Annual Report 2024

Pioneering the future of connectivity

tdc net

TDC NET A/S

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2024 in brief

Letter from the CEO

Pioneering growth and sustainability

2024 was truly a landmark year for TDC NET, marked by significant strides in network advancements and technology innovations, further strengthening our position as a leading digital enabler in Denmark.

Launch of 2030 corporate strategy
TDC NET launched its new corporate strategy "Connectivity Pioneers" in mid-September, marking a pivotal moment in our journey to securing a dominant position in the connectivity market. Our 2030 strategy is built around five key priorities, each supported by concrete targets and KPIs, forming our roadmap to 2030. By pioneering future connectivity, leading our end-to-end customer experience, streamlining our business, accelerating a responsible and sustainable transition, and transforming our culture and organisation, we are laying the foundation for success. These priorities ensure we stay ahead of technological advancements, deliver an unmatched customer experience, operate efficiently, commit to sustainability, and foster a dynamic organisational culture. This comprehensive approach will not only enhance our revenue streams and competitive edge but will also position TDC NET as the leading customer-centric and green TechCo by 2030. Through collective effort and a shared vision, we will embrace the role of "Connectivity Pioneers," driving innovation, courage and commitment to lead and inspire our industry.

Accelerating modernisation and green transition
Our commitment to green technology is crucial for achieving TDC NET's sustainability goals. Fibre is far more energy efficient than legacy copper infrastructure[1]. Similarly 5G reduces energy usage by up to 90%[2] compared with 4G. Guided by our science-based targets, we are on track to becoming net zero by 2030, with a significant portion of our energy consumption (65%) sourced from renewables in 2024. This year, we reduced CO_2 emissions by 49% from our 2020 baseline, reinforcing our leadership towards a low carbon future.

[1] https://idate.fr/fiber-for-a-sustainable-future link →
[2] https://www.ericsson.com/en/blog/3/2021/1/achieving-sustainability-with-energy-efficiency-in-5g-networks link →

As part of our modernisation efforts, we are phasing out the fixed copper network that has served Denmark for over a century. By the end of 2024, we announced the retirement of 178 legacy central offices, scheduled for closure in 2025, with the goal of fully decommissioning the network by 2030. Additionally, our copper cable recycling programme mitigates anticipated material shortages while benefiting other industries. In 2024 alone, 50 tons of copper cables were recycled, with volumes expected to increase as the network phase-out progresses. This initiative supports our sustainability goals and contributes to a more resource-efficient future.

Sustained fibre and 5G network leadership
We continue to cement our leadership on next-generation fixed (fibre) and mobile (5G) networks in Denmark while also innovating to provide the latest cutting-edge technologies to our customers. We have experienced 22% growth in fibre RGUs which underlines our network quality, bolstered by our launch of the first 2Gbit and 10Gbit fibre networks for households in Denmark. As for our 5G network, we are the clear leader, having been awarded the “Best Mobile Network” for the ninth year running, with 99.9% access to 5G nationwide. We are also the first provider in Denmark (and among the forerunners in Europe) to launch 5G standalone enabling (SA).

Driving our digital transformation forward
In 2024, we significantly accelerated our IT transformation, marking a major milestone on our journey to becoming a fully digital and customer-centric TechCo. Our multi-year strategic partnership with Infosys, a global leader in industry system integration, has enabled us to quickly implement industry-standard processes and advanced new platforms. This transformation reflects our dedication to placing customers at the heart of our business and strengthens our leadership in digital innovation within the telecommunications industry.

Financial resilience and growth
TDC NET’s financial health remains robust. This year, we successfully refinanced EUR 500m of debt through a sustainability-linked bond, which was oversubscribed three times, underscoring the market’s confidence in our business model and green vision. Despite the challenging economic landscape, our long-term profitability affirms our ability to make strategic investments. With an annual investment of DKK 3.3bn in 2024, allocated primarily to fibre expansion and Denmark’s best mobile network, we continue to build a future-proof infrastructure that supports Denmark’s connectivity ambitions and sustains our business.

Navigating market dynamics and focusing on efficiency
As the market shifts toward high-speed technologies, the telecommunications industry faces significant challenges, including a faster-than-expected decline in copper lines and TV subscriptions. Moreover, the rising need for investment in cutting-edge digital infrastructure places additional pressure on optimising costs across all operations. Recognising the necessity for balancing growth with cost efficiency, our focus on improving our efficiency will be sharp in the upcoming years. Streamlining processes, leveraging advanced analytics for better decision-making, and enhancing automation will be at the forefront of our strategy to ensure we operate at maximum efficiency without compromising on quality and innovation.

Cultivating a future-ready workforce
To achieve our ambitious goals, we are focusing on the continuous growth of our people. In November 2024, we launched the TDC NET Academy, giving all employees easy access to more than 17,000 training sessions for upskilling and exploring new learning territories, including over 550 new skills in next-generation technologies. As part of our strategy, we have defined three pioneering traits – being Explorers, Courageous and Committed – by involving over 500 employees in leadership development and cultural engagement workshops. These initiatives help us build a stronger and more cohesive team, aligning with our goal to transform our culture and organisation. Additionally, we have incorporated wellbeing into our health and safety initiatives to better ensure that our team thrives in all aspects of their work life.

Guided by a clear mission and supported by a talented team, we are committed to delivering resilient, secure and sustainable connectivity that drives digital progress and benefits Danish society. While navigating industry dynamics, we remain focused on our ambitious vision to become **the leading customer-centric green TechCo in Denmark.**

Michel Jumeau
CEO

Business highlights

In 2024, we accelerated both our climate transition plan and our digital transformation. Revenue and EBITDA remained stable with minimal variation due to accelerated customer migration to high-speed solutions. FTE reductions were outweighed by the settlement of the historical TDC incentive scheme and salary growth. Investments continued at a high level in our core business, including fibre roll-out and the modernisation of our network.

Revenue

-0.1%

The flat development in revenue was driven by a decline in our legacy products, offset by an increase in mobile and high-speed broadband services.

2024	DKK 6,455m
2023	DKK 6,461m

OPEX

1.0%

Efficiency improvements were offset by settlement of the historical TDC incentive scheme and salary growth in line with the market development.

2024	DKK -1,476m
2023	DKK -1,461m

EBITDA

-0.1%

The increased gross profit from change in product mix is offset by employee cost.

2024	DKK 4,692m
2023	DKK 4,695m

CAPEX

9.5%

Continued high investment in our core business including cross-functional transformation to simplify processes, fibre roll-out and ensuring Denmark's best mobile network.

2024	DKK -3,325m
2023	DKK -3,037m

Sustainability highlights

In 2024, we continued to reduce CO_2 emissions towards our 2030 target. We achieved a 49 % reduction in carbon emissions across our entire value chain (Scopes 1, 2 and 3) compared with our 2020 baseline, driven by electricity savings in Scopes 1 and 2, coupled with an increased emphasis on supplier engagement related to Scope 3 emissions. We also realised the first 9.6% of our land preservation target. On the social agenda, we reduced the number of injuries. Additionally, the completion rates for our mandatory GDPR and security trainings increased.

Scopes 1, 2 and 3 emissions

-10%

Emissions decreased by 10% compared to 2023 and by 49% compared to our 2020 baseline, bringing us closer to reaching net-zero in 2030.

Net-zero 103,549 tCO_2e
2030 target 2024 2023

Share of renewable energy

65%

Share of renewable energy increased from 57% in 2023 to 65% in 2024.

2024 65% 100%
2028 target

Preserved land towards '30 by 30' target

9.6%

9.6% of TDC NET land preserved in 2024. First nature restoration project realised in Skamlebæk.

2024 9.6% 30%
2030 target

Total recordable injury frequency rate

-19%

TRIFR declined from 23.5 in 2023 to 19.0 in 2024, driven by a decrease in injuries from 108 in 2023 to 83 in 2024.

10 2024 19.0
2030 target*

Women in leadership positions

24%

Women in leadership positions across all leadership levels.

2024 24% 35%
2030 target*

Employees completing GDPR e-learning

96%

Percentage of employees completing a mandatory GDPR e-learning course increased from 94% in 2023 to 96% in 2024.

2024 96% 100%
Target*

* The target is applicable to TDC NET only.

Highlights

April 2024*
Award for best mobile network: For the ninth consecutive year, we were recognised by the Danish Technological Institute for having the best mobile network experience in Denmark, with 99.9% coverage.

April 2024*
Network upgrades with Ciena – We partnered with Cienna to start a multi-year journey of upgrading our optical transport network (DWDM) to 800G speeds, enhancing connectivity across Denmark, responding to continued increased customer demands and supporting sustainability goals through reduced power consumption.

February 2024
Denmark's first 100% electric fibre van hit the road, equipped for on-site technician work. Two additional electric vans have been added to the portfolio since then with 10 more in scope for the beginning of 2025. The ambition is to have a 100% electric fleet by 2028.

June 2024*
VR training for engineers – TDC NET and Ericsson launched the first VR training in the Nordics for engineers to interact with 3D telecom equipment models, improving network reliability, and leading to better service quality for customers.

June 2024*
First ultra-high speed fibre networks for households in Denmark: We were the first digital infrastructure provider in Denmark to launch 2Gbit (across all address on our network) and 10Gbit fibre (in 3 big cities covering 40% of our network) for households.

September 2024*
Launch of the corporate strategy 2030 – "Connectivity Pioneers" signifies a pivotal moment in our journey to securing a dominant position in the connectivity market and in becoming the leading customer-centric green TechCo in Denmark.

October 2024*
TDC NET and partners win IDA Connect Award for GENIUS project – Using our advanced 5G network, GENIUS enables real-time drone control beyond visual range, enhancing safety and unlocking new possibilities for emergency response, logistics and more.

November 2024
TDC NET was awarded a **Platinum ranking from EcoVadis.** This recognition places TDC NET among the top 1% of companies worldwide in terms of sustainability.

December 2024
Our fibre footprint end 2024: We have ~820,000 household addresses and businesses on our high-speed fibre network, significantly advancing our mission to bring lightning-fast broadband to Denmark.

December 2024
Our biodiversity and nature results end 2024: We have achieved the first 9.6% of our target to preserve 30% of our land areas by 2030, marking a significant step towards our long-term environmental commitment. Our first nature preservation project was realised on our land in Skamlebæk, Odsherred Municipality.

* Related to disclosure requirement: DR-A Infrastructure development + Digitalisation

Key figures

	2024	2023	2022	2021	2020
Income statement (DKKm)					
Revenue	6,455	6,461	6,639	6,674	6,828
Gross profit	6,168	6,156	6,250	6,294	6,410
EBITDA	4,692	4,695	4,520	4,498	4,434
Operating profit (EBIT)	1,877	1,691	1,979	2,036	1,409
Profit before income taxes	577	(207)	2,390	1,384	804
Result for the year	**411**	**(364)**	**1,918**	**1,040**	**604**
Income statement, excluding special items (DKKm)					
Operating profit (EBIT)	2,009	1,769	2,029	2,132	1,448
Profit before income taxes	709	(129)	2,440	1,480	843
Result for the year	**520**	**(303)**	**1,957**	**1,115**	**634**
Balance sheet (DKKm)					
Total assets	34,507	34,716	36,420	30,244	28,583
Total equity	**2,278**	**1,867**	**2,964**	**9,796**	**8,756**
Capital expenditure (DKKm)	(3,325)	(3,037)	(3,248)	(3,134)	(3,971)
Statement of cash flow (DKKm)					
Operating activities	3,381	3,327	3,195	2,961	4,315
Investing activities	(3,296)	(2,933)	(5,478)	(3,473)	(3,282)
Financing activities	(616)	(784)	4,517	520	(1,030)
Total cash flow	**(531)**	**(390)**	**2,234**	**8**	**3**
Equity free cash flow[1]	(250)	93	(389)	(767)	768

1 Cash flow from operating and investing activities (adjusted for loans to TDC Holding) as well as lease payments. See also note 5.3.
2 Excluding lease and spectrum liabilities as well as a loan to TDC Holding.
3 Calculated with the adjusted net interest-bearing debt and EBITDA adjusted for the effect of lease payments.
4 High-speed broadband is defined as coax and fibre technology, and low-speed is defined as copper technology.
5 The number of homes passed with fibre includes all completed connections.
6 Related to DR-M Infrastructure development.
7 Related to DR-M Digitalisation.

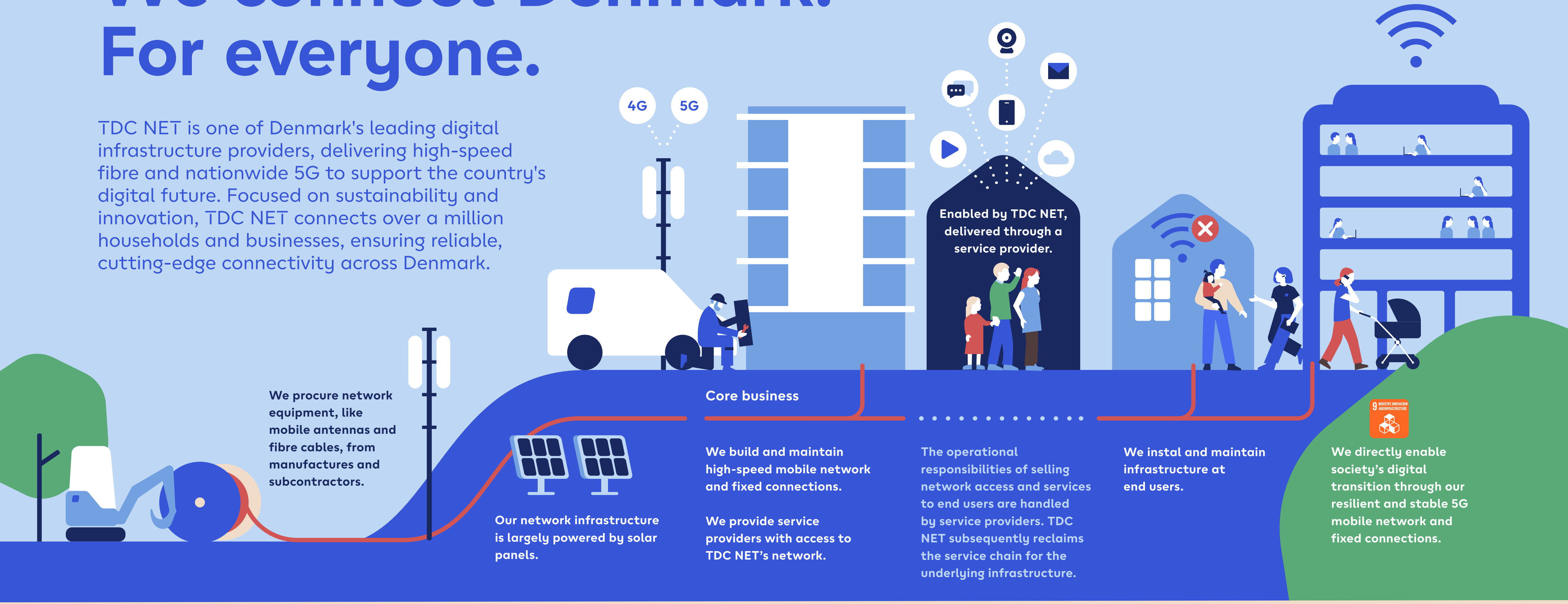
	2024	2023	2022	2021	2020
Key financial ratios					
EBITDA margin (%)	72.7	72.7	68.1	67.4	64.9
Capital expenditure/revenue ratio (%)	51.5	47.0	48.9	47.0	58.2
Net interest-bearing debt (NIBD) (DKKm)	24,777	24,823	24,814	15,918	14,636
NIBD/EBITDA	5.28	5.29	5.49	3.54	3.30
Adjusted net interest-bearing debt (NIBD)[2] (DKKm)	23,847	23,552	23,770	12,641	11,874
Adjusted NIBD/EBITDA[3]	5.51	5.40	5.65	3.01	2.88
Revenue generating units (RGUs ('000))					
Total broadband RGUs[7]	978	1,086	1,192	1,276	1,331
High-speed RGUs[4,7]	770	792	791	757	699
Low-speed RGUs[4,7]	208	293	400	519	632
Operational KPIs					
Homes passed fibre ('000)[5,6]	778	702	607	497	391
Homes passed coax ('000)	1,238	1,303	1,325	1,331	1,329
100 Mbps population coverage (%)	66.5	70	70	71	70
1000 Mbps population coverage (%)	46.8	49	49	47	46
4G mobile geographic coverage (%)	99.5	99	99	99	99
5G mobile geographic coverage (%)	99.7	99	99	99	78
People KPI					
FTEs end-of-year (#)	2,547	2,630	2,818	2,864	2,556

Our business

Our business model

We connect Denmark. For everyone.

