

---

# CSR Report 2018

The way we do business

## About this report

This CSR report covers the entire TDC Group, i.e. TDC A/S including subsidiaries, unless otherwise stated. The reporting period is the 2018 calendar year, and the report was prepared in accordance with Sections 99a and 99b of the Danish Financial Statements Act. A separate report is prepared as a Communication on Progress for the UN Global Compact.



# Content

Comment from our CEO	4	Climate and environment	20
Our impact	5	Environmental accounts	
Results & objectives 2018	6	2018 for TDC Group	24
CSR at TDC Group	7	Togetherness	26
Digital Denmark	8	Employee well-being and diversity	32
Customer trust and safety	14	Engaging with our community	38
		Our business	42



Digital Denmark

page 8



Customer trust and safety

page 14



Climate and environment page 20



Togetherness page 26



Employee well-being and diversity page 32



# Comment from our CEO

When C. F. Tietgen founded Københavns Telefon-Selskab in 1882, he created a company that operated decade after decade with a deep sense of responsibility to serve as a positive societal force in Denmark.

Today, my colleagues and I at TDC feel that responsibility more strongly than ever, in every dimension of our business. We feel responsibility to provide the people of Denmark with high-quality, completely secure connectivity. We feel responsibility to ensure that the companies of Digital Denmark have the **world-class infrastructure** that will enable them to compete and flourish in the global business environment. We feel responsibility to deliver consistently strong returns that will secure the futures of our owners, the pensioners of Denmark.

And yes, we feel responsibility to promote sustainability and contribute positively to society's development; all of this is important to us at TDC Group. We are proud to take responsibility for the society that fostered us, and this report focuses on our ongoing efforts to do it with determination and joy.

In 2018, we invested 3.5bn DKK in the digitalisation of Denmark, and our work throughout the years has changed the way we communicate and interact with each other. Looking forward, we will continue our infrastructure investments to empower businesses, individuals and society to play and contribute in the digital world.

We are committed to ensuring Digital Denmark through both country wide connectivity, as well as through digitally educating citizens. Digitalisation is bringing incredible opportunities and making life easier for many. However, we are also very aware that it brings new challenges. At TDC Group, we aim high, we want to be something for everyone, and everyone should feel included. We insist that digitalisation should bring people closer together. We have partnered with dedicated and knowledgeable representatives of civil society in promoting digital citizenship for all, and in 2018 we took great steps together to advance this mission.

With Børns Vilkår, we developed **Parents in a Digital World**, a universe providing resources to parents to empower them in guiding their children towards positive and safe behaviour online. With the Association of Danish Pupils, we launched **WiFive**, a digital driver's licence supported by a package of educational materials promoting digital citizenship and understanding of technology – developed for pupils by pupils.

Since 2009, TDC Group has been a signatory to the UN Global Compact and our commitment to acting responsibly in line with these principles is one we take seriously. Input from our key stakeholders as well as the UN's Sustainable Development Goals



(SDGs) guide our work and have helped us focus on initiatives where we can deliver most value while also being mindful of the need to keep our own house in order.

In 2018, we finalised our **Partner Code of Conduct**, which outlines our requirements for both TDC Group and our suppliers in relation to human rights, the environment, and other areas of concern. We are also proud to share that as a company, we were the 15th largest tax payer in Denmark, contributing to Danish society.

From an environmental point of view, we continued to operate in an environmentally responsible manner, driving down our carbon emissions in line with our target. We have **reduced our emissions by 65%** compared with 2010.

As the new CEO, I look forward to 2019 and building further on these successful initiatives and foundations. Our work for this year has already begun as we strive to educate 30,000 children so they can obtain their digital driver's licences, to reduce our carbon emissions to achieve our target, and to continue to integrate CSR into our business through our CSR Ambassadors, in line with our desire to contribute to the UN SDGs.

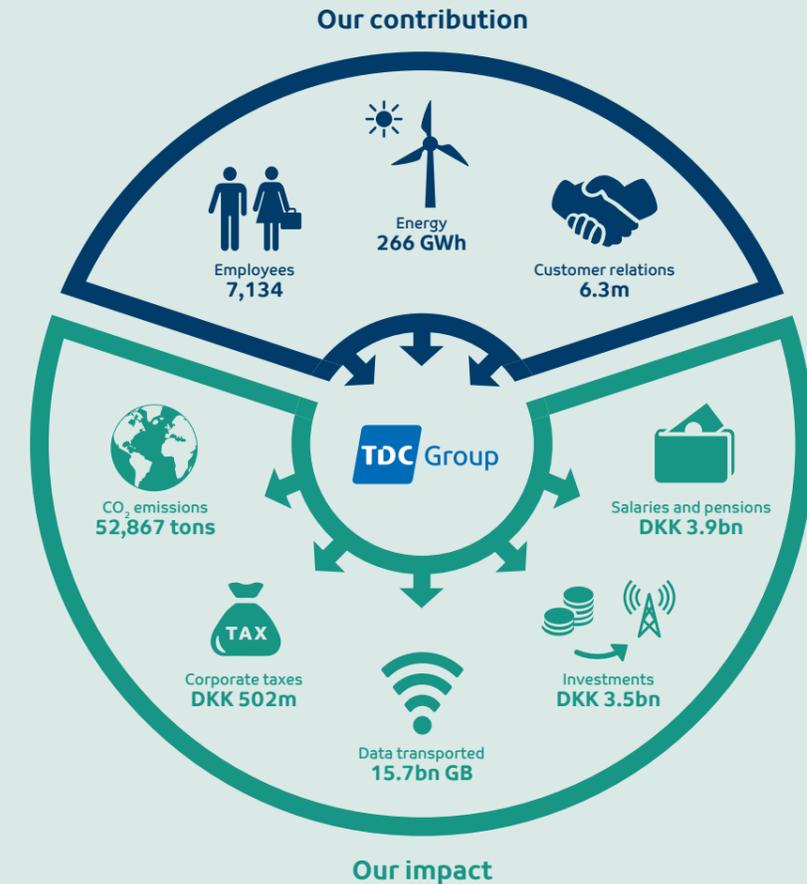
Throughout this report, you can read more about our initiatives and what we do to bring our CSR strategy to life in collaboration with our more than 7,000 committed and talented employees who use their skills, high work ethic, and deep desire to make a positive difference for the benefit of our business and society.

In 2019, we aim to make it clearer than ever that TDC is determined to provide great value to the people of Denmark; to those who want great connectivity at great value, the companies of a digital Denmark who rely on us to help them thrive, the pensioners of Denmark who depend on our success, and to Danish society overall.

Allison Kirkby,  
Group CEO & President



# Our impact



## Employees: 7,134

We are Denmark's thirteenth largest private sector employer with more than 7,000 employees at 115 locations in Denmark, and over 100 employees in Flensburg, Germany.



## Energy: 266 GWh

We reduced our total energy consumption by 12% compared with the previous year. Most of our energy consumption comprises electricity we use to run our networks.



## Customer relations: 6.3m

We have customer relations throughout society, including families, businesses and the public sector.



## Salaries and pensions: DKK 3.9bn

TDC Group does not wish to take the lead concerning wages and salaries but aims to give attractive remuneration in relation to qualifications, functions, efforts and results to recruit and retain skilled employees.



## Investments: DKK 3.5bn

We have a high level of investment to further expand our digital infrastructure and develop new products based on cutting-edge technologies. Our network investments amounted to 52% of the total amount.



## Data transported: 15.7bn GB

The volume of data transported through our networks increases every year, driven mainly by increased streaming. The total amount of data rose by more than 30% compared with 2017, and by more than 60% compared with 2016.



## Corporate taxes: DKK 502m

We are committed to responsible and transparent tax practices, and are the fifteenth-largest contributor of corporate taxes in Denmark. In 2018, TDC Group paid net taxes amounting to DKK 501,765,939.

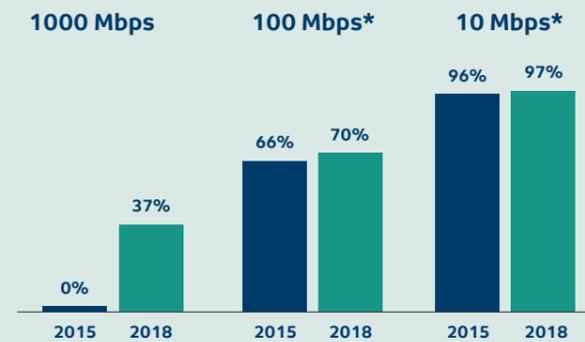


## CO<sub>2</sub> emissions: 52,867 tons

We aim to reduce our CO<sub>2</sub> emissions by 70% from 2010 to 2020, and we are well on our way with a 65% reduction so far.

# Results & objectives 2018

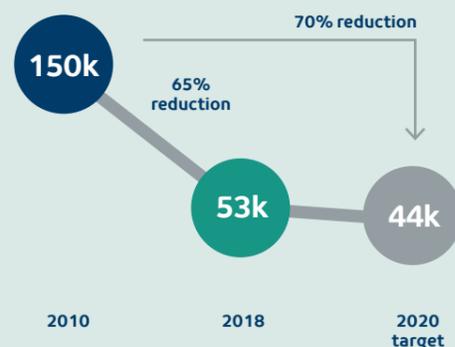
## Coverage of households with broadband in Denmark



\* Measured according to the EU definition ("up to" speeds)

On top of further enhancements to our award-winning mobile network, in 2018 we focused specifically on extensively upgrading our cable TV network. All in all, we visited about 247,000 technical cabinets all over Denmark that supply approximately 1.4m customers. In 2018, we began the first wave of rolling out fibre network to Danish households and businesses, offering free connections to about 4,000 households in selected areas.

## Reduction of CO<sub>2</sub> emissions



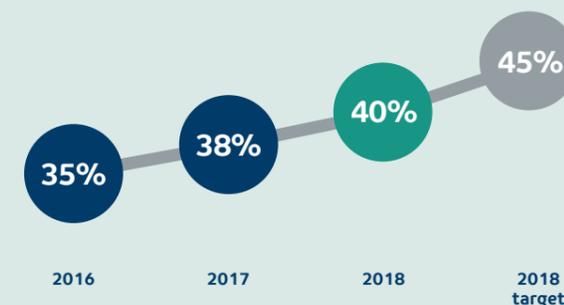
In 2018, our CO<sub>2</sub> emissions totalled 52,867 tons, equalling the CO<sub>2</sub> emissions from approximately 3,650 Danish households. This result represents a reduction of 12% compared with 2017, and compared with 2010, we have now reduced our CO<sub>2</sub> emissions by as much as 65%. Our objective is a reduction of 70% compared with 2010.

## Employee satisfaction



Our job satisfaction index score of 76, up by 1 point on 2017, is considerably higher than the average for the Danish labour market in general, and among the top scores of any companies in Scandinavia. As always, we work systematically to identify and implement required improvements so that in the future we remain among the best regarding job satisfaction and commitment.

## Public opinion of TDC Group as a socially responsible company



Seen over the course of 2018, the average share of the population in Denmark that viewed TDC Group as a socially responsible company rose to 40%, which is significantly larger than the share that viewed us negatively (22%), while 38% were uncertain. We will therefore continue increasing our efforts to strengthen our CSR profile as a socially responsible company.

# CSR at TDC Group

At TDC Group, responsibility is a natural part of our business, based on our heritage and the role we play in society as a leading technology and communications company. We appreciate that as part of society, we have an important role to play.

## Our approach

Our approach to Corporate Social Responsibility (CSR) therefore begins in our business areas and reflects our ambition to actively use our core competences to operate and develop TDC Group in a way that promotes sustainability and contributes positively to society's development.

Our focus on CSR also creates business value by reducing costs and risks, supporting innovation and improving our perception of stakeholder expectations while enhancing the company's reputation in society. Our strategic approach to CSR therefore allows us to create value for society at large as well as our business, based on awareness of the social challenges we face.

## Purposeful CSR

At TDC Group, we believe that CSR initiatives should clearly reflect and match our identity and profile; who we are, our activities and

aspirations, the country in which we operate, and our customers, employees and business partners. In this context, our fundamental objective plays a key role, which we have defined as: we bring people closer together.

