Do good

Sustainability Highlights 2020

nuuday

Contents

About this Report
This document concerns the environmental, social and governance performance of Nuuday A/S. It is an extract of our Nuuday A/S Annual Report 2020, which is an integrated report of the company's financial and sustainability performance, prepared in accordance with GRI Reporting Standards: Core option, externally assured by an independent third-party assessor, and is in compliance with sections 99a and b of the Danish Financial Statements Act. This report, and our integrated Annual Report, are both available on our website: *https://nuuday.com/*. Both reports and the accompanying GRI Index and our ESG Data Accounting Principles are both all available on the TDC Group website *https://tdcgroup.com/en/*.

Comment from our CEO
Michael Moyell Juul

Nuuday is the largest connectivity, communication and entertainment service provider in Denmark. We are the market leader within all segments where we operate: mobility services, internet & network, TV and landline.

Our brands share the goal of delivering innovative digital customer experiences to a variety of customer segments.

While, 2020 has been an unprecedented and challenging year for us all; it has also been a year that has confirmed Nuuday's pivotal role in maintaining and enabling the continuation of Danish society under difficult conditions; from delivering fibre connections to Danish test centres and the COVID-19 hotline, to home offices and school classroom connectivity.

We believe in running our business in a sustainable manner because we want to take responsibility for the impact we have in society as a whole.

We do this by taking a strategic approach and focusing our sustainability efforts on three key areas: children's digital life, environment and climate, and how we do business.

A 2020 highlight was our continued partnership with BørneTelefonen through TDC Erhverv. Children in need of support and guidance were helped and guided by BørneTelefonen more than 52,000 times over the course of the year.

In 2020, we also decided to move forward our climate ambition so we will be 100% CO_2 neutral in 2028 (scopes 1 & 2) instead of 2030.

An extensive assessment to uncover the full climate impact of our entire value chain (scope 3 emissions) has also been completed, so that in 2021 we can set a target for emissions reduction across our whole value chain to take full responsibility for the climate impact of our business. Another important focus in our business is reducing the environmental footprint of our products through increased refurbishment. This activity grew by 51% in 2020.

We are guided by our commitment to the principles of the UN Global Compact and continuously seek to improve our good business behaviour. A priority in 2021, is to further strengthen our sustainable procurement programme through initiatives involving screening of and engagement with our suppliers.

In this report, you can read more about our sustainability targets and activities, as well as, our performance and ambitions for the coming year. I hope you enjoy it!

Michael Moyell Juul
CEO

Nuuday at a glance

Nuuday is a market-leading service provider consisting of nine leading brands, spanning connectivity, communication and entertainment that share a common goal of delivering innovative digital customer experiences

3,985

Employees

Revenue (DKKbn)

14.8

6.1m

Customer relations in Nuuday

EBITDA (DKKbn)

1.9
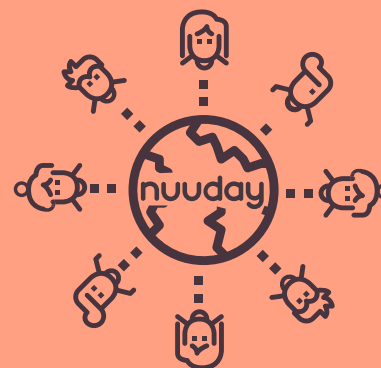
Our customer relations

CAPEX (DKKbn)

1.4

1.8m

Business incl. mobile partners

4.3m

Consumer

Our brands

youSee   TELMORE

HIPER   eesy Bare mobil

you™   BLOCKBUSTER®

NetDesign   Relatel

TDC Erhverv

Sustainability at Nuuday

Our approach

At Nuuday, we seek to take responsibility for running our business in a sustainable manner. ESG, covers the three environmental, social and governance pillars that are critical for addressing how to support sustainable and responsible development, which we believe is vital for our business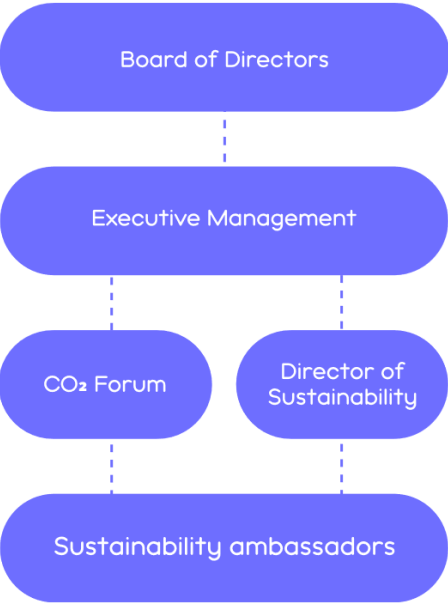. As a company, we address our most material issues and we believe in doing good. We take a stand to make a difference and make technology a force for good.

Throughout Nuuday's transformation, and the challenges presented by the emergence of COVID-19, we have continued our sustainability work. We have reduced our environmental footprint as well as our costs through increased refurbishment and reuse of our customer products, encouraging green innovation in our next-generation TV boxes. Furthermore, we have gained a thorough understanding of our operational climate impact by calculating our Scope 3 CO_2e emissions.

ESG governance

Our sustainability strategy is embedded in our business strategy and approved by our Board of Directors. At an operational level, our executive management team is responsible for ensuring our targets are achieved. The strategy and activities are cascaded down throughout the whole organisation.

To manage our climate commitments, we are part of a cross-company working group, led by TDC Group, called the CO_2 Forum. This working group is a collaborative venture in which key management-level personnel from both Nuuday and our sister company TDC NET participate.

The CO_2 Forum decides how to reduce our CO_2 emissions in line with our targets. Input from stakeholders, including suppliers, experts, employees and project management offices, is included in the process. The Director of Sustainability and her team are responsible for the operational implementation of the sustainability strategy and achieving our KPIs.

Our governance is also supplemented by project or topic-specific checks and balances, which are externally audited. Our environmental activities align with our ISO 14001-certified environmental management system, our health and safety approach complies with our ISO 45001-certified health and safety system, and data security aligns with our ISO 27001 certification at NetDesign.

An extensive array of issue-specific policies also cover critical ESG risk areas such as: data protection, privacy and data ethics, anti-corruption, IT security, and our employee code of conduct. These have established lines of responsibility culminating with the Board of Directors or the Audit Committee of the Board of Directors, supporting strong governance within these issue areas.

Our ESG data collection process has been externally assured by a third-party assessor, and our reporting is prepared in accordance with GRI Reporting Standards: Core Option.

