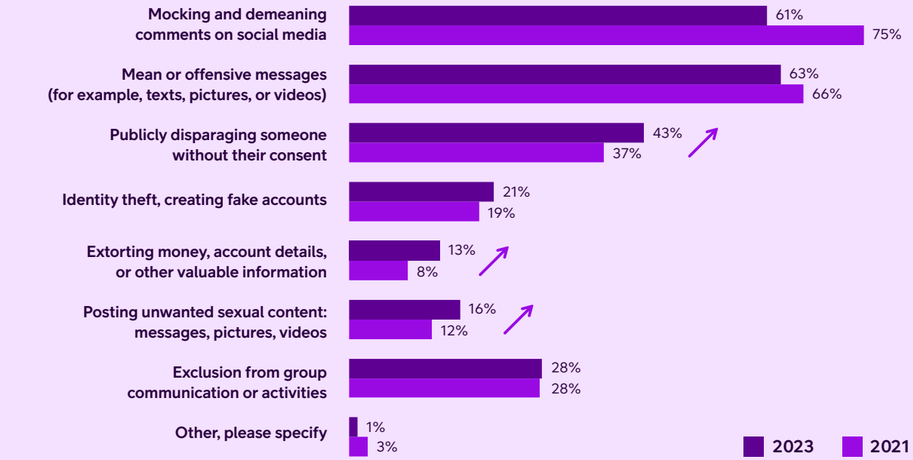
“Based on the surveys, we see a positive trend: children are encountering fewer negative comments on social media. However, this is countered by a rise in very serious and criminal threats: increased exposure to extortion, identity theft, sending unwanted sexually explicit content, harassment, and discrimination. Furthermore, these threats are becoming increasingly hidden and occurring within closed groups.”



Elo Võrk
Head of Sponsorship and CSR at Telia Estonia

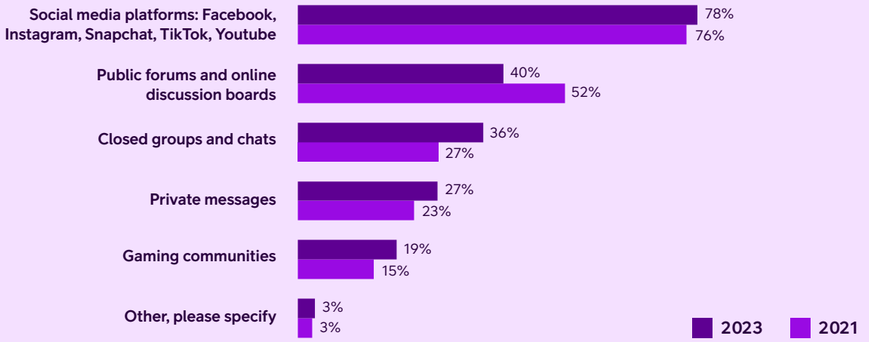
Children and young people report a decrease in traditional bullying behaviors alongside a rise in more severe forms

Which types of cyberbullying do you believe are most prevalent? Select up to three answers.



According to children and young people, cyberbullying is increasingly moving towards closed groups

In your opinion, in which channels does cyberbullying occur the most?





Social research

IT security research

The IT security research analyzes Estonian companies' comprehensiveness in meeting security and privacy requirements within their digital operations, including the prevention of inadvertent data leaks. Telia partnered with Turu-uuringute AS for the research.

Results of the companies' IT security research:

- 33% of companies have a very high level of IT security..
- 64% of companies consider IT security very or extremely important.
- Employee awareness needs improvement: only 6% of companies rate their employees' awareness as very good.
- Over 21% of companies lack dedicated IT security specialists, relying on general IT staff or service providers for security needs.
- Employee awareness: 44% consider it rather good, 43% satisfactory.

"Three-quarters of respondents meet basic IT security requirements: firewalls and antivirus on all devices, software updates, data backups, and access controls are in place. Additionally, 56% utilize virtual server solutions for data storage, and 51% have conducted information system security assessments."



Martti Kebbinau
Head of Cyber Security Services and Solutions

Cyber security research

The cybersecurity study examines Estonian companies' preparedness for external attacks. Telia partnered with Turu-uuringute AS for the research.

The 2023 Cybersecurity Survey, based on 2022 data:

- •55% of companies faced cyberattacks or threats in 2022 (41% once, 14% multiple times).
- Phishing emails were the most common form of attack.

"While thousands of companies now use DDoS protection solutions and the vast majority of these attacks are successfully repelled, Estonian companies compared to the previous year still encounter them more frequently. Recovery from such attacks can take days and often results in extensive damage to reputation."