TDC NET is one of Denmark's leading digital infrastructure providers, delivering high-speed fibre and nationwide 5G to support the country's digital future. Focused on sustainability and innovation, TDC NET connects over a million households and businesses, ensuring reliable, cutting-edge connectivity across Denmark.



Our business model

What we depend on

Our people

- 2,547 FTEs
- 652 field technicians
- 21% women/79% men in leadership across all leadership levels.

Our infrastructure assets

- 4,378 mobile sites in Denmark
- 19,750 km transport fibre network in Denmark
- Four solar parks cover 74% of our electricity consumption with renewable electricity.

Our suppliers and partners

- 3,551 suppliers
- Partnership with Ericsson to build more energy efficient mobile network
- Founding member of European Green Digital Coalition
- Partnership with Joint Alliance for CSR (JAC) and completion 5 audits.

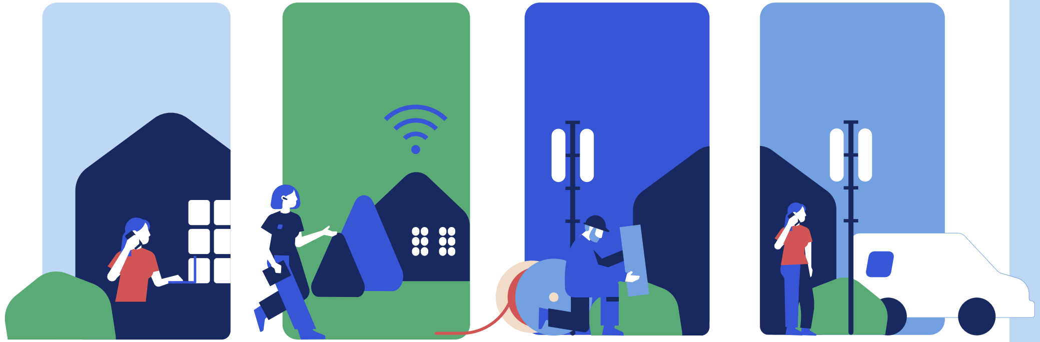
Our financial liabilities

- EUR 2.0bn in sustainability-linked bonds
- EUR 3.4bn in total bond and term loans

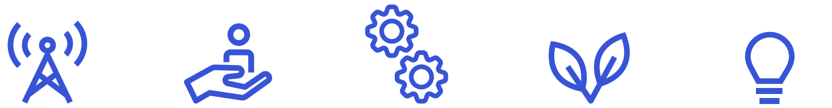
Our business and how we create value

We build and maintain a high-speed mobile network and fixed connections.

We offer service providers access to TDC NET's network infrastructure and services.



Infrastructure management | **Network access** | **End user Installation** | **Field maintenance**



Pioneering the future of connectivity

Leading end-to-end customer experience

Streamlining and simplifying our business

Accelerating a responsible and sustainable transition

Transforming our culture and organisation

The value we create

Connecting Denmark

- DKK 3bn invested in new infrastructure
- 778k homes passed with fibre
- Largest broadband footprint in Denmark, covering 90% of all residential addresses
- 4G and 5G network with 99% national coverage.

Reduced environmental impact

- 49% reduction in total CO_2 emissions compared with our 2020 baseline
- Scopes 1 and 2: 61% reduction compared with our 2020 baseline
- Scope 3: 41% reduction compared with our 2020 baseline
- 1,170 metric tonnes of waste recycled.

Contribution to society

- 2,547 FTEs paying taxes
- DKK 40m paid in income tax
- 150 on-site JAC audits across 31 countries and impacting over 20,000 worker.
- ~195.5 GWh of solar power added to the Danish grid, corresponding to the average annual electricity consumption of ~122,174 Danes.

Our strategy and priorities

Our vision:

Becoming the leading customer-centric green TechCo

Leading
We provide Denmark's most advanced and reliable connectivity solutions across both mobile and fixed networks, reaching communities nationwide with unmatched quality.

Customer-centric
Our approach prioritises enhancing every customer touchpoint by placing customer needs at the core of our technology offerings.

Green TechCo
Through innovative technology and sustainable practices, we build a responsible digital infrastructure that benefits our customers, society, and the environment.

Connectivity Pioneers – our 2030 strategy and priorities*

Since our journey began in 1882, we have continually transformed ourselves in response to society's constant evolution. After several years dedicated to shaping Denmark's digital future, the time is ripe for us to take the next step.

At TDC NET, with the launch of our new corporate strategy 2030, we aim to lead the way into the future by creating innovative solutions with lightning-fast fibre networks and Denmark's best 5G mobile network. As Connectivity Pioneers, we will continue to evolve by being explorers at heart, courageous in actions, and committed to society.

In alignment with our 2030 vision, we are focusing on five key priorities that are crucial to our success. Each priority is supported by clear targets and KPIs, with a particular emphasis on driving cost efficiencies and optimisation.

Five key priorities for the future

The launch of our new corporate strategy in September 2024 marks a decisive step on our journey to becoming a leading customer-centric and green TechCo. We have identified five key priorities that will serve as our roadmap towards 2030:

1. Pioneering the future of connectivity
Delivering state-of-the-art connectivity remains our promise to customers and society at large. Our commitment to Denmark aligns with UN Sustainable Development Goal 9, building resilient and sustainable infrastructure. Our high-speed mobile and fixed connections, supported by nationwide reach, reinforced our position as Denmark's leader in connectivity.

Mobile network

As Denmark's leader in mobile network quality, recognised by the Danish Technological Institute for the ninth consecutive year, we continually invest in network innovation to ensure exceptional service. Our expanded 4G and 5G network, covering over 99% of Denmark, enhances connectivity for individuals and businesses alike.

Fibre expansion

Our fibre network rollout remains a cornerstone of our strategy, bringing high-speed connectivity to more Danish households and businesses. By 2030, we aim to have connected 1.0 million households, building on the 70,000 additional homes connected in 2024. We continue to maintain our position as Denmark's leading provider of high-speed broadband.

Advancing fixed network priorities

With substantial progress in fibre coverage, we are increasing our focus on network activation, aiming for a 35% year-on-year improvement through strategic initiatives. By enhancing both our fibre and coax networks with next-generation core network investments, we are strengthening our position as Denmark's most secure and resilient network provider, serving businesses and end customers nationwide. Our commitment to quality ensures we will continue managing Denmark's critical Safety Network (SINE) through 2032, a testament to our leadership in secure, nationwide connectivity.

2. Leading end-to-end customer experience
Being customer centric is key when meeting end-customers either directly or through service providers. Our customer experience strategy centres on proactive service and responsive care, creating a seamless, on-time and supportive journey for every customer.

Network quality

Every day we do our very best to deliver a high quality network that our customers can depend on for their different connectivity needs. We have made strong efforts to

* Related to disclosure requirements: DR-A + DR-T Infrastructure development + Digitalisation.

enhance our network monitoring, incident management, and service restoration through targeted IT investments. These improvements reinforce our commitment to reliability and help sustain our reputation as a trusted connectivity partner for the Danish society.

Customer journey enhancements

Our customer experience programme targets all main customer journeys but will focus on all customer interactions, building on the success achieved with fibre installation improvements. Through deep-dive analysis aided by AI tools, we have identified drivers affecting our customer experience. Through improvements in for example self-service solutions, we have empowered customers to resolve issues swiftly and independently, creating smoother and more efficient service at every stage.

3. Streamlining and simplifying the business

Our commitment to driving operational excellence and digital transformation has been instrumental in enhancing connectivity for Denmark. Through focused simplification initiatives and cutting-edge digital advancements, we are building a more efficient, resilient and sustainable infrastructure that meets the demands of tomorrow.

Operational simplification

Streamlining operations is central to our 2030 strategy. In 2024, we advanced a cross-functional transformation to simplify processes, optimise IT, modernise infrastructure, with the aim to drive cost efficiencies across all operations. As part of this transition, we are decommissioning select legacy platforms and have begun phasing out our copper network, with full decommissioning expected by 2030. This shift not only supports our environmental goals but also enables us to better address the growing demand for high-speed connectivity.

Digital advancements

At TDC NET, digital advancement is a top priority. We have nearly tripled the size of our Data & AI team to drive progress in areas such as fault detection, intelligent automation of mobile and fixed network planning, and real-time support. We have developed and launched a secure AI solution using advanced language models and TDC NET's specialised technology to enhance workforce efficiency.

Looking ahead, we are dedicated to automating our ESG reporting and generally improving automation by centralising essential data and defining a common data model. By embracing automation and machine learning, we are setting new standards in operational efficiency and responsiveness.

Furthermore, we are actively working on advancements in quantum technology to strengthen our capabilities, ensuring that TDC NET stays ahead in both the AI and Quantum eras. Our dedication to these innovations underscores our mission to lead in the digital and technological landscape now and in the future.

4. Accelerating a responsible and sustainable transition

Our commitment to making Denmark a digital leader is anchored in sustainability, embedding environmentally responsible practices across our value chain to create positive impacts now and in the future.

We proudly maintain our leadership in sustainability, steadily delivering on our 2030 net-zero target that is validated by Science Based Targets initiative (SBTi). While leading the way in climate action, we expanded our environmental initiatives to also include biodiversity and environmental stewardship. At the same time, we stay committed to our ambition of becoming one of the safest places to work, working actively to improve both physical safety, our safety culture as well as wellbeing and health across TDC NET and our contractors. Likewise, we work diligently to ensure an inclusive culture, equal opportunities and a diverse workforce, just like we stay committed to protecting our network integrity as well as governance, compliance and trust.

5. Transforming our culture and organisation

Our strategy relies on the talent and dedication of our people. By fostering a culture where everyone strives to be connectivity pioneers, we create a resilient and agile workforce prepared to lead Denmark into a digital future.

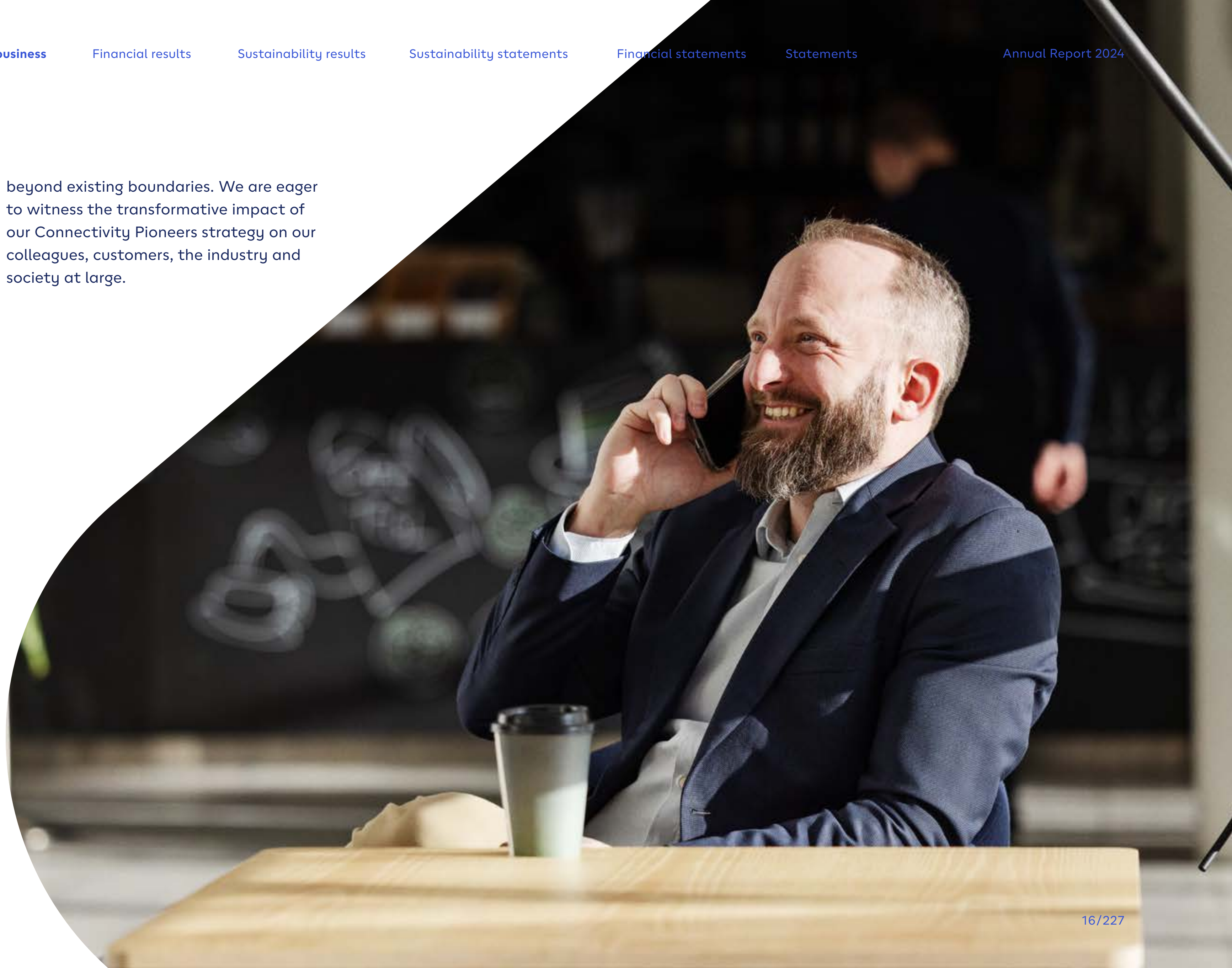
People and culture

In 2024, we proudly introduced our Pioneering Traits – Explorer, Courageous, and Committed – as a key element in making our corporate strategy 2030 a success. By embodying these traits, our teams actively seek new possibilities, innovate beyond boundaries and venture into uncharted territories. We embrace curiosity, continuous learning, and rapid adaptation. We act with integrity, prioritise the greater good, and work as a unified team to overcome obstacles, ensuring that society can rely on us as much as we rely on each other.

Looking ahead to our 2030 vision, our focus is on becoming a lean and simplified organisation with clear accountabilities to drive our strategic priorities. We aim to simplify and enhance our systems, processes, tools and policies to retain, engage and attract top talent. By investing in reskilling and upskilling our employees, we are preparing for the future and providing attractive career paths. We are also committed to working continuously with our culture to ensure alignment with our corporate strategy, values and Pioneering Traits.

By concentrating on these priorities, we will drive our success and ensure we remain at the forefront of our industry and become the leading, customer-centric green TechCo.

With 2030 firmly in our sights, we will continue to innovate, adapt and push beyond existing boundaries. We are eager to witness the transformative impact of our Connectivity Pioneers strategy on our colleagues, customers, the industry and society at large.



