Elisa ESG Disclosure

2023

Contents

1 IMPLEMENTATION AND RELIABILITY OF MEASUREMENTS

Sustainability has been part of Elisa's strategy since 2009. Our strategic sustainability focus areas and key success indicators were updated in 2022. The calculations of ESG data in the Sustainability Repot 2023 are prepared with reference to Global Reporting Initiative (GRI) standards, Sustainability Accounting Standards Board (SASB) framework, EU taxonomy regulation and TCFD indicators. With regards to environmental indicators, GHG (greenhouse gas) emission reduction calculations of Elisa are based on ISO 14040: 2006 principles.

The independent assurance of ESG data calculations was carried out by Ernst & Young Oy. This included assessment of requirements and objectives set for the calculations, and risks affecting correctness of the information. They also included reviews of reporting and data formation processes, as well as systems and data collection instructions. The objective was to ensure that policies, practices, and information systems enable sufficiently accurate and reliable calculations.

This "*Elisa ESG Disclosure*" document itself, is not assured by a third party.

1.1 Significant adjustments to previous accounting period

The Sustainability Report 2023 reflects the key aspects of all Elisa business functions and its subsidiaries. We continue to develop the coverage of our report to include all the important aspects. Due to Elisa's growing international footprint, we have increased the boundaries of our reporting to include new acquisitions.

Elisa continuously develops its measurements, which may imply occasional retrospective revisiting and updating of historical figures. In 2023, we thoroughly developed our data collection and management processes and updated our data categories which improved our data analysis capability further, resulting in overall enhancement of data quality. These improvements are noticeable, for example, in the training hours data of employees in social indicators. In environmental indicators, these developments resulted in retroactively correcting our energy consumption figures, especially related to heating energy and correspondingly in Scope 1 and 2 emissions. Further, we have kept GHG emission factors in Scope 1 and Scope 2 up to date, according to sources provided by third parties. Additionally, we have also duly updated GHG emission factors based on latest available knowledge for Scope 3 emissions (see overview in chapter 4). Thus, GHG emission figures in Scope 3 categories 1 (Purchased Goods and Services), 2 (Capital Goods), 3 (Fuel- and Energy-related Activities Not included in Scope 1 or Scope 2) and 6 (Business travel has been retroactively corrected accordingly.

Elisa has adopted the practice of beyond value chain mitigation already since 2020, with the scope of acquiring carbon credits in an amount equal to remaining emissions in our own operations, meaning from fuels (Scope 1), a small portion of other energy usage (Scope 2), as well as from waste and from business travel and employee commuting, including remote working (Scope 3). (detailed further in section 2.3). This covers also selected historical GHG emissions along expanded boundaries from growing international business and inclusion of remote work from 2021 onwards.

In 2023, Elisa set a new ambitious climate target with the SBTi. More on this on *Sustainability Report 2023*.

2 DIGITAL SUSTAINABILITY

2.1 Elisa's digital footprint

2.1.1 Cyber security index describing cyber security

We measure our performance in cyber security with an internal Cyber Security Index.

Cyber Security Index (unit is %) is a combination measurement based on four selected development areas. In 2022 these sub-metrics are:

1. Employee Phishing detection rate (phishing simulations conducted among Elisa employees)
2. Hosts with high severity vulnerabilities (older than 14 days) (tracking and fixing security vulnerabilities in our network)
3. Operational Risk Management efficiency (risk assessments performed)
4. Elisa Security Certification completion

Monthly value of cyber security index score is an average of selected sub-metrics results. When sub-metric realisation is over target it is counted as 100, below threshold it is counted as 0 and between threshold and target it is scaled between 0 and 100. Annual average is based on monthly %-figures.

2.1.2 Security Certificate Training

Security certificate is a mandatory training which includes three courses: The Basics of Security, Data Protection and Information Security. This security training certificate is required to be renewed annually. In 2023, the training was expanded to and made mandatory for all employees at Group level.

2.1.3 Reducing the number of disturbances in network

Safeguarding functioning society is utmost important for us. We ensure that all connections and services remain functional by means of active 24/7 monitoring, prediction and elimination of faults, and network modifications. Despite of the increase of traffic volumes, due to increased automation, preventive and predictive actions, we are able to reduce the number of disturbances.