Martti Kebbinau
Head of Cyber Security Services and Solutions

Results of the 2024 cybersecurity survey based on 2023 data:

- In 2023, 59% of companies encountered cyberattacks or other cybersecurity threats.
- The most significant issues involve employee IT security. While 64% of companies have password policies, 45% lack policies for using devices and data outside the office or on public Wi-Fi networks.

"We consistently emphasize that ensuring any form of IT security is an ongoing process, not a one-time project, as attackers constantly learn and evolve."

Martti Kebbinau
Head of Cyber Security Services and Solutions

Accessibility of communication services

We play a significant role in reducing the digital divide by providing high-quality electronic communication services to many users across Estonia, thus enabling the people in Estonia to benefit from the advantages of the digital world. Telia invests approximately 50 million euros annually in developing its networks and services.

International analytics firm Opensignal compared hundreds of mobile operators globally. Telia Estonia emerged as the best in three of eight categories. Opensignal emphasizes that in the category of excellent consistent quality, Telia Estonia's mobile network provided superior high-definition video streaming, video conferencing, and online gaming experiences. Notably, Telia Estonia achieved a score of 90.8% in this category, significantly exceeding the global average of 65.4%.

3G ja 5G

- Telia's major fiber network development projects took place in Tallinn, Tartu, Rapla, Pärnu, Kiili, Raasiku, Nõo, and Valga in 2023.
- In 2023, Telia became the first mobile operator in Estonia to shut down the 3G network.
- Alongside the mobile network, we continuously expand and upgrade our fixed internet network as well. As of the beginning of 2024, Telia's fixed connection (with speeds of 100 Mbit/s or more) is available to over half a million or 562,000 living spaces in Estonia.
- In May 2023, we activated our first 26 GHz frequency band 5G base station in Tallinn, achieving an immediate mobile internet speed record.
- Telia's 5G coverage reached 75% of the Estonian population as of October 2023.
- We installed a 5G indoor network in the Kultuurikatel, which was first used by visitors to the innovation and technology conference Telia Digital Hub.

"It is good to note that while Estonia has lagged behind in the 5G field in Europe in recent years, we have quickly caught up and surged ahead of others. This is evidenced by our rapidly expanding 5G coverage. Currently, our 26 GHz frequency band 5G base stations can transmit speeds exceeding 5 Gbit/s, but unfortunately, the specialized routers tested in trials cannot fully utilize all of this potential. Our next task is to motivate device manufacturers to enter the European market and find routers suitable for end-users that can operate in the 26 GHz frequency band, in order to better deliver the potential of 5G to our customers."



Andre Visse
Head of Infrastructure Unit/CTO

Accessibility

"In 2023, we prioritized aligning Telia's digital environments and Telia TV with the WCAG standard's accessibility requirements coming into effect in 2025. "Our 2023 focus was the WCAG standard. We're seeking the most practical solutions to implement these requirements, aiming to create value for customers and improve service usability and accessibility, especially for those with special needs."



Aet Telvik
Accessibility Project Manager

- In digital environments, we redesigned content pages and aligned design components with WCAG.
- Teliatv.ee web environment alignment with WCAG will continue in 2024. Subtitles, particularly for Inspira and VOD services, remain a priority, with a focus on gradual improvement and production. Additionally, prioritizing audio subtitles has ensured accessible content consumption for visually impaired users in the Inspira view.



Telia as an employer

As an employer, we create an environment at Telia where everyone feels supported to contribute in making Estonia an even better place to live and work.

Working at Telia, our people can truly improve life in Estonia by creating a safe digital future for Estonians and businesses, and building a sustainable world. We aim for our competent and dedicated employees to feel valued, benefiting professionally and personally from working here. To achieve this, we strive daily to establish strong value-based leadership and an organizational culture where success comes through collaboration and supporting each other towards a clear common goal. Identifying current and future skill needs and ensuring we possess them is crucial. We want every employee to enjoy working at Telia and recommend us as an employer.

Our promise as an employer: impactful work, a friendly and supportive culture, and numerous growth opportunities await you at Telia.

Employee statistics

	Total	Age			Gender	
		<26	26-50	>50	Men	Women
Employees	1482	106	1049	327	778	704
Middle managers	27		16	11	15	12
Top management	10		9	1	5	5
Employees with children under 3 years old	225				113	112
Total	1519	106	1074	339	798	721
Compared to 20222	-66 people		+26 over 50		Women's the proportion increased among managers	

- In 2023, Telia employed a total of 1,519 individuals across 33 locations throughout Estonia.
- The average tenure of Telia employees in 2023 was 12 years.