Financial results

Revenue

In 2024, we maintained a flat development in revenue, driven by an increase in mobile and high-speed broadband services. Significant efficiencies in operational costs, especially in staff and property expenses, resulted in stable EBITDA. This financial stability enabled us to increase investment in our end-to-end transformation, ensuring the maintenance of Denmark's best mobile network and continued rollout of fibre infrastructure.

Revenue

Revenue amounted to DKK 6,455m, a decrease of 0.1% compared with DKK 6,461m in 2023. The decrease was driven primarily by a decline in our legacy products, partly offset by an increase in mobile and high-speed broadband.

Our mobility services generated DKK 2,719m, an increase by 0.1% or DKK 2m from DKK 2,717m in 2023. Mobile revenue was positively impacted by increased prices on the mobile network, which cover the capacity expansions required for future traffic. This was partly offset by reduced traffic from other operators concerning the National Roaming Agreement, aligning with the anticipated infrastructure development by fellow Danish operators. Our market share in the mobile network sector remained stable at approximately 40% in 2024.

Revenue from internet and network amounted to DKK 2,478m an increase by 2.8%, or DKK 67m, from DKK 2,411m in 2023. The increase in revenue is attributed to price adjustments on primarily coax, coupled with a shift in our customer base towards faster and more resilient technologies with higher average revenue per user (ARPU). Our estimated market share experienced a decline from 44% to 42% in 2024, coupled with an overall estimated decline of the fixed broadband market of 2%, the customer base declined in 2024 but was in term of revenue mitigated by higher average revenue per user (ARPU).

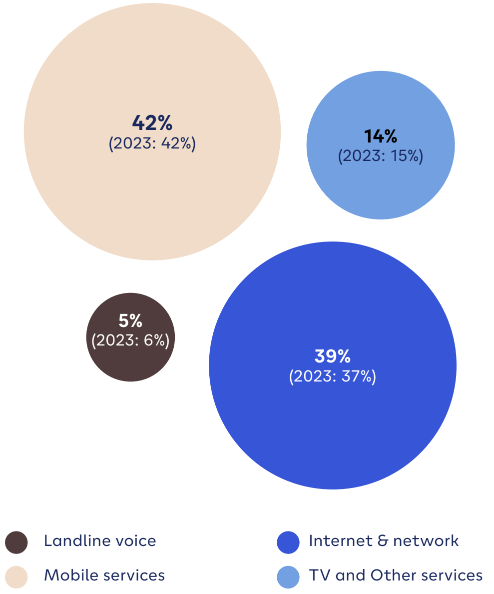
The decline in landline voice revenue by 10.6% or DKK 41m, totalled DKK 345m in 2024 from DKK 386m in 2023, aligns with prevailing market trends. The reduction in the customer base was partially mitigated by a price increase.

Other services amounted to DKK 913m a 3.6% or DKK 34m decrease compared with DKK 947m in 2023. This was driven primarily by TV and technician services as a result of a reduced broadband customer base.

Revenue split in products
(DKKm)

6,455

total revenue 2024. (DKKm 6,461 in 2023)



Operational costs and EBITDA

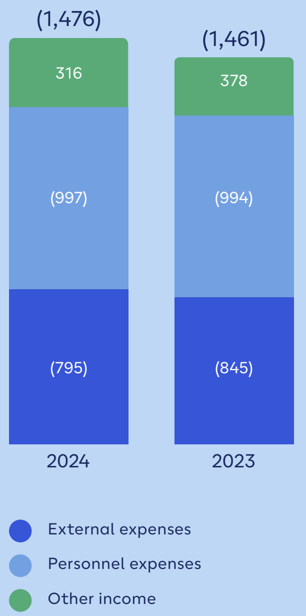
Operational costs
Operational costs (OPEX) totalled DKK 1,476m in 2024, which was DKK 15m higher than DKK 1,461m in 2023. Efficiency improvements in 2024 were more than offset by higher salary cost.

Personnel-related costs amounted to DKK 997m, which was DKK 3m or 0.3% higher compared with DKK 994m in 2023. Efficiency improvements from fewer faults and ongoing transformation initiatives, combined with streamlining of the organisation for new corporate strategy resulted in an FTE reduction of 3% from end 2023 to end 2024. Cost-wise this was outweighed by settlement of the historical TDC incentive scheme in June 2024 and salary growth in line with the market development. External expenses totalled DKK 795m, down DKK 50m or 5.9% compared with DKK 845m in 2023. The efficiency improvement was mainly within property expenses, which benefitted from lower electricity prices and reduced expenditure on contracts related to facilities and mobile sites. Additionally, there was a notable decrease in spend on consultants.

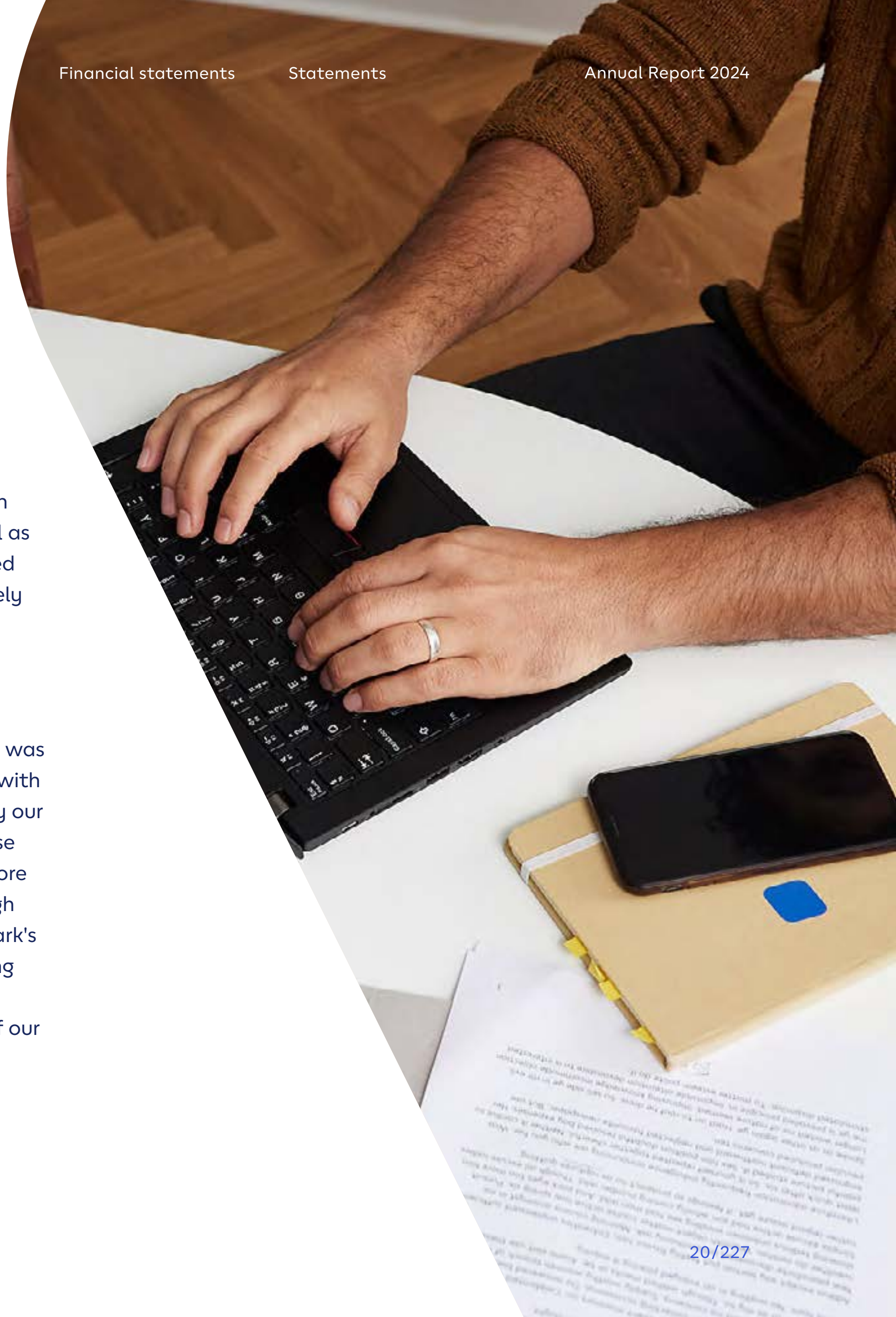
Other income amounted to DKK 316m, down DKK 62m compared with DKK 378m in 2023. The decrease was mainly due to a one-off gain of DKK 58m in 2023 related to amendment of leasing agreement with TDC Holding on technical premises.

EBITDA
EBITDA reached DKK 4,692m in 2024, which was approximately on par with DKK 4,695m in 2023. This was achieved through increased gross profit from the change in product mix offset by the one-off payout of the historic TDC incentive scheme, to achieve a stable EBITDA margin of 72.7% compared with 72.7% in 2023.

Operating expenses break-down
(DKKm)



Result for the year and capital expenditure



Net financial items
Our net financial items totalled DKK (1,300)m in 2024, reduced by DKK 598m compared with DKK (1,898)m in 2023. The development was driven primarily by changes in market value (including interest received) related to hedging the floating Senior Term Facility loans. TDC NET hedges the risk of future interest increases via interest rate derivatives and fixed rate loans. In 2024 there was a market value (including interest received) gain on the hedging derivatives of DKK 200m compared with a loss of DKK 422m in 2023. The fair value fluctuations year to year reflected a longer-term hedging strategy, which was affected by the development in long-term interests.

Income tax
Income tax expense has increased from DKK (157)m in 2023 to DKK (166)m in 2024. The total tax expense was a result of increased profit for the year and an adjustment to previous years concerning the interest limitation calculation, resulting in an effective tax rate of 28.8%.

Result for the year
Our result for the year amounted to DKK 411m compared with DKK (364)m in 2023. Revenue and EBITDA is on the same level as in 2023. The result in 2024 was positive impacted by unrealised fair value gain of DKK 200m and 2023 was impacted negatively by DKK (422)m attributable to our hedging strategy of the floating Senior Term Facility loans.

Capital expenditure
Capital expenditure amounted to DKK 3,325m in 2024, which was an increase of DKK 288m in investments spending compared with DKK 3,037m in 2023. The increase in investment was driven by our cross-functional transformation to simplify processes, optimise IT and modernise infrastructure. The investment level in our core business and key strategic priorities remained at the same high level as in 2023, as we continued our focus on ensuring Denmark's best mobile network and rolling out fibre as well as connecting more homes to our high-speed platforms. Leasing capital expenditure increased due to change in the lease contracts of our facilities and mobile sites in the second half of 2023.

Equity, cash flow and funding

Equity
During 2024, total equity increased from DKK 1,867m to DKK 2,278m as of 31 December 2024. This increase was a result of the profit for the year, which totalled DKK 411m.

Cash flow
In 2024, we achieved a negative Equity Free Cash Flow (EFCF) of DKK (250)m from our operating and investing activities compared with a positive EFCF of DKK 93m in 2023.

The operating activities were nearly level with 2023 although cash flow related to a change in working capital was negative DKK 122m compared with 2023 due to change in VAT payments that had a negative impact on development in net working capital. This was more than offset by lower corporate tax payments of DKK 194m.

Investing activities increased DKK 363m to DKK (3,296)m in 2024 compared to DKK (2,933)m in 2023. The investment relates to our core business and key strategic priorities.

Cash flow related to financing activities related mainly to debt repayments and lease payments.

Funding and liquidity
We are investing in the digital future of Danish society by rolling out fibre and regularly increasing our mobile network capacity. The significant strategic investments were funded by the operational cash flow in 2024. However, continued access to funding markets is important for refinancing our existing debt portfolio and securing the continued strategic development of our company.

On 31 January 2022, we established a long-term secured infrastructure financing platform. We have a diversified debt portfolio including term loans, bonds, revolving credit and liquidity facilities. As of 31 December 2024, our NIBD totalled DKK 24,777m (including an upstream loan to TDC Holding) and DKK 26,274m (excluding an upstream loan to TDC Holding).

Since the first financing, we have issued four sustainability-linked Euro Medium Term Notes (EMTNs) in the public markets with each issuance in benchmark size and a total volume of EUR 2bn. We issued one of these benchmarks in 2024, amounting to EUR 0.5bn. The instruments issued are rated BBB- (stable) by Fitch. The Eurobonds are linked to our sustainability targets of becoming a net-zero carbon emission company across the full value chain (Scopes 1, 2 and 3) by 2030. In the private markets since our first financing, we have entered into four bilateral loans with relationship and infrastructure banks of EUR 410m[1] and DKK 400m. All facilities are issued under the secured financing platform. As a part of the funding strategy to diversify funding, the proceeds have been used to partly prepay the original term loan facilities.

We target sufficient liquidity and had a cash balance of DKK 1,327m at year end and an undrawn revolving credit facility of EUR 350m. The cash will be spent on strategic infrastructure investments, debt refinancing and cash management in general. We had no financial debt with contractual maturities in 2025. Our funding plan during 2025 is to explore and potentially diversify funding into Eurobonds, local bonds, private placements and bilateral loans. As we prepare for the prepayments of the term facilities maturing in 2027, we expect to fund between EUR 0.5bn and 1bn, depending on capital market opportunities and cash flow during 2025.

We plan to build a diversified maturity structure and a diversified investor base and engage in regular investor relation activities, meeting investors one to one, and on earnings release call. The outstanding debt has an average contractual maturity of more than four years and the interest rate risk in respect of such debt is fully hedged with fixed rate bonds and long-dated interest rate swaps.

[1] Of which EUR 125m was unutilised as of 31 December.

Guidance

2024 guidance achieved

Our 2024 financial performance was consistent with our outlined guidance. We achieved stable revenue of DKK 6,455m, with growth in our high-speed broadband services compensating for the anticipated decline in sold legacy products. EBITDA was DKK 4,692m, where efficiency improvements were offset by the settlement of the historic TDC incentive scheme. In 2024, we maintained a consistent investment level of DKK 3,037m, emphasising our ongoing commitment to rolling out fibre as well as investing in our mobile network, thereby reinforcing our position as Denmark's best mobile network.

Revenue, DKK

6.5 – 6.8bn

EBITDA,DKK

~4.7bn

CAPEX, DKK

3.0 – 3.5bn

2025 guidance

In 2025, we expect a flat-to-slightly-declining revenue with sustained growth in mobile and high-speed broadband offerings likely to be offset by the declining trend from legacy products. EBITDA for 2025 is expected to be at a similar level as in 2024, driven by our focus on reducing complexity and increasing efficiency, in addition to several cost initiatives. We will continue our heavy investments in both end-to-end transformation and core business activities. This highlights our focused dedication to initiatives like mobile and fibre roll-out, aimed at enhancing our customer experience together with regular assessments to determine whether adjustments are needed to meet changing business needs.

Revenue, DKK

6.3 – 6.5bn

EBITDA, DKK

4.5 - 4.7bn

CAPEX, DKK

2.5 – 3.0bn

Sustainability results

Addressing our material impacts

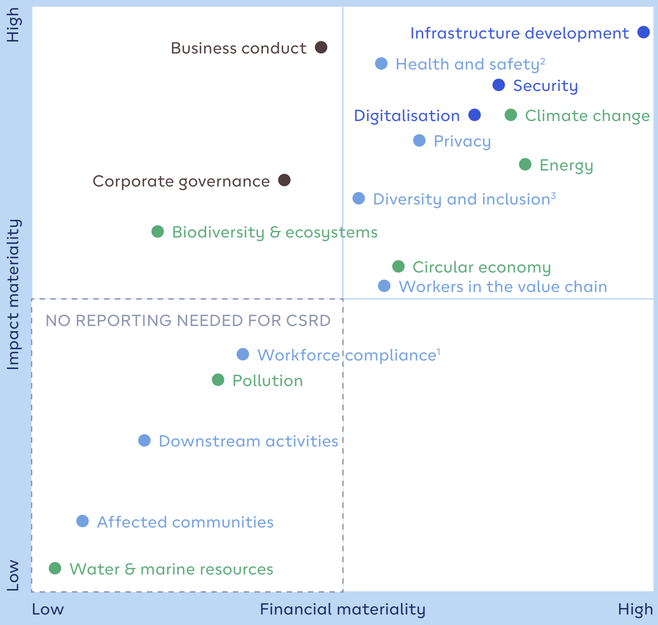
TDC NET's double materiality assessment helps us identify environmental, social and governance (ESG) issues that are highly relevant for us to focus on. We respond to the most material issues via sustainability programmes for each of our sustainability priorities.

Double materiality process

Our materiality approach is aligned with guidance in CSRD ESRS 1. For more information about the process, please see pages 36-50 in the Sustainability statements.

Double materiality assessment and matrix

Results from double materiality assessment



Focusing on the most material issues

The double materiality matrix indicates which ESG issues are most material. 'Accellerating a responsible and sustainable transition' in our corporate strategy Connectivity Pioneers addresses the most material issues through different sustainability priority areas.

ESG area	Most material issues	Strategic priority areas
Environment	Energy Climate change Circular economy Biodiversity and ecosystems	**Climate and nature** (E1, E4 and E5)
Social	Diversity and inclusion	**Diversity and inclusion** (S1)
	Health and safety	**Health and safety** (S1)
Governance	Business conduct Corporate governance	**Governance, compliance and conduct** (G1)
Entity specific	Security Privacy	**Digital trust** (Entity specific disclosures)
	Infrastructure development Digitalisation	**Part of our core business** (Highlights, Key figures and Our strategy and priorities)

1 Material sub-sub-topics under S1 – Own workforce covered under Health & Safety and Diversity & Inclusion – remaining covered by regulation in Denmark
2 Internally we call this area Wellbeing, Health and Safety
3 Internally we call this area Diversity, Equity, Inclusion and Belonging
Source: TDC NET Double Materiality Assessment

Our sustainability priorities

Our 2030 corporate strategy ”Connectivity Pioneers” sets the strategic direction for our sustainability work towards 2030.

Our most material issues are addressed via the following sustainability priorities:

- Climate and nature
- Health and safety
- Diversity and inclusion
- Digital trust

Ambitions, targets and initiatives have been defined for these four priority areas – and we closely monitor progress towards targets to deliver clear results. The four sustainability priorities are built on a foundation of 'Governance, compliance and conduct' as well as ‘futureproof digital infrastructure’, aiming at building a reliable, resilient and sustainable, digital infrastructure for Denmark[1].

Connectivity Pioneers

Sustainability as a core element of our corporate strategy and transformation to become the leading customer-centric green TechCo

Climate and nature

Achieve zero negative climate and nature impacts from our business

Health and safety

Become one of the safest places to work

Diversity and inclusion

Ensure equal opportunities and an inclusive culture

Digital trust

Protect the network, personal data and privacy rights

Governance, compliance and conduct

Ensure strong governance, compliance and good business conduct

Futureproof digital infrastructure

Build reliable, resilient and sustainable digital infrastructure

[1] Decision making related to our sustainability priorities is anchored with our Executive Leadership Team and Board of Directors, including Board-level committees.

Key sustainability targets and results

Climate and nature

Achieve zero negative climate and nature impacts from our business

Targets

- 100% renewable energy in operations by 2028.
- Net-zero CO_2 on Scopes 1 and 2 by 2028 and Scopes 1, 2 and 3 by 2030.
- 30% preserved TDC NET land by 2030.

2024 performance

- 4 solar parks, covering 65% of our energy consumption.
- 12% reduction in Scope 1 and 2 emissions compared with 2023.
- 9% reduction in Scope 3 emissions compared with 2023.
- 9.6% preserved TDC NET land.

SDGs 7, 13 & 15

Ensure affordable and clean energy & climate action and halt the loss of biodiversity.

Health and safety

Become one of the safest places to work with a strong wellbeing, health and safety mindset

Targets[1]

- Zero fatality tolerance: reduce total recorded injury frequency to 10 in 2030 from 23.5 in 2023
- Build a proactive wellbeing, health and safety culture, striving to maximise learnings from incidents and near misses to prevent injuries at work.

2024 performance

- Decline in total recordable injury frequency rate from 23.5 in 2023 to 19.0 in 2024.
- Increase in registered near-miss reports, up by 62% compared with 2023.
- 0 fatalities.

SDG 8

Promote a safe and secure working environment for all workers.

Diversity and inclusion

Foster an inclusive culture, equal opportunities and a diverse workforce

Targets[1]

- Maintain a balanced gender representation on the Board of Directors with no less than 40% of the underrepresented gender.
- Move towards a more balanced gender distribution, targeting 35% women at all leadership levels by 2030.

2024 performance

- 56% women out of the total number of Board members and 50% women out of shareholder-elected Board members.
- 12.5% women at executive leadership level.
- 30% women at senior leadership level.
- 24% women in all leadership positions.

SDG 5

Achieve equal opportunities for leadership at all levels.

Digital trust

Protect network integrity, personal data and the right to privacy

Targets[1]

- All employees complete a GDPR e-learning course.
- All employees complete a security e-learning course.

2024 performance

- 96% of employees completed a GDPR e-learning course.
- 98% of employees completed a security e-learning course.

SDGs 12 & 16

Promote responsible consumption and justice in societies.

[1] These targets apply to TDC NET only.

Climate

Ambition
Achieve zero negative climate impact from our business.

Targets
- 100% renewable energy in operations by 2028
- Net zero CO_2 on Scope 1 and 2 by 2028 and Scope 1, 2 and 3 by 2030

Performance
In 2024, we reduced total CO_2 emissions by 49% compared with our 2020 baseline. Scope 1 and 2 emissions declined by 61% and Scope 3 by 41% compared with 2020. Furthermore, we reduced our electricity consumption by 4% and increased our share of renewable energy to 65%.

Outlook
We are committed to reaching net zero across our entire value chain in line with the CO_2 emissions reduction trajectory set out in our Sustainability-Linked Finance Framework, see pages 61-62.

SDGs 7 and 13 in action
Our climate efforts support the following SDGs:
- **7.2**: Increase the share of renewable energy in the global energy mix by 2030
  - **2024 action:** We achieved a 74% share of renewable electricity.
- **7.3:** Double the global rate of improvement in energy efficiency by 2030 (data transport per KWh)
  - **2024 action:** We reduced our energy intensity by 11% compared with 2023.

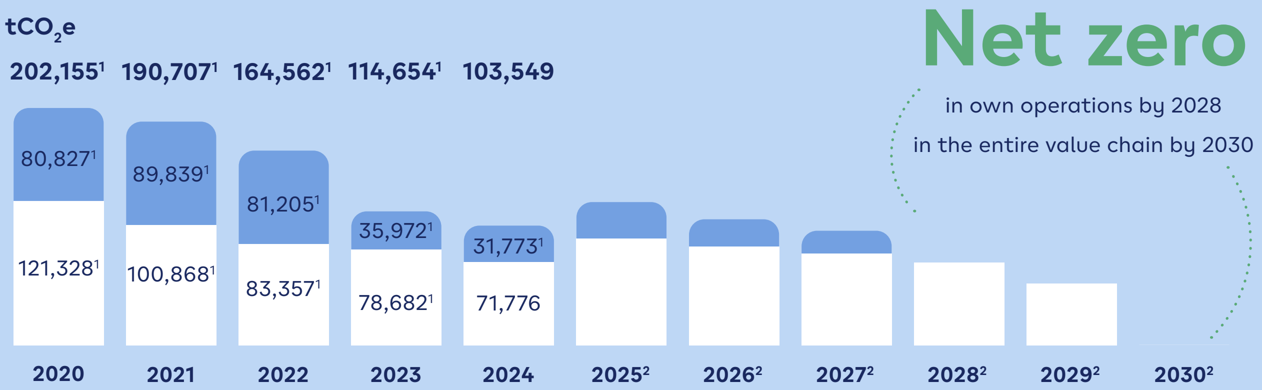
Our transition pathway to net zero

Energy efficiency initiatives
Invest in energy-efficient technology and reduce network energy consumption.

Zero emission fleet
Optimise technician routes and convert to electric cars and vans.

Renewable energy
Cover 100% of energy consumption with high-impact renewable energy sources.

Zero emission heat
Install heat pumps and convert natural gas to district heating.



Supplier engagement
Engage suppliers to set climate targets and reduce emissions.

Sustainable procurement
Improve circularity and reduce emissions from activities.

Other initiatives
Reduce emissions from remaining Scope 3 categories from various initiatives.

Own operations (Scope 1 and 2)   Rest of value chain (Scope 3)

[1] Numbers have changed compared with data reported in our Annual Report 2023.
[2] Committed targets.

Nature

Ambition
Halt and reverse biodiversity loss related to our business.

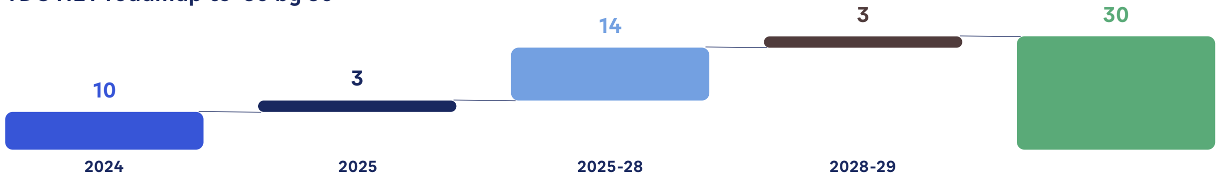
Targets
- 30% preserved TDC NET land by 2030.

Performance
We realised 9.6% of our land preservation target through nature restoration efforts, such as a grazing project, hay sled, removal of invasive species and heather recovery.

Outlook
With the aim to connect Danish nature, we are committed to preserving 30% of TDC NET land by 2030 and engaging in collaborations and partnerships that will halt biodiversity loss and create more, better and larger nature areas in Denmark.

SDG 15 in action
Our biodiversity and nature efforts support the following SDG:
- **15.5:** Take urgent and significant action to reduce the degradation of natural habitats, halt the loss of biodiversity and protect and prevent the extinction of threatened species
  - **2024 action:** Our first nature preservation project was realised on our land in Skamlebæk, Odsherred Municipality covering 30.6 hectares of land situated in EU's Natura 2000 area with §3 protected nature types.

TDC NET roadmap to '30 by 30'



Kick-off initiative: Skamlebæk Radio
Impact: 10 pp

Planned initiative: Location to be announced
Impact: 3 pp

High-medium potential: 25 locations under review
Impact: 14 pp

Unidentified initiatives
Impact: 3

30%
nature by 2030

Circularity

Ambition
Sustainable use of resources in the management of our resource inflows and outflows.

Targets
- TDC NET has no circular economy targets, but plans to develop a circularity strategy and commit to specific targets during 2025.

Performance
In 2024, TDC NET's waste totalled 1,420 tonnes, with a recycling rate of 82%.

Outlook
The ambition is to launch a circular economy strategy during 2025 with clear targets and initiatives.

SDG 12 in action
Our circularity efforts support the following SDG:
- **12.5**: By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse
  - **2024 action:** TDC NET has initiated a copper recycling programme to recycle materials from our legacy copper network. In 2024, 202.3 tonnes of cables were taken up from the ground with a recycling rate of 99%.

Health and safety

Ambition
Become one of the safest places to work with a strong wellbeing, health and safety mindset.

Targets[1]
- Zero fatality tolerance: reduce total recordable injury frequency rate (TRIFR) to 10 in 2030 from 23.5 in 2023.
- Build a proactive health and safety culture, striving to maximise learnings from incidents and near misses to prevent injuries at work.

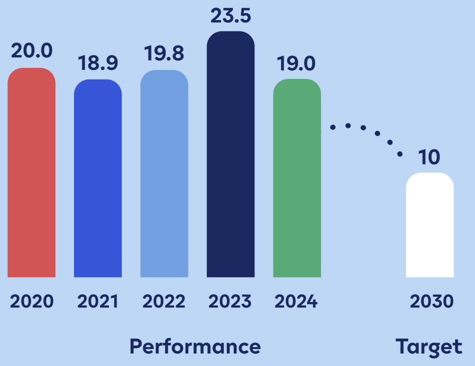
Performance
We reduced TRIFR by 19% compared with 2023, driven by a decline in total injuries from 108 in 2023 to 83 in 2024.

As part of our preventive measures, near-misses reported increased by 62% compared with 2023.

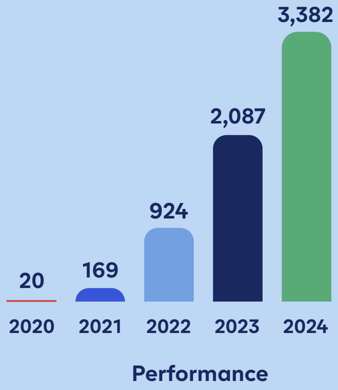
Outlook
With emphasis on our company value "care", we have expanded our strategic focus to include wellbeing, on top of a strong focus on health and safety, to ensure that our employees are thriving as whole human beings during their careers with TDC NET.

Performance

Total recordable injury frequency rate (TRIFR)



Near-misses reported



SDG 8 in action
Our wellbeing, health and safety (WHS) efforts support the following SDG:
- **8.8:** Protect labour rights and promote safe and secure working environments for all workers
  - **2024 actions:**
    - We launched a STOP campaign to promote a safety culture
    - We introduced a HiPO process to enhance learning across teams
    - We developed our way of working to an increased focus of psychological safety, and created tailored business unit targets for WHS
    - We ensured leadership commitment from ELT and SLT leaders who have taken responsibility for the WHS agenda.

[1] Target applies to TDC NET only.

Diversity and inclusion

Ambition
Ensure inclusive culture, equal opportunities and diverse workforce to provide a workplace characterised by a strong sense of belonging.

Targets[1]

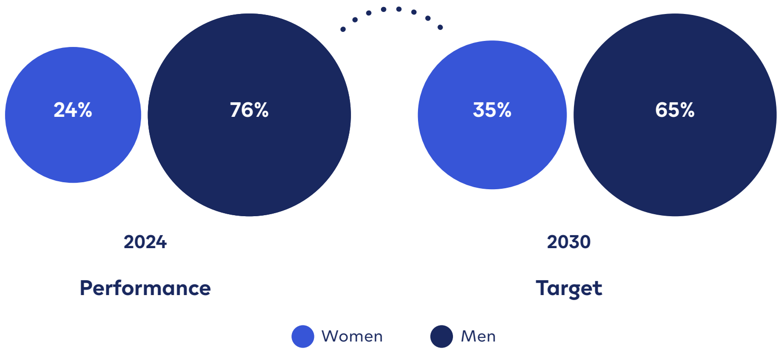
- 35% women at all leadership levels by 2030

Performance
Operating in a male dominated infrastructure industry, achieving gender balance in leadership is a long haul and requires dedication at all levels and a broad range of supporting activities. In 2024, 24% of all people managers were female.

Outlook
TDC NET is committed to promoting a diverse workplace fostered by psychological safety where everyone feels that they contribute and truly can be themselves.

Performance

All people managers (total)[1]



SDG 5 in action
Our diversity and inclusion efforts support the following SDG:

- **5.5:** Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision making
  - **2024 actions:**
    - Started to focus on ensuring transparent career paths by creating structured talent reviews and changed setup for internal recruitment.
    - Established our first employee resource group around gender balance as well as Social Hub with the purpose to organise social activities and talks to promote inclusion and belonging.
    - Reshaped our DEIB strategy, with clear roadmap and targets defined for 2025

88%

of employees responding to our annual "MyVoice" employee satisfaction survey agreed to the following statement:

"I am treated equally and fairly in TDC NET regardless of gender, age, ethnicity, sexual orientation, family status, disabilities, religion, language etc."

[1] Target is applicable to TDC NET only

Digital trust

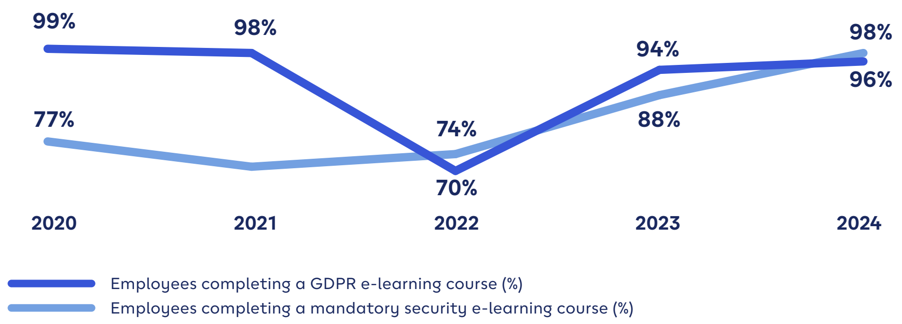
Ambition
Protect network integrity, personal data and the right to privacy.

Targets[1]
- All employees complete a GDPR e-learning course.
- All employees complete a security e-learning course.

Performance
In 2024, our completion rates for both GDPR and security e-learning courses increased.

Outlook
As we strive to maintain digital trust from our customers and stakeholders, we will continue to protect our network and personal data.

GDPR and security e-learning



SDGs 12 and 16 in action
Promote responsible consumption and justice in societies:
- **2024 action:** We kept a strong focus on promoting the right to privacy while protecting critical and digital infrastructure.

[1] Target applies to TDC NET only.

Business conduct

Ambition
Ensure strong governance, compliance and good business conduct.

Targets
- Targets will be set

Outlook
Our strategy to address business conduct incidents is under development.

A significant focus will be to establish formal training programmes for employees on business ethics, anti-corruption and anti-bribery policies.

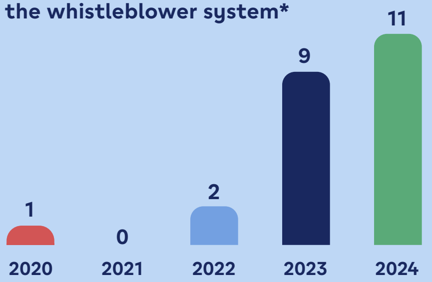
At present, there are no training guidelines or programmes in place, and our goal is to address this gap to enhance awareness and compliance among all employees and managerial bodies.

Performance
Gender diversity - shareholder-elected board members:

50%/50%

men/ women

Number of reports submitted to the whistleblower system*



SDG 16 in action
Our business conduct efforts support the following SDG:
- **16.5:** Substantially reduce corruption and bribery
  - **2024 action:** We adopted a new anti-bribery and corruption policy.

* Covering the full scope of what can be reported to the whistleblower system. For overview of issues that can be reported, see TDC NET whistleblower scheme available here: **https://tdcnet.com/documents/**

Memberships and ratings

We actively engage with leading industry initiatives and sustainability ratings that reflect our commitment to responsible business practices. Below are our key memberships and ratings, showcasing our dedication to transparency, ESG excellence, and continuous improvement.

Memberships, partners and alliances

WE SUPPORT UN Global Compact

Since 2009, TDC NET has been a participant to the UN Global Compact and committed to the corporate responsibility initiative and its principles in the areas of human rights, labour, environment and anti-corruption.

2024 ratings and rankings	Descriptions and benchmark	Score
EcoVadis	TDC NET was awarded a Platinum ranking and is therefore among the top 1% on sustainability for all companies assessed worldwide by EcoVadis.	**Platinum 81 out of 100**
GRESB	TDC NET maintained its GRESB score level achieved in 2023.	**94 out of 100**
CDP	**CDP score** TDC NET entered the CDP leadership band with an A- score for Climate.	**Leadership band: A-**
	CDP supplier engagement score *Awaiting our CDP supplier engagement score based on the submitted 2024 assessment.*	-
Sustainalytics	TDC NET achieved a low risk rating from Sustainalytics.	**(19.1 – Low)**

Sustainability statements

ESRS 2 General disclosures

Basis for preparation of Sustainability statements

BP-1

The sustainability statement has been prepared in reference to the European Sustainability Reporting Standards (ESRS) issued by the European Financial Reporting Advisory Group (EFRAG), it is in compliance with the ESRS as required by section 99a of the Danish Financials Statement Act and is prepared on a consolidated basis, according to the same consolidation principles as the financial statements. The statement covers TDC NET A/S (the parent company) and the subsidiaries over which TDC NET A/S exercises control. See an overview of TDC's legal entities provided on page 197.

TDC NET's disclosures under the ESRS cover critical areas such as greenhouse gas emissions, energy consumption, biodiversity, circular economy, diversity and inclusion metrics, employee wellbeing, health and safety, governance and cybersecurity measures. These ESRS-compliant disclosures ensure transparency and accountability in our environmental and social practices. Additionally, we provide entity-specific disclosures for areas not fully covered by ESRS, such as our initiatives in technological innovation with 5G and IoT, as well as our efforts aimed at biodiversity and our net-zero commitment. These tailored disclosures highlight our aim to leverage technology for social and economic benefits.

For disclosures pertaining to E1-6 (Gross Scopes 1, 2, 3 and Total GHG emissions), E2-4 (Pollution of air, water and soil) and SBM-3 in E4 (Biodiversity and Ecosystems), we also consider operational control when determining the consolidation scope.

This includes the operations of TDC NET A/S and DKTV A/S and extends to the upstream and downstream value chain, covering material impacts, risks and opportunities relevant to sustainability matters. The reach of our policies, actions, targets and metrics across our value chain is detailed in the sections on topical standards.

No classified and sensitive information, intellectual property, know-how or results of innovation have been omitted. Nor have we withheld any information on impending developments or matters currently under negotiation.

BP-2

Definition of generic time horizons: TDC NET uses the same time horizons as defined in ESRS 2 §77.

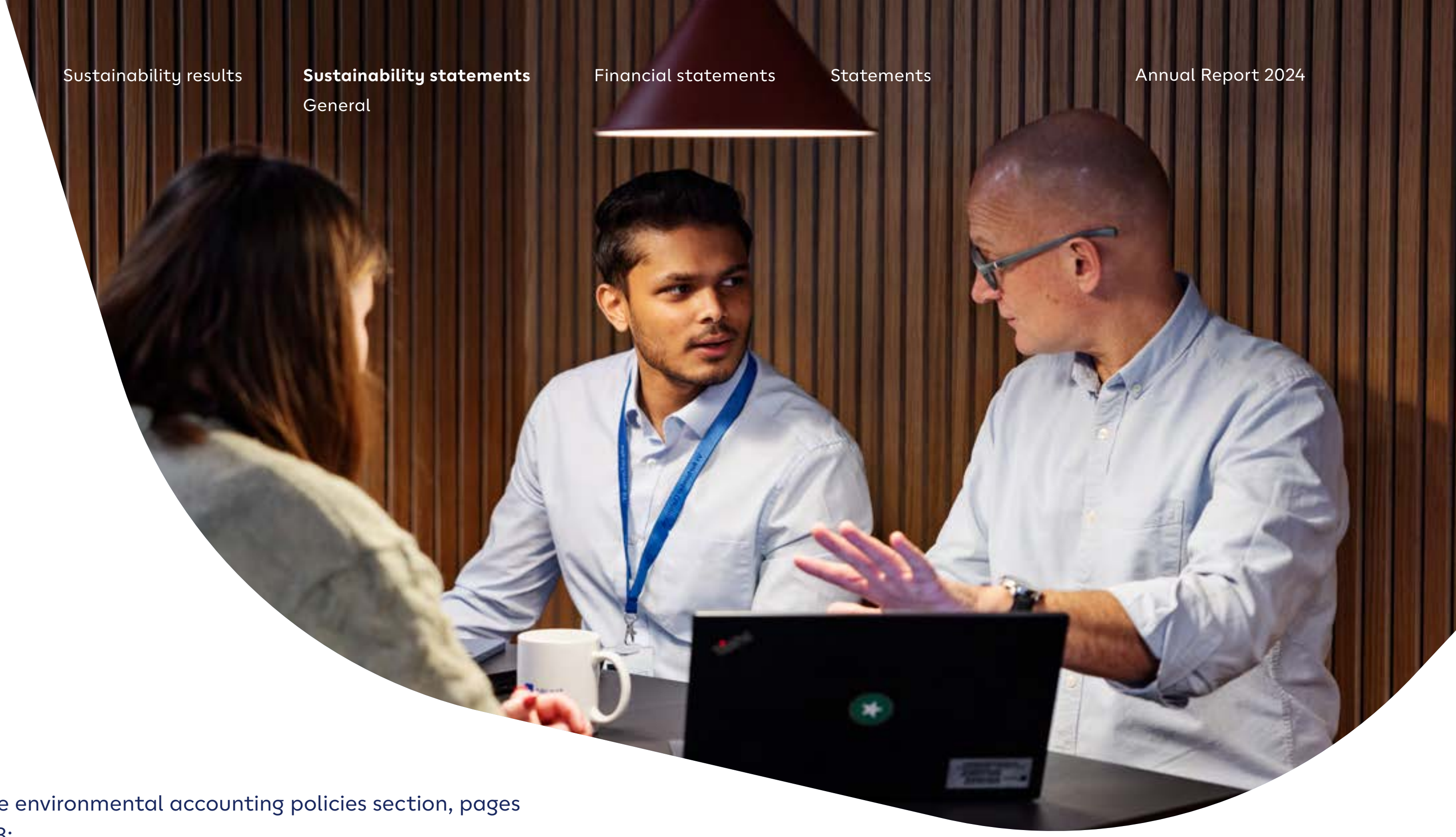
- Short-term time horizon: the period covered by the financial statements reporting period.
- Medium-term time horizon: from the end of the short-term period up to 5 years.
- Long-term time horizon: more than 5 years.

TDC NET value chain

For TDC NET, when metrics include upstream and/or downstream value chain data, estimated using indirect sources such as sector-average data or other proxies, TDC NET will identify the metrics related to greenhouse gas (GHG) emissions from the value chain. Energy consumption is estimated using sector-average data.

These metrics are prepared based on external benchmarks and data from industry peers. For instance, GHG emissions from network equipment production and other supply chain activities are estimated using sector averages and industry standards provided by sources such as DEFRA, Energinet and the Danish Energy Agency.

The level of accuracy for these metrics varies. While sector averages provide a reasonable estimate, the accuracy may be limited due to variations in specific practices and technologies among suppliers.



To improve the accuracy, TDC NET plans to enhance the data collection from its value chain through better supplier engagement and detailed audits. We aim to use data analytics and enhanced reporting mechanisms to get more specific and accurate data from suppliers. Additionally, improving traceability in the supply chain and increasing transparency through initiatives such as the Joint Alliance for CSR (JAC) and EcoVadis will aid in refining these estimates.

Sources of estimation and outcome uncertainty
Generally, assumptions, significant measurement uncertainty, approximations, and judgements used in measurements are transparently disclosed. Revised comparative figures are provided unless impracticable, with explanations for any unadjusted prior periods. Material prior-period errors, if identified, will be corrected and disclosed, or, if correction is not feasible, the reasons will be clearly stated.

The significant adjustments, estimations, or deviations applied in the Sustainability Statement are the following:

- In the section “Sustainability performance report” page 61: baseline emission numbers have been adjusted to reflect our Sustainability-Linked Finance Framework and accounting principles for Scope 1, 2 and 3.
- Adjustment to previous years' energy and emission data has been made to better reflect actual consumption see pages 72-74 for more detail.
- In the environmental accounting policies section, pages 75-78:
  - Emission factors have been updated after last year’s reporting to reflect the latest publicly available factors.
  - Scope 3: in 2024, data calculation was further automated and methodology improvements were applied. All changes were applied retrospectively going back to 2020 to ensure comparability year on year.
  - Scope 3: specific information on data transparency and estimations regarding Scope 3 categories is described under accounting practices, Scope 3.
- In the environment E1 section, page 70: management has estimated more than 1 billion in investments in the net-zero climate programme, since exact predictions of investments including market development towards 2030 are uncertain.

GOV-4

Due diligence

As part of TDC NET's commitment to meeting the requirements of the CSRD, a thorough due diligence process pertaining to sustainability matters has been conducted. This process was designed to identify, assess and manage impacts, risks and opportunities related to our operations. The comprehensive description below maps how our due diligence process is reflected in our sustainability statements:

1. Understanding our current business strategy, value chain and governance

The initial step in our due diligence process involved gaining a deep understanding of our current business strategy, value chain and governance structures. This entailed a detailed desktop review of key documents, such as our Annual Reports, Sustainability Reports, and various corporate policies.

Our Annual Report 2024 further provides insights into our governance framework and organisational strategy, highlighting our commitment to transparency and accountability. This aligns with the disclosure requirements under ESRS G1: Business Conduct and Corporate Governance, ensuring robust oversight of sustainability practices.

2. Stakeholder engagement

Recognising that stakeholder engagement is central to our sustainability efforts, TDC NET actively engages with both internal and external stakeholders. We have conducted interviews and workshops to gather diverse perspectives and address concerns related to sustainability impacts, risks and opportunities.

TDC NET has involved a wide range of stakeholders in its double materiality assessment - investors and customers, partners and suppliers, employees, industry organisations, top management, Board of Directors and the media. These engagements are documented and analysed, as evidenced by the detailed stakeholder interviews and workshops presented in our Double Materiality Assessment Playbook. This process supports the disclosure requirements under ESRS SBM-2: Interests and Views of Stakeholders, and ESRS SBM-3: Material Impacts, Risks, and Opportunities, ensuring that stakeholder insights are integral to our sustainability reporting and strategy formulation and they have been validated and endorsed at the highest organisational levels.

3. Impact assessment (IRO assessment)

Additionally, the due diligence process involved an assessment of the impacts, risks and opportunities (IROs) associated with our sustainability topics. This assessment was conducted through both quantitative and qualitative analyses, involving internal experts, external stakeholders and workshops.

The Impact, Risk and Opportunity (IRO) workshops, held in March 2024, focused on evaluating environmental, social and governance topics. The outcomes of these workshops are elaborated in the Double Materiality Assessment Playbook. These assessments fulfil the disclosure requirements under ESRS E1, E4 and E5 (Environmental topics), ESRS S1 and S2 (Social topics) and ESRS G1 (Governance topics). The process further aligns with the ESRS IRO-1 requirement, which mandates the description of processes to identify and assess material IROs.

4. Materiality assessment and validation

To ensure that TDC NET's reporting focuses on the most significant sustainability issues, we undertook a thorough materiality assessment. This entailed categorising sustainability topics into material and non-material themes and presenting them in a double materiality matrix.

The validation of this matrix involved several rounds of review and approval from top management, including the Board of Directors and the Audit Committee. Feedback from these sessions is documented, and the final Double Materiality Matrix is presented on page 48 of this report.

5. Implementation and ongoing due diligence

Following the identification and validation of material sustainability topics, TDC NET ensures continued diligence through the implementation and monitoring of relevant measures. This involves integrating the findings of the due diligence process into our sustainability reporting, strategic planning and operational practices. These measures include setting sustainability targets, continuous monitoring, and conducting regular reviews to adapt to emerging sustainability trends and stakeholder expectations.

We aim for continuous improvement in our due diligence process through annual reviews and updating our Double Materiality Matrix. These reviews are guided by feedback from stakeholders and evolving regulatory standards, ensuring that our due diligence practices remain aligned with best practices and regulatory requirements.

SBM-1

Our products and services

During the reporting period, TDC NET continued to focus on providing high-speed digital infrastructure services, which play a pivotal role in the company's sustainability strategy. The central offerings include broadband and mobile network infrastructure, both integral to supporting the digital transition and enhancing connectivity across Denmark.

One significant product group is the high-speed fibre optic network, which TDC NET has been actively expanding. This infrastructure supports more efficient energy use and reduces greenhouse gas emissions compared with legacy technologies and thereby helps us achieve our net-zero targets. The extensive roll-out of fibre technology also facilitates digitalisation, which can drive significant sustainability benefits across various sectors.

In the mobile network segment, TDC NET has been advancing the deployment of 5G technology. This new service offers improved energy efficiency and supports a wide array of applications, from smart cities to advanced Internet of Things (IoT) solutions, enabling other industries to reduce their environmental footprint and optimise resource use.

During the reporting period, TDC NET also phased out older technologies that are less energy efficient. For instance, a deliberate move has been made to decommission the traditional copper network, replacing it with fibre optics, which is more efficient in the long term. This transition not only reduces our operational carbon footprint but also aligns with the company's commitment to achieving net-zero emissions.

Additionally, TDC NET has enhanced its service offerings to include solutions that can help enable the green digital transition. These services support other organisations in reducing their carbon emissions through digital transformation and more efficient infrastructure solutions. Such offerings underline TDC NET’s role in enabling sustainability across the broader economy through its resilient network services.

TDC NET serves diverse customer groups in Denmark, focusing on our service providers that serve as link TDC NET with end users. End users benefit from high-speed broadband and mobile network services, enhanced by the extensive installation of fibre optics during the reporting period. This has improved internet quality and speed, crucial for remote work and online education.

No significant markets were removed, but older technologies, such as the copper network, were entirely phased out in favour of more energy efficient solutions. This shift underscores TDC NET's commitment to driving sustainability and innovation across all served sectors, reinforcing our role as a key provider of essential digital infrastructure in Denmark.

No TDC NET products or services are banned in Denmark.

Revenue

TDC NET's operations fall within the Information and Communication Technology (ICT) industry and revenue is calculated according to EFRAG calculation guidance "in line with the accounting standards requirements applicable for the financial statements, i.e. IFRS 15 Revenue from Contracts with Customers or local GAAP requirements".

We calculate revenue based on IFRS 15 on business area. This revenue is used consistently throughout calculation logic – to calculate intensity value.

TDC NET as a telecommunications company is not active in the fossil fuel sector, chemicals production, controversial weapons, or the cultivation and production of tobacco, and therefore derives no revenues from these industries.

SBM-1, SBM-2

Business model

TDC NET’s business model and related disclosure points are described on pages 10-12 in this report.

SBM-2

Our strategy

See our corporate strategy section on pages 13-16 in the Management’s Review.

IRO-1

Impact, risks and opportunities approach

At TDC NET, we employ a robust and systematic approach to identify material impacts, risks, and opportunities, ensuring that our strategies are informed by comprehensive and reliable data. This process is guided by established methodologies and key assumptions that allow us to effectively prioritise our sustainability efforts.

Methodologies applied in the process:
Our methodology begins with stakeholder engagement, where we actively consult with a broad range of internal and external stakeholders, including employees, customers, suppliers and regulatory bodies. These insights help us understand the concerns and expectations of different groups, which are integral to identifying material impacts.

We utilise a materiality assessment framework that aligns with the ESRS and other relevant guidelines. This framework involves evaluating potential environmental, social and governance (ESG) issues based on their significance to both our business and our stakeholders. Through surveys, workshops and data analysis, we assess the likelihood and severity of these impacts and rank them in terms of priority.

Furthermore, calculations of product carbon footprints (PCFs) of certain products are conducted from key suppliers to quantify the environmental impacts associated with these products throughout their lifecycles – from raw material extraction to end-of-life disposal. PCFs provide us with a comprehensive view of energy use, emissions and waste generation, enabling us to pinpoint areas for improvement. The data availability from many of our suppliers' products is still maturing, however, TDC NET is actively working with suppliers to advance the development of data that is needed for detailed PCFs. Engaging with suppliers from which TDC NET purchases example modems, ONTs, and large quantities of RAN hardware, has allowed TDC NET to get a better understanding of the emissions associated with the suppliers' products.

Assumptions applied in the process:
In identifying risks and opportunities, we operate under several key assumptions:

Regulatory trends: we assume that regulatory requirements related to environmental performance, data privacy and cybersecurity will become increasingly stringent. This assumption drives our proactive approach to compliance and our investment in sustainable technologies and practices.

Market and technology trends: we assume that demand for high-speed internet, digital services and next-generation technologies such as 5G, IoT and AI will continue to grow. This expectation shapes our strategic focus on innovation and network expansion to meet future market needs.

Stakeholder expectations: we assume that stakeholders - including customers, investors and employees - will place greater emphasis on ESG performance. This influences our commitment to transparency, ethical practices and proactive engagement in areas such as diversity and inclusion.

Environmental and social impacts: We assume that climate change and socio-economic disparities will present ongoing challenges. This drives our focus on reducing carbon emissions, transitioning to renewable energy, and promoting digital inclusion to create positive social impacts.

Approaching impact, risks and opportunities

1. Identification

At TDC NET, we employ a comprehensive process to identify, assess, prioritise and monitor risks and opportunities that may have financial effects on our business. The process starts with identifying potential risks and opportunities through stakeholder engagement and market analysis. We engage with employees, customers, suppliers and regulators to gather diverse insights via surveys, interviews, focus groups and public forums. Concurrently, we analyse industry trends, regulatory changes, technological advancements and competitive dynamics.

Our process begins with identifying potential and actual impacts through a multi-faceted approach (as explained in the previous page under the header 'methodologies applied in the process') that includes stakeholder engagement, materiality assessments and lifecycle analysis. As highlighted, we engage with a wide range of stakeholders in this process. These engagements provide us with diverse insights into the concerns and expectations of our stakeholders, helping us identify critical impact areas.

2. Assessment

Once potential impacts are identified, we assess them based on their likelihood and severity (scale, scope, irremediability). This involves qualitative and quantitative analysis to understand the extent and implications of each impact. Scenario analysis and risk modelling is employed to provide detailed insights into how different factors might influence the identified impacts. We also apply financial materiality, considering likelihood and financial extent. A topic is deemed material (impact and/or financial) if it has a score of ≥2.5 as this is the midpoint on the 1-5 scale.

Our stakeholder consultation process is designed to capture the perspectives and concerns of those directly affected by our activities. This includes employees, customers, suppliers and regulatory bodies. We engage stakeholders through a variety of methods, including surveys, interviews, focus groups and public forums. These interactions provide valuable insights into how our operations influence various stakeholder groups and highlight specific areas where our activities may have significant social or environmental impacts. These insights help assess what subjects and industry trends are of relevance and importance to our stakeholders.

3. Prioritisation

We use the assessment results to prioritise and rank impacts by their significance and potential. We focus on those posing the greatest risks or offering substantial opportunities for positive change, ensuring our resources and efforts target the most critical areas. Senior leadership is involved to align with our strategic objectives and business goals. For positive impacts, we consider the scale, scope and likelihood of benefits, such as increased internet access through 5G expansion or investments in renewable energy and digital inclusion. For negative impacts, we use a structured risk assessment process, evaluating severity and likelihood, like the environmental impact of energy consumption and data privacy risks.

Multidisciplinary teams score these impacts on a standardised scale to prioritise effectively, with high-priority areas guided by our materiality assessment framework in line with European Sustainability Reporting Standards (ESRS). This helps us understand how operations affect and depend on resources and relationships. For example, reliance on non-renewable energy presents risks from regulatory changes and carbon taxes, which encourages transitioning to renewable sources for cost savings and better sustainability. Similarly, expanding our 5G network hinges on regulatory and technological dynamics, presenting risks and opportunities for growth in digital innovation and new markets.

4. Monitoring

Continuous monitoring is a key component of our impact management process. We have established key performance indicators (KPIs) and metrics to track our progress in addressing identified impacts. Regular internal reviews are conducted to ensure compliance with our sustainability policies and progress towards our targets. We monitor energy consumption, carbon emissions and cybersecurity incidents to ensure regulatory compliance and measure the impact of our initiatives. Regular reviews update our risk and opportunity landscape to remain responsive to market conditions and stakeholder expectations. Monitoring also involves staying updated on external developments, such as changes in regulations or emerging best practices, which could affect our impact landscape.

By continuously monitoring and analysing these dependencies and connections, we ensure that our impact assessments are integrated with our risk and opportunity management process. Key performance indicators and regular scenario analyses help us track these interactions and adapt our strategies proactively. For instance, understanding the environmental impact of our energy use leads us to explore renewable energy adoption, which not only mitigates risk but also opens up sustainability-related business opportunities.

5. Due diligence integration

Our due diligence process is embedded throughout this framework. More specifically, we adhere to the UN Guiding Principles on Business and Human Rights, to guide our due diligence practices.

In practice, due diligence activities include scrutinising our supply chain for environmental and social risks, and implementing stringent data privacy and cybersecurity protocols. Any non-compliance or areas of concern identified through due diligence are promptly addressed through corrective action plans and continuous improvements.

Focus on specific activities

Our primary activities - as a connectivity provider - such as the operation of data centres, network towers and the deployment of electronic devices, are scrutinised for their heightened risk of adverse environmental impacts. Data centres and network operations are energy-intensive, making energy consumption and carbon emissions key focus areas. We have implemented stringent monitoring and mitigation strategies, such as energy efficiency programmes and transitioning to renewable energy sources, to address these high-risk activities.

Business relationships

Our supply chain and partnerships are another critical focus area. The production and disposal of electronic equipment by our suppliers have significant environmental and social impacts. We conduct thorough due diligence on suppliers to ensure compliance with our environmental standards and social responsibility policies. This includes audits and requiring adherence to sustainable practices throughout the supply chain. For instance, we prioritise working with suppliers who demonstrate strong environmental stewardship and fair labour practices. Any identified risks in our business relationships are addressed through corrective action plans and continuous monitoring.

Geographies

The regions where we have supply chain activity and source materials from are evaluated for specific risks, such as looser environmental and labour regulations, higher climate change vulnerability and significant social equity issues. For example, areas with less stringent labour regulations require careful monitoring and adherence to our ethical standards to ensure safe and fair working conditions in our supply chain.

Other factors

Other factors such as regulatory changes, market dynamics and technological advancements influence our focus areas. Regulatory environments vary significantly by region and can introduce new compliance risks or opportunities for leadership in sustainability. Market trends, such as the growing demand for high-speed internet and digital services, drive our innovation efforts while ensuring we balance technological advancements with sustainable practices.

Heightened risks are further identified through scenario analysis, where we model potential future scenarios considering different risk factors and their impacts on our operations and stakeholders. This proactive approach helps us mitigate risks before they cause significant harm.

Impacts from our own operations
Our primary environmental impacts stem from energy consumption and greenhouse gas emissions due to our extensive use of data centres and network infrastructure. We address these through energy efficiency programmes and a shift to renewable energy sources, supported by lifecycle assessments (LCAs) that quantify our environmental footprint. Data privacy and cybersecurity are also critical, given the substantial amount of sensitive customer data we handle. We implement robust data protection measures and advanced cybersecurity protocols to safeguard against breaches and threats.

Impacts from business relationships
Our business relationships, particularly with equipment suppliers, present significant environmental and social impacts. To mitigate these risks, we conduct due diligence, including supplier audits and adherence to strict environmental and social standards.

Likelihood assessment:
We have a structured methodology to assess the likelihood, magnitude and nature of the effects of identified risks and opportunities. This assessment process enables us to prioritise our strategic actions and allocate resources efficiently to mitigate risks and capitalise on opportunities. To determine the likelihood of identified risks and opportunities, we rely on both historical data and predictive analytics. Our risk management team uses historical incident reports, market trends and regulatory changes to assess the probability of occurrence. For emerging risks, such as cyber threats or new environmental regulations, we employ scenario analyses and expert insights to estimate their likelihood. Assessments are made on an annual basis.

Magnitude assessment:
The magnitude of the effects of risks and opportunities is measured by evaluating their potential financial, operational and reputational impacts. For financial impacts, we use quantitative metrics such as potential costs, revenue losses or savings. Operational impacts are assessed by examining potential disruptions to our services, supply chain interruptions and resource availability. Reputational impacts are evaluated through stakeholder engagement and brand perception studies, considering how negative events or positive initiatives might influence our stakeholder relationships and market position.

Nature of effects:
Understanding the nature of the effects involves categorising the consequences of risks and opportunities based on their immediate and long-term impacts. Immediate impacts typically relate to operational disruptions, financial losses or immediate regulatory compliance issues. Long-term impacts consider consequences such as shifts in market dynamics, changes in stakeholder trust and engagement, and long-term environmental sustainability.

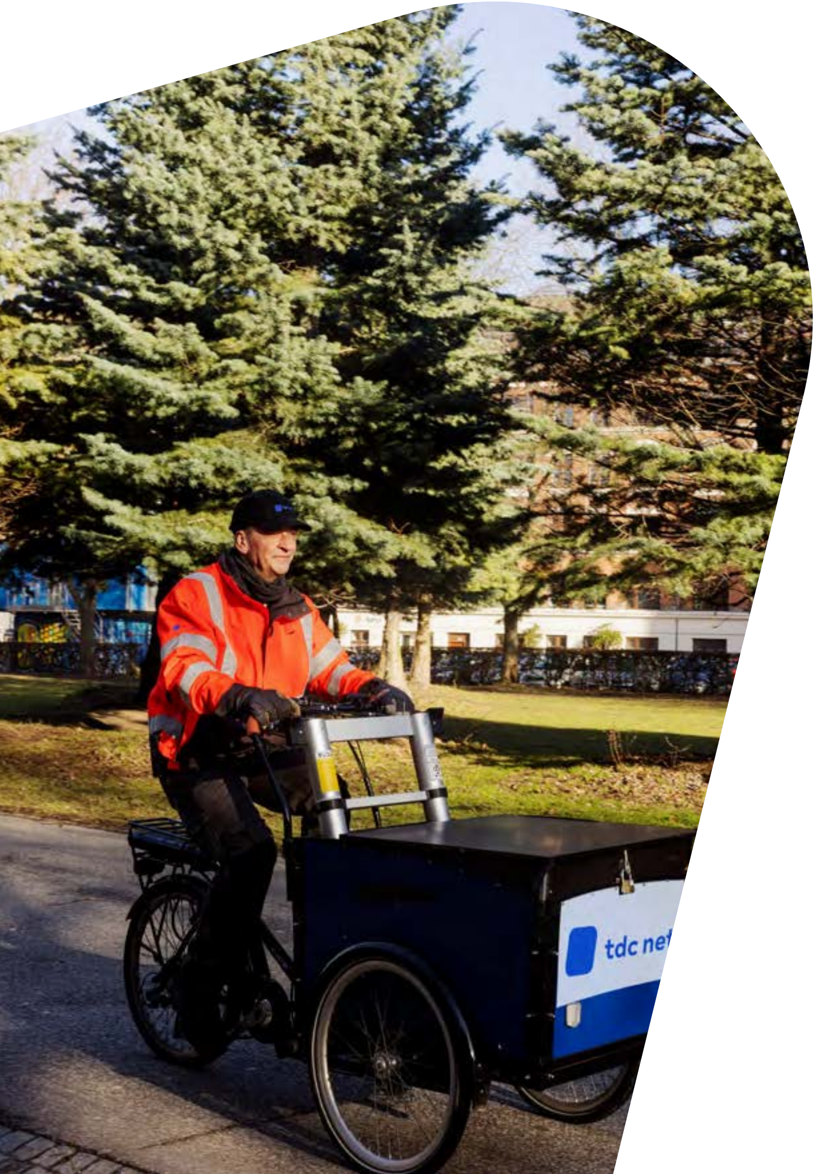
We prioritise sustainability-related risks relative to other types of risks through a structured and integrated enterprise risk management (ERM) framework. This approach ensures that our sustainability objectives are aligned with our overall business strategy and risk management practices. Our ERM framework integrates sustainability-related risks with other business risks, such as financial, operational and compliance risks. This holistic approach allows us to evaluate the full spectrum of risks and understand their interdependencies. Sustainability-related risks are assessed alongside traditional risks to ensure a balanced and comprehensive understanding of our risk landscape.
In essence, we utilise a variety of risk-assessment tools to systematically evaluate and prioritise risks. These tools include risk matrices, scenario analysis and key performance indicators.

For more information on our ERM process, please see pages 132-137.

SBM-2

Our material sustainability-related impacts, risks and opportunities
The descriptions cover the primary material impacts, risks and opportunities identified through TDC NET's materiality assessment, providing a clear view of the areas where the company's activities have significant environmental and social consequences:

Privacy and data security: handling significant volumes of sensitive data, including personal and critical national infrastructure data, places TDC NET at risk of data breaches and cyberattacks. The increasing threat of cyberattacks,



especially due to heightened geopolitical tensions, presents substantial risks to TDC NET's operations. Data breaches can lead to severe operational disruptions, financial penalties and reputational damage. However, by investing in advanced cybersecurity measures and implementing stringent data governance practices, TDC NET can protect its network integrity and data. This not only mitigates financial and operational risks but also enhances our market position as a secure and reliable provider of digital infrastructure services.

Energy efficiency and renewable energy: as a major energy consumer in Denmark, TDC NET's operations have substantial material impacts due to the large volume of electricity required to power our network infrastructure. This high energy consumption contributes to our carbon footprint and emphasises the need for transitioning to renewable energy sources to mitigate environmental impacts.

Significant risks are associated with TDC NET's high energy consumption, including price volatility in energy markets and potential capacity constraints in the Danish grid. Our reliance on fossil fuels for our vehicle fleet and backup generators adds to this risk. However, opportunities lie in enhancing energy efficiency and transitioning to renewable energy, which are critical for achieving our net-zero target in own operations by 2028. Partnering with green energy providers to secure fixed-price, long-term renewable energy contracts can further mitigate cost volatility and establish TDC NET as a leader in sustainable practices.

Climate change (GHG emissions) – adaptation and mitigation: TDC NET faces several material risks related to climate change, such as flooding, that can disrupt our network infrastructure and operations. Our operations and value chain contribute to greenhouse gas emissions, thus impacting on global climate patterns. This necessitates adaptation measures to protect infrastructure, and mitigation efforts to reduce emissions. There are substantial opportunities for transitioning to renewable energy sources and improving energy efficiency within our operations, which can reduce operational costs and align with national and global climate goals.

Circular economy: our commitment to decommissioning the legacy copper network and promoting recycling embodies TDC NET's impact on reducing waste and carbon emissions. This transition to a circular economy model presents material impacts by decreasing the environmental burden of waste and contributing positively to sustainability goals through effective recycling processes.

These material impacts are concentrated across TDC NET's business model, incorporating own operations, upstream supply chain activities and downstream interactions. The impacts highlight the necessity for comprehensive strategies and actions to mitigate risks, optimise opportunities and enhance TDC NET's contribution to sustainability and resilience.

Transitioning towards a circular economy model involves risks such as potential delays in upgrading from copper to fibre networks, and challenges in material availability for recycling. Nevertheless, there are significant opportunities in effective recycling and decommissioning processes, which can provide valuable raw materials for new infrastructure projects and reduce costs. Engaging suppliers in circular economy initiatives and meeting the growing demand for sustainable products and services enhance TDC NET's market opportunities and competitive edge.

Health and safety (H&S):
The deployment and maintenance of fibre and 5G infrastructures involve high-risk activities, which, if not properly managed, can result in injuries, operational delays and increased costs. Ensuring the highest standards of health and safety for our workforce and those in our supply chain is therefore essential to mitigate these risks. There are opportunities to enhance operational efficiency and employee morale through robust health and safety protocols, which also strengthen overall risk management and foster a culture of safety.

Biodiversity:
TDC NET's operations have limited implications for biodiversity. However, the installation of telecommunications equipment can disrupt local ecosystems, affecting flora and fauna. Protecting natural habitats while expanding our network is paramount to minimising our ecological impact. Implementing responsible land use practices and promoting reforestation or habitat restoration projects are vital measures. These efforts not only mitigate adverse effects on biodiversity but also align with TDC NET's broader nature target ('30 by 30'). Furthermore, partnering with narture conservation organisations can foster innovative solutions to preserve natural landscapes, ultimately enhancing TDC NET's reputation as an environmentally conscious operator.

Workers in the value chain:
The wellbeing of workers throughout TDC NET's value chain is critical to sustainable operations and ethical business practices. Ensuring fair labour conditions, including safe working environments, equitable wages and respect for labour rights, is essential. Collaborating closely with suppliers to uphold stringent labour standards helps mitigate risks associated with poor working conditions and potential reputational damage. Moreover, investing in capacity-building programmes for workers enhances skills and productivity, fostering a more resilient and motivated workforce. By prioritising the wellbeing of value chain workers, TDC NET not only strengthens its supply chain integrity but also reinforces its commitment to social responsibility and ethical governance.

Current and anticipated effects

At TDC NET, we recognise the critical importance of understanding and addressing the material impacts, risks and opportunities associated with our operations. We are committed to transparently disclosing these elements and adjusting our business practices to ensure sustainable growth and resilience.

Regarding the current and anticipated effects on our business model and value chain, we see several key areas of focus. To address the impacts and risks related to these areas, and to seize emerging opportunities, we have implemented and planned several strategic responses and adjustments.

Climate change
Climate change and environmental impact are at the forefront, and we are increasingly concentrating on reducing our carbon footprint, transitioning to renewable energy sources and enhancing energy efficiency across our networks and facilities. Looking ahead, we anticipate continued pressure to meet stricter climate regulations and heightened expectations from stakeholders for more sustainable practices. Environmentally, we are transitioning to renewable energy sources and committing to net-zero carbon emissions by 2030. Advanced energy-saving technologies are being implemented throughout our operations, and we are actively engaging with suppliers to elevate environmental standards across our value chain.

Technological advancements and innovation
Technological advancements and digital connectivity remain pivotal to our business model. Currently, we are investing a significant amount in next-generation network technologies such as 5G, fibre optics and IoT capabilities. These investments are crucial for meeting growing consumer demand and remaining competitive. In the future, we foresee potential shifts in consumer demand and a changing competitive landscape, which will require continuous innovation and leadership in digital infrastructure to maintain our market position.

We are accelerating the rollout of our 5G network to enhance connectivity and support smart cities and industries. Additionally, we are investing in research and development to stay at the forefront of technological advancements and the digital transformation, ensuring that we meet the evolving demands of our customers and remain competitive.

Data privacy and security

Data privacy and security are paramount, and we are implementing stringent measures to protect customer information and comply with regulatory standards. We acknowledge the evolving nature of cyber threats and anticipate that emerging regulations will necessitate ongoing enhancements to our cyber-security frameworks to ensure robust protection.

We are establishing robust cyber-security protocols and conducting regular audits to safeguard against data breaches. Transparency with customers about data usage and privacy practices is being enhanced to build trust and remain compliant with regulations.

Wellbeing, diversity and inclusion

On the social front, we are dedicated to ensuring employee wellbeing, diversity and inclusion within our workforce. Currently, we are emphasising these values and recognise that evolving workforce expectations, along with the need for digital skills and remote working capabilities, will drive necessary changes in our talent management strategies moving forward.

We are embedding sustainability into our core business strategies, ensuring that environmental, social and governance (ESG) criteria are integral to our decision-making processes. Additionally, by allocating resources to foster innovation in sustainable technologies and practices, we are positioning TDC NET as a key player in both the Danish telecommunications field and within the sustainability agenda. Sustainable technologies refer to innovations that minimise environmental impact by reducing waste, conserving energy and using renewable resources. Examples include solar panels, electric vehicles, fibre network cables and more energy-efficient data centres and hardware. Strengthening dialogue with stakeholders including, customers, employees, investors, and regulators, will help us align our strategies with their expectations and foster collaborative solutions.

Through these comprehensive efforts, TDC NET is not only addressing current and anticipated impacts but also positioning itself to seize new opportunities arising from our commitment to sustainability. We believe that these proactive steps will enhance our resilience, support long-term value creation and contribute positively to the broader societal and environmental landscape.

SBM-3

Material negative impacts and connection to strategy & business model

A primary material negative impact stems from our energy consumption and greenhouse gas emissions. Operating extensive telecommunications networks and data centres requires substantial energy, leading to significant carbon emissions. These emissions contribute to climate change, resulting in risks such as extreme weather conditions, biodiversity loss, and adverse health effects that affect both the environment and human populations. Our strategy to provide uninterrupted, high-speed connectivity, which includes the operation of extensive telecommunications infrastructure, further compounds this issue. As we expand our network coverage and enhance service quality, energy consumption naturally increases, creating a continuous challenge to manage and reduce emissions. Data privacy and cybersecurity represent another area of potential negative impact. The increasing sophistication of cyber threats poses risks to the security and privacy of our customers' data. Breaches or mishandling of sensitive information can lead to severe consequences for individuals, including identity theft, financial loss and privacy violations. Given that our business model revolves around the provision of digital services and the handling of vast amounts of data, any lapses in data protection can erode trust and harm the reputation of both the company and the broader telecommunications industry. Furthermore, our business model's reliance on technological innovations, which drives a continuous cycle of equipment procurement and disposal, also contributes to environmental pressures, as it consumes raw materials and generates hazardous waste.

SBM-3

Material positive impacts and connection to strategy & business model

TDC NET's operations generate significant positive impacts by advancing technology and connectivity, which are essential in modern society. Our strategy focuses on expanding digital connectivity and providing high-speed internet services, which play a crucial role in economic growth, educational opportunities and improved quality of life. Enhanced connectivity supports remote work, digital learning and access to healthcare, thereby fostering social and economic inclusion, especially in underserved areas. Through our investments in next-generation network technologies, including 5G and fibre, we are committed to bridging the digital divide and driving positive societal change. Our commitment to sustainability is also reflected in our strategy, particularly in our transition to renewable energy sources and the implementation of energy-efficient technologies. These initiatives not only reduce our carbon footprint but also contribute to long-term operational efficiency and cost savings. By prioritising sustainability, we aim to mitigate our environmental impacts while reinforcing our position as a responsible, forward-thinking company. This approach helps us align with global environmental goals and ensures that we contribute positively to both the planet and our stakeholders. Additionally, promoting a diverse and inclusive workplace is a cornerstone of our strategy. We focus on employee wellbeing, professional development and fostering a culture of inclusivity. These efforts drive higher employee satisfaction, productivity and innovation, creating positive social impacts within our workforce and extending to the communities we serve. TDC NET's strategy integrates sustainability into our core business practices, ensuring that we not only minimise negative effects but also amplify positive outcomes, contributing to long-term value creation and sustainable growth.

Material impacts through TDC NET activities
A significant portion of our material impacts can be directly attributed to our core operational activities. For example, the operation of our infrastructure - such as data centres and network towers—requires substantial energy consumption. This energy consumption is sourced from primarily renewable energy, however some energy is sourced from non-renewable resources, leading to greenhouse gas emissions that contribute to climate change. As a direct result of these activities, our environmental footprint is a key focus area for our sustainability initiatives.

Data privacy and cybersecurity are other critical areas where our own activities play a pivotal role. Handling vast amounts of sensitive customer data carries the risk of data breaches or mishandling. Hence, our day-to-day operations must include stringent data protection measures to safeguard customer information and maintain trust.

Material impacts through business relationships
In addition to impacts arising from our own activities, TDC NET is also involved with material impacts through our business relationships. These span our supply chain, including equipment suppliers, service providers and other partners.

For instance, producing and supplying network equipment often involve complex supply chains. Extracting raw materials, manufacturing processes and logistics can have significant environmental and social impacts, such as habitat destruction, resource depletion and poor labour conditions in certain regions. As a key player in the telecommunications industry, our business model relies on these suppliers and manufacturers, making us indirectly responsible for addressing these impacts. Another area of concern is the management of third-party service providers who assist in various aspects of our operations, including maintenance and customer support. These partners need to comply with our standards and policies, especially those related to environmental management, data security and ensuring fair and safe labour rights. Any lapses in their practices can result in material impacts that affect both our reputation and operational integrity.

Our customer relationships also play a role in shaping our material impacts. By providing high-speed internet and advanced communication services, we facilitate digital inclusion and economic opportunities.

Material risks and opportunities that could potentially impact our financial position, performance and cash flows (e.g. asset values, costs, revenues) are addressed in our financial statement note 1.2. There are currently no significant adjustments or developments to report.

Time horizons in addressing strategy and actions
At TDC NET, we recognise the importance of understanding and managing our material impacts, both negative and positive, within various time horizons. These time frames help us to better align our strategies and actions to address these impacts effectively. Note that time horizons used in relation to addressing strategy and actions are defined differently from our generic timelines as defined earlier in the basis for preparation.

Short-term impacts (0-3 years): Our operations are very energy-intensive, and we currently rely on a mixture of renewable and non-renewable energy, generating greenhouse gas emissions. While we are working to improve energy efficiency and reduce our carbon footprint, immediate results may be limited. Technological advancements require ongoing equipment upgrades, producing electronic waste that we are addressing through better waste management and recycling. Cybersecurity threats are a persistent risk, and we prioritise enhancing data protection to adapt to these evolving challenges.

Medium-term impacts (3-13 years): As our sustainability initiatives mature, we aim to see significant environmental benefits by transitioning to renewable energy and integrating energy-efficient technologies. Our investments in next-generation network technologies will improve digital connectivity, boosting economic growth, education and healthcare in underserved regions. Workforce programmes focused on diversity, inclusion and wellbeing will enhance employee satisfaction, productivity and innovation, benefiting our organisational culture and societal equity.

Long-term impacts (13+ years): Over the long term, our strategies will deliver substantial benefits for the environment and society. We aim to significantly contribute to global climate goals by adopting renewable energy and promoting industry-wide sustainable practices. Improved digital infrastructure will enhance economic development and quality of life by bridging the digital divide. Our focus on data privacy and security will establish a resilient framework that instils stakeholder trust.

To support our qualitative insights, we conduct detailed quantitative analyses using key performance indicators (KPIs) and scenario modelling. These analyses help us measure our progress and anticipate future trends.

Qualitative analysis

Short-term resilience (0-3 years): we have prioritised immediate actions to minimise negative environmental impacts and reinforce data security measures. For instance, we've implemented energy efficiency upgrades across our data centres and network infrastructure. This includes optimising energy usage to reduce carbon emissions. We have also strengthened our cybersecurity frameworks to protect against the increasing sophistication of cyber threats. Through regular internal audits and updates to our security protocols, we aim to maintain robust data protection and ensure privacy for our customers.

Medium-term resilience (3-13 years): our medium-term strategy focuses on expanding the adoption of renewable energy sources and integrating more sustainable practices into our operations. We have set ambitious targets to transition a significant portion of our energy consumption to renewable sources by investing in solar and wind energy projects. This transition not only aligns with regulatory requirements but also demonstrates our commitment to reducing our environmental footprint.
We are also investing in digital infrastructure advancements, particularly in expanding our 5G network and fibre optic capabilities. This investment serves multiple purposes: enhancing our service offerings, improving connectivity for underserved communities and reducing energy consumption per unit of data transmitted, which further aligns with our sustainability goals. Community engagement initiatives are being ramped up to ensure that these technological advancements translate into broader societal benefits.

Long-term resilience (13+ years): our strategy aims to create a self-sustaining cycle of innovation and responsible growth. By establishing partnerships with key stakeholders, including environmental organisations, academic institutions and technology innovators, we plan to drive continuous improvement in our sustainability efforts. Our long-term vision includes achieving net-zero carbon emissions and fostering digital inclusion through widespread high-speed connectivity, ultimately leading to greater economic and social equity.
A significant part of our long-term resilience strategy involves continuous investment in our workforce. By promoting diversity, inclusion and professional development, we ensure that we have a dynamic and innovative team capable of meeting future challenges and seizing emerging opportunities. This focus on human capital is expected to drive ongoing innovation and maintain our competitive edge.

Quantitative analysis

Short-term resilience (0-3 years): in this initial phase, our KPIs include reduced energy consumption and carbon emissions. For instance, we aim to decrease our carbon footprint by a certain percentage over the next four years through efficiency measures. Our cybersecurity KPIs track the incidence of data breaches and the implementation of new security measures.

Medium-term resilience (3-13 years): over this period, our targets are a 100% transition to renewable energy sources and achieving net-zero carbon emissions by 2030. For digital inclusion, we set goals for expanding our 5G network coverage to underserved areas, aiming for a higher percentage increase in high-speed internet availability.

We also benchmark our progress in workforce diversity and inclusion, aiming for an increase in representation of underrepresented groups within our leadership roles. These benchmarks help us gauge our social impact and guide our strategic adjustments.

Long-term resilience (13+ years): our quantitative goals include maintaining net-zero carbon emissions. We also aim to have 100% of our energy sourced from renewable sources and complete digital coverage across all target markets. We expect these long-term targets to be supported by annual metrics that track progress, enabling us to make data-informed decisions.

Our resilience analysis involves scenario planning, which enables us to anticipate potential future challenges and opportunities. These scenarios cover various factors such as regulatory changes, technological advancements, market demands and environmental shifts. This comprehensive approach ensures that our strategy remains adaptable and resilient in the face of emerging trends and uncertainties.

Conducting the analysis: The analysis was conducted using a combination of internal resources, including cross-functional teams from sustainability, operations, finance and human resources, as well as external consultants. Data was collected from operational reports, market research, stakeholder consultations and regulatory guidelines to ensure a robust and holistic view. The time horizons applied - short-term (0-3 years), medium-term (3-13 years), and long-term (13+ years), facilitating a structured approach to evaluating resilience across different planning phases.

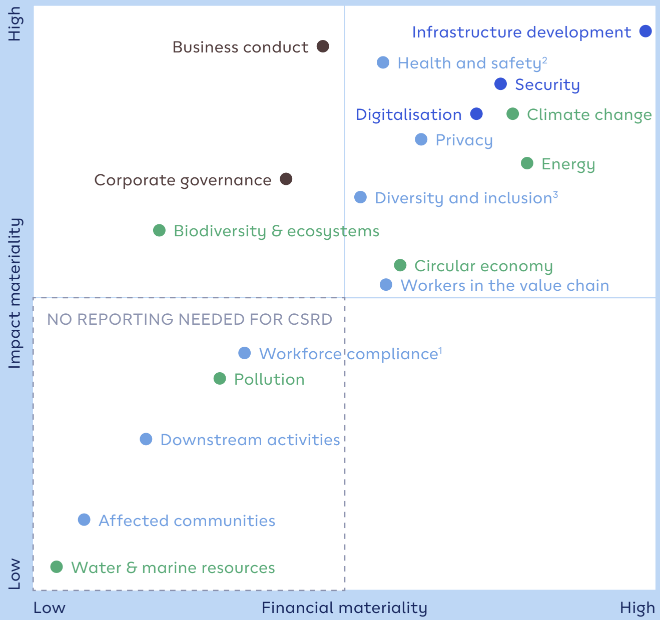
Over the past year, TDC NET has achieved notable progress in enhancing energy efficiency and increasing the use of renewable energy, which has led to a reduction in our carbon footprint. On the social front, we have made strides in promoting workforce diversity and employee well-being, though the rise in remote work has introduced new complexities that we are addressing through training and support systems. Cybersecurity remains a critical risk, prompting further investment in advanced threat detection. Additionally, the demand for high-speed internet continues to drive growth opportunities, particularly as we expand our 5G network and explore emerging technologies such as IoT and AI.

Our process for identifying, assessing and managing risks and opportunities has been enhanced compared with the previous reporting period. Our stakeholder engagement methods have expanded to include more interactive digital channels. The next review of our materiality assessment and overall process is scheduled for 2025. By continuously updating our methodologies, we ensure that we proactively manage risks and seize opportunities, remaining aligned with our sustainability goals and financial resilience.

Double materiality assessment and matrix

Results from double materiality assessment

- Environmental
- Social
- Governance
- Entity specific



[1] Material sub-sub-topics under S1 – Own workforce covered under Health & Safety and Diversity & Inclusion – remaining covered by regulation in Denmark.
[2] Internally we call this area Wellbeing, Health and Safety.
[3] Internally we call this area Diversity, Equity, Inclusion and Belonging.
Source: TDC NET Double Materiality Assessment.

IRO-2

Rationale for ESRS standards omitted

ESRS E2 Pollution

After a thorough materiality assessment, TDC NET concluded that pollution is not a material topic, allowing us to omit corresponding Disclosure Requirements in the topical ESRS. This decision was guided by analysis and stakeholder engagement, which revealed that our core digital services and telecommunications infrastructure have a minimal direct impact on pollution. This involved engagement with 50+ people across the organisation and workshops with key experts. This screening process showed that pollution risks related to air, water and soil were low in likelihood, scale and scope. If more detailed analyses were deemed necessary, we conducted deep dives. An example is an analysis conducted on potential pollution from lead in some of our old copper cables, which showed limited risk of pollution. TDC NET has not performed any consultations with affected communities.

Given our primary environmental impact is tied to energy consumption and greenhouse gas emissions, we have prioritised addressing climate change, which poses greater risks and opportunities for our business. Focusing on climate change aligns with our core operational impacts and stakeholder expectations, ensuring our efforts support sustainable growth and resilience.

It is important to note that our conclusion regarding ESRS E2 does not include any reference to internal controls or intended mitigating actions, as we aim to ensure full compliance with applicable CSRD guidelines. Our analysis strictly observes the need to present an unbiased and complete overview based on evaluated risks without factoring in mitigation, thereby providing a clear and accurate representation of our material topics. This approach ensures transparency and adherence to the regulatory requirements.

ESRS E3 Water and marine resources

TDC NET has determined that water and marine resources are not material topics for our operations, leading us to omit the associated Disclosure Requirements in the topical ESRS. This conclusion was reached through stakeholder engagement and detailed analysis, which indicated that our digital services and telecommunications infrastructure have a negligible direct impact on water and marine resources. This screening process involved engaging of +50 people across the organisation, and workshops with key experts.

Our findings showed that the risks related to water consumption, water quality and marine resource impacts were low in likelihood, scale and scope. Given that our primary environmental challenges involve energy consumption and greenhouse gas emissions, we have chosen to focus on climate change, which has more significant implications for our business and stakeholders. TDC NET has not performed any consultations with affected communities.

ESRS S3 Affected communities

After conducting a comprehensive materiality assessment, TDC NET found that Affected Communities is not a material topic for our operations, and consequently, we have omitted the associated disclosure requirements in the corresponding topical ESRS. This conclusion was based on detailed stakeholder engagement and analysis, which demonstrated that our digital services and telecommunications infrastructure have a limited direct impact on local communities.

ESRS S4 Customers and end users

Following a thorough materiality assessment, TDC NET has concluded that Consumers and end users is not a material topic for our operations, and we have thus omitted the associated disclosure requirements in the corresponding topical ESRS. This decision is grounded in our core focus on digital infrastructure and telecommunications, an area where we primarily serve business clients and other service providers rather than final consumers. Our stakeholder engagement and analysis highlighted that our impact on end users is indirect, mediated through the services provided by our costumers (the service providers). Consequently, issues related to consumer safety, privacy and direct service delivery are less relevant to our operations. The risks and opportunities in these areas were found to be low in likelihood, scale and scope, and are largely managed by the consumer-facing companies we support.

How material information has been determined

We have determined the material information to be disclosed by closely following the criteria outlined in ESRS 1 section 3.2, focusing on material matters and the materiality of information. Our approach ensures that we comprehensively address the impacts, risks and opportunities that are most significant to our business and stakeholders.

We begin by engaging a broad range of stakeholders, including employees, customers, suppliers, regulators and community representatives. This engagement is conducted through surveys, interviews, focus groups and public forums to gather diverse insights and understand their concerns and expectations. This input helps us identify key areas of impact, risk and opportunity that are relevant to our operations.

We then collect extensive internal and external data, including operational metrics, financial reports, industry analyses, market trends and regulatory updates. This data is analysed to identify potential material topics and their implications for our business. The analysis helps us understand the likelihood, severity and scope of impacts, as well as the potential financial effects.

With all this data, in accordance with ESRS 1 section 3.2, we apply specific criteria to determine material matters: 1. Relevance to our business model, 2. Stakeholder perspectives, 3. Impact magnitude and likelihood, and 4. Financial implications.

This ensures that our disclosures effectively address the most significant impacts, risks and opportunities relevant to our business and stakeholders.

ESRS 2
Disclosure requirement reference index

The following tables list all ESRS disclosure requirements that are material to TDC NET, forming the foundation for our sustainability statements. We have excluded all disclosure requirements in the topical standards E2, E3, S3 and S4, as these are not material to us. The tables can be used to locate specific disclosure requirements within our sustainability statements. They indicate where information related to certain disclosure requirements 'incorporated by reference' is located outside the Sustainability Statements. For disclosure requirements that are not material or were a phase-in option is used, no reference is provided.

Report reference abbreviations

2iB = 2024 in brief
SS = Sustainability statements
SR = Sustainability results
FS = Financial statements

ESRS abbreviations

BP: Basis for Preparation
GOV: Governance
SBM: Strategy and Business Model
IRO: Impact, Risks and Opportunities
E: Environment
S: Social
G: Governance

Disclosure Requirement	Datapoint	Location	Page	Additional information
ESRS 2	**General Disclosures**			
BP-1	General basis for preparation of the sustainability statement	SS	34	
BP-2	Disclosures in relation to specific circumstances	SS	34	
	Datapoints that derive from other EU legislation	SS	56	
GOV-1	The role of the administrative, management and supervisory bodies	SS	118, 128	
GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	SS	129	
GOV-3	Integration of sustainability-related performance in incentive schemes	SS	131	
GOV-4	Statement on sustainability due diligence	SS	36	
GOV-5	Risk management and internal controls over sustainability reporting	SS	132	
SBM-1	Strategy, business model and value chain (products, markets, customers)	SS	11	
	Strategy, business model and value chain (breakdown of revenue)	FS	160	Note 2.1
SBM-2	Interests and views of stakeholders	SS	37	
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	SS	44	
IRO-1	Description of the process to identify and assess material impacts, risks and opportunities	SS	37	
IRO-2	Disclosure requirements in ESRS covered by the undertaking's sustainability statement	SS	51	

Environmental Standards	Datapoint	Location	Page	Additional information
ESRS E1	**Climate Change**			
E1.GOV-3	Integration of sustainability-related performance in incentive schemes	SS	131	
E1.IRO-1	Transition plan for climate change mitigation	SS	64	
E1.SBM-3	Material impacts, risks and opportunities, and their interaction with strategy and business model	SS	63	
E1-1	Description of the processes to identify and assess material climate related impacts, risks and opportunities	SS	68	
E1-2	Policies related to climate change mitigation and adaptation	SS	69	
E1-3	Actions and resources in relation to climate change policies	SS	70	
E1-4	Targets related to climate change mitigation and adaptation	SS	70	
E1-5	Energy consumption and mix	SS	72	
E1-6	Gross Scopes 1, 2, 3 and total GHG emissions	SS	73	
E1-7	GHG removals and GHG mitigation projects financed through carbon credits	-	-	Not material
E1-8	Internal carbon pricing	-	-	Not material
E1-9	Anticipated financial effects from material physical and transition risks and potential climate-related opportunities	-	-	Not material

Environmental Standards	Datapoint	Location	Page	Additional information
ESRS E4	**Biodiversity and ecosystem**			
E4.SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	SS	85	
E4.IRO-1	Description of processes to identify and assess material biodiversity and ecosystem-related impacts, risks, dependencies and opportunities	SS	86	
E4-1	Transition plan and consideration of biodiversity and ecosystems in strategy and business model	SS	86	
E4-2	Policies related to biodiversity and ecosystem	SS	87	
E4-3	Actions and resources related to biodiversity and ecosystems	SS	87	
E4-4	Targets related to biodiversity and ecosystems	SS	88	
E4-5	Impact metrics related to biodiversity and ecosystems change	SS	91	
E4-6	Anticipated financial effects from biodiversity and ecosystems-related risks and opportunities	-	-	Not material

Environmental Standards	Datapoint	Location	Page	Additional information
ESRS E5	**Resource use and circular economy**			
E5.IRO-1	Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities	SS	92	
E5-1	Policies related to resource use and circular economy	SS	92	
E5-2	Actions and resources related to resource use and circular economy	SS	93	
E5-3	Targets related to resource use and circular economy	SS	94	
E5-4	Resource inflows	SS	94	
E5-5	Resource outflows	SS	95	
E5-6	Anticipated financial effects from material resource use and circular economy-related risks and opportunities	-	-	Not material

Social Standards	Datapoint	Location	Page	Additional information
ESRS S1	**Own workforce**			
S1.SBM-2	Interests and views of stakeholders			
S1.SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	SS	98	
S1-1	Policies related to own workforce	SS	100	
S1-2	Processes for engaging with own workers and workers' representatives about impacts	-	-	Not material
S1-3	Processes to remediate negative impacts and channels for own workers to raise concerns	SS	101	
S1-4	Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	SS	102	
S1-5	Targets related to managing material negative impacts, advancing positive impacts and managing material risks and opportunities	SS	103	
S1-6	Characteristics of the undertaking's employees	SS	106	
S1-7	Characteristics of non-employee workers in the undertaking's own workforce	SS	107	
S1-8	Collective bargaining coverage and social dialogue	SS	107	
S1-9	Diversity metrics	SS	107	
S1-10	Adequate wages	-	-	Not material
S1-11	Social protection	-	-	Not material
S1-12	Persons with disabilities	-	-	Not material
S1-13	Training and skills development metrics	SS	108	
S1-14	Health and safety metrics	SS	109	
S1-15	Work-life balance metrics	-	-	Not material
S1-16	Compensation metrics (pay gap and total compensation)	SS	109	
S1-17	Incidents, complaints and severe human rights impacts	SS	105	

Social Standards	Datapoint	Location	Page	Additional information
ESRS S2	**Workers in the value chain**			
S2.SBM-2	Interests and views of stakeholders	SS	112	
S2.SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	SS	112	
S2-1	Policies related to affected communities	SS	113	
S2-2	Processes for engaging with affected communities about impacts	SS	114	
S2-3	Processes to remediate negative impacts and channels for affected communities to raise concerns	SS	114	
S2-4	Taking action on material impacts on affected communities, and approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions	SS	115	
S2-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	SS	116	

Governance Standards	Datapoint	Location	Page	Additional information
ESRS G1	**Business conduct**			
ESRS 2, