

# **Elisa Environmental Policy**

*elisa*

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## 1 PURPOSE AND SCOPE

The *Elisa Environmental Policy* (“Policy”) supports Elisa’s mission of *A Sustainable Future Through Digitalisation*, which from a climate impact point of view means reducing GHG emissions in operations of both Elisa and value chain stakeholders, according to Elisa’s Climate Transition Plan with targets.

### 1.1 Purpose of the policy

This Policy specifies further the principles constituted in the *Elisa Code of Conduct* and describes how we comply with environmental legislation and regulations in Elisa’s operations, and how we commit to reducing negative environmental impact in our business and other operations. It offers guidance on responsible conduct and sets commitments and approach for reaching environmental sustainability and climate change related targets within Elisa's global business environment. This Policy thus provides a solid, obligatory, and broad foundation for the *Elisa Environmental Management System*.

### 1.2 Scope and applicability

This Policy is applicable to every employee, director, and officer within the Elisa group of companies and its affiliates. This Policy also applies to all third parties acting on behalf of Elisa. We also require our suppliers, sub-contractors, and external partners to comply with similar principles. Elisa may also operate in countries where there are more stringent environment laws or regulations in place. In such cases, the provisions of the locally applicable laws will override the principles set out in this Policy.

### 1.3 Approval

This Policy is upkept by the *Elisa Corporate Responsibility Team* and approved by the *Elisa Corporate Responsibility Management Board*, while the *Elisa Corporate Executive Board* is informed of changes.

### 1.4 Related documents

The *Elisa Code of Conduct* sets the foundation for our own ethical business behaviour, while the *Elisa Code of Ethical Purchasing* describes the ethical and legal duties and responsibilities of our suppliers.

The *Elisa Energy Policy* describes optimisation of the net energy balance within all Elisa operations, which requires continuous development to especially stay at an optimal degree of energy efficiency.

The *Elisa Environmental Management System (EMS)* describes our operational context, scope, objectives, and ways to manage resource efficiency and environmental sustainability. It mentions energy management on a general level but refers to related management system or policy for details.

The *Elisa Energy Management System (EnMS)* establishes systems and processes necessary to continuously improve our energy procurement, efficiency, use, consumption, and emission mitigation. It supports us in setting objectives, taking actions, and reaching targets, while continuously learning.

The *Elisa ESG Disclosures* document is a technical supplement to our annual *Sustainability Report*.

## 2 ROLES AND RESPONSIBILITIES

Our commitment to sustainability and environmental responsibility, means that every Elisa employee should keep in mind the wellbeing of the environment and choose environmentally friendly options.

### 2.1 Responsibility for compliance

All employees, directors and officers within Elisa Group are responsible for complying with applicable legislation, Elisa's Code of Conduct, this Policy, as well as any other applicable Elisa Group policies, guidelines, management systems and instructions given from time to time depending on their roles.

### 2.2 Reporting actual or suspected violations

It is the responsibility and obligation of each employee to report any suspected or actual violations of this Policy or applicable environmental laws to their manager, *Internal Audit*, their *Local Legal Counsel*, *Elisa Group Legal* or *Elisa Corporate Responsibility* function. Actual or suspected violations can also be reported anonymously via Elisa's *Whistleblowing channel*, available at Elisa's website. All whistleblowing channel reports will be managed in accordance with Elisa's whistleblowing principles.

Suppliers and their subcontractors are also encouraged to report any suspected or actual violations.

Persons who, acting in good faith, report potential violations or who provide information or otherwise assist in any inquiry or investigation of potential violations, will be protected against any retaliation.

### 2.3 Management responsibilities

Managers are responsible for ensuring that their teams and functions are compliant with this Policy and for monitoring this. These managers are furthermore themselves expected to set a good example.

### 2.4 Information disclosure obligations

Elisa by law has an obligation to disclose information on operations and management of social and environmental issues, to support stakeholders in evaluating the non-financial performance of Elisa.

Elisa follows the principles and energy reporting recommendations of the *GRI* and *SASB* frameworks.