Joint events

Read about joint events also in the chapters on environmental protection, digital inclusion, and security, which cover thematic events and trainings for Telia employees.

- To engage employees, we created a year-long series of events called **"TogetherCool."** The series aims to provide all Telia employees with developmental and entertaining content, fostering opportunities to come together and maintain a sense of belonging within the company. Through #TogetherCool, we brought a variety of topics to employees, including financial literacy, investing, time management, environmental protection, cybersecurity, AI, self-management, and mental health, all delivered with a touch of humor from Comedy Estonia. The events are generally recorded, allowing all employees to be part of them regardless of their work schedule. Additionally, the year culminated in gatherings organized by employees at our three major locations in Tallinn, Tartu, and Pärnu.
- **Telia's annual employee summer gala, "LIFE/BEAUTY 2023,"** held on June 9th, was the biggest event that brought Telia people together in 2023. The purpose of this gala is to unite the entire company's workforce once a year for quality time together, featuring a program that is professional, entertaining, and content-rich. We also aim to foster a sense of belonging among employees and to thank and acknowledge everyone who contributes to the company's success every day – our entire workforce.
- The event boasted a record number of attendees: **nearly 1,000 employees** (70% of all Telia Estonia employees), signifying that people value spending time together and appreciate what the company offers.
- Joint tree planting has become a tradition.
  - In September 2023, we planted **800 trees in Põlliku village, Rapla County.**
  - 60 Telia employees participated.
  - The trees were planted on private land, with Vestman Group handling their subsequent maintenance.

Equal opportunities and consideration for everyone

At Telia, we champion equal treatment for all people – both our employees and customers. We believe everyone deserves the opportunity for continuous inclusion and the freedom to be themselves. As an employer, we value our people immensely and strive to create a work-life balance that seamlessly integrates with each employee's whole life. Several unique traditions have emerged in support of this, and we offer benefits and incentives that promote reasonable flexibility in employment relationships, support health and family needs, and foster personal development as both an employee and an individual.

Our goals are:



100%
equal opportunities for everyone, regardless of gender;



50/50
gender balance across the entire organization: in all workgroups and at all levels;



0%
gender pay gap and a discrimination-free and harassment-free work environment.

Telia as an employer

The gender pay gap: awareness and resolution

- Telia Estonia's gender pay gap (the difference between the average salary of all male employees and the average salary of all female employees) was 20.4% in 2023 (21% in 2022). This is attributable to structural factors: women are more concentrated in lower-paid support roles, while men hold a larger share of higher-compensated technology positions.
- Gender balance in 2023 remained relatively unchanged at 44% women and 56% men;
  - Management positions reflect a 48% female and 52% male composition. The number of female managers increased by 2% compared to 2022;
  - Telia's top management had equal representation with 50% women and 50% men;
  - The proportion of women in technology roles grew from 20% to 25% in 2023.

Initiatives to reduce the gender pay gap and achieve gender balance include:

Programs fostering advancement: We launched several programs offering support networks and training for women, equipping them for advancement in technology and/or leadership roles. These programs include:

- **Women in Tech, 2023** – The second program cohort commenced with 50 participants, including 10 from Telia.
- **Women in Leadership Accelerator Program** – A total of 25 women are participating in the accelerator program, with 5 from Telia.
- Additional initiatives: We support initiatives like **Solaride Academy, internship programs, and IT clubs** to further increase the proportion of women in technology. We also track gender balance among interns. In 2023, Telia had a total of 64 interns, with 31 women and 34 men.
- In November 2023, Telia, in collaboration with Bolt, Birkle IT, Smart Work Association, and Playtech, organized a career day titled **"Women in Technology."** The event attracted approximately 150 attendees and was viewed by an additional 40,000 people through live broadcast.

We have additionally established the following diversity and inclusion rules:

- Applicant pools for final rounds should reflect a variety of genders;
- Applicant pools for final rounds should reflect a variety of genders;
- Training on inclusive recruitment practices is mandatory for all leaders. By the end of 2023, we aimed to train 100% of leaders in this area; we achieved 98% completion within that timeframe;
- We track gender equality throughout salary review processes.

Accessibility

In office environments, when establishing a workspace, we also consider the unique needs of potential employees. For instance, our offices are equipped with elevators and doors of sufficient width, and the height of work desks is adjustable, among other features. Additionally, we offer the opportunity for individuals to work part-time, aiding in maintaining a balance between work and personal obligations.