Reduction % of disturbances in network through preventive actions is a key indicator. This indicator consists of the status of incident occurrence vs. target as well as status of proactive action target.

We as well categorise all disturbances and report serious incidents (severity rating A) for Finnish Transport and Communications Agency.

More about network disturbances in Finland (in Finnish): *elisa.fi/hairiotiedotteet, elisa.fi/hairiokartta, elisa.fi/muutostiedotteet* and *elisa.fi/verkkoapuri*

More about mobile coverage interruptions map in Estonia. *https://www.elisa.ee/et/levikatkestuste-kaart.*

2.2 Elisa’s digital handprint

2.2.1 Cyber security exercises

In addition to internal cyber exercises, we organise external events and awareness activities, for example, with our corporate customers, authorities and other important stakeholders as part of our Digital Sustainability strategy.

Elisa organises cyber exercises together with organisations that are part of Finland’s critical infrastructure. The main purpose of the joint exercises is to share best practices and to improve knowledge and resilience in crisis situations. Actual exercise topics and scenarios are chosen together with the organisations based on the actual need, including cyber security simulations and security preparedness exercises.

2.2.2 Personal Data Inquiries

Customer’s inquiries and/or requests to review, get, delete their personal data and information about data processing as well as objections.

This follows Elisa’s data protection principles that personal data inquiries are customer’s interest in their right to privacy and realization of their right to privacy.

In 2023, only Elisa Finland’s data was reported.

Read more: *https://elisa.com/dataprotection/.*

3 SOCIAL SUSTAINABILITY

3.1 Elisa’s social footprint

3.1.1 Contribution to the Society

Contribution to the society measures Finland and Estonia’s society’s experience of Elisa's success in responsibility. This is a survey-based metrics where citizens are asked to evaluate whether Elisa acts responsibly in society. The performance is calculated as result of survey against annual target (24).

3.1.2 Employee engagement

We measure our performance as an employer through our twice-yearly employee engagement surveys. The result of the survey enables us to understand Elisians’ experiences on different topics of the organisation and its functionalities in order to systematically developing our operations. Our ambitious, long-term goal is to be among the top employers internationally, benchmarked to be in the best 10% globally. The performance is calculated as percentage of employee survey result to annual target (77).

3.1.3 Women in supervisor position

To promote equality, we established an Elisa group-level target for the proportion of leadership positions that are filled by women. By 2024, Elisa's target is to have 32% of women supervisors. It is calculated as share of women in supervisor position (have subordinates) divided by all genders in supervisor position.

3.2 Elisa’s social handprint

3.2.1 Elisa’s high-speed connection availability to all Finnish households

One of our key objectives is to improve the coverage of high-speed connectivity in Finland to enable everyone’s possibility to participate in digitalising society. By 2025, Elisa's target is to have Elisa’s high-speed connection (>100 Mbps) availability to all Finnish households.

4 ENVIRONMENT SUSTAINABILITY

4.1 Elisa's environmental footprint

Elisa's carbon footprint, that is, the amount of carbon dioxide equivalents (CO_2e) caused by the operations, is based on most recent annual statistics and actual data obtained. The calculation methodology is based on The Greenhouse Gas Protocol (GHG) developed by World Resources Institute and World Business Council for Sustainable Development. The underlying principles of corporate financial calculations and reporting are used also for calculations and reporting of the GHG protocol. These are about relevance, comprehensiveness, consistency, transparency, and accuracy.

Elisa takes general principles of calculations into account in its calculations. The boundaries of the calculation are defined for the operations so that they best correspond to Elisa's operations, products, and services. The calculation is carried out in such a way that the method is transparent and verifiable by a third party. All assumptions and steps in the calculation have been clearly reported. Data collection and reporting systems and the reliability of existing controls, as well as the method of calculation and data risks related to data collection have been thoroughly evaluated by a third party.

4.1.1. New ways of working

During the exceptional circumstances due to COVID-19, each team at Elisa decided for themselves on their optimal working model. In 2021, we observed the highest number of remote working days which shifted towards hybrid working model in 2022. The 2023 commuting survey resulted in similar trend, i.e, decline in remote working and adaption of hybrid working mode.