Therefore, with our current CSR strategy, we have defined five focus areas that we use to structure our approach to responsibility and sustainability and that cover the entire TDC Group. These areas are strategically linked to our core business and have been selected based on studies and dialogue with customers, employees, investors and other stakeholders. The five focus areas thus represent the issues of most significance to our company and our stakeholders – and where we can make the greatest difference. Our CSR strategy and its five focus areas are illustrated in the figure below:

## Our CSR strategy: We bring people closer together

### CSR agendas

We take action on important agendas that are linked to our business



#### Digital Denmark

We support digital citizenship, develop digital solutions and ensure digital connections for all of Denmark



#### Togetherness

We bring people closer together and support an inclusive society

### CSR base

We run our business responsibly and sustainably



#### Customer trust & safety

We take responsibility for our customers and value chain



#### Well-being & diversity

We ensure employee well-being and support diversity



#### Climate & environment

We minimise our environmental impact



# Digital Denmark

**With our focus on Digital Denmark, we wish to support Denmark's position as a leading digital country – for the benefit of citizens, businesses and society at large.**

We achieve this by continually expanding our digital infrastructure to keep us all connected with the outside world. At the same time, we contribute towards strengthening the digital skills and digital literacy of children and young people, who with our assistance learn how to work creatively with mutual respect and a clear understanding of their own roles in social networks and online communities. Last, but not least, we develop solutions that can help solve societal challenges, e.g. cloud-based health and welfare solutions and services based on the Internet of Things (IoT).

### Stronger digital infrastructure

As Denmark becomes increasingly digital, access to telephone and data connections anywhere and anytime is becoming a fundamental expectation, and demands on the digital infrastructure required to keep us all connected are increasing. Access to mobile telephony and broadband is also promoting productivity in society by making daily life more convenient and creating new opportunities.

We are therefore maintaining our ambitious investments in digital infrastructure, and in 2018 our annual investments in infrastructure (capex) totalled DKK 3.5bn – equalling DKK 9.6m every single day all year round. 52% of this amount comprised network investments.

Our high level of investment is necessary to allow us to further extend our digital infrastructure and thereby provide access to



**In 2018, 68 new mast positions were added to our award winning network and 244 masts were upgraded**

cutting-edge technologies and services. That is because at TDC we invest in the digital infrastructure of tomorrow as well as today. Yet even though we allocate large amounts, our funds are not unlimited. Consequently, we must always prioritise our investments based on where we can make the greatest difference.

### Denmark's best mobile network

In 2018, the Danish Technological Institute tested our mobile network, and for the fourth year running named it as Denmark's best and fastest network. We regard this as recognition of our efforts to lead technological developments.

Every year, the Danish Technological Institute investigates whether TDC and the other network operators are providing "a good mobile network experience" at 500 randomly selected measuring points across Denmark. TDC came top with 92% good mobile experiences, up from 82% in the previous survey.

Denmark's best mobile coverage requires investments, and in 2018, we added 68 mast positions to our network and upgraded a grand total of 244 masts, all helping to significantly improve quality for our customers. TDC's mobile data capacity stands out in particular. The survey report describes how TDC's network provides faster downloads and significantly faster uploads than other networks, with fewer data connection errors than our competitors. The survey also concludes that TDC provides the best 4G access, with an impressive score of 96%.



**For the fourth year running our mobile network has been awarded best in Denmark**



However, this achievement does not mean our mobile network is fully developed. As both technology and customer needs are always developing, the potential for upgrades and improvements is constant, and we will continue to regularly expand and optimise our mobile network.

Consequently, 2018 was also the year when the first tentative steps were taken towards introducing the fifth generation of mobile network technology – also known as 5G. In spring 2018, TDC Group conducted two important 5G tests and achieved speeds of up to 1.91 gigabit per second (1 Gbps equals 1,000 Mbps), which is 65 times higher than the average speed of TDC's 4G network today. 5G is expected to contribute to financial growth, the green transition and productivity in the business community to benefit both citizens and companies.



However, coverage and capacity may still require adjustment, and using our TDC Netperform app, users can test mobile network speeds etc. themselves at their precise location. We can then use these data to further develop and enhance our network.

### Building the broadband of tomorrow

At TDC Group, we use a range of technologies to provide customers with cabled broadband connections, including fibre-optic, coax (cable TV network) and DSL connections (copper network).

In 2018, we focused specifically on extensively upgrading our cable TV network with the aim of providing more Danish households with an opportunity for speeds of up to 1 Gbps.



**In 2018 TDC Group invested DKK 3.5 bn in digital infrastructure**

This is achieved by upgrading our systems to DOCSIS 3.1 technology.

That extremely exciting and eventful journey includes introducing new ground-breaking technology while also physically converting equipment in the field ourselves. All in all, we have visited about 247,000 technical cabinets all over Denmark that supply approximately 1.4m customers, corresponding to half of all the households in Denmark.

#### TDC connects Denmark with fibre

Although TDC has been connecting the Danes for 136 years, new chapters are always being added to our history. In 2018, we began the first wave of rolling out fibre-network to Danish households and businesses. The roll-out is a new step in TDC's strategy of developing the digital infrastructure of tomorrow and contributing to Denmark's digitalisation.



YouSee has via the national broadband fund upgraded cable connections for

**1,789**  
addresses

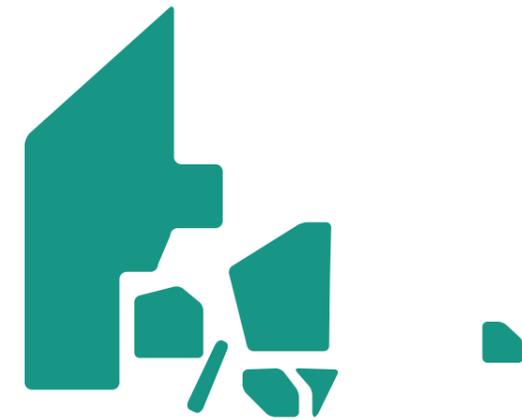
During the first wave of fibre roll out, TDC is offering free connection to about 4,000 households in selected areas of Hvidovre South and Sundbyvester on Amager, and our ambition is to continue rolling out in waves.

With a connection to TDC's fibre network, broadband speeds of up to 1Gbps are within reach – and much more in the future. Fibre connections to homes are therefore key in realising the opportunities offered by a digital society of tomorrow, i.e. handling large work files in a few seconds, streaming 8K videos simultaneously on various screens, and uninterrupted HD gaming.

#### Better connectivity throughout Denmark

At TDC Group, we are committed to ensuring that digital technologies benefit as many people as possible. Naturally, this includes access to good digital connections. In addition to our efforts to ensure that we can provide Denmark's fastest mobile network with the best coverage, TDC Group has established a so-called "Rural Area Initiative" to support better broadband connections in rural areas and engages actively with the state broadband fund.

The broadband fund allocated DKK 102m to applicants requesting better broadband for their local communities for completion in 2018. TDC was the supplier for 20 out of the 42 projects that received support from the broadband fund, including the most northern project, on Djursland, as well as projects in the capital region of Denmark, Zealand and Central Jutland. Altogether, our YouSee business via the broadband fund was responsible for upgrading cable connections for a total of 1,789 addresses in 2018.



## As part of its Rural Area Initiative, TDC Group has upgraded the digital infrastructure of **19 rural areas** providing speeds of between **30-100 Mbits/s** to these communities

Through our Rural Area Initiative, we offer to upgrade the local digital infrastructure for broadband and TV connections, provided that at least 50 households no more than 500 metres apart are interested in upgraded connections. YouSee can thus deliver download speeds of 30–100 Mbps to the areas with the greatest local needs and interest.

This Rural Area Initiative has attracted intense interest, both at national and local level. As a result, during the year, broadband connections were upgraded for customers in e.g. Ramløse, Hundested, Rudkøbing, Ebeltoft and on Thurø.

Our customers connected to our copper network have also been upgraded as we have installed remote network hubs. This gives access to higher internet speeds, particularly in small rural towns, making internet and TV products more stable. In 2018, we thus expanded our DSL network with 29 new hubs, including 19 hubs established as a result of our Rural Area Initiative.

Finally, we built infrastructure for high-speed broadband in around 400 new housing areas using either fibre or coax connections (cable TV network) to provide more than 15,000 households with access to the best digital connections.

#### Skills for the future

As the leading supplier of digital connections, we find it natural to take co-responsibility for ensuring that as individuals and as a society we have the skills required for a digital age. This relates to technical, creative and social skills that are crucial for developing as individuals and treating others with respect in a digital universe. This applies especially to new generations for whom the digital world is a reality almost from birth. It is a huge task – but also one that, as a company, we wish to take on.

At TDC Group, we are committed to ensuring that citizens are equipped to understand, think and create in a digital reality. In



other words, safeguarding that as a society we have the skills required for the twenty-first century – not least the brand new digital skills.

With our "Skills for the Future" agenda, we highlight the challenges society faces involving skills in a digital age, and pinpoint what is required to ensure the necessary future skills.

Consequently, in 2018, TDC Group, together with Netcompany, Danske Bank and Copenhagen Airport, launched the "Digital Dogme" initiative as a mutual commitment to upgrading employees' digital skills and sharing knowledge among companies across industries and sectors. The lack of digital skills in Denmark is constantly increasing, and our companies are therefore joining forces to lead the way and accept responsibility for upgrading our own employees' qualifications rather than just recruiting each other's employees. By the end of 2018, about 30 large Danish companies had joined Digital Dogme and worked on upgrading digital skills internally. Knowledge sharing will begin in earnest in 2019 via Digital Dogme, which became part of the Technology Pact in 2018.



In 2018, more than  
**50,000**  
virtual home  
help visits were made

As part of the effort to ensure Denmark has the skills to meet future challenges, TDC Group is active in the “Coding Class” initiative, which we co-launched under the framework of the Danish IT Industry Association. The objective of Coding Class is mainly to stimulate children’s interest in IT and technology through hands-on coding and programming exercises etc. We hope this will help future generations to gain a better basic understanding of the digital foundation on which our society is built and how it will develop.

The project, which became part of the Technology pact in 2018 involves collaborating with municipalities and schools and introduces mainly 6th grade pupils to algebraic and abstract thinking, logic structuring and problem-solving as well as dedicated coding. Finally, the pupils visit companies to see how coding and digital tools are part of everyday working life. At TDC Group, we collaborate with the City of Copenhagen’s “Coding Class CPH” and Sankt Annæ Gymnasium, among others.

In 2018 TDC Group also took part in the annual event Girls’ Day in Science, where companies all over the country invite girls to get a taste of what’s it like to have a job were digital skills are needed. All in all, 39 businesses and 1,700 girls across the country took part in the day. Girls’ Day in Science was first held in 2013 and has grown bigger every year. 24 girls from 9th grade at Heiberg Skole in Copenhagen paid TDC Group a visit where they got a foretaste of what a digital based job at TDC could be like. The girls were welcomed by Eva Kjer Hansen, Minister for Equal Opportunities, followed by talks with some of our own female IT specialists who gave the girls some insights about, what it’s like to work with IT and digital solutions at TDC Group. Afterwards the girls got the chance to try programming a software robot under expert guidance from the TDC colleagues.

#### Cloud-based health and welfare solutions

Public health services are coming under pressure as, over the years, larger parts of the ageing population are requiring

treatment. Similar scenarios exist for other welfare services, including education and care for senior citizens, where the societal ambition is to ensure the highest quality for the available resources. TDC Group is committed to spreading cloud-based health and welfare solutions throughout Denmark, as we see wide-spread perspectives in using our solutions to support digital work processes within home care, home nursing, retirement homes and outpatient clinics as well as psychiatry.

By using cloud-based health and welfare solutions, health-care tasks can be solved more efficiently, and staff have a better overview of their tasks, experience less stress and have fewer sick days. At the same time, citizens become more independent, and can enjoy improved quality of life, with less time and fewer resources wasted on transport.

In 2018, TDC Group was a supplier for several cloud-based health and welfare solutions, including a telemedicine project in the Greater Copenhagen Area for users with heart failure, COPD patients and pregnant women who can take measurements at home and submit the data to the healthcare personnel at the hospital using measuring equipment connected to a tablet computer.

We also operate the biggest Danish municipal solution with virtual home help using ‘online visits’ for senior citizens – with more than 50,000 online visits in 2018. This enables citizens to easily receive video calls etc. from home-help personnel following up on e.g. how they feel, and providing tips on nutrition and medication.

In 2018, TDC Group also attracted twice the number of employees and citizens using its retirement home solution for digitalising work procedures and communication between citizens, relatives, friends and employees.

#### Internet of Things & Smart Cities

The information and communications technology (ICT) at the core of TDC Group’s business represents huge potential for achieving rewards for society as a whole, including benefits for the health sector, the environment and climate. For example, this can involve IoT, which allows for collecting data and monitoring processes in real time. IoT data help optimise operations, rationalise manual processes, raise quality and improve the experience related to a number of services, and not least reduce consumption of natural



resources to benefit the climate. From a societal perspective, IoT is often used in our cities under the headline Smart Cities, which addresses how these technologies can make our modern society more efficient, environment-friendly and citizen-friendly – without the solutions being reserved for cities only.

At TDC Group, we are currently also developing and implementing IoT solutions, e.g. in collaboration with Danish municipalities. For example, TDC has contributed to a project that involves measuring air pollution in Copenhagen and Albertslund/Glostrup, where data from nine measuring stations is sent in real-time using our IoT mobile technology. The data are used for urban planning for constructions and traffic, and several other possible applications are being considered. Another example involves waste sensors for monitoring when waste containers need emptying – and when the collection may be postponed, which saves time and energy and reduces CO<sub>2</sub> emissions. In two pilot projects, the City of Copenhagen has seen a 70% optimisation potential in the inner city, and has therefore rolled out a further 1,000 sensors. A number of other municipalities are currently procuring the solution.

The underlying technology is a core element of securely spreading IoT, and in 2018, TDC Group passed a significant milestone by completing the roll-out of our Narrowband IoT (NB-IoT) network, which now covers all of Denmark. The network enables Danes and companies to use IoT units everywhere – and even mobile IoT units such as cars or personal health equipment can be used problem-free nationwide. Narrowband IoT is a new so-called “low-power wide-area technology” that is optimised specifically for IoT solutions with low power consumption that send only a few simple data packets. The technology has better coverage than e.g. 4G, and is therefore also useful for extremely inaccessible areas, as well as for smart meters used by utility companies, and many other solutions that do not require wide bandwidth.

For instance, the new Narrowband IoT network is used in Aalborg to ensure that citizens with dementia can be located if they leave

their sheltered housing or home. Every year, more than 1,000 Danes with dementia leave home and are unable to find their way back. However, thanks to a newly developed localisation unit, relatives or carers can find their precise location. As the device runs on Narrowband IoT and operates via a very low-frequency band, it is ideal for localisation in inaccessible places. The device, which is shaped like a small chip and carried by the person with dementia, sounds the alarm if the person breaks any of the predefined rules programmed into the chip by relatives or carers – such as a certain distance from the home. The chip therefore does not track the person with dementia 24-7; but is only activated when the person is in danger.



It’s estimated that Internet of Things has a potential value up to

**\$11 trillion**

by 2025



# Customer trust and safety

At TDC Group, our work is customer-centric, and it is essential that our customers trust us and feel safe and secure when using our products and services.



We therefore make sure that our products score top marks on safety, and have specified requirements concerning sustainability and human rights in relation to our suppliers. We strive to communicate with our customers in a clear and trustworthy manner so that they feel well-informed about how to enjoy full and secure use of our products.

### Attentive customer dialogue

Dialogue with our customers is a vital tool for safeguarding trust and safety. Bearing this in mind, TDC Group continuously strives to maintain an attentive and trusting dialogue with customers, based on their needs and expectations. We accomplish that in our shops, in connection with technician visits and through customer service calls, electronic newsletters and social media, including Facebook and Twitter, where we invite customers and the general public to give us feedback on our products and services.

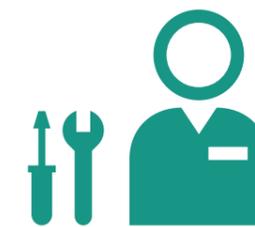
### Raising customer satisfaction

At TDC Group, we focus strongly on customer satisfaction, which we continuously monitor by implementing regular initiatives. Our ambition is to deliver the best customer service with insight into user needs and digitalisation. In 2018, we therefore digitalised the customer journey, which increases self-service opportunities for both business and private customers.

We have launched a YouSee chat bot in order to help more customers round the clock. Enquiries made to the chat team increased from 3,000 to 7,000 per week, and about 35% of these were dealt with by the chat bot. Similarly, TDC Business also experienced a decline of 11% in calls to customer service due to simplifications made and better digital functionality. Overall, the number of digital interactions at TDC Business grew by 17% in 2018.

In addition, our efforts to ensure that faults are handled quickly, as well as our sustained focus on "First Time Right" supported our onsite technicians' customer service. In 2018, 84% of the visits by onsite technicians were rated by our customers as "a positive experience". After these service visits, customers are asked to rate their satisfaction on a scale from 0-5, with 5 indicating a positive experience.

2018 was also a year when Telmore was rated the best mobile brand for the third consecutive year by EPSI, a renowned Danish rating analysis company, which regularly conducts independent customer satisfaction surveys. The recognition is based partly on Telmore's dedication to providing excellent customer service, better content offerings and digital customer journeys. Telmore also achieved a 31% increase in Net Promoter Score (NPS) from January to December 2018. NPS is one of the most renowned loyalty segmentation models in use worldwide.



In 2018, **84%** of onsite visits by our technicians were rated as a 'positive experience' by our customers<sup>1</sup>

<sup>1</sup> Positive experience – after service visits by onsite technicians, customers are asked to rate their satisfaction on a scale from 0-5, with 5 indicating a positive experience.

### Security at TDC Group

At TDC Group, product security is a top priority, and we base our work on four principles: protect our company, protect our employees, protect our customers and protect the citizens. This ensures that our customers enjoy the full potential of their products in a confident and safe manner, whether they are business customers or consumers. This is of particular importance, as the digital world includes a number of risks concerning data safety, privacy protection and IT crime.

In light of this, we have continued ramping up our security efforts during 2018, and currently more than 60 employees are working within the field of security.



The number of chats per week dealt with by the YouSee chat support grew from about 3,000 to 7,000 and **35%** of them were handled by the automated chat bot





For **58%**  
of Danes cyber attacks are their  
biggest concern whereas the global  
average is only 18%

#### Security policy

At TDC Group, we take overall responsibility for both IT security and physical safety by applying a wide-ranging Group Security Policy based on best practice and compliance with the ISO27001 standard for handling IT security. TDC NetDesign is ISO27001 certified. This international standard helps to raise and maintain a high level of security for a range of deliveries that TDC NetDesign provides for its customers.

Unfortunately, no company can guard its customers against all risks or security threats on the internet, and that also applies to TDC Group. However, we do everything we can to ensure that our own products are safe for our customers to use. We achieve this via extensive safety tests and by including built-in safety and privacy protection in our products from the outset. We also advise our customers on digital security through e.g. social media, our website and electronic newsletters that include recommendations on how to handle viruses, spam, phishing and other kinds of fraud.

We also strive to share our know-how on IT security with the outside world through e.g. our annual DDoS report, which describes the trends and implications as we see them in this field. DDoS (Distributed Denial of Service) is a frequently occurring type of cyber attack where the attacker seeks to block access to e.g. a company's website by using a large number of computers from the internet to carry out a coordinated attack overwhelming the target with a flood of Internet traffic. The consequence being that the users cannot get through.

In addition, TDC Group is a member of the board of the Council for Digital Security, which aims to create a solid and wide-ranging platform for qualified debates and policy proposals on how Denmark can continue to benefit securely from the opportunities afforded by digitalisation.

#### Safe products

Safety is inherent in our products. For example, our systems use DMARC protection to significantly reduce the number of fraudulent mails and provide better protection for receiving mails.

Furthermore, every month, our general spam and virus filters stop more than 700 million unwanted and malicious e-mails from reaching our customers' inboxes. We also offer our customers a choice of products with extra security and safety features, such as security packages for broadband and the option of parental control. And we contact business customers as well as consumers if we discover abuse, e.g. if mail accounts or equipment have been hacked by IT criminals and malware distributed.

#### Continuous monitoring

Security at TDC Group is continuously monitored, both daily and via internal and external audits. As a supplement to our Network Operations Centre (NOC), which continuously monitors the stability and accessibility of our systems and services, TDC Group has set up a Security Operations Centre (SOC) that monitors security in TDC Group's IP network round the clock to prevent attacks against our customers and ourselves. From here we handle all forms of cyber attacks, including e.g. DDoS, ransomware, phishing, hacking etc. We will continue to invest in this area, both in terms of employees and technology. We not only use our own resources but liaise with authorities and international organisations globally to gain access to better know-how and information on expedient courses of action.

Knowledge sharing and collaboration are both vital when addressing threats against cyber and information security. TDC has therefore played an active role in preparing the telesector's strategy for cyber and information security, based on the national strategy for cyber and information security. The sector strategy was prepared in close collaboration between the sector and the authorities and contains 12 concrete initiatives to strengthen knowledge sharing, cooperation and joint efforts in the field of cyber and information security across the sector. During 2019, a decentral cyber and information security unit (DCIS) will be established as a link between the telcos and the Center for Cyber Security. In 2019, TDC will work actively to successfully implement the sector strategy.

Since security threats know no boundaries, TDC Group participates in international fora to be better equipped to protect our customers and ourselves. For example, we regularly participate in activities through Forum of Incident Response and Security Teams (FIRST), which is a global organisation of more than 700 companies and public authorities sharing know-how and coordinating efforts concerning IT security. Sharing practical information and learning from each other's strategic initiatives is of great value in continuously improving security.

TDC Group also takes part in ETIS, a non-profit association that brings together the major telecommunications providers in Europe, where we share knowledge on attacks and vulnerabilities with other European telcos. This association is also used to share knowledge about general security issues regarding products, technologies and the field of IT.

In addition, as part of our contracts with suppliers and partners, we set high requirements for IT security and cooperate closely with the relevant Danish authorities. TDC Group also has regular contact with relevant authorities in connection with threat assessments and takes the necessary measures to secure customers and infrastructure in the best possible ways.

Due to our focus, investments and activities, there were no incidents in 2018 such as the one that affected our TV signal on New Year's Eve 2016. No organisation can guarantee that it cannot be compromised, but at TDC Group, we have done all we can to reduce this risk to an absolute minimum. With regular assessments made both by in-house and external parties, continuous investments, control and Management focus, TDC Group strives to be the best in the Nordic countries with regard to security.

During 2018, the Danish media has focused clearly on how telcos secure their networks in relation to foreign powers and supplier access. Security is a top priority for TDC, and we always follow the Danish authorities' recommendations and maintain a continuous and very close dialogue with the Danish Defence Intelligence Service (FE). Clearly, we are also closely following the situation and remaining briefed on political affairs and naturally, these measures are also part of our decision-making process.

#### Data ethics and personal data at TDC Group

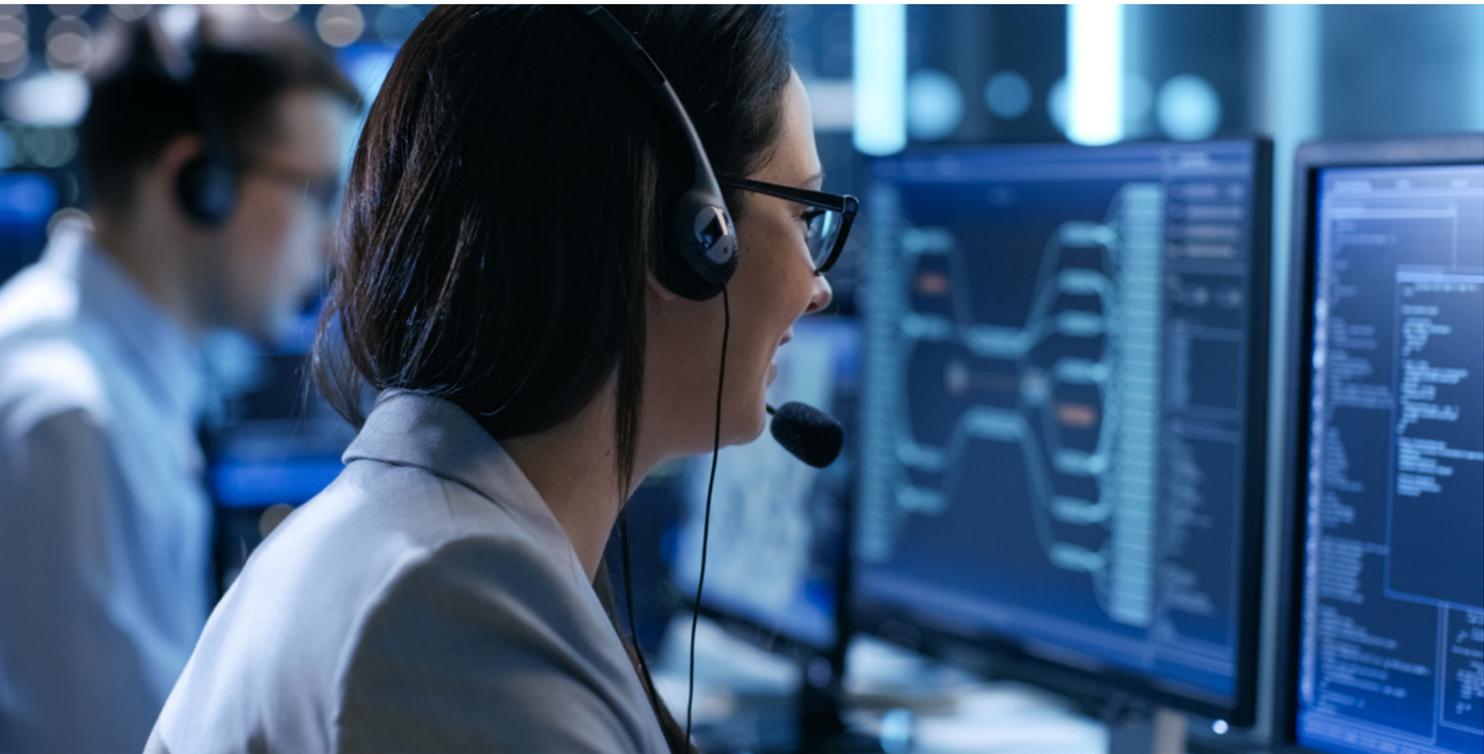
TDC Group has been invited to take part in the Danish Disruption Council - Partnership for Denmark's future, which the government established in May 2017. One initiative in this area has been to actively participate in this work and the recommendations of the expert group on data ethics.