Divrsity Month and Pride Estonia

During Diversity Month, trainings were held for employees on the topics of inclusion, equality, and accessibility. Telia supported the Baltic Pride conference with the provision of venues and broadcasting. For the first time in Estonia, Telia employees participated together in the Pride parade.

Trainings held:

- **"Accessibility"**, trainer Jakob Rosin, attended by 247 listeners
- **"Diversity, Equality, and Inclusion"**, trainer Sotsiaalmeedikud, attended by 355 listeners
- **"History of Pride 'From Shame to Pride, Pride ABC'"**, trainer Taavi Koppel, attended by 250 participants
- **Cultural lunch in collaboration with the Ukrainian Cultural Society,** attended by 50 participants
- Telia hosted the **Pride conference**, with 365 participants attending in person and online.

Combining work and family life

In March, the "Kids to Work" day took place, with 53 employees and 92 children participating.

"We have initiated the process of applying for the family-friendly company label, and based on the information gathered during this process, 84% of employees feel that they have a good balance between work and family life."



Ingrid Viinapuu
Head of HR at Telia

Flexible work arrangements

Remote work is possible not only from a home office and other Telia offices across Estonia but also from other European Union countries.

- In 2023, a total of 55 employees took the opportunity to work abroad 82 times. This included 16 employees who undertook multiple international work assignments throughout the year.
- The average work abroad duration was 15 days, with Spain, Italy, and Portugal being the most popular destinations.

Results:

86%
Satisfaction with work-life balance in 2023: 86% (2022, 87%)



83%
Employee happiness index in 2023: 83% (2022, 82%)



84%
Overall employee well-being in 2023: 84% (2022, 78%)



97%
Satisfaction with immediate supervisor in 2023: 97 (2022, 95%)



Work conditions, work organization, employee well-being

Employee satisfaction

Twice a year, Telia Company conducts a group-wide commitment survey to gather employee feedback on various work-related topics, including the work environment, management, and overall satisfaction and happiness with their jobs.

"Both survey participation and results remained consistently high in 2023. We achieved a 92% participation rate, and 91% of respondents indicated they are happy working at Telia"



Ingrid Viinapuu
Head of HR at Telia

- We also participated in a survey initiated by the Peaasi.ee portal to assess the emotional well-being of organizations. This survey provided respondents with an overview of their mental health status and organizational insights into the current state of employee mental health. Telia's 2023 results were more positive than survey averages, indicating better-than-average employee mental health. We leveraged these findings during Mental Health Development Week to address workplace mental health challenges and provide employees with knowledge on maintaining their well-being.

- In collaboration with the Applied Anthropology Center and Kogo Gallery, we conducted a qualitative study to explore the impact of art on employees and evaluate organizational culture. From June to December 2023, various artworks were displayed in Telia offices in Tallinn and Tartu. Observations and interviews with 25 employees assessed the effects of these artworks.

"Before the start of the project, we, anthropologists, were concerned about which metrics to use to measure the impact of art on the work environment and what happens if these changes are not reflected by the end of the study? As we conducted the study, we repeatedly came to the conclusion that art reflects the emotional and spiritual aspects of a person, and it cannot always be measured with precise metrics. The impact of art can be unpredictable; it manifests individually, not uniformly at the organizational level."



Karina Vabson
Anthropologist at the Applied Anthropology Center

"The project was very important for the Kogo Gallery, as we gained valuable experience in showcasing art outside of the gallery. We are pleased that Telia was a bold trailblazer and experimented with a collaboration format not yet common in Estonia, the results of which are difficult to quantify. As a result, we saw that art prompted people to think about creativity, and I'm glad Telia saw this as a strength, not a weakness."



Liina Raus
Curator at Kogo gallery

Incidents and work accidents

- A total of 17 hazard situations were registered: hazardous situations (unmarked areas, hazardous surfaces), and first aid was needed (lack of a trained first aid provider or equipment). There were also deficiencies in awareness of well-being issues. Some individuals were unaware of health and well-being offerings and were unable to locate them. Regarding working conditions, deficiencies were identified in lighting, indoor climate, and potential emergency situations (the evacuation fire did not burn, and fire extinguishers were checked but lacked appropriate labels).

- In 2023, four work accidents occurred, which is two fewer than in 2022. Like in 2022, work accidents occurred mainly with technicians and outside the territory under Telia's control. Three work accidents were severe, involving fractures (falls), and one was minor. All work accidents have been investigated, and procedures have been completed. Reports on work accidents were provided to the respective work groups to prevent similar accidents in the future.