The Commuting Survey for 2023 involved employees from Elisa's offices in Finland and Estonia. To understand the effects of seasonality, we conducted quarterly (Q3 and Q4) commuting survey during the second half of 2023. The total number of respondents for this survey was 957 with a response

rate of 37%. During the survey period, Elisa employees in different countries did on average 2.8 remote days per week (compared to 3.1 in 2022).

4.1.2. Reducing GHG emissions in Elisa's operations

Elisa is determined to continue realising its mission of *A Sustainable Future Through Digitalisation*. To minimise GHG emission in our day-to-day operations, we for example purchase renewable energy and continuously improve both our energy and material efficiency, as well as our ways of working.

Elisa's *Climate Transition Plan web pages* explain the approach in more detail.

a) GHG emission savings from Elisa Ideal Work

The *Elisa Ideal Work* model describes how Elisians are pioneers in an evolving work life. Each of us knows our own work and needs the best, and therefore can the choose tools and workspaces that best support our ways of working. Our tools and spaces are increasingly in a digital environment and the workplace can be outside an office. Mobile work solutions have a clear role also in climate action.

The objective of calculating the effect of Elisa Ideal Work is to verify how mobile work solutions reduce GHG emissions in Elisa's operations. Mobile work means accessibility of people, services, and data, regardless of time and place. We have reported GHG emissions reductions that arrive from our own use of remote working and virtual conferences solutions in our Sustainability Report 2023. During 2023, Elisa opted for hybrid working model where each team and department choose the way of working best suited for their work.

b) GHG emission reduction in the network

The purpose of the calculation is to monitor the GHG emission reductions resulting from continuous improvements that reduce electricity consumption in Elisa's network. Improvements come from optimisation of electricity saving features and continuous modernisations. 'Energy saving features' means software functionalities that enable more energy efficient data transmission and 'modernisations' means base station hardware changes to more energy efficient units.

As related parameters over time are defined on a more granular level, we can increase the accuracy of our calculations. The actions are multiplied by the amount of electricity saving per action, which are based on electricity consumption models for the network. This results in total savings for a period. Electricity savings for the calculated period are multiplied by a coefficient of GHG emissions.

c) Energy efficiency of mobile data

The objective is to calculate energy consumption of the mobile network per package data volume (gigabyte) transmitted through the network. The energy consumption of the radio network is divided by the amount of data transferred (kWh/GB). The amount of mobile data transmitted in the mobile network is obtained from maintenance statistics.

d) Carbon-free energy as a means in climate action

The purpose is to monitor GHG emission savings resulting from purchases of carbon-free and renewable electricity. GHG emission reductions are calculated by multiplying the amount of carbon-free energy with a market-based energy emission factor. In 2023, we purchased *certificates of origin* for carbon-free electricity in Finland (247 GWh, nuclear plus wind), Estonia (44 GWh, nuclear plus solar) and other countries (0.894 GWh, renewable plus nuclear).

e) Carbon compensation

Elisa has worked on energy efficiency improvements for over a decade, and we use only carbon-free electricity in Finland, Estonia, and other international offices. We acquire only renewable district cooling in Finland and look into additional forms of renewable energy. We use carbon credits to offset remaining direct (Scope 1) and indirect (Scope 2) GHG emissions, as well as waste, business travels, and commuting (Scope 3).

For a detailed description of our carbon credit principles, projects, and amounts (with links to retirement evidence), please refer to *Elisa's carbon credit web page*.

4.2 Elisa's carbon handprint

We assist Elisa's customers in reducing their GHG emissions by providing services that help them act effectively and in an environmentally friendly manner. We believe that Elisa can best make a difference in the world by providing solutions for digitalisation, especially in the areas of energy and material efficiency. By 2024, Elisa's target is to increase its carbon handprint by 50% from the base year 2021 (46k tCO2e). In 2023, Elisa carbon handprint to its customer increased by 12% from base year 2021(0.3% in 2022). To meet the target and increase the positive impact, Elisa continuously works to widen the efforts to identify and verify the customer enablement effects that Elisa can provide.