One such recommendation states that in the future, pursuant to the Danish Financial Statements Act, companies must declare their data ethics policies once a year. One purpose would be for Denmark to be the first country in the world to require that the largest Danish companies actively consider their responsibility for and work on data.

TDC Group supports companies actively addressing their approach to data ethics principles and dilemmas. Annual reporting will prompt healthy internal dialogue on our behaviour as a Group, and our overall corporate social responsibility, and we will continuously develop new initiatives via these processes. We are currently adding the final touches to an official data ethics policy that we will publish during 2019, though data ethics considerations have been high on the Group's agenda for a long time, as shown by our employees' great dedication across departments.





Every month, TDC's spam and virus filters stop more than **700 million** unwanted and malicious e-mails from reaching our customers' inboxes

At TDC Group, we are determined not only to live up to the letter of the law but also to ensure that customers can feel safe that we are processing their data with respect and care. As a telco, we manage vast volumes of personal data thanks to the various communication services we offer. When communication takes place via landline telephony, mobile telephony or internet services, personal data is generated by both the sender and recipient. Part of this data flow is necessary for directing the communication from the sender to the recipient.

At the same time, for both technical and legal reasons, we are required to collect and store certain data about our customers and their consumption in order to offer our services. For example, mobile telephones cannot access the mobile network without

being localised in relation to nearby mobile masts. Telcos must also be able to document the scope of customers' consumption for billing purposes and their use of special services such as international calls to provide customers with the avenue of appeal to which they are entitled.

TDC Group therefore continuously processes information about which we must demonstrate utmost responsibility – and we are aware of our responsibility. The right to privacy is fundamental. Our customers are entitled to a private life, and this is a basic consideration in our work.

In the field of protecting customer data, we apply the need-to-know principle, i.e. checking who has access to which personal data in our systems, and access is given only to those employees who have a work-related requirement. In cases where we collaborate with external partners on data handling, specific agreements are concluded on how to handle personal data. If these rules are found to have been violated, the matter is reported to the Danish Business Authority or the Danish Data Protection Agency.

During the first half of 2018, we carefully prepared to live up to the new requirements and expectations in the legislation as a result of the new General Data Protection Regulation (GDPR), and the new Danish data protection legislation. We have reviewed our processes and changed our IT systems, and our more than 7,000 employees and managers have been trained to process personal data e.g. via e-learning.

Unfortunately, 2018 also witnessed two large personal data breaches.

In the spring, as a result of a technical fault while transferring customer data between systems, almost 10,000 customers' secret telephone numbers, addresses or names were made accessible on the 118.dk database. And in December, a human error when transferring customer data meant the unlisted names and addresses of about 4,800 customers were made accessible on the 118.dk database.

Both breaches were reported to the Danish Business Authority, and we have launched various measures to minimise the risk of similar events occurring in the future. We are therefore conducting a Privacy Review, before launching automatic transfer of customer data between IT systems, and working on continued awareness training, both general and tailored for particularly relevant employee groups. We have also raised the priority of protecting customer data to the status of a business-strategic initiative.

TDC strives for error-free processing of personal data, but even with the best standards and procedures, occasionally errors and data breaches and leaks will occur, at our own or our sub-suppliers' premises. We must learn from these mistakes and inform customers, the management and authorities as well as communicating publicly about the challenges we are facing. We are also striving to develop a 'positive culture of error' among employees where openness about errors and problems lead to improvement.

### Value-chain responsibility

When buying products from TDC Group, customers should feel sure that attention has been paid to responsibility throughout the entire value chain in relation to e.g. human rights and the environment.

We make demands on our suppliers that also apply to their suppliers – and not least to ourselves. This is implemented through a so-called Partner Code of Supplier Conduct and in our supplier contracts. The requirements are based on the UN Global Compact, of which we have been a member since 2009. Since then, we have updated and further specified our standard contract criteria.

In 2018, we also implemented an extensive analysis to reveal risks in our supply chain, and have examined which tools and initiatives we can implement to strengthen the screening,



Over **7,000** TDC employees and managers have been trained in handling personal data through e-learning and other initiatives

monitoring and dialogue regarding responsibility and sustainability in our supply chain. Our efforts have provided an even more detailed overview of our sub-suppliers, and a range of specific issues have been changed to ensure that any in expediency at our sub-suppliers is dealt with promptly.

Furthermore, through membership of the organisation Global e-Sustainability Initiative (GeSI), TDC Group addresses global challenges together with other telecommunications operators, equipment producers and organisations such as EICC, UNEP and WBCSD. This involves compliance with human rights and improved sustainability in global value chains in particular.

### Anti-corruption and whistleblowing

At TDC Group, we have an Anti-Corruption Policy that sets out clear expectations and guidelines for employees, customers, business partners and public authorities. The policy is communicated to all employees through various in-house channels, and we are continuing to increase familiarity with in-house precautions through communication targeted at departments working with major contracts.

Although TDC Group operates only in markets that are characterised by a low level of corruption, and has not had any such cases, we chose to clarify to all our stakeholders that TDC Group does not tolerate corruption of any kind. We are pleased to report that, once again, no cases of this kind were experienced in 2018.

Since 2011, we have also had a whistleblower system that gives employees in TDC Group (excl. subsidiaries) an opportunity to report irregularities and conditions or issues particularly open to criticism. In 2018, we concluded that two reports were submitted.



# Climate and environment

**We have only one planet to share and our environment is currently challenged by climate changes, pollution and other consequences of human activity.**



On the other hand, ICT and digitalisation hold great potential, as society can achieve a considerably higher degree of sustainability together with economic gains.

Consequently, at TDC Group, we constantly work to minimise our impact on the climate and environment. At the same time, we would like to inspire the world at large to use digital opportunities in a way that reduces environmental impact, saves valuable resources and creates benefits for society in the form of e.g. improved health, increased access to education and higher productivity.

We have drawn up a sustainability policy with four dimensions: focus in-house (minimise consumption of electricity, heating and fuel), focus on customers (eco- and energy-friendly products), focus on the supply chain (sustainability requirements throughout the value chain and product lifecycles) and focus on

society (reduce energy consumption and climate impact through communication technologies).

### Environmental impact

At TDC Group, environmental concerns are given high priority throughout our business, and have been for many years. We systematically monitor our energy and resource consumption based on the principles of the ISO 14001 environmental standard, and continuously seek to reduce our resource consumption and environmental impact.

In 2018, we began work on achieving ISO 14001 certification. ISO 14001 is the most widely recognised international standard for environmental management systems, and is used worldwide. It can form the universal framework for how TDC Group can deliver results that improve the environment in compliance with our environmental policy commitments. For instance, it will identify

the environmental aspects of our business activities and how these can be managed while safeguarding the necessary controls and objectives for improving our green initiatives. The purpose of the certification, which we expect to gain in 2019, is also to reduce any emissions that may harm the environment and optimise TDC Group's resource usage.

Back in 2011, we set a target to reduce our CO<sub>2</sub> emissions by a total of 40% by 2020 compared with 2010. Although our business is not particularly CO<sub>2</sub> intensive in relation to other industries, CO<sub>2</sub> emissions are nonetheless one of our most significant environmental impacts. However, we achieved this target back in 2015. We have therefore decided to raise our reduction target for CO<sub>2</sub> emissions from 40% to 60% in 2020 compared with 2010. In 2017, we managed to reduce our CO<sub>2</sub> emissions by an impressive 60% compared with 2010 and have consequently chosen to once again raise our 2020 objective to a reduction of 70% compared with 2010.

In 2018, our CO<sub>2</sub> emissions totalled 52,867 tons, equalling the CO<sub>2</sub> emissions from approx. 3,650 Danish households. This result equals a reduction of 12% in relation to last year. The reduction in 2018 was driven particularly by lower electricity consumption (-12%), as described in more detail below, and lower diesel consumption by vehicles (-10%). Our result was also positively influenced by the lower CO<sub>2</sub> emission factor from our electricity consumption in Denmark than the previous year. In fact, since 2010, the significant improvements in our emission factor for electricity used in Denmark have comprised one of our major driving forces for reducing our CO<sub>2</sub> emissions. In other words, the power we use has become more climate-friendly since 2010.

We will continue to focus on streamlining and reducing our consumption of electricity for operating our various networks and data services. However, the challenge is to become more energy-efficient while expanding our networks and increasing connection speeds to benefit customers and society at large. Furthermore, towards 2020, improvements in the emission factor for power in Denmark are expected to be lower than those seen since 2010.



**TDC paper consumption 2010:**

**1,071 tons**

**TDC paper consumption 2018:**

**117 tons**



**We have reduced our CO<sub>2</sub> emissions by 12% compared with last year**

In addition to our focus on power consumption, at TDC Group we are also continuing our efforts to minimise resource consumption and ensure that a high percentage of our waste is recycled.

For example, in Denmark, we reduced our paper consumption by a total of 30 tons compared to 2017 – a reduction of 21%. Thus in 2018, we reduced our consumption of paper to under 11% of the quantity we used in 2010.

### Energy efficiency improvements

In 2018, we continued to implement in-house projects to ensure optimisation and replacement of the most energy-intensive parts of our network and to continually satisfy the needs of our customers.

As one of our core initiatives in this area, in 2018 we achieved our goal of upgrading equipment in our cable TV network to Docsis 3.1 technology, giving customers the option of enjoying speeds of more than 1 Gbps. Year after year, data traffic in our networks keeps dramatically increasing, prompting a significant increase in energy consumption. Through upgrading, we have increased capacity in our cable TV network by more than 500% while also achieving an energy saving of 10.6%, corresponding with an annual energy saving of 3.4 GWh.

In addition, as in previous years, we retained our focus on consolidating the active lines in our PSTN network (traditional landline telephony) on fewer network units, producing an energy saving of 1.4 GWh/year. Altogether, we have carried out this task on over 80 TDC addresses throughout Denmark.

While we actively seek to reduce energy across our whole operation, we balance this ambition with our need to provide the best coverage and availability to our customers at all times. In our mobile network we use dynamic power saving techniques to allow us to reduce our energy consumption while maintaining our service level. Dynamic power saving works by turning down the power of equipment to a lower energy mode when there is a low traffic level in the network. Between 23:00 and 06:00 at night for



We have increased capacity in our cable network with more than **500%** and at the same time achieved a **10.6% energy saving**

example, we are able to power down parts of our network to reduce energy consumption. In 2017, we performed a trial to understand how much energy we could save in our UMTS equipment. This low power feature was deployed nationwide in 2018, saving more than 2% of the total UMTS power consumption. Another feature activated in TDC mobile network in 2018 is 'Symbol Power Saving'. This feature enables the 4G base station to turn off Power Amplifiers. When this is activated, all cells under the LTE base station enter this power saving mode. This functionality achieves a 21% saving of LTE power and means 7.7% less power usage for the entire mobile network.