Accessibility of communication services

Health

- **60% of Telia employees are members of the Telia Sports Club (compared to 52% in 2022).** The goal of Telia Sports Club is to create favorable conditions for sports activities for club members all over Estonia, to organize meaningful and sports-oriented leisure activities, and to bring together people interested in sports. To achieve this goal, Telia Sports Club organizes training opportunities for its members at discounted rates, arranges sports competitions and events, and supports the participation of club representative teams and athletes in corporate sports events and similar activities. For example, sports club members can swim or go to the gym for free once a week, or participate in various sports activities at discounted rates (such as endurance sports events, playing volleyball, tennis, padel, or visiting a sports club).

- **Telia employees went for an average of 355 massages per month in 2023, which is 22% more than in 2022.** Massage services are available on-site in our larger buildings or through contractual partners across Estonia. The service is partially covered by the employer. Additionally, massage chairs are available for employees to use in our larger offices.

- Visits to mental health specialists were 15% lower in 2023 compared to 2022 (approximately 32 visits per month).
- Health check-ups were completed on time in 97% of cases in 2023 (compared to 91% in 2022).
- The rate of sick leave was 2% in 2023 (compared to 2.3% in 2022).

Salary

To be an attractive employer among individuals with diverse needs and values, as well as among employees of various ages, our benefits are categorized into four main areas:

- Insurance and pension;
- Health and well-being;
- Work-life balance;
- Career and development.

"I consider a unified understanding of the benefits available in the company to be very important and believe this is key to our success. As an employer who highly values its people, we want work-life to fit well into each of our employees' overall lives. To support this, we have developed several traditions and offer benefits and perks that enable reasonable flexibility in employment relationships, support employee health and family, and foster both professional and personal development."



Ingrid Viinapuu
Head of HR at Telia

Employer reputation

Diversity badge (in 2024, we are applying to extend the badge).

Kantar Emor's employer reputation surveys:

- 6th place in the ranking of working people (8th in 2022);
- 7th place in the ranking of students (9th in 2022);
- 6th place in the ICT sector ranking (5th in 2022).

CVKeskus's survey of the most attractive employer in Estonia:

- 3rd place in the overall ranking;
- 1st place among information and communication technology employers.

CV Online's survey "Top Employer in Estonia":

- 3rd place in the Top of Mind category;
- 1st place among information technology and telecommunications employers.

Instar Attractive Employer Survey:

- 9th place in the assessment by experienced employers;
- 18th place in the assessment by IT students;
- 11th place in the assessment by economics students;
- 10th place in the assessment by vocational schools.

- Gold Badge from Peaasi.ee for valuing mental health in the organization.

- 3rd place in Kantar EMOR's reputation survey of large companies in Estonia.



03 Governance

Telia's mission is to contribute to the development of society so that Estonia becomes a better place to live and work. This is only possible by acting according to the principles of sustainability.



Strategic management of environmental, social, and governance (ESG) factors

Sustainability has now become a natural part of both Telia's strategy and our management framework. We have set clear goals in key sustainability areas, assigned responsibilities, and put together action plans to achieve these goals.

We have also agreed on the most important sustainability impact areas for us, which continue to be:

1) ENVIRONMENT AND CIRCULAR ECONOMY;

2) DIGITAL INCLUSION;

3) PRIVACY AND SECURITY.

Management framework and shared values

- We have valued and directed the activities of the key sustainability impact areas for many years, moving towards the goals set in this field and addressing possible risks through a clear management framework, namely quarterly **GREC meetings (Governance, Risks, Ethics, and Compliance).** Both board members and executives participate in these meetings.

- In addition to the above, Telia's sustainability goals have been part of the regular business performance review by the board since 2023.

"KAchieving agreed-upon sustainability goals is equally important to us as providing top-tier network quality, customer experience, and achieving financial results to ensure continued investment capability. Through strategic planning and goal setting, Telia's management consistently promotes sustainability by shaping business processes and integrating it into other management decisions."



Kristiina Maasik
Head of Legal Affairs and Sustainability at Telia

Employee engagement

In order to ensure that a significant portion of Telia's employees contribute to sustainable activities and everyone can contribute to success, we recommend linking personal work goals to the field of sustainability. In 2023, more than half (56%) of Telia's employees already did this.