Virtual conferencing services allow our customers to reduce their amount of travel. Elisa and Fonum stores offer customers an efficient way to recycle and repair their devices, as well as new, environmentally friendly options when purchasing refurbished devices. Also, leasing as a service model offered to Elisa's corporate customers enables customer to rent the consumer electronic devices instead of buying. The aim of the service is to improve the return rate of old devices from customers to either extend of life cycle of the devices by refurbishing and reusing or responsibly recycling. With Elisa Polystar solutions, mobile network equipment of our operator customers will not remain switched on unnecessarily and waste electricity. Elisa IndustrIQ solutions allow our customers to improve energy and material efficiency in their factory operations.

a. Emission reductions from virtual conferencing

Elisa provides secure video conferencing solutions, such as Microsoft Teams for its corporate customers. The most substantial impact on reducing greenhouse gas emissions from virtual meetings comes from the replacement of conventional car travel. By fostering remote collaboration through video conferencing platforms, Elisa helps businesses minimise the necessity for physical travel. This

results in a significant reduction in carbon footprints for its customers associated with commuting, promoting a more sustainable and environmentally friendly operational approach.

b. Emission reductions through device circularity

As one of the largest mobile retailers in Finland, Elisa recognizes the vital role it plays in minimizing the carbon footprint of electronic devices. By promoting the reuse, refurbishment, and recycling of devices, the company aims to reduce the environmental impact of device production, which is responsible for the majority of its carbon footprint. Elisa and Fonum stores offer repair services and sell refurbished devices and Elisa offers product as a service model to its corporate customers, providing customers with environmentally friendly alternative to purchasing new devices. Additionally, we responsibly recycle old phones together with our partners in a way that improves material efficiency and promotes circularity.

5 EMISSION FACTORS USED IN CALCULATIONS

Emission factors used in calculations are regularly updated by Elisa, using third party expertise. Key conversion, energy, and emission factors, including sources used, are disclosed in the below tables.

CONVERSION FACTORS
1 kWh = 0.0036 GJ

PRIMARY ENERGY FUEL AND GHG EMISSION FACTORS (Scope 1)

Source:
Statistics Finland (2023)

Fuel	Density	Net calorific value	GHG emission coefficient
Gasoline	0.745 t/m³	41.7 GJ/t	65.1 t/TJ
Diesel	0.804 t/m³	42.7 GJ/t	54.6 t/TJ
Burning oil	0.831 t/m³	43.2 GJ/t	69.4 t/TJ
Biofuels	0.790 t/m³	26.6 GJ/t	72.0 t/TJ
Natural gas	0.500 t/m³	49.1 GJ/t	55.3 t/TJ

SECONDARY ENERGY AND GHG EMISSION FACTORS (Scope 2)

ELECTRICITY

Sources:
Market-based factors: Finnish Energy Authority (2020)
Location-based factors: Statistics Finland (2020)

AIB (2021)

Country	CO_2e (market-based)	CO_2e (location-based)
Finland	232.4 g/kWh	116.0 g/kWh
Estonia	636.6 g/kWh	616.1 g/kWh
Spain	295.83 g/kWh	153.3 g/kWh
Great Britain	351.2 g/kWh	222.3 g/kWh
Sweden	76.63 g/kWh	7.7 g/kWh
Norway	404.9 g/kWh	4.5 g/kWh
Germany	617.84 g/kWh	377.64 g/kWh

DISTRICT HEAT

Sources:

Statistics Finland (2020)

GOV.UK (2023)

Country	CO_2e
Finland	141.0 g/kWh
Estonia	170.7 g/kWh
International avg.	200.0 g/kWh

DISTRICT COOLING

2021 onwards, all the district cooling used by Elisa is emission free.

Provider	CO_2e
Helen (Helsinki)	0 g/kWh
Fortum (Helsinki)	0 g/kWh

ALL OTHER INDIRECT GHG EMISSION FACTORS (Scope 3)

PRODUCTS AND SERVICES, CAPITAL GOODS

Sources:

Anders S. G. Andrae & Otto Andersen Int J Life Cycle Assess (2010)

Apple products' environmental reports (2016-2022)

Dell Product Carbon Footprints

HP Product Carbon Footprint

Lenovo Product Carbon Footprint (PCF)

Supplier's own emission intensity

Finnish Environment Institute SYKE (2011), Julia 2030 project

TRANSPORTATION

Sources:

Defra conv. factors (2023)

VR Group CO_2 emission intensity

LIPASTO (2016), Average car
LIPASTO (2016), Electric train
LIPASTO (2016), City bus
LIPASTO (2016), Passenger ship