Board of Directors

Executive Management

CO_2 Forum

Director of Sustainability

Sustainability ambassadors

Climate & enviroment

Children's digital life

How we do business

Sustainability policy

Our sustainability strategy

The sustainability strategy, launched in 2019 to address our ESG impacts, reflects the views of our stakeholders and the market in which we operate. It is aligned with the UN Sustainable Development Goals (e.g. #13 Climate Action). The strategy is underpinned by our sustainability policy.

Our three-pillared approach is guided by our material issues, ESG commitments, and strategic business priorities. Despite the broad range of issues covered, our approach is closely aligned with our business ambitions and core competencies. This demonstrates our desire to make an impact and actively operate and develop Nuuday in a way that promotes sustainability and contributes positively towards developing society.

Our materiality assessment which we also conducted in 2019 guides our reporting boundaries.

Helping society during COVID-19

COVID-19 significantly changed customer behaviour
COVID-19 affected the relevance of the telco industry in many ways. Families now rely on fast connections – landline and mobile – that enable parents to work from home while their children are participating in online schooling or enjoying world-class entertainment, for which demand has risen as a substitute for visiting friends.

Bringing joy in a difficult time
We are proud to say that we have supported our customers in difficult times during the COVID-19 pandemic.

We provided our TV customers with a series of news and family entertainment channels for all YouSee TV customers over Easter at no extra charge to help them remain informed about the situation while enjoying entertainment at home. YouSee offered free data over the summer to all its mobile customers in response to their increased need for data in Denmark while staying at home and working, checking the news, and spending their summer holidays in Denmark. And for customers who were abroad when the pandemic hit, we offered free hours and texts to all YouSee and Telmore mobile customers to help them keep in touch and plan their return journeys home.

Hiper supported its broadband customers by upgrading capacity to accommodate the historically large increases in traffic consumption related to COVID-19 and optimised processes to reduce the need for technicians and therefore also the infection risk.

Helping critical functions during COVID-19
Making sense with technology involves offering new solutions for unprecedented circumstances and our business customers certainly needed that this year.

When COVID-19 test centres were required quickly across the country, TDC Business set up built-to-order fibre for the test centres – within a 2-day delivery deadline.

In addition, we set up 100,000+ VPN connections in a matter of days and in the space of less than a week, enabled 10,000+ call-centre employees to work remotely.

**The picture is provided by the Region of Southern Denmark.
Credit: Lillebælt Hospital**

Nuuday – supporting children's digital skills and making sense with technology

Our approach
We support initiatives that strengthen children's digital skills and hopefully encourage an appetite to pursue opportunities that lie in technologies of the future.

Children's digital skills: Coding Class & IoT at Schools
At Nuuday, we take responsibility for providing children with digital skills of the future. By giving school pupils the opportunity to challenge themselves with exercises involving coding and programming, we are helping future generations to gain a basic understanding of the digital foundation on which our society is built.

Through the Coding Class and IoT initiatives, sixth and seventh graders learn to innovate and create digital solutions for real, everyday challenges.

For the fifth time, we had the pleasure of opening our doors in Copenhagen to sixth graders from Sankt Annæ Gymnasium, who proposed programming-based solutions and ideas to help make YouSee's services more relevant to young people. During the month leading up to the visit, the pupils had worked on developing solutions to real-world challenges by using IT and technology.

Likewise, we were looking very much forward to hosting seventh graders from Viby School at our Nuuday offices in Aarhus in March 2020 as part of the IoT at Schools initiative. Unfortunately, this was cancelled due to COVID-19. However, our IoT experts from TDC Erhverv are looking forward to welcoming new seventh graders in 2021, who will suggest how Internet of Things can make a positive difference.

Young SDG Innovator Programme
Nuuday has taken active part in the UN Global Compact talent programme for young innovators (YSIP). YSIP engages young talents from all over the world in using the Sustainable Development Goals as catalysts for developing new products and services.

Three young talents from Nuuday worked on a project called "Green Stream" which aimed to make it easier for customers to stream using green energy. This was the only Danish group selected to present their idea at the UN Global Compact's Summit in June 2020.

A digital future shaped by all and for all
We see potential in engaging more girls and women in shaping the digital Denmark of tomorrow. Therefore, we collaborate with a wide range of educational institutions to get more girls and women interested in the career opportunities within IT and the future of technology.

We host Girls' Day in Science in collaboration with Naturvidenskabernes Hus, and Tech Career Days in collaboration with the IT University of Copenhagen. In 2020, we also extended our partnership with Women in Tech Denmark to include an internal network for women working within IT. We also collaborate with ReDI School, which is a non-profit tech school offering IT courses to women with migrant and refugee backgrounds.

12,000+

children have been enhancing their digital skills through the Coding Class initiative since 2016

Børns Vilkår and YouSee guiding and empowering children and parents in their daily digital lives

Today, parents face the daunting prospect of considering and handling new challenges when their children begin exploring the many opportunities offered by the digital world. Many parents find they are ill-equipped to understand the digital sphere where their children interact. That has become evident thanks to our partnership with the Danish children's organisation Børns Vilkår.

At YouSee, we care about our customers and work to improve the digital daily lives of families in Denmark. We believe that technology can be a force for good, but we also acknowledge that the digital transformation families are undergoing brings challenges for many. We have thus joined forces with Børns Vilkår to help families in the digital transition they are facing.

Our joint mission is to inspire, strengthen and support the role parents play in their children's digital

lives. By increasing the understanding and engagement that parents contribute to their children's digital activities, we believe that together families can more easily handle the digital challenges they face and reach the balanced digital everyday life they desire. Details of this collaboration will be launched in 2021.

Since 2018, we have been working together to ensure that customers in the YouSee More loyalty programme can contribute to Børns Vilkår by choosing "Børns Vilkår" as their benefit. We are very grateful to experience that thousands of customers have chosen Børns Vilkår as their benefit, making a positive and important difference for children in need.

63,651

donations made to Børns Vilkår through the YouSee More programme

TDC Erhverv and BørneTelefonen: A support line for children and young people

At TDC Erhverv, we are proud of our close and longstanding partnership with Børns Vilkår on BørneTelefonen – the anonymous helpline for vulnerable children in Denmark. In 2020, we once again committed to continuing our support throughout 2021.

Since the first call came through to the helpline in 1987, we have championed this project by donating our technology and services free of charge, making sure that children and adolescents have access to the help and guidance they need from trained voluntary counsellors. The partnership highlights the important benefits to Danish society of matching our products and services with those in need.

We are dedicated to providing the technical services that are critical for Børns Vilkår to operate BørneTelefonen as a safe and anonymous service for vulnerable children as they reach out for help; often for the first time.

BørneTelefonen is open 365 days a year from 7 a.m. until 2 a.m. More than 700 volunteers with relevant professional backgrounds are engaged in advising the children who make contact.

In 2020, BørneTelefonen had 52,721 counselling conversations with children through BørneTelefonen – by telephone, chat, text and email.

TDC Erhverv has also replaced its traditional Christmas gifts to customers with further donations to BørneTelefonen and, for the past seven years, TDC Erhverv's bicycle network has also collected money for Børns Vilkår, thereby enabling even more children to connect safely and anonymously with the organisation's volunteers.

52,721

times in 2020 a child in need was helped by BørneTelefonen

@Norddahl og Co.

Climate & environment

Our approach

The ICT industry is a key enabler of sustainable economic growth. Connectivity and digital technology promise to facilitate the delivery of sustainable development for all according to the *Digital with Purpose* report from the ICT industry body GeSI. This report found that digital technologies have the potential to deliver carbon reductions nearly equal in size to seven times the growth in the entire ICT sector's emissions footprint over the period to 2030.

However, connectivity is not without environmental cost. Our offerings and services require electricity to operate and our equipment requires large-scale manufacturing and rare earth minerals. This impact is our responsibility. Consequently, we are actively engaged with this agenda.

At Nuuday, we have a unique opportunity to play an active part in reducing CO_2 emissions, increasing our focus on energy efficiency, and refurbishment.

We maintain a systematic framework of impact assessment, gap analysis, initiative planning, and active management, all guided by our materiality matrix and based on the ISO 14001 Environmental Management System framework. We consider both our own operations and the upstream and downstream impacts of our business when we plan our initiatives.

We take this approach because we believe it helps us build a resilient, lean business. One that can create value for the environment, value for society, and value for our owners at the same time.

Our ambitions

We have an ambitious climate target to be 100% CO_2e neutral in 2028 for our direct emissions (Scopes 1 & 2) and to reduce our CO_2e emissions by 50% in 2023. These commitments drive all our activities to reduce our climate footprint.

We have also committed to set a Science Based Target in line with the protocols of the Science Based Targets Initiative (SBTi), including Scope 3, by September 2021. This will address emissions in our value chain.

2020 Activities and performance

We have established the internal governance structures needed to drive the agenda for reducing emissions. Working both top down and bottom up, we are harnessing the passion and knowledge of our employees to deliver climate action. The efforts are overseen by our CO_2 Forum, which has developed a roadmap of initiatives to deliver on our targets. In 2020, the Forum brought forward our Scope 1 & 2 target by two years. Key initiatives include opening a tender for a renewable energy PPA (power purchase agreement) for our electricity consumption. The PPA will cover a large part of our Scope 2 emissions once

implemented. We expect the agreement to be finalised in 2021.

We have chosen to pursue a PPA instead of buying certificates from existing renewable energy capacity because we want to take co-responsibility to further the green transition. This path will result in development of new renewable energy resources to cover our electricity consumption without compromising others' access through competition for existing resources.
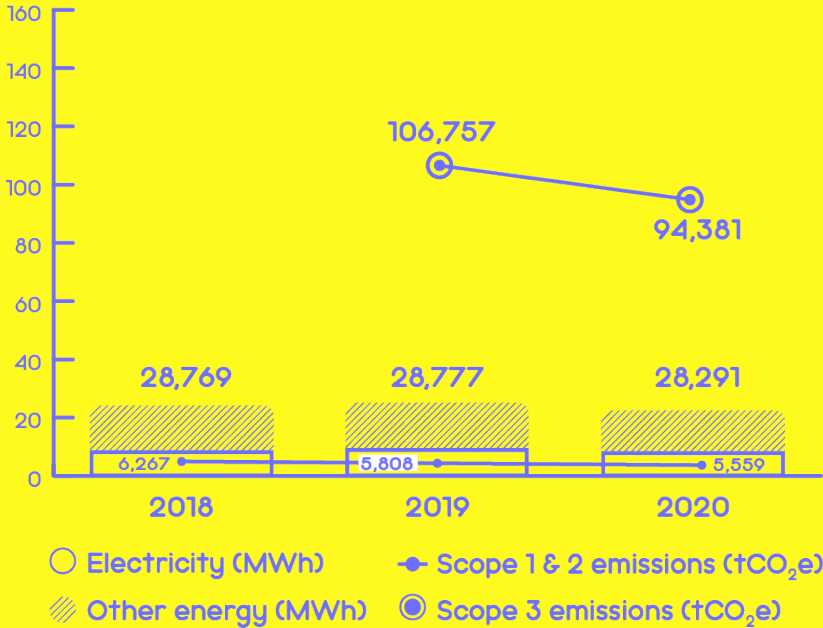
Energy & emissions performance

In 2020, we achieved a 4% decline in our operational CO_2e emissions (i.e. Scopes 1 & 2) compared with the previous year, driven by a reduction in energy used. Electricity accounted for the bulk of this difference. The decline in consumption is in part due to the consolidation of Nuuday locations and moving out of a number of premises, as well as the impact of COVID-19, which resulted in closing down our retail outlets and thereby a considerable amount of time our employees spent working remotely.

Chart data:
- 106,757 (2019) → 94,381 (2020) — Scope 3 emissions line
- Electricity (MWh): 28,769 (2018), 28,777 (2019), 28,291 (2020)
- Scope 1 & 2 emissions (tCO₂e): 6,267 (2018), 5,808 (2019), 5,559 (2020)

Legend:
○ Electricity (MWh)   ●— Scope 1 & 2 emissions (tCO₂e)
▨ Other energy (MWh)   ◉ Scope 3 emissions (tCO₂e)

On top of this, we achieved a 4% reduction in the amount of transport fuel consumed (Scope 1). This is also attributable to COVID-19 impacts, as our sales force was unable to be on the road as much as in previous years.

Scope 3 inventory

In 2020, we completed our first ever inventory of our Scope 3 emissions. The work uncovered our indirect upstream and downstream emissions in detail and demonstrated the true climate impact of our operations relative to our whole value chain. The scale of our Scope 3 emissions is almost 17 times greater than our direct operations, with the largest emitters being: purchased goods and services, capital goods and use of goods sold.

The inventory provides the critical baseline to set our SBTi Scope 3 target, and to identify the available levers. It will also inform our supplier engagement programme which we will be ramping up, supported by increased organisational focus and resourcing. We have identified and estimated suppliers' emissions and will work within a framework based on supplier relationship management to identify the potential for emission decreases, while also conveying the importance of the CO_2 data quality and disclosures of suppliers.

Resource management

In 2020, we recycled 47% of our waste. Almost 43% of our waste went to energy recovery (incineration), and just 1% went to landfill. We focus on waste in our operations and aim to continuously improve our performance. We intend to increase our recycling rate in 2021.
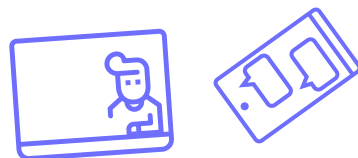
In 2020, TDC Erhverv and YouSee refurbished almost 157,000 customer devices, avoiding 77 tons of e-waste

We continue to work on reducing the lifecycle impact of our Customer Premise Equipment (CPE) by promoting circular processes through refurbishment and reuse. Between them, TDC Erhverv and YouSee refurbished almost 157,000 units, a 51% improvement versus 2019. By doing so, they avoided 77 tons of e-waste in 2020. This work reduces environmental impact through shortening supply chains and reducing the need to mine for and manufacture new CPE.

Customer engagement & recognition

YouSee continues to give its customers in the YouSee More programme the possibility of supporting Danish nature and biodiversity through Den Danske Naturfond. In 2020, YouSee More customers made more than 26,000 donations to support Danish nature.

We are proud that the research company Sustainable Brand Index in 2020 announced that YouSee was perceived as the most sustainable brand within telecommunications according to Danish consumers, closely followed by Telmore.

Outlook for 2021

While the journey towards a 50% reduction of CO_2e emissions in 2023 has started, there is much to do still. In 2021, as a part of our commitment to the UN Business Ambition for 1.5°C pledge, we will set a Scope 3 emission reduction target and submit our targets for Scopes 1, 2 & 3 to the SBTi for approval.

CO_2 neutral in 2028 (Scopes 1 & 2)

Reducing scope 3 emissions will be a challenge. For example, approximately 30% of our total emissions are embedded in the mobile phones that we sell. During 2021 we will work to detail our Scope 3 lever catalogue.

Some of the direct actions to reduce energy consumption in 2021 have already been approved for implementation in 2020. This includes, entering a PPA for our Scope 2 electricity consumption, and engaging our employees with a focus on commuting and waste. These initiatives will be key operational activities.

In 2021, we will sign a Power Purchase Agreement to ensure that new renewable energy resources will cover our electricity consumption

From a customer standpoint, we expect to roll out a new, greener TV box to our IP-only customers on fibre and DSL. Over the coming years, the new TV box will also serve as an upgrade for more than 200,000 existing TV customers. Although the TV box is still in development, we expect the final device to need 40% less material volume in production, of which up to 35% of the plastic will be from recycled material, and to have up to three times lower energy consumption, in some cases, than many of the boxes it is replacing. Moreover, it will come in packaging based on 100% recycled cardboard and no single-use plastic.

How we do business

Our approach

We are aware of the responsibility we have to operate in a conscientious and transparent manner. It is critical that our partners, employees and customers trust us and feel secure when using our products and services. We comply with the relevant laws and regulations and seek to continuously improve our policies and practices through external benchmarking assessments, certification, or other external validation.

Certifications and ESG assessments

We have three ISO certifications across our business covering environmental management (ISO 14001), occupational health and safety (ISO 45001), and IT security (ISO 27001) at NetDesign.

We publish information related to our ESG activities to increase transparency and facilitate benchmarking by our owners, investors, suppliers and other interested parties. As we are a part of TDC Group, our activities and performance are assessed by both GRESB and EcoVadis. In 2020, we received a GRESB Infrastructure score of 65, up 4 points from 2019, and our EcoVadis score in the 2020 assessment was also 65, up 3 points from 2019, putting us in the top 10% of respondents.

Sustainable procurement

In our supply chain, we focus on the environmental impact of the products we buy, human and labour rights, and health and safety along the whole value chain.

In 2020, several activities brought our partner code of conduct to life, as we worked to reduce risks in our operations and value chain.

In 2021, we will strengthen our sustainable procurement programme in partnership with peers through industry initiatives involving screening of and engagement with our suppliers. Various initiatives are already in place regarding setting KPIs and targets, as well as establishing internal sustainable procurement reporting.

Stakeholder dialogue

To ensure we capture stakeholder concerns, we actively engage with all stakeholders to identify material issues and strategic priorities.

Our stakeholders include the authorities and regulators, customers, employees, our investors, management, media, owners, partners and interest organisations, and our suppliers and business partners.

Memberships

Nuuday is a proud member of specially selected organisations and commitments for sustainable development. We collaborate with the Telecoms Industry

Association (TI), the Danish Chamber of Commerce (Dansk Erhverv), The Danish IT Industry Association (ITB), Danske Mediedistributører (FDIH), and the UN Gender Diversity Roundtable. In Europe, we collaborate with the European Telecommunications Network Operators' Association (ETNO), and GIGA Europe.

At international level, we are represented at Board level in the Global e-Sustainability Initiative (GeSI) by TDC Group. We also participate in the association of mobile network operators worldwide (GSMA), and the Joint Audit Committee (JAC), an association of telecom operators working to further ESG implementation in the ICT supply chain. Through TDC Group, Nuuday is a signatory of the UN Global Compact; adhering

to the principles, we have a suite of policies and procedures that our employees are required to be aware of or complete training in. These are all publicly available and include our whistleblower policy, our anti-corruption and gift policy, our sustainability policy, our data ethics policy, our data privacy policy, and our partner code of conduct.

In 2019, also through TDC Group, we signed the UN Business Ambition for 1.5°C Pledge and are working towards fulfilling our commitments.

Health and safety

Security

Structure and governance
Our health and safety organisation is structured in line with the Danish Working Environment Act.

Overall, health and safety collaboration is handled by the Joint Health and Safety Committee. The Committee consists of four employee representatives from the health and safety organisation, and three representatives from the trade unions in addition to representatives from TDC Group management and the Head of Health and Safety. Furthermore, we have 33 Nuuday health and safety groups.

Health and safety risks
The major health and safety risk in 2020 for Nuuday employees was primarily the spread of COVID-19.

For Nuuday, in line with the Danish Government's guidelines, a risk-level model was designed that guides the mitigating actions. The highest risk level is defined by a widespread infection in society, in which case, Nuuday will send staff home to work and all meetings will be held online.

2020 performance
A new health and safety strategy was approved by TDC's Board of Directors. The strategy focuses on developing a preventive culture to mitigate and reduce negative effects of the physical and psychological work environment.

We have converted our OHSAS 18001 certification into ISO 45001 certification.