Values

An important part of our culture at Telia, in addition to customer-centric thinking, is our values: DARE, CARE, SIMPLIFY. In 2023, we refreshed these values to make them even clearer and more practical guidelines for all our employees. To make these values even more meaningful to everyone, and to clarify their significance in everyday life, we organized cultural workshops in 2023. Over 82% of Telia Estonia employees participated in these workshops.



Strategic management of impact and development

Measuring and awareness of impact

- Responsible Business Index: In 2023, we participated in the Responsible Business Forum's Responsible Business Index and achieved the gold level. The index methodology is based on ESG framework (environmental impact, social factors, and governance). Telia achieved strong scores across all ESG categories: climate and environment (E), society and social environment (S), and good governance (G). Notably, we received the highest score and a special award in the good governance category.
  - VEFI Index Feedback: The VEFI index evaluators commended our environmental efforts, highlighting the specific goals with measurable indicators. They also recognized the conscious and systematic management of our subcontractors' environmental impact. In the social and societal area, evaluators noted the clear integration of employee rights and human rights compliance into our objectives and strategic directions. Regarding governance practices, transparency in selecting partners (both for support activities and suppliers) was acknowledged.
  - Summary of Evaluator Findings: The evaluators found Telia to have a well-articulated understanding of its ESG impact and footprint, along with clear activities targeted at reduction. Specific goals and indicators monitor progress on our sustainability journey. Close collaboration with suppliers and subcontractors on reducing climate impacts, including emissions, was viewed favorably. As the VEFI index is a development tool, expert recommendations were also provided. Notably, focusing more on the social aspect and its closer linkage with core activities was highlighted as an area for improvement.
  - Utilizing Feedback: We actively incorporated the received feedback in 2023. In response, a Christmas campaign promoting digital skills among the elderly was launched as an initial step. Telia Online created a tool offering advice on effectively guiding seniors in digital learning. Additionally, we offer resources on mitigating cyber risks in the digital environment. These resources, readily available under "Learn and Teach" on Telia's website, directly address the digital divide and cyber risks, aligning with our core business of providing internet services.

→ *Read more: "Learn and Teach" on Telia's website*

- In 2023, we conducted the first assessment of dual significance based on the principles of Corporate Sustainability Reporting (CSRD). We aim to be well-prepared for sustainability reporting and to have a clearer understanding of the most crucial areas where our activities impact the environment and society, or where external factors or societal perspectives influence Telia's business operations.
- In 2023, we also began preparations to ensure compliance with sustainability reporting requirements and to prepare for the associated transformation process. Telia Estonia is participating in group-wide reporting, and a cross-group reporting project has been established. Additionally, we have formed a local project team and developed a roadmap to enhance internal capability for ESG reporting and to move towards even greater transparency.

Policy and development documents

- One aspect of responsible business practices is the presence of clear guidelines and rules, as well as their adherence in everyday life. Everyone can find the most important Telia management practices and policies on our website Our Story - Telia.



Ethics and transparency

Preventing corruption

One important aspect of responsible business is also preventing bribery and corruption. The fundamental rules for preventing bribery and corruption are outlined in the aforementioned responsible business guide, and in addition, a more detailed guide for this area has been established, along with a training and communication plan. The leader of the bribery and corruption prevention program is the ethics and compliance coordinator. In addition to all mandatory online training, we also provide additional training to various key target groups and publish information materials on this topic on our intranet. Every year, we prepare a risk and maturity assessment for bribery and corruption prevention, where we analyze risks in different areas. We use these as a basis for developing the action plan for the following year.

Recognizing and voiding conflicts of interest

Ensuring transparency and ethical behavior also requires an annual mandatory review and disclosure process for conflicts of interest, where each employee must assess whether there may be a conflict of interest in their work and, if such a risk exists, declare it. This is how we can prevent situations where an employee at risk of a conflict of interest participates in a decision-making process in a situation where the conflict of interest could bias their decisions and harm the company's interests.

Providing anonymous feedback

To prevent violations and mistakes, we consider it important to shape a culture based on values, openness, and high psychological safety. Equally important is that employees have the option of anonymous reporting in addition to internal reporting mechanisms for errors or violations (such as reporting to their supervisor, HR manager, or ethics expert). Although Estonia has not yet adopted a whistleblower law, Telia has had a corresponding reporting line (Whistleblowing Line) for its employees for years. We also provided employees with additional information about its existence at the end of 2023.

- An important part of Telia's daily operations is the Responsible Business Guide, which we updated in 2023.

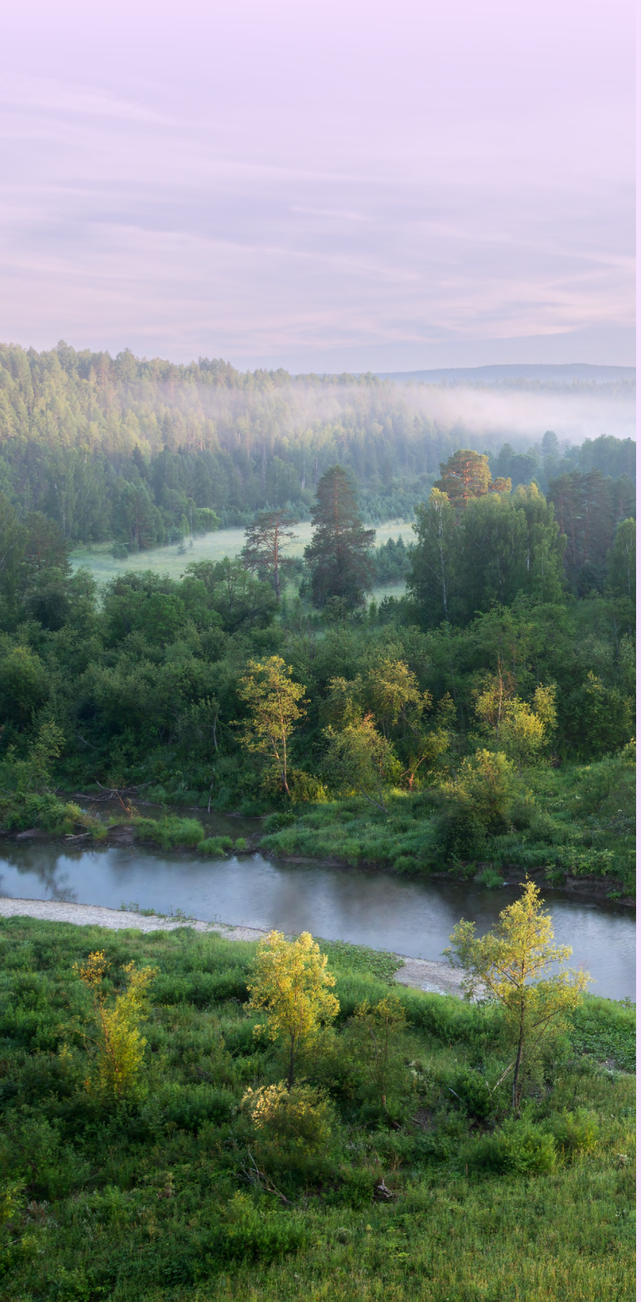
→ *Read more "Telia Responsible Business Guide"*

The guide serves as a compass for ethical and honest conduct, being mandatory for both Telia employees and collaborating partners. We introduced the guide with updated content to the entire workforce during the All Staff meeting, on screens in our offices, and, of course, on Telia's intranet.

"The Responsible Business Guide is part of the information package for new employees and onboarding training. This ensures that the importance of adhering to responsible business principles and their content is known to every new Telia employee from their first day of work."



Anette Soosaar
Lawyer, Ethics and Compliance Coordinator



Responsible tax practices

Telia Estonia is **one of the largest taxpayers in Estonia** and thereby **contributes to the development of the Estonian economy and society**. We consider financial transparency and proper tax conduct to be very important. To ensure this, we have also developed a number of internal guidelines. From a tax perspective, 2023 was characterized by the state raising the VAT rate. Therefore, as of January 1, 2024, we had to apply the new, higher VAT rate to the services and products sold by Telia. Considering that Telia's range of services and goods is very wide and we use several different IT systems and digital environments for their sales and subsequent billing, we formed a separate project team to ensure the correct adjustment of the VAT rate. Many Telia employees contributed significantly to fulfilling this task and ensuring proper tax conduct.

Political participation

We actively participate in Estonian societal life, being members of several voluntary civic organizations and professional associations (such as **Green Tiger, Responsible Business Forum, Information Technology and Telecommunications Association (ITL), Chamber of Commerce and Industry, Employers' Confederation,** etc.). We have been involved in the legislative process in various fields. For example, in 2023, we provided feedback on several draft laws in the telecommunications sector, cybersecurity, security, media services, consumer protection, and data environment. We also provided feedback on various national development plans and strategies, including, for example, the cybersecurity strategy. Active cooperation with professional associations, such as ITL, is important to us in legislative matters.

Awards and Certifications

Awards

Responsible Entrepreneurship Index Gold Tier 2023
(Responsible Entrepreneurship Forum)

BEstonian Sustainable Brands Ranking (Sustainable Brand Index - SBI).