Elisa adapts the *TCFD* framework to assess financial risks and opportunities, and we have used the *CDP* platform to disclose these since 2011. Energy related measurements are impactful for us in both.

We report to the *EU Sustainable Finance Taxonomy* classification system, where business activities of Elisa that can be considered environmentally sustainable are transparently defined and measured.

The Elisa Corporate Responsibility function is largely responsible for coordinating, facilitating, and managing energy information disclosures, but depend on colleagues across the organisation for data.

**3 GENERAL PRINCIPLES**

By acting in sustainable ways and developing enabling solutions, we can obtain significant reduction of both our own and our customers' carbon footprint. We continuously develop our operations, and we can provide digital services that also enable society to become more environmentally sustainable.

**3.1 Commitments**

Elisa is since 2015 a signatory to the *UN Global Compact* initiative, through which we commit to adapt, support, and implement sustainability principles of the UN and regularly report on related operations.

As a public company, Elisa is committed to regularly providing its various stakeholders with non-financial information on our progress, both through recurring reports and specific requests. We have since 2009 continuously improved energy efficiency of our infrastructure and report such measures to the *Finnish Energy Efficiency Agreement*, which is guided by the *EU Energy Efficiency Directive*.

Commitment	Target
EU Energy Efficiency Directive	Energy audit every four years, with report of audit results.

*Responsibility* is one of Elisa’s company values. Elisa is actively involved in creating a carbon neutral society, where *information and communications technology (ICT)* solutions play an enablement role.

In *environmental responsibility* we focus on *climate change* and *resource efficiency*. Elisa was in 2018 one of the first Finnish companies to set science-based targets through *SBTi (Science Based Targets initiative)*. Elisa became *carbon neutral* in its own operations in 2020 (not a target validated by SBTi).

Elisa has achieved an earlier science-based climate target, approved by the SBTi, of reducing the absolute Scope 1 and 2 emissions of its own operations by 50%. Elisa set and SBTi later in February 2023 approved Elisa’s updated *Near-term Climate Target* for 2030 and new *Net Zero Target* for 2040.

Commitment	Target
Finnish Energy Efficiency Agreement	Energy efficiency improvements of 4% by 2020, and currently 7.5% by 2025, compared to 2016 reference level.
Science Based Near-term Climate Target	Elisa Corporation is committed to reducing absolute scope 1, 2 and 3 GHG emissions by 42% by 2030 from the base year 2021. We will achieve it without offsets or beyond value chain mitigation.
Science Based Net Zero Target	Elisa Corporation is committed to reducing absolute scope 1, 2 and 3 GHG emissions 90% by 2040 from the base year 2021. We will prioritise decarbonisation through direct emissions reductions, and all residual emissions will be neutralised in line with SBTi criteria before reaching net-zero emissions.



### 3.2 Sustainable practices

We aim at reducing environmental impact of our products and services throughout their total life cycle.

For example, mobile devices can be repaired for a longer life span or refurbished and re-used. Elisa shops have recycling bins, from which electronic waste is recycled as raw material for new devices.

We cooperate with our supply chain and require our suppliers to comply with similar principles. We expect our suppliers to follow Elisa's Code of Ethical Purchasing or similar principles in all their business operations and continuously improve environmental sustainability in their own supply chain:

- Processes exist to actively streamline the use of limited resources (e.g., energy, water, raw materials).
- Appropriate management, operational and technical methods are available to assess and reduce the risks of harmful environmental emissions.
- Methods for end customers are in place to improve the environmental performance of products and services.
- Innovative development that generates environmental and social benefits for products and services are supported.
- Suppliers and their subcontractors are encouraged to report any suspected violations or non-compliance with this Policy to Elisa's whistleblowing channel available at our webpage.

Elisa's Code of Conduct is accepted as binding principles for the whole Elisa Group, all our business and personnel. Elisa's procurement is covered by the Code of Ethical Purchasing.

#### 4 ENGAGEMENT AND TRAINING

This Policy is publicly available and communicated internally, so that all stakeholders can access it.

All Elisa employees are encouraged to familiarize themselves with this Policy and expected to complete related trainings that are assigned to them from time to time. Tailored or regular training is given to employees that are considered central in performing energy management related work tasks.