Also, we have provided health and safety training to employees and have developed and used a Bradley model to conduct a baseline survey to measure the maturity of our culture. **The Bradley score for Nuuday is 75/100.** The score reflects that the health and safety culture is mature and based on a high level of awareness and personal responsibility among employees and managers. To further strengthen the culture, we will develop and implement action plans throughout the organisation.

Occupational health & safety data	2020
Fatalities	0
Incidents with lost time	13
Incidents without lost time	13
Total	26
Days of absence	87
Injury incidence (lost-time injuries per 10,000 employees)	30
Rate of fatalities (per 1,000,000 hours)	0
Rate of high-consequence work-related injuries (per 1,000,000 hours)	1.9
Rate of work-related injuries (per 1,000,000 hours)	3.7
Rate of near-miss accidents (per 1,000,000 hours)	2.6

Target
We will reduce the negative health and safety consequences of injuries and attrition by 50% by 2025.

> **2021 health & safety outlook**
>
> Major project activities aim to:
> - Continue development of our health and safety culture
> - Improve overall wellbeing
> - Continue to focus on the COVID-19 situation
> - Report and reduce near-miss accidents

Our security approach
Security remains a top priority, and we base our work on four principles
1. Protect our company
2. Protect our customers
3. Protect our employees
4. Protect citizens.

We take overall responsibility for IT, information and physical security by applying a wide-ranging security policy based on best practice and compliance with the ISO 27001 standard.

2020 security performance
The Nuuday company NetDesign has been recertified to ISO 27001 standard and has established an operational SOC (Security Operations Center).

We have conducted security awareness activities to raise the level of knowledge. 62% of Nuuday employees took part in the voluntary training. Furthermore, during COVID-19, ensuring that employees can work securely from home and have the right tools and mindset to maintain business as usual has been an ongoing task.

> **2021 Security outlook**
> We will continue to raise security awareness and strengthen the buildup of security compentences as we proceed on our journey to become the best in class.

Digital trust

Keep your data close at heart

Our responsibility for protecting personal data is of utmost importance and we aim to ensure that GDPR requirements and provisions are upheld. Through both organisational and technical measures, we ensure that we process personal data safely, securely, and in compliance with relevant legislation.

While the responsibility to achieve and maintain GDPR compliance spans the entirety of our company, an appointed Group Data Protection Officer (DPO) specifically drives the agenda from a central point of view, and a DPO Office has been established to support the DPO. Data Privacy Managers (DPMs) in each business line are responsible for day-to-day processes and GDPR compliance. The DPO liaises with the supervisory authorities and reports both to the Board of Directors via the Audit Committee, and to the Executive Management Team.

All employees must complete e-learning training on GDPR and personal data compliance and pass a test every 18 months. This is also a mandatory component of the onboarding process for all new employees. For employees who handle personal data every day, other supplementary educational and awareness initiatives exist. Within the last year, 92% of all Nuuday employees have completed our thorough GDPR e-learning course.

Data ethics - a public statement of intent

In 2020, we published our data ethics policy outlining our data ethics principles.

Throughout the year, we conducted a series of interviews with managers and employees who specifically handle personal data and work in areas that involve aspects of data ethics. It is our assessment that personal data is handled responsibly and in accordance with our data ethics policy.

Although the use of artificial intelligence (AI) is regulated by GDPR, we have identified AI as an area where we must continue to pay extra attention to data ethics due to the pace of technological developments and the large amounts of data that we hold as a company. It is our conclusion that ethical awareness in the AI department is strong, ensuring that AI is used to improve services for our customers, as stated in our policy.

> **2021 data ethics outlook**
>
> We will set forth initiatives to raise data ethics awareness especially for employees who work extensively with data to ensure compliance with our principles and to support our data ethics culture. We will also focus on describing a framework that ensures the data ethics policy is firmly anchored.

Diversity & inclusion

Our diversity and inclusion approach

Our customers come from all areas of society; are of every age, gender, ethnic background, religion, ability and sexual orientation, and we want our employees to reflect the society we serve. Among our employees, we have 44 different nationalities, an age profile from 18 to 76 years of age, and numerous different backgrounds. We want Nuuday to be a workplace with equal opportunities for anyone with the right skills and mindset. Therefore, we are taking further steps in our diversity and inclusion efforts.

2020 performance

To help achieve our target of a 50/50 gender balance in management set by the TDC Group Board of Directors, we have introduced a new Diversity & Inclusion programme that trains leaders in inclusive leadership and recognising unconscious biases. We have also implemented the AI language, Develop Diverse, which helps us create inclusive and gender-neutral job ads to attract a more diverse pool of candidates.

A culture of equal opportunities

We work to strengthen the wellbeing of minorities, whether they include people with mental or physical disabilities, refugees, or people identifying as LGBT+. During Pride Week, we hosted educational talks for our employees, and we remain a partner in the Ministry of Equality's industry focus group to support the inclusion and wellbeing of the LGBT+ community.

The ability to organise one's work life according to individual needs remains a cornerstone for us. We want taking leave to be attractive and we are proud that 84% of fathers and non-birth mothers took up to 14 weeks of paid partner leave in 2020.

Gender diversity in management

At the end of 2020, 31% of all employees at Nuuday were women, while 18% of all managers were women.

Nuuday's Board of Directors comprises three male members. There is a 2021 target to have a goal to have both genders represented by at least 33,33 % by the end of 2021. This target has not been achieved yet, because the shareholder has decided not to change any of the Board members.

In Nuuday's subsidiary, TDC TELCO ApS the Board of Directors has one male and two female members.

> **2021 outlook**
>
> We will integrate a new D&I governance model and for each leader, set an ambitious yet realistic annual gender balance target. Another focus in 2021 will be to foster a culture of inclusion and respect.

Risk management

Nuuday faces both internal and external risks that we identify and plan for in the short, medium and long term.

Nuuday has identified risks that could influence long-term growth where Nuuday could become a low-margin service provider and could lose its footprint and network utilisation. However, strategic initiatives focus on actively mitigating these risks.
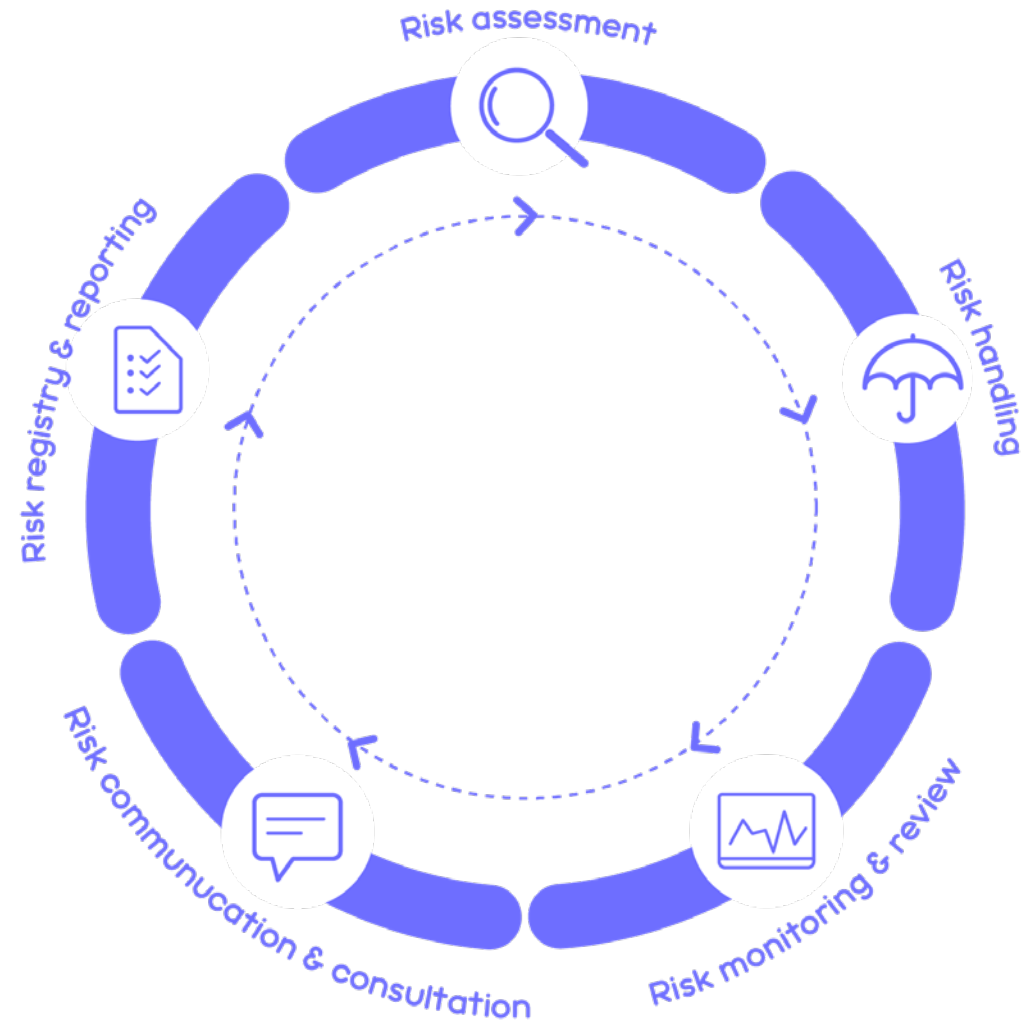
Risk management is an integrated, structured, and dynamic aspect of Nuuday's business operations, and planning is based on a hybrid of internationally recognised standards such as ISO, COSO, and NIST.

Risk assessments are conducted on a continuous basis whereby business lines and corporate functions identify and update all significant risks within the Nuuday risk universe.

Risks are then consolidated and assessed on their type, potential impact and probability. This information is reported to the TDC Group Risk Committee on a monthly basis, to the TDC Group Corporate Management Team every quarter, the Audit Committee biannually, and to the Board of Directors on an annual basis.

Responsibilities are assigned for significant risks, which are monitored and evaluated once a month compared with defined risk appetite levels. Mitigating initiatives are also established, tracked, and evaluated.

The most important risks and uncertainties that could be impacted by Nuuday's operations are stated but may not be limited to those listed below.

Risk assessment
Risk handling
Risk monitoring & review
Risk communucation & consultation
Risk registry & reporting

Description

Potential impact

Mitigation initiatives

Commercial factors

The telecommunications industry is still undergoing a huge transformation and hence the risk landscape remains subject to fierce competition from market developments and price pressure. Digitalisation, changes in customer behaviour, and new technologies (e.g. cloud and 5G) are among the major drivers leading to a transition to agile working structures and new business model development.

Exciting new opportunities are constantly emerging, while demand for mature services may slow. For instance, demand for high-speed internet access, e.g. via 5G on mobile devices, is increasing rapidly, whereas the number of customers looking to purchase landline telephony services is in natural decline.

In addition, events or circumstances that could result in the loss of customers, declines in customer experience and loyalty, loss of competitiveness and/or competitive leader-ship within the markets where we operate, as well as events or circumstances that could potentially improve or compromise Nuuday's commercial developments, changes to service offerings, product portfolios, and market performances in general are continuously observed to ensure and support Nuuday's leading market position.

The TV market is changing fast towards more flexible viewing solutions and new strong players' increasing market shares are accelerating the trend involving customers moving from traditional flow TV to other solutions. At the same time, content owners are changing their business models and selling directly to end customers and increasingly taking over the role of aggregating content. This also leads to increased pressure on premium content rights, which could potentially raise prices to levels that cannot be passed to consumers and/or lead to loss of content rights.

Within both B2C and B2B markets, the competitive landscape is accelerating with renewed intense price competition and new entrants with convergent services

On TV, RGU net losses could be experienced due to the discontinuation of the Discovery contract, however financial performance exceeded the expectations due to higher ARPU. In addition, accelerating pressure from OTT suppliers, content owners, content prices, and customers terminating TV subscriptions could exert pressure on ARPU levels and net adds.

Increased competition with continued price pressure, including new competitors, could result in failure to execute sustainable pricing in the B2C and B2B mobile markets.

Finally, inability to remain on par with technology developments and service offerings could lead to higher churn.

- Monitoring commercial developments, market and customer behaviour, changes to service offerings, product portfolios, and market performances in general
- Focus on market positioning and retaining and attracting customers
- Securing the right positioning towards device manufacturers and other operators
- Differentiating in B2B market
- Launching new business initiatives to regain and strengthen Nuuday's market position as the leading provider of innovative, high-quality entertainment and connectivity solutions to millions of Danish households and businesses.

Description

Potential impact

Mitigation initiatives

Network quality and security factors
High-quality, secure services and networks are a fundamental part of Nuuday and our product portfolios, as they are crucial to our customers and Danish society and hence pivotal for our continued commercial success.

At global level, various threats and events potentially undermine the effectiveness of operations and development of applications and products. Furthermore, threats and events that could potentially compromise the processing, confidentiality, integrity, availability, stability, capacity, performance, continuity or resilience of information technology are becoming more frequent and sophisticated.

Multiple threats could potentially trigger the materialisation of operational, IT, and cyber risks, typically stemming from human errors (e.g. information leakage), malicious activity (e.g. malware), natural phenomena (e.g. floods), or system failures (e.g. hardware failures).

However, other parameters such as complex IT landscape and legacy tech being unable to match the speed and functionality of newer IT software and hardware held by competitors are also affecting our business.

In addition, uncertainties regarding new tech, legacy tech and tech debt, security by design and by default, as well as robustness of vendors, outsourcing and
vendor setup, scalability, suite vs. breed, inadequate design, or process and service life-cycle management may all impact network quality, security, and operations, or hamper innovation and development.

Any loss of confidentiality, integrity, or availability of information, data, technology assets or damage to our infrastructure or services could impact our operations, customers, society, and Nuuday's reputation.

As such, any event resulting in failure to meet our customers' quality and security requirements or expectations could potentially impact customer retention or in other ways affect our opportunities to ensure growth and GDPR and data confidentiality.

- Continuous investment in network
- infrastructure, security, and optimisation of processes and structures
- Business-wide crisis management
- Monitoring of customer satisfaction and expectation fulfilment
- Close dialogue with Danish authorities and our customers to ensure data protection and confidentiality
- Vendor quality control
- Focus on network resilience through risk and incident management

Description

Potential impact

Mitigation initiatives

Political, legal and financial factors

Nuuday's business has the potential to be impacted by several political, economic or legal/regulatory factors. For example, our business may be impacted to some extent by market regulation requiring Nuuday to provide certain services on regulated terms, at regulated prices and in compliance with GDPR/data privacy regulations. In addition, Nuuday may be impacted by regulatory changes or legislation that, in turn, could lead to increased compliance requirements or decreased sector profit, reducing the incentive to invest. Other factors relating to data privacy and integrity, security, and customer privacy are also to be considered highly relevant in this context, as Nuuday has a responsibility to protect data from misuse, loss, unauthorised disclosure or damage.

However, the digitalisation age is leading to new and faster ways of working and connecting (e.g. cloud) that, in turn, are leading to more complex and data-driven business models continuously challenging the ability to retain control over how data is collected and used.

Changes in regulation or government policies could affect our business activities, as well as decisions by regulatory authorities or courts, potentially affecting Nuuday's ability to carry out its business and/or fulfil operational goals.
Review of market regulations (e.g. to set new pricing decisions from 2021) may impact future revenue generation.
Furthermore, individual cases of operational and external issues could also result in short-term detractions from Nuuday's public image by negatively affecting the overall reputation and brand image that could lead to loss of customers or other direct business impacts. Lastly, risks related to network availability, data security, and customer privacy could also lead to unfavourable perceptions of Nuuday's ability to handle these matters, which could impact our business. Furthermore, not meeting national and EU legislation could result in significant financial penalties.

- Monitoring political and legal developments in the markets where Nuuday operates
- Proactive and continuous close dialogue with politicians, regulatory and market stakeholders, such as the DBA
- Storytelling and clear communication about Nuuday's strategy and initiatives through campaigns, marketing, and social media focusing on our contributions to Danish society
- Implementing the EU General Data Protection Regulation (GDPR) and training on security and privacy awareness for all employees

Transition and transformation factors

Changes due to the transition and trans-formation of TDC Group into two separate entities could have a negative effect on Nuuday's core business, customers and employees. There is a possibility of not succeeding in executing an optimised separation due to difficulties in attracting, engaging and retaining qualified employees, especially within IT. Taking part in the digital transformation is essential to engage customers, increase productivity, and ensure high-quality services in the future landscape.

Therefore, scenarios or circumstances that could potentially affect or under-mine the effectiveness of Nuuday's transformation execution, including objectives, initiatives, processes, capacity, capabilities, and deliverables, are closely monitored to ensure that risks are quickly identified and mitigated effectively.

Potentially, the financial cost initially predicted for the split could be higher than initially estimated. However, Nuuday is currently operating within the predicted budget.

Many employees are being allocated to execute the transition and that could also move our focus away from optimising the core business and could lead to a lower degree of efficiency. This requires that initiatives are taken to avoid the risk of voluntary churn of key personnel, which could impact capacity, quality, and/or time constraints, ultimately leading to lack of execution power to deliver on the strategic initiatives. For 2020, the focus on attracting and developing digital talent was therefore maintained throughout, and Group IT has been dedicated to handling IT-related processes in the separation phases of TDC.

Finally, failure or delay with the agile and digital transformation could also lead to lower productivity and efficiency, jeopardising Nuuday's competitive edge.

- Continuous investment in network
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ESG risks

Human rights

Nuuday's risks relating to human rights concern our direct employees, our customers, and the employees of partners and companies in our supply chain; including the risk of forced labour, discrimination or harassment and misuse or loss of personal data, or data breaches.

The inalienable right of all people to live free of discrimination or degrading treatment and to have their right to freedom of association, collective bargaining and (data) privacy are strongly supported at Nuuday. We have in place an array of procedures and policies (see below) that support our efforts in these areas. These are underpinned by activities including training, awareness raising, auditing, reporting and external certification.

- Our Partner Code of Conduct includes respect for human rights
- Personnel policy: 88% of employees are covered by collective agreements
- Occupational health and safety policy and certification to ISO 45001 standard
- Group security policies are aligned with ISO 27001. NetDesign is ISO 27001 certified

The following governance structures are in place: the OH&S Committee of the Board of Directors, the Audit Committee of the Board of Directors, and the Executive Management. Each of these committees has a system of monitoring and reporting.

Anti-corruption and bribery

Nuuday is a large employer in Denmark with suppliers from across the globe. There is always a risk that bribery or corrupt practices could influence business decisions.

We have a zero-tolerance approach to corruption in any form. Our activities revolve around policy development, awareness raising and putting in place resources and training for employees.

- Our whistleblowing policy allows for the anonymous reporting of suspected wrongdoings at the company. One report was submitted in 2020
- Our gifts and anti-corruption policy commits Nuuday to complying with the UN Convention against Corruption
- Our Partner Code of Conduct for suppliers, partner organisations and employees
- Our sustainability policy outlines our CSR commitments and underpins our strategic priorities

Governance for anti-corruption and bribery is the responsibility of the Audit Committee of the TDC Group A/S Board of Directors and the Executive Management.

Environment and climate

Several potential environmental and climate risks may be linked to our operations and supply chain. These include: issues from the physical impacts of climate change that may also threaten to disturb our supply chain through extreme weather events.

Our commitment to the UN Business Ambition for 1.5°C Pledge and the UN Global Compact principles anchors our work on environmental issues. These commitments and activities are captured in various policies and certifications:

- Our sustainability policy
- ISO 14001 certification covering our whole operation
- Our CO_2 Forum working group strives to deliver on our CO_2 neutral target
- Detailed emissions reporting: in 2020 we completed our first Scope 3 inventory
- Circular economy activities in operations and supplier engagement
- Sustainability by design in our services

Governance for climate and environment activities is the responsibility of the CO_2 Forum and the Executive Management.

ESG data

Environmental data

Energy & emissions	2020	2019	2018
Electricity (MWh)	6,874	7,140	7,646
Heat (MWh)	12,333	12,214	11,896
Transport (MWh)	9,084	9,423	9,227
Total energy consumption (MWh)	**28,291**	**28,777**	**28,769**
2030 baseline			
Scope 1 (metric tons CO_2e)	2,377	2,405	2,391
Scope 2 location based (metric tons CO2e)	1,615	1,868	2,446
Scope 2 market-based (metric tons CO_2e)	3,182	3,403	3,876
Scope 3 (metric tons CO_2e)	94,381	106,757	0
Total Scopes 1, 2 & 3 market-based emissions (metric tons CO_2e)	**99,940**	**112,565**	**6,267**

Scope 3 by category	2020	2019
1: Purchased goods and services & 2: Capital goods (metric tons of CO_2e)	61,070	67,208
3: Fuel and energy-related activities (metric tons of CO_2e)	900	933
4: Upstream transportation and distribution (metric tons of CO_2e)	2,980	3,412
5: Waste generated by operations (metric tons of CO_2e)	34	29
6: Business travel (metric tons of CO_2e)	148	919
7: Employee commuting (metric tons of CO_2e)	1,724	7,386
11: Use of sold products (Direct) (metric tons of CO2e)	27,472	26,839
12: End-of-life treatment of sold products (metric tons of CO2e)	53	30
Total Scope 3 emissions (metric tons of CO_2e)	**94,381**	**106,757**

Waste	2020
Non-hazardous – landfill (metric tons)	4
Non-hazardous – composting (metric tons)	35
Non-hazardous – recycling (metric tons)	191
Non-hazardous – energy recovery & incineration (metric tons)	172
Total non-hazardous waste (metric tons)	**403**
Hazardous – landfill (metric tons)	-
Hazardous – composting (metric tons)	-
Hazardous – recycling (metric tons)	1.0
Hazardous – energy recovery & incineration (metric tons)	0.1
Hazardous – other, incl. recycling and energy recovery (metric tons)	0.2
Total hazardous waste (metric tons)	**1**
Total waste disposed of (metric tons)	**404**
Waste recycled (%)	47

Customer product refurbishment	2020
Refurbished CPEs (number)	156,731
Percentage refurbished of total units (%)	36
Avoided e-waste (metric tons)	77

Note regarding environmental and waste data: Please see our Nuuday ESG Data Accounting Principles on our corporate website for an explanation of the calculations and boundaries of the data presented here. For our waste data, due to the recent company transformation, reliable data for previous years was not available, therefore no comparable 2018/2019 data is presented.

HR and occupational health & safety data

Employees by gender	2020
Men (number)	2,945
Women (number)	1,337
Men (%)	69
Women (%)	31

Employees by contract type	2020
Employees on permanent contracts - male (number)	2,934
Employees on permanent contracts - female (number)	1,330
Employees on temporary contracts - male (number)	11
Employees on temporary contracts - female (number)	7

Employees by employment type	2020
Employees in full-time employment - male (number)	2,800
Employees in full-time employment - female (number)	1,212
Employees in part-time employment - male (number)	145
Employees in part-time employment - female (number)	125

Employees by age group	2020
Employees aged under 30 (%)	37
Employees aged 30 – 50 (%)	45
Employees aged over 50 (%)	17

Employees by age group	2020
Employees aged under 30 (number)	1,603
Employees aged 30 – 50 (number)	1,937
Employees aged over 50 (number)	742

Employees by employment category	2020
Manager – male (number)	352
Manager – female (number)	77
Non-manager – male (number)	2,593
Non-manager – female (number)	1,260

Employees by employment category	2020
Manager – male (%)	82
Manager – female (%)	18
Non-manager – male (%)	67
Non-manager – female (%)	33

Employee training	2020
Average training hours (hours per FTE)	24.6

Employee statistics - other	2020
Fathers and non-birth mothers taking parental leave (%)	84
Different nationalities (number)	44
Age of oldest employee (years)	76
Age of youngest employee (years)	18

Note regarding occupational health & safety data: Please see our Nuuday ESG Data Accounting Principles on our corporate website for an explanation of the calculations and boundaries of the data presented here.
Note regarding HR data: Please see our Nuuday ESG Data Accounting Principles on our corporate website for an explanation of the calculations and boundaries of the data presented here. Due to the recent company transformation, data for previous years was not available, therefore no comparable 2018/2019 data is presented.

Occupational health & safety (number)	2020	2019	2018
Fatalities	0	0	0
With lost working time	13	15	9
Without lost working time	13	34	19
Total	**26**	**49**	**28**
Days of absence	87	80	142
Injury incidence (lost working time injuries per 10,000 employees)	30	-	-
Rate of fatalities (per 1,000,000 hours)	0	-	-
Rate of high consequence work-related injuries (per 1,000,000 hours)	1.9	-	-
Rate of work-related injuries (per 1,000,000 hours)	3.7	-	-
Rate of near-miss accidents (per 1,000,000 hours)	2.6		

Gender representation - Board of Directors	Nuuday	TDC TELCO ApS
Men (number)	3	1
Women (number)	0	2
Total (number)	**3**	**3**
Men (%)	100	33
Women (%)	0	67

Other metrics	2020	2019
Whistleblower reports to TDC Group A/S Board of Directors		
Number of reports submitted to the whistleblower system (number)	1	0
ESG reporting (TDC Group on behalf of all three companies)		
GRESB infrastructure ESG Score (number)	65	61
EcoVadis score (number)	65	62

Children's digital lives	2020
Digital citizenship: Coding Class / IoT at Folkeskolen	
Classes participated in Coding Class and IoT at Folkeskolen (number)	218
Children helped with acquiring digital skills through the Coding Class initiative since 2016 (number)	12,000
Customer engagement	
Donations made to Den Dansk Naturfond through the YouSee more initiative (Number)	26,043
Increase in donations to Den Dansk Naturfond compared to 2019 (%)	n/a
Donations made to Børns Vilkår through the YouSee more programme (Number)	63,651
Increase in donations to Børns Vilkår compared to 2019 (%)	27
GDPR & security e-learning	
Employees completing GDPR e-learning (%)	92
Employees completing data protection nano e-learning (%)	29
Employees completing security e-learning (%)	62

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