The independent international study conducted by SB Insight covered eight countries (Estonia, Latvia, Lithuania, Finland, Sweden, Norway, Denmark, the Netherlands) and 1617 brands. In Estonia, 50 local brands were ranked. The study measures how consumers perceive the sustainability of different brands.

2021: Ranked 22nd
2022: Ranked 3rd
2023: Ranked 5th
2024: Ranked 7th

First place is awarded in the telecommunications sector every year.

→ *View the accolades in the "Telia as an employer" section*

Our parent company places great emphasis on sustainability and environmental conservation. This is evidenced by numerous accolades, including **second place in the European Union's climate leader ranking** and **EcoVadis Platinum certification.**

Certificates and management systems

- Environmental Management System ISO 14001
- Energy Management System ISO 50001
- Quality Management System ISO 9001
- Occupational Health and Safety Management System ISO 45001
- Information Security Management System ISO 27001

"The certification of Telia IT business services confirms that Telia identifies, assesses, and manages security risks regularly. The certificate provides confidence to our clients that Telia in Estonia systematically and daily deals with security management. We consider ensuring security essential and continuously work on improving the information security management system to ensure relevant security and risk awareness within the organization, prevention, readiness, and the ability to respond to and recover from incidents and changes in the environment. In 2024, we plan to expand the scope of recertification."



Ingrid Kääp
Head of Security Management Department



Afterword

We are living in a challenging period. Developments in Estonia and around the world have introduced significant uncertainty into our society. Consequently, Telia, as a leader in local digital development, feels an even stronger sense of responsibility to make Estonia's digital world more sustainable and secure. We have a long history of working towards this goal, and last year was no different.

In 2023, we marked a significant milestone in Estonia by shutting down our first local 3G network, which had served Telia customers for nearly 20 years. This step supports two key objectives. First, closing 3G reduces our environmental footprint as older technologies generally consume more electricity than modern 4G and 5G technologies.

Another significant aspect of shutting down the 3G network is technology modernization. Past experiences demonstrate that modern and capable communication networks are the breeding ground for future innovation. For instance, in 2005, when the 3G network launched, few foresaw the need for fast mobile data or the subsequent smartphone era. However, network development facilitated these advancements. Therefore, while the precise innovations that ultra-fast mobile data networks will support remain unknown, one certainty exists: these developments will again be transformative and exciting. Today, ensuring the widest possible coverage of modern networks across Estonia's population is critical.

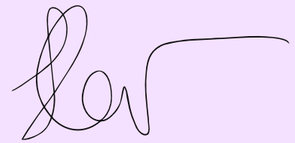
2023 was also significant for us as we began a large-scale collaboration with Sunly, a provider of renewable energy solutions. Thanks to this partnership, approximately 100 Telia cell towers will be equipped with solar parks between 2023 and 2024, supplying our mobile services with renewable energy. At this scale, solar energy has not been used in Estonia's IT and telecommunications sector for service provision, and we are pleased to be a pioneer in this regard.
Having invested nearly 54 million euros in the Estonian market last year, Telia prioritized constructions of the 5G network and optical fixed networks. Beyond infrastructure, we prioritize sustainable business practices, focusing on environmental sustainability, digital inclusion, privacy, and cybersecurity.

Our constant investments ensure that an increasing number of Estonian residents and businesses have access to modern, high-quality communication services, including 5G and optical network connections. By the end of 2023, Telia's internet connection with speeds of 100 Mbps reached over 560,000 addresses, solidifying our position as the largest internet network operator in the country.

However, amidst rapid digital development, we must not forget those who are in unequal positions due to skills and opportunities. Therefore, in promoting digital inclusion, we emphasize the importance of increasing participation within our increasingly digitalized society and keeping pace with technological advancements. Our focus in this effort is particularly on children and the elderly.

In our 2023 Christmas campaign, we aimed to raise awareness about the societal digital divide, encouraging those with technological expertise to assist those less comfortable navigating the digital world. It was precisely to bridge this divide that we created a digital assistance website last year. This resource provides valuable information for both those seeking to help loved ones and acquaintances gain confidence in the digital world, and for those seeking to develop their own digital skills.

In conclusion, Telia recognizes its significant societal and social responsibility to enhance living and working conditions in Estonia through secure and inclusive digitalization. We are committed to this goal and work every day to ensure our activities are supportive, sustainable, and transparent to society.



Holger Haljand
CEO, Telia Estonia



Boldly better!

For more information,
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