Through related training, facilitated dialogue, and communication, employees will on a sufficient level understand how they within their own responsibilities can contribute to environmental sustainability.

Through dialogue in the *Elisa Corporate Responsibility Management Board (CRMB)* and the *Environment and Energy Working Group (EEWG)*, we identify training needs in energy management. Training needs are regularly assessed for all employees in learning discussions with their managers.

We broadly support environmental awareness, as part of Elisa's corporate responsibility activities, to improve for example circular economy know-how of Elisa employees in general. Through articles and bulletins in the Elisa intranet, we communicate with the organisation and highlight interesting themes.

Elisa publishes an annual Sustainability Report, which also includes key figures around energy. This report is prepared in accordance with accounting guidelines of the *Global Reporting Initiative (GRI) Core* requirements. Elisa reports its *carbon dioxide equivalent (CO<sub>2</sub>e)* emissions to CDP. Energy-related calculation principles and factors are included in the annual Elisa ESG Disclosures document.

We develop our external energy performance communications into a quarterly interval, and over time aim for a real-time internal overview. We upkeep an annual clock for external channel communication.

We continuously improve our *Climate Transition Plan*, with its emission reduction targets. In addition, we measure our carbon handprint, i.e., how we can help our customers to reduce their own footprint.

This Policy commits to ensure internal availability of information and resources necessary to achieve our objectives and targets. Also, external transparency is important for being accountable for achieving our commitments. Therefore, we from 2022 onwards report our Scope 1 and Scope 2 energy use and related emissions quarterly. The same applies to Scope 3 to the extent it is currently possible.

## DEFINITIONS

Carbon emissions	Popular term for greenhouse gas emissions that cause warming of the atmosphere.
Carbon footprint	Amount of carbon emissions that an organisation is releasing into the atmosphere.
Carbon handprint	Solutions by a company that enable other parties to reduce their carbon footprint.
Carbon neutral	Usually referring to the carbon emissions that an organisation directly can influence.
CDP	Key framework used by companies to voluntarily disclose environmental information.
Climate change	Referring to long-term rise in global temperatures, largely driven by human activity.
CO <sub>2</sub> e	Meaning CO <sub>2</sub> equivalents, i.e., all greenhouse gases converted into carbon dioxide.
Code of conduct	Set of policies and principles that outlines the way of working for an organisation.
Eco design	Development that anticipates and minimises negative impacts on the environment.
Energy efficiency	Using the minimum amount of energy required to maintain a certain level of activity.
Energy management	Combination of continuous efforts to improve energy performance for an organisation.
Energy performance	Comparison of energy-related performance-indicators against a specific baseline.
GHG emission	Referring to all greenhouse gases, e.g., carbon dioxide, methane, and nitrous oxide.
GRI	Standards by <i>Global Reporting Initiative</i> that define sustainability report practices.
Law	Rules by a society, that are enforced upon individual and organisational behaviour.
Management system	Management of interrelated activities to achieve the objectives of an organisation.
Net Zero	Referring to all carbon emissions of an organisation, also those in the supply chain.
Net energy balance	In Elisa's context meaning total energy demand compared to its balancing elements.
Policy	Statement of intent, with guidelines for achieving desired results in a specific area.
Principle	Foundation that an organisation can base its behaviour or chain of reasoning upon.
SASB	Sustainability reporting framework by <i>Sustainability Accounting Standards Board</i> .
SBTi	<i>Science Based Targets initiative</i> verifies voluntary carbon reduction commitments.
Scope 1	Carbon emissions that are directly controlled by an organisation, usually from fuel.
Scope 2	Carbon emissions from energy use that is indirectly controlled by an organisation.
Scope 3	Carbon emissions that an organisation indirectly impacts through its value chain.
Sustainability	Meeting current needs without compromising the ability of meeting future needs.
TCFD	Reporting model by Financial Task Force on Climate-Related Financial Disclosures.
UN Global Compact	Voluntary pact that encourages organisations to adopt ten sustainable principles.