Externally, we take responsibility for minimising our customers' environmental impact in a range of ways, including continuously upgrading the equipment at customers' premises. In this context, it is particularly important for us to focus on minimising the electricity consumption that our products incur on our customers. It is also vital that the equipment we use is cutting-edge with regard to both national and international requirements. In 2018, we replaced almost 17,000 TV boxes with a new and more energy-efficient model, which has saved about 2.9 GWh a year at our customers.

We are continuing our work on optimising our energy consumption for heating and cooling, respectively. For instance, we saved 260,000 kWh in consumption at our exchange in Kolding. This constitutes an approximate halving of the electricity consumption for cooling. The system has been replaced with newer, more efficient machines. At the same time, we updated the entire cooling principle to avoid loss etc. in exchangers, and obtain significantly higher utilisation of our free cooling chiller. The greatest energy saving in this project results from the cooling machines activating only when the temperature outside is above 12°C, which is a significant change compared with the equipment replaced.

Similarly, we are also continuing to experience the positive impact of our rectifiers, which convert the alternating current to direct current, producing an annual energy saving of approximately 400 MWh.

### Transport and technology

At TDC Group, we utilise the technologies we work with to reduce our own transportation needs, especially through video conferences and home offices. Besides reducing our CO<sub>2</sub> emissions, these solutions optimise our efficiency and can improve conditions for employees by minimising the number of days spent travelling instead of being with family and friends. Our transport policy encourages the use of trains and other forms of public transport rather than cars. In the light of this, we yet again succeeded in reducing the number of kilometres travelled in cars. In fact, we reduced our distances driven in private or rented cars by over 125,000 km – although we are unable to isolate the specific causes for this.

In 2017, we commenced trials with solar cells to supplement the batteries in our many technicians' vans, since many tasks require the use of electrical equipment. We have continued this effort in 2018. Besides the environmental benefits from using solar power, we are also hoping to save recharging time and the need for assistance when vans fail to start if batteries become flat.

In 2018, we will continue our pilot trial with bikes for our field technicians. This is based on the fact that our technicians have experienced increasing difficulty in finding parking spaces and driving around in Copenhagen. The idea behind the trial was that the bicycles could help the technicians make their everyday life easier and at the same time have a small positive effect on the environment. In 2017, six bicycles were purchased, two of which are electric powered bicycles, while at the end of 2018 we are up to a total of 10 electric bicycles. Know-how from the pilot trial will also be shared concerning use in other cities.

### Vast environmental potential in digitalisation

The information and communications technology (ICT) at the core of TDC Group's business represents huge potential for both the environment and climate. E.g. through increased use of video conferencing, which reduces the need for transportation, or



through machine-to-machine (M2M) technology, i.e. telecommunication between machines, also known as the Internet of Things (IoT), which allows for monitoring processes in real time or measuring on machines that are difficult to access in order to increase production efficiency and reduce consumption of natural resources.

The SMARTer2030 report from the international organisation GeSI (Global e-Sustainability Initiative) – of which TDC Group is a member – shows that ICT and digitalisation can facilitate a 20% global reduction in the world's carbon footprint by 2030. This

would mean the emission level from 2015 could be maintained while simultaneously creating economic gains to the tune of China's GDP. Additional improved societal benefits include better education, improved health and even more efficient and sustainable food production.

As described in detail under the focus area of Digital Denmark, TDC Group is collaborating with a number of partners in the public and private sectors on developing and implementing solutions that exploit technological opportunities to create more environment-friendly and sustainable solutions.



In 2018, we have replaced almost **17,000** TV boxes with a new and more energy-efficient model, which has saved about **2.9 GWh** a year at our customers

# Environmental accounts 2018 for TDC Group



## Emissions (tons)

	2016	2017	2018
CO <sub>2</sub>	71,769	59,968	52,867
SO <sub>2</sub>	23	19	16
NO <sub>x</sub>	56	53	53



## Waste (tons)

	2016	2017	2018
<b>Total</b>	<b>4,334</b>	<b>3,704</b>	<b>2,964.5</b>
Recycled of total waste	76%	73%	72%
Recycled of combustible waste	40%	43%	43%



## Use of resources

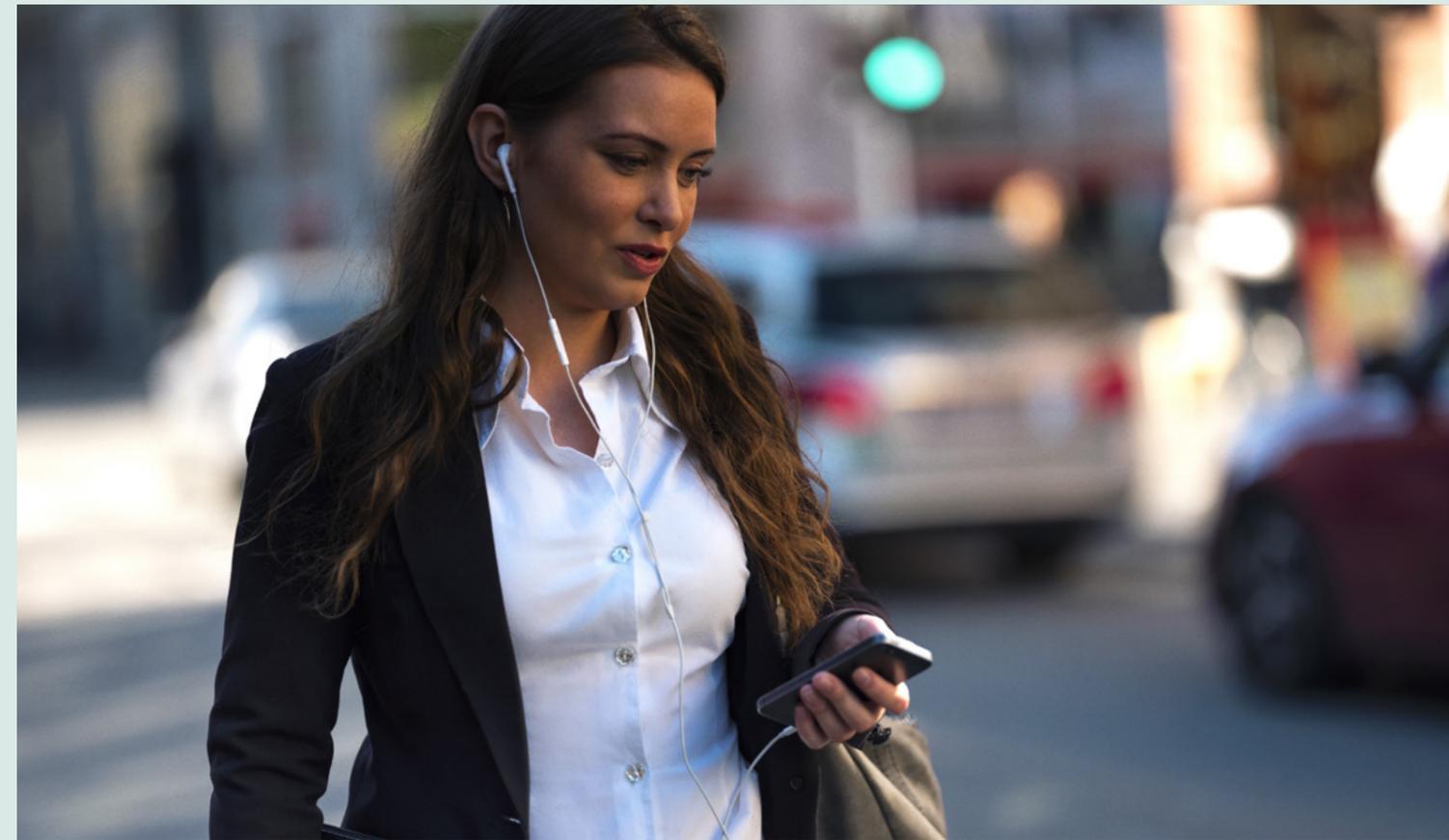
	2016	2017	2018
Electricity (GWh)	257	228	201
Oil (GWh)	0.4	0.6	0.001
Natural gas (GWh)	2	2	0.5
District heating (GWh)	26	26	24
Fuel (GWh)	47	42	38
Paper (tons)	237	148	117
Water (m <sup>3</sup> )	66,000	70,300	62,600



## Data transported (million GB)

	2016	2017	2018
Denmark	8,971	11,340	15,146
Norway	325	434	512
<b>Total</b>	<b>9,296</b>	<b>11,774</b>	<b>15,656</b>

Please note that the figures for Norway only include data transported in our network to and from the country. The amounts of data grew by 30% compared with 2017.



TDC Group is determined to **provide value to the people of Denmark;** to those who want **great connectivity,** the companies of a **Digital Denmark** who rely on us to help them thrive, and to **Danish society overall.**



# Togetherness

**For many generations, TDC has played a very special role in facilitating communication and ensuring connections between people. Our work creates a cohesive force in society and reduces distances at a time when proximity can no longer be measured only in metres.**



We therefore also believe we share responsibility for enhancing the Danes' relationships with new technologies whatever their stage in life. We like to ensure that the digital solutions we roll out are used expediently to bring people together and strengthen togetherness. We equip children born into the IT world with digital citizenship skills and help them to cope well in online communities while treating each other with respect. We help parents to understand the digital world their children inhabit, and guide others who can easily keep up with just a little help from us.

### WiFive – good digital citizenship

Although developments in our digital society have brought people closer than ever before, digitalisation has also created social media where togetherness, norms and values are sometimes absent. Together with our partner Danske Skoleelever (the Association of Danish Pupils), TDC Group wishes to bring pupils closer together and strengthen digital communities. The pivotal point of the collaboration is that pupils – not adults – are the central players in developing a common code of conduct for digital citizenship and togetherness.

In collaboration with 10 classes across Denmark, TDC Group and the Association of Danish Pupils have spent 2017 and 2018 developing a complete set of teaching materials called WiFive – good digital citizenship. The teaching materials focus on high fives and positive digital citizenship and are based on subjects including “Good tone”, “Understanding technology”, “Good style” and “Online security”. The training programme ends with pupils taking a “Digital Driver’s License”.

The aim is for at least 30,000 pupils to complete an online course and pass a digital driving licence by the end of 2019. The project targets intermediate classes, i.e. 4th to 6th grades, but we have also gathered inspiration from older pupils, e.g. at a Youth Festival workshop in 2018.

Both the Association of Danish Pupils and TDC Group were proud to launch the beta version of the digital driving licence and associated teaching materials at Denmark’s annual learning festival, held on 6-7 March 2018 at Bella Center in Copenhagen. Here, over 8,000 professional educators met for a conference on literacy in a digital world. TDC Group and Danske Skoleelever also participated in the fair for schools held in Aarhus on 18-19 April.

In 2018, WiFive – good digital citizenship, became part of the Technology Pact, an alliance comprising the Danish government, companies, educational institutions, organisations and other stakeholders. The Technology Pact aims to strengthen the Danes’ technical and digital skills to benefit both the business community and individuals, so everyone can join in and help drive society in a positive technical and digital direction.

### Parents in a digital world

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. Unfortunately, as there is no sound advice and experience accumulated over several generations to rely on, many parents find they are ill-equipped to set out guidelines for their children’s use of digital and social media. That has become evident thanks to our long-standing collaboration with the Børns Vilkår organisation’s BørneTelefonen (Child Helpline) and ForældreTelefonen (Parent’s Helpline); a collaboration we value highly that began more than 30 years ago.

At TDC Group, we wish to take joint responsibility for ensuring that children and young people join and develop good digital communities. We also acknowledge that parents play an important role in securing healthy and balanced relationships with the digital world. In 2018, together with Børns Vilkår, we therefore offered free training workshops and webinars describing the digital world children encounter, so that parents can support and guide their children towards enjoying safe and positive online experiences. By year-end 2018, more than 5,000 parents had already taken part in these training programmes.



Children’s digital lives and how parents can support their children in developing good digital togetherness were also themes for group discussions when TDC Group, Børns Vilkår and ENIGMA invited parents to evening meetings and speeches in both the spring and autumn at ENIGMA – the museum for post, tele and communication. TDC Group’s own employees were also equipped to tackle the subject when talking with their children about digital habits, good style and citizenship. Morning events were held at TDC Group locations featuring speeches by Børns Vilkår.

An outdoor campaign hosted by TDC Group and Børns Vilkår in the summer of 2018 reached out to Danes with a message that help is at hand for supporting their children in enjoying a positive online life together. This campaign will also be a clear feature of the street scene throughout 2019.



The aim is for at least  
**30,000**  
pupils to complete the  
WiFive Digital Driver’s License



**TDC Group has collected**  
**13,681**  
**used mobile phones for recycling**  
**purposes. All associated**  
**revenue is directly donated**  
**to Børns Vilkår**

### New lives for old mobile phones

In Denmark, estimates show that every year more than a million mobile phones are discarded or stored in drawers even though they are still working. Instead of gathering dust or wasting space, all these many mobile phones can create value – both for the environment and financially – by being re-used or recycled. Consequently, in the past few years, TDC Group has collected mobile phones nationwide to ensure that old mobile phones are recycled in an environmentally safe manner. At the same time, the income from this project has helped children and young people develop and take part in positive relations online.

Throughout 2018, all YouSee shops, TDC Business Centres and all TDC Group locations accepted old mobile phones donated to this cause. We make sure that all donated mobile phones are sold for re-use, that all the money goes straight to Børns Vilkår and to our joint efforts to prepare parents for helping children to enjoy a good digital life. Since the initiative began, we have collected 13,681 used mobile telephones, benefiting both children and the environment.

### The Child Helpline – more than just a helpline

It is important to TDC Group that children and young people can use digital technologies securely and safely. At the same time, we would like to use our communications technologies to ensure that everybody can be part of the community. TDC Group has therefore played a key role in securing a link to these children since the very first call was made to the helpline more than three decades ago. By supplying telephony and internet services for the Child Helpline entirely free of charge, TDC Group ensures that children and young people have someone to call if they need help and can always feel part of a community.

The calls may involve serious problems or help with relationships involving friends, romantic attachments and parents, or feeling excluded due to teasing or bullying. In 2018, more than 200,000 children and youths contacted the Child Helpline seeking advice of the organisation’s volunteers, though sadly resources only stretch to cover one third of the enquiries.

At YouSee, we believe in giving our customers the chance to support the people helping and advising vulnerable children and youngsters in Denmark. With that purpose, in 2018, customers were given the opportunity to donate a YouSee More benefit to the Child Helpline. The YouSee More is a loyalty programme offering a catalogue of benefits to customers who have a minimum of two different YouSee products. The choice includes e-books, music, films, twice as much mobile data and much more besides. In purely practical terms, every month YouSee donates an amount to Børns Vilkår based on how many customers have chosen Børns Vilkår as a beneficiary. The more customers, the more money for the Child Helpline – and the more conversations held with children and young people needing help.

More funds are given to Børns Vilkår’s work through networking events at TDC Business and via donations from our employees.

### Dialogue with young people about togetherness in a digital world

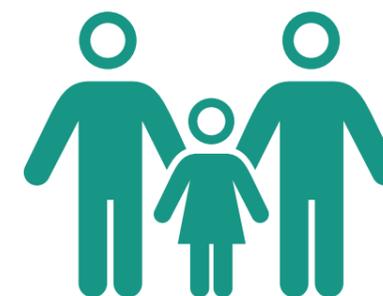
On 6-8 September 2018, TDC Group took part in the third Youth Festival, which attracted more than 20,000 enthusiastic young people. This time the venue was Valbyparken close to Copenhagen. The Youth Festival stimulates participation, dialogue and fellowship among young people, so that these future citizens can help solve problems faced today.

As Denmark’s largest supplier of digital connections, TDC Group chooses to participate in this event and talk with young people about digital trends in society, including digital literacy, digital communities and other issues. In our view, it is essential that young people are involved and invited to contribute relevant knowledge and concrete suggestions for solving the challenges currently faced by society.



More specifically, TDC Group hosted a workshop and several debates on digitalisation, gaming, “girls in tech”, togetherness and our social rules of play. The young people were encouraged to reflect on and describe the challenges that digitalisation brings for better or worse, especially for the young, but also in the long term for society. Youngsters like these will be pioneering digital togetherness in the future and we therefore want to give them

the opportunity to define how togetherness should develop and function while also ensuring that their good advice can subsequently benefit many other youngsters. Securing good digital togetherness will always remain high on our agenda. Finally, as network partner for the Youth Festival, TDC Group supplied wireless WiFi hotspots to ensure sufficient digital infrastructure for the event’s many visitors as well as organisers.



Together with Børns Vilkår TDC has empowered **5,507 parents** with tools and knowledge to engage in conversations with their children about their digital lives

## ENIGMA - Museum of Post, Tele & Communication

Since 1996, TDC Group, together with Post Danmark, has been a staunch sponsor of the Post & Tele Museum, which, in 2016, moved to a new venue at Øster Allé in Østerbro, Copenhagen and was transformed into “ENIGMA – Museum of Post, Tele & Communication”. The name “ENIGMA” comes from the Greek for ‘puzzle’, and was chosen to stimulate curiosity and thoughtfulness in the field of communication.

As the Museum of Communication for the whole of Denmark, ENIGMA is also in charge of research, exhibitions and spreading facts and figures about the past, present and future of communication. The new museum was designed to encourage people to communicate with each other and therefore contains e.g. a café with only long tables for sharing. It will feature regular events to cultivate interaction, including reading aloud for children, scientific lectures, panel debates, debating lounges and workshops. The exhibitions and play area will open in 2019.

In 2018, TDC Group and ENIGMA also teamed up to organise dialogue dinners for parents focused on children’s digital universes, and topical debates for the Youth Festival on themes including digital communication, as described above.

## Connections for Denmark’s Collection

Ever since the blockbuster show Denmark’s Collection first hit Danish TV screens 12 years ago, TDC Group has contributed to setting up and holding the annual nationwide event where 12 of the country’s largest humanitarian organisations together collect money for humanitarian causes and development projects. In 2018, TDC Group was once again in charge of the vast technical set-up that allows all of Denmark to call and text in donations for the world’s most vulnerable people.

On Saturday 3 February, Denmark’s Collection 2018 culminated with the big collection show on DR1. Homeless children all over the world were given a voice – by the co-hosts, musicians, actors, TDC Group’s employees and not least the many thousands of Danes, companies and organisations that contributed to the collection. By the time the hosts bowed out at Dokk1 in Aarhus, the Danes had collected more than DKK 78m.

TDC Group employees volunteered and TDC technology was provided free of charge for the fund-raising event, which involved collecting donations made via SMS and phone calls for homeless children worldwide. The task involved establishing two VIP call centres where celebrities answered calls during the collection show in addition to our own call centre at Sletvej in Aarhus, where 100 volunteers received thousands of calls during the evening.



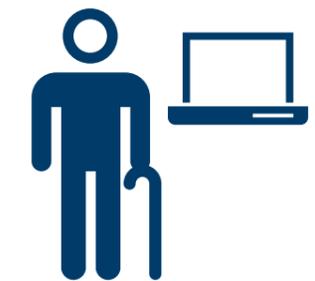
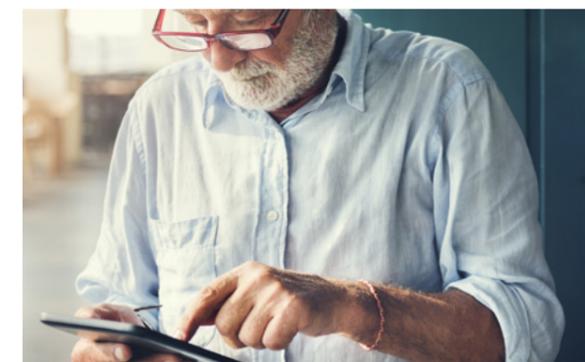
## A helping hand in a digital world

TDC supplies the digital infrastructure that the Danes use every day, making everyday life easier and opening up new opportunities. But not everyone is using the opportunities digitalisation has to offer. As Denmark’s largest supplier of digital connections in Denmark, we wish to take co-responsibility for ensuring that as individuals and as a society we have the skills required for a digital world.

In 2018, we therefore compiled an IT manual that we hope will prompt more people to enjoy using the internet. The manual, entitled “Get up and running with the internet”, is free and reader-friendly. It contains all kinds of useful information and can be downloaded from TDC Group’s website or collected at one of our local YouSee shops.

In 2018, we also held “Digital inspiration days” at TDC locations in Aarhus and Copenhagen, where we invited IT volunteers from the DaneAge Association to visit, and presented them with the latest knowledge in various digital areas to keep them up-to-date with new trends. The IT volunteers were invited to try 5G, virtual reality, e-sport and Counter Strike, and listened to interesting speeches on TV and streaming of the future, cyber security and digital literacy.

The DaneAge Association has over 2,000 IT volunteers throughout Denmark who make a tremendous effort to help, motivate, communicate with and pass on knowledge to senior citizens in need of a helping hand in a digital world.



Only **10%** of the 75-89 year old Danes are comfortable using the Internet





# Employee well-being and diversity

**At TDC Group, taking responsibility for our employees' well-being in its widest sense is a natural part of our business.**

Our markets are highly competitive and rapidly changing, and this demands a lot of our employees' performance and readiness for change. In turn, TDC Group has a responsibility to ensure that our employees are thriving despite the challenging circumstances.

We target our efforts to ensure that our employees are thriving and feel both dedicated and motivated. Meanwhile, we also pay close attention to the physical and psychosocial working environment and to preventing work-related accidents.

For many years, TDC Group has endeavoured to be a diverse workplace that welcomes all kinds of employees. We focus on diversity because we value having a diverse and competent workforce irrespective of gender, ethnicity, sexual orientation and work capacity. Since TDC Group is a large company with an important role in society and we deal with all types of customers, we want our staff to reflect the society in which we operate.

## Employee well-being

At TDC Group, we prioritise that our employees are engaged and feel comfortable at work, as that is vital for the quality of our customer service – and thus also our success as a company. We therefore measure and follow up regularly, enjoy a well-established cooperative relationship with our employees' professional associations and unions, and maintain an extensive working environment system that includes certification in accordance with the international OHSAS-18001 standard. This ensures a systematic approach to preventing work-related accidents, procedures to improve our working environment, regular working environment inspections and our clear focus on subjects including work-life balance.



## High job satisfaction and motivation

Our employee surveys allow us to focus explicitly on the specific elements driving employee job satisfaction and commitment. The survey results in 2018 show that we have improved by one point on last year to a new index score of 76, based on responses from 93% of all employees. That is four points above the average for the labour market in Denmark and places TDC Group among the best companies in Scandinavia.

The results also show that job content is our primary strength and most important driver for engagement among employees. In a time of change when TDC Group is in the midst of a major transformation, we are particularly satisfied with the result.

In order to maintain our strong culture and keep our high level of job satisfaction, we are continuing our systematic follow-up on the survey results to identify and initiate the necessary improvement actions – both in individual teams and across the workplace. On a daily basis, we support job satisfaction and good cooperation across the Group through a shared framework of work principles entitled "OurWay" to ensure that we all act based on our shared values and mindset.

## Education, training and mobility

TDC Group is constantly evolving, and that makes heavy demands on ensuring our employees' skills continue to develop. Therefore, the tool called "MyPlan" ensures that all employees have clearly defined development goals and plans for how to achieve them. 89% of all employees have a MyPlan.

In 2018, we admitted 20 young talents to our graduate course for specially selected recent graduates. All the graduates represented critical skills that will be required in future. The graduate course is a one-year course that paves the way for a good career start, with the graduates rotating between departments to obtain maximum company insight and the ability to think across the value chain. Their learning will also accelerate with major challenges and responsibility at work, and through training in case camps in e.g. project management, presentation techniques and customer insight. We expect to enrol 25 graduates in 2019.

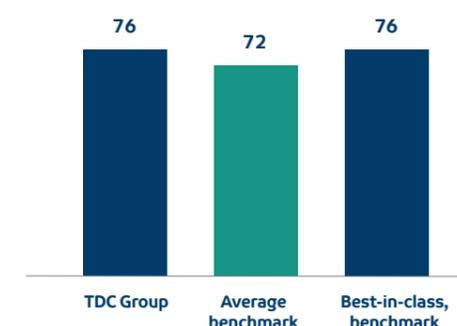
As an employer, TDC Group has a role and a responsibility in relation to the third-party agreement between the government and labour market parties on adequately qualified labour throughout Denmark as well as work-experience placements.



Every year, at TDC we take on trainees and apprentices to help encourage young people to choose vocational training by providing interesting and attractive training opportunities at TDC. In addition to our 55 or so shop trainees, we have about 25 apprentice electricians as well as other students in various parts of the Group, including students working in data technology, warehouses, logistics departments and media graphic design departments as well as office trainees.

Our preliminary assessment for 2018 shows that TDC fulfils both the goals for full-year students and so-called student points. The final assessment will arrive in 2019.

## Employee satisfaction scores in 2018





### Collaboration with professional associations and unions

For years, we have maintained a firmly established, structured and constructive dialogue with our employees' professional associations and unions to ensure that employee concerns are discussed and that the parties work together to solve challenges.

Collaboration procedures in TDC Group are characterised by a wish to reach agreement through constructive dialogue characterised by mutual trust, recognition and respect for one another on an equal footing. This collaboration ensures active participation in the development of TDC Group and appreciation of our strategies.

This is in extension of the long-standing tradition for constructive relations in the Danish labour markets, with professional associations and unions playing important roles. We believe that the active involvement of employees and managers in developing the company is vital in terms of the company's competitiveness, value creation, well-being and security, and for a good working environment.

In practice, this all takes place through an extensive collaboration system that reflects TDC Group's organisational structure while allowing for engaging and involving employees in company decisions and corporate development. In addition to a Main Works Committee (MWC), the system comprises collaboration committees in the various entities, and permanent committees dealing with education and training, non-discrimination and canteen matters.

We have also established close contact with the professional associations and unions and our employees through the formal working environment fora, the Main Working Environment Committee (MWEC) and 94 working environment groups that help us comply with the Working Environment Act and the basis for the internationally recognised working environment certificate OHSAS 18001.

Finally, the Board of Directors of TDC A/S currently has four employee representatives elected in accordance with the rules of the Danish Companies Act. The employee representatives currently elected are also members of professional associations and unions

### Health and safety

In close collaboration with the 94 working environment groups in TDC Group, we have continued our initiatives to secure a good physical and mental working environment. Our day-to-day efforts are based on an extensive working environment system, which is certified in accordance with the international OHSAS-18001 standard. We continuously focus on reporting challenges and recommendations on how to improve the working environment locally and centrally. If local improvements are involved, we ensure that these are communicated to other relevant places in the organisation, so they can learn from the challenges and solutions in place.

Once every spring, and once every autumn, all the working environment groups review the areas they cover to check the local working environment. If the working environment groups are informed of any problems by employees, or identify any

challenges themselves, they register them in a central database, so that everyone can learn from the solution models used.

During 2019, a special focus will be put on the conversion process from OHSAS 18001 to the new standard for the working environment, ISO 45001. This will make us ready for the changes when the OHSAS certificate expires.

With regard to minimising the number of work-related accidents, everyone in the organisation has joint responsibility for focusing on maintaining a safe working environment. Any work-related accidents are analysed by the manager of the employee involved in the incident. The analysis is conducted in close collaboration with the local working environment group and it is their duty to report on this matter in a central system. This knowledge becomes part of the preventive measures that are subsequently distributed to parts of the organisation with similar risks.

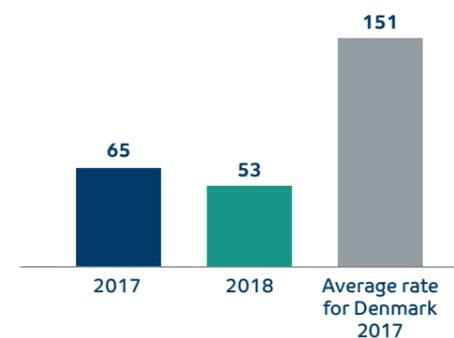
For TDC Group (excl. Dansk Kabel TV) the number of work-related accidents resulting in absenteeism was 35 in 2018. In 2018, the accident incidence rate, which is based on 10,000 employees, was 53, which was lower than the 65 in 2017. By contrast, the most recent statistics from the Working Environment Authority (2017) show that the total incidence rate for reported work-related accidents for all trades in Denmark was 151 accidents per 10,000 employees.

Naturally our goal is always to avoid accidents altogether, which is why every accident, both with and without absenteeism, is systematically analysed to ensure that preventive measures span the entire Group. This, together with our increased awareness of regularly monitoring risks, as well as a closer analysis, now under way, of near-miss incidents, explains that we will continue our positive trend for reducing the number of accidents.

Regarding overall health, TDC Group has a number of supportive offers for its employees, including health insurance, access to a midwife, quit smoking courses, advice on substance mis-use, emergency counselling and psychological therapy. For years, we

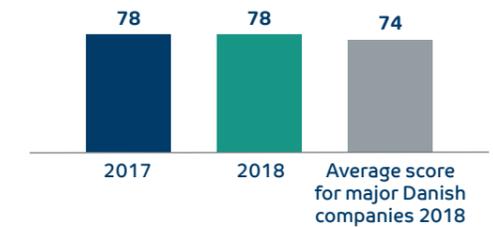
### Incident rate for accidents with absenteeism

(Based on 10.000 employees)



### Psycho-social workplace evaluation

Scale 0-100  
(100 being the highest score)



have also proactively supported physical activity among our employees through participation in TDC's sports club and the 'We cycle to work' campaign.

In this year's psycho-social workplace evaluation (APV), prepared on the basis of the annual employee survey, the result was a score of 78 out of 100, as in 2017. 100 being the highest possible score. By comparison, the average score for major Danish companies was 74.

We also focused more clearly on personal security, and have now initiated a range of evacuation drills at our largest locations. The first drill was completed as a notified evacuation drill at Klíngenberg in Odense, where over 250 employees left the building in less than four minutes.

### Diversity

We also have a diverse range of employees in terms of educational background – everything from technicians in the field to customer service staff and highly educated academics and engineers. We believe that our diverse range of employees is a strength when devising creative solutions, collaborating across the company and meeting the needs of our various customers.

We have employees in many different parts of the country; at year-end 2018, we had more than 7,000 employees at 115 locations in Denmark, and over 100 employees in Flensburg, Germany.

TDC Group has worked with diversity management for many years, and has achieved positive results from the company's initiatives. These include paid parental leave (Father's Hug scheme), flexibility in work planning involving home offices and part-time jobs, schemes for senior employees, ethnic diversity and retention of employees with reduced working capacity, e.g. through flexible working hours or relocation to another department.

### Ambition 2025:



Reach a **50/50** gender balance at all management levels

In autumn 2018, an entirely new diversity and inclusion ambition was approved. Our previous policy was to strive to achieve a representative gender distribution, and in the coming years, we will do our best to achieve an equal gender balance at all management levels under the Executive Board by 2025. We have already launched various initiatives, including main sponsorship and participation in a conference on talent and diversity. We have involved extensive use of data and analysis to investigate the improvement opportunities in our processes, including evaluating potential, and we are collaborating with a newly started tech-company GoGetty, which focuses on documenting organisations' determination to work with diversity.

#### Women and men in TDC Group

At the end of 2018, 29% of all employees at TDC Group in Denmark were women, and 22% of all managers were women. In our Corporate Management Team 86% are male and 14% female.

TDC's Board of Directors has 10 members, six elected by the General Meeting and four elect-ed by the employees. At the end of 2018, the board members elected at the annual general meeting consisted of one woman and five men, corresponding to 17% and 83%, respectively. The Board of Directors has an international profile and some diversity in relation to age, nationality and professional background. In June 2018, the Board of Directors set the goal that before year-end 2020, both genders should be represented by at least 25% among the board members elected at the annual general meeting.

In our subsidiary, Dansk Kabel TV, the board of directors has six members, four elected by the General Meeting and two elected by the employees. All members of the board are men. A goal for the board's gender composition was set in 2017, to have a female member of the board by 2020. In our subsidiary TDC TELCO Aps an equal gender distribution in the board of directors has not been achieved in 2018. After a woman left the board of directors it consisted of three men. However, due to the change in the composition of the board as of January 2019, the goal of equal distribution is now met.

#### Full-time fathers

At TDC Group, we believe that an interesting working life should not stand in the way of a healthy family life. On the contrary, we believe that they should go hand in hand. For this reason, for more than 14 years we have endeavoured to make it attractive for our new fathers to spend time with their children, as we offer them up to 14 weeks of paternity leave with full pay. In this way, we have successfully included fathers taking paternity leave as a natural part of our culture. In 2018, 84% of new fathers in TDC Group accepted the offer of paternity leave with pay.

We find employees are happier and more balanced when they have more time for family life. Mothers and fathers who share the task of parenthood are on a more equal footing in terms of everyday life, career opportunities and the outside world. It is easier for these families to plan when to focus on their careers or family life – for the benefit of their workplace and the families.

So naturally, TDC Group was fully supportive of the Government's campaign "Orlov – ta' det som en mand" (Leave – take it like a man), which will run until 2020. TDC Group signed the declaration on creating cultural change, so that many more fathers in Denmark will take parental leave. Through our efforts to support fathers in taking paternity leave, TDC Group also wishes to encourage greater gender equality in society as a whole.

#### Integration at work

As a large company widely represented in society, we have, for many years, structured our work on making ethnic diversity a natural part of our work culture. In our Danish businesses, nearly every tenth employee has an ethnic background other than Danish. Consequently, it was natural for us to become involved in integrating new citizens in a situation where, for the past couple of years, a significant number of refugees from Syria and other countries have been arriving and beginning new lives in Denmark. Links with the labour market are often the key to successfully integrating new citizens in the community.

TDC Group was one of the first companies in Denmark to set up and offer newly arrived refugees a basic two-year integration course (IGU) that combines a paid work placement with school education, including language training. This initiative was launched in close collaboration with the professional organisations at TDC Group, and the project is a success as TDC Group is



**84%** of new fathers in TDC Group have been on paternity leave with pay



Every **10th** employee in TDC Group has an ethnic background other than Danish

already a diverse workplace, and as managers and employees can see that it is purposeful and wish to take on corporate social responsibility.

Fortunately, some TDC Group employees have eagerly signed up as mentors and interpreters for the IGU trainees. From the outset, the mentors contribute to integrating the IGU trainees at TDC Group by ensuring better socialisation and helping them to understand the culture and work culture. Several of the mentors were once refugees themselves or children of refugees. The IGU students rely on their mentors a great deal, and the mentors are a major support for them in everyday life.

We are convinced that by helping them become integrated in Denmark through the IGU project, we are not only making a difference for the individual refugees, but also for TDC Group employees. It is evident that when we go the extra mile, the reward is excellent manpower. The IGU programme helps individual refugees to either get a regular job after the process ends or use the experience as a springboard for taking a formal Danish education.

In 2018, we held six active IGU courses at Energi og bygnings-teknik (Energy and building technology), Facility, and YouSee shops – for five men and one woman. TDC Group's first IGU trainee completed his courses in the autumn of 2018, and is now employed at TDC with wage subsidies.

Some work experience trainees have also accompanied TDC technicians on visits to customers and tried their hand at both the technical and service sides of the business.

All managers who have employed IGU trainees have expressed great satisfaction with the initiative, their IGU trainees and the courses in general. We are therefore always open to both the potential for permanent employment after the course as well as opportunities for establishing more IGU courses at TDC Group.

#### Specialisterne

TDC Group cooperates with 'Specialisterne', an enterprise that employs people with autism spectrum disorders to solve special zero-error tolerance tasks. Some of these colleagues test mobile phones, and others process orders using TDC Group IT systems or send letters containing SIM cards and other important materials to customers. This work is of great value to our company, as the consultants from Specialisterne are highly focused and have an exceptional eye for detail that our customers appreciate. TDC Group has cooperated with Specialisterne since 2004, when the enterprise was founded by a former employee.



# Engaging with our community

## Our impact: Risks and potentials

From a societal perspective, all enterprises, including our business, face risks and potentials.

Generally, our business is characterised by relatively low risks for society for two main reasons: firstly, our business activities do not involve high consumption of natural resources, dangerous working conditions or pollution of any significance, and secondly, our geographical footprint covers Denmark which is a country characterised by affluence, welfare and a low level of corruption.

Nevertheless, we operate a communications network and services that are so extensive that they may be described as infrastructure critical to society. Disruptions to our services or actual cyber attacks may therefore constitute a major inconvenience or risk to society, which is highly dependent on stable access to these services.

We also handle large quantities of data, including sensitive personal data. Data safety disruption, including personal data safety, could therefore have significant negative consequences for society. Security and correct handling of personal data are therefore top priorities for us.

Finally, job-related accidents or injuries can potentially occur among our employees, even though our working conditions are relatively safe and healthy, and even though we have significant precautionary measures in place.

In terms of potentials, our business areas represent a wealth of potential gains for society through development, implementation and use of digital technologies. For example, the increased use of cloud-based services may provide easier access for a company's customers and higher productivity among employees. Implementation of the Internet of Things and Smart Cities solutions may also save time, energy and money. Another form of increased safety and improved accessibility for citizens includes increased use of cloud based health and other welfare technologies.

The most significant risks and potentials are summarised below:

### Risks

- Disruptions or attacks in TDC Group's digital infrastructure or services
- Breaches of data safety or personal data safety
- Job-related accidents and injuries

### Potentials

- Productivity gains through increased digitalisation of society
- Environmental gains through increased use of e.g. the Internet of Things
- Welfare benefits through increased use of e.g. telemedicine or digital learning resources

## Part of the community

At TDC Group, our approach to CSR is based on who we are, including where we operate, our business areas and our stakeholders' priorities.

Dialogue with our stakeholders is an ongoing and natural part of our business, as we have interfaces and interactions across society. By engaging in dialogue with our stakeholders, we become better at focusing our efforts on the most significant issues within sustainability and responsibility – and thereby strengthening our ability to address societal challenges.

TDC Group has a wide range of stakeholders who have an interest in how we address issues of societal importance. Sometimes, our stakeholder dialogue is formal and structured around specific topics, but often it is less formal and part of our day-to-day work.

For example, we also engage in discussions on societal challenges of relevance to our business areas through a range of forums at national, European and global levels. In Denmark, these include the Telecoms Industry Association (TI), The Danish IT Industry Association (ITB) and the Danish Chamber of Commerce, and in Europe, the European Telecommunications Network Operators' Association (ETNO), as well as the Global e-Sustainability Initiative (GeSI) and the association of mobile network operators worldwide GSMA.

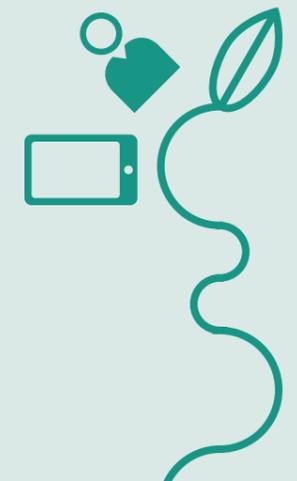
The following table gives an overview of our stakeholders as well as examples of the forms of our stakeholder dialogue.

## STAKEHOLDERS

## EXAMPLES OF ENGAGEMENT

● Customers	<ul style="list-style-type: none"> <li>• Social media</li> <li>• Customer service calls</li> <li>• In our YouSee Shops and TDC business centres</li> </ul>
● Employees	<ul style="list-style-type: none"> <li>• Dialogue meetings with senior executive vice presidents</li> <li>• Collaboration committees with professional associations and unions</li> <li>• Employee surveys</li> </ul>
● Partners & suppliers	<ul style="list-style-type: none"> <li>• Management meetings</li> <li>• Exchange of experience</li> <li>• Evaluation meetings</li> </ul>
● Investors	<ul style="list-style-type: none"> <li>• Investor meetings (incl. teleconferences)</li> <li>• Bilateral dialogue and responses to questionnaires on sustainability and responsibility issues</li> <li>• Annual general meetings</li> </ul>
● Owners	<ul style="list-style-type: none"> <li>• Strategic sparring</li> <li>• Reporting and dialogue</li> </ul>
● Authorities	<ul style="list-style-type: none"> <li>• Dialogue with municipal, regional, national and international authorities at bilateral meetings, inter-industry meetings and conferences and hearing outcomes</li> </ul>
● Political representatives	<ul style="list-style-type: none"> <li>• Dialogue with MPs and members of municipal and regional committees at bilateral meetings, inter-industry meetings and conferences</li> </ul>
● Local community	<ul style="list-style-type: none"> <li>• Open-house events</li> <li>• Dialogue meetings in local communities</li> </ul>
● Industry partners	<ul style="list-style-type: none"> <li>• Active membership of industrial associations and networks, including networks and committees specifically related to sustainability</li> </ul>
● Interest organisations	<ul style="list-style-type: none"> <li>• Bilateral and multilateral dialogue on key issues and trends of mutual interest</li> </ul>
● Media/journalists	<ul style="list-style-type: none"> <li>• TDC Group is in daily dialogue with the media, and as a matter of principle, we contribute constructively to interviews and other inquiries from media and journalists</li> </ul>

● ● ● Darker shading indicates deeper interaction with the stakeholder group



### UN Global Compact

Today, many societal challenges are global in nature, and since 2009, we have therefore participated in the UN Global Compact, the largest global initiative on corporate social responsibility. The compact is based on ten principles in four areas: human rights, labour rights, the environment and anti-corruption.

Our participation in the UN Global Compact is also an important way for TDC Group to demonstrate its commitment to supporting and securing internationally recognised human rights. These are addressed more specifically as integral aspects of our five CSR focus areas, without a distinct policy on human rights. The principles of the Global Compact also serve as inspiration for our strategy, for example, in the areas of sustainability and responsibility in the supply chain.

### WE SUPPORT



### UN Sustainable Development Goals

At TDC Group we also aspire to support and contribute positively to the global goals for sustainable development defined under the UN framework – the SDGs (Sustainable Development Goals). Consequently, we have identified the three most important global

goals in relation to our contribution as a company, as shown in the figure below. These are the areas in which we believe we can make the greatest difference in a meaningful way through our business activities.

### The following SDGs are the most important in relation to our impact



#### Digital skills

We join forces with civil society organisations to promote digital skills, digital citizenship and positive online communities, focusing especially on children and parents.



#### Productivity & innovation

We develop and deliver digital solutions that combined with our digital infrastructure, enabling flexible work forms, higher levels of productivity and new forms of innovation.



#### Digital infrastructure

We invest in digital infrastructure, also in rural areas, to provide access to connectivity. This supports economic development and opportunities with welfare technology in an increasingly digital world.



### CSR ambassadors

In 2016, to strengthen our CSR activities and demonstrate these efforts on a day-to-day basis throughout our business, we launched a team of “CSR ambassadors” among our employees.

The active involvement of our employees across the Group and anchoring individual initiatives in our various business areas are vital. The ambassadors will therefore play a central role in developing and launching new initiatives while also spreading knowledge about the responsibility we undertake and engaging colleagues in our CSR activities. We are therefore very pleased that almost 100 colleagues across TDC Group have signed up as CSR ambassadors.

In 2018, our CSR ambassadors contributed to a range of activities that are described in more detail elsewhere in this report, including Coding Class, WiFive, the Youth Festival, the initiative “Parents in a digital world” in cooperation with Børns Vilkår (Children’s Welfare), the IT manual we have compiled, and our “Digital inspiration days” held for IT volunteers from the DaneAge Association.



Almost **100** colleagues across TDC Group have signed up as CSR Ambassadors

# Our business

**TDC Group's business model comprises a range of resources and assets that enable us to develop and upgrade our infrastructure, offerings and customer service and consistently deliver high-quality integrated products and services. This creates value for both our customers and stakeholders.**

For over 130 years, TDC Group has played a vital role in bringing people together while creating a cohesive force in society. At a time when proximity can no longer be measured just in metres, but more in megabits and mobile coverage, our role will only become more vital.

Our history began in Denmark in 1882 when C.F. Tietgen founded Københavns Telefon-Selskab. A number of regional companies followed, and in 1995, the four remaining regional companies merged to become a national state-owned company called Tele Danmark. In 1997, the government completed the process of privatising Tele Denmark, and in 2000 the company adopted the name TDC. A number of European acquisitions followed, and at one point TDC was present in 16 different countries.

Since then, the company has undergone a transformation, most recently in June 2018 with new owners consisting of DK Telekommunikation ApS (a consortium of units administrated by Macquarie Group, ATP, PFA Pension and PKA), followed by delisting of TDC A/S's shares from the Nasdaq Copenhagen stock exchange in Denmark.

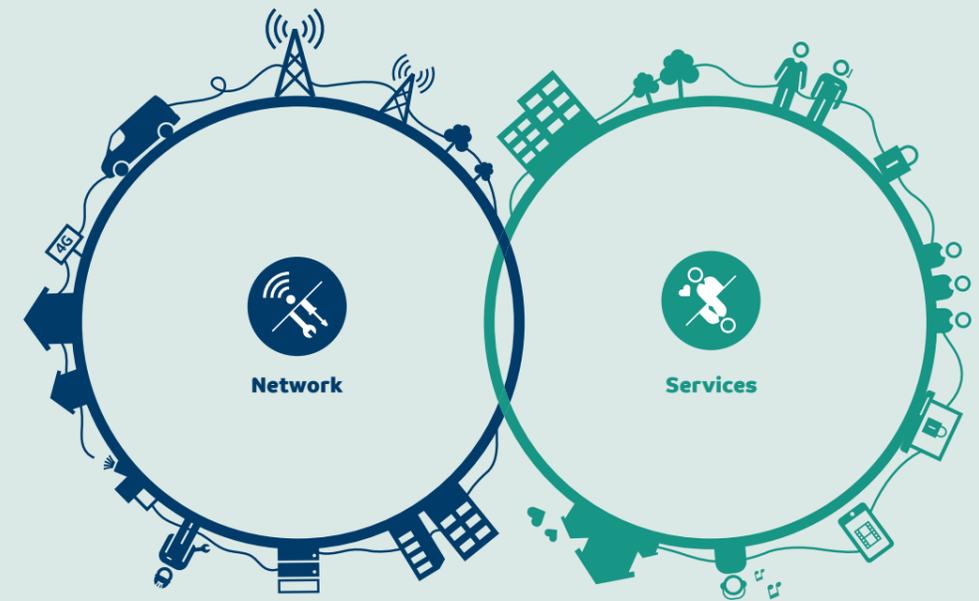
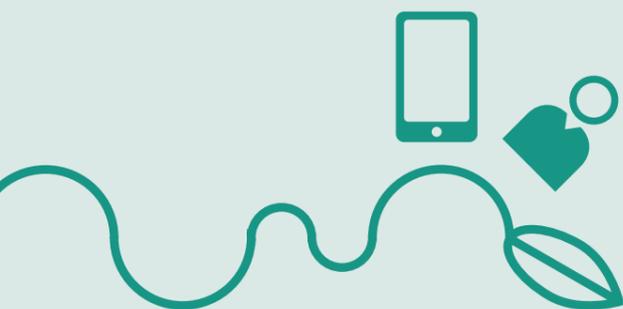
Throughout the process, our fundamental objective has been to bring people closer together, and by giving our customers access to new technologies, we have contributed to enriching peoples' lives and enhancing society with new opportunities.

The new ownership of TDC Group brings new strategic opportunities. The consortium's long-term investment horizon enables TDC Group to considerably increase its investments in future digital infrastructure. To accommodate future demand in 'a digital Denmark', our ambition is to be the leading infrastructure operator with the best range of mobile, broadband and TV services. We will implement our strategy by differentiating our infrastructure activities and customers-based business as two legal entities functioning independently of each other.

Today, TDC Group is the leading provider of communications and entertainment solutions in Denmark, with a market-leading position within landline voice, TV, broadband and mobility services. We also offer cloud-based solutions and system integration solutions to corporate customers.

In Denmark, TDC Group covers all customer segments, channels and product categories in the residential and business markets. We have a range of strong Danish brands based on our position as the leading provider of technology platforms and infrastructure across all major technologies.

The figure on the next page gives an overview of our business model.



## Network

Maintaining and expanding upon our infrastructure creates the foundation for the stable and reliable service we provide to our customers. This is ensured through our Operations and Wholesale business lines.

### Our resources and assets

- Landline networks
- Mobile network
- Skilled employees
- Partnerships & suppliers
- Financial capital

### Value adding activities

- Fibre roll-out
- Gigaspeed broadband
- Upgrading our 4G network
- Create and strengthen partnerships

### Our offerings

- Access to DSL network
- Access to cable network
- Access to mobile network
- Access to fibre network

### Value created

- Best connectivity
- Reliability
- Innovation and digitalisation
- Best-in-class employee satisfaction

## Services

Building on top of our advanced infrastructure we offer quality solutions that our customers can rely upon. Developing, innovating and expanding on our solutions is a core part of our business. We offer these services through our consumer brands YouSee, Hiper, Telmore, Fullrate and Blockbuster and our business brands TDC Business and NetDesign.

### Our Resources and assets

- Access to the best connectivity
- Skilled employees
- Partnerships & suppliers
- Brand stores
- Financial capital

### Value adding activities

- Better offerings
- Better customer experiences

### Our offerings

- Internet & network
- Entertainment and TV
- Landline and mobile voice
- Cloud offerings
- Converged offering
- Security
- Unified communications

### Value created

- Reliability
- Innovation and digitalisation
- Best-in-class employee satisfaction



TDC Group strives to promote sustainability and contributes positively to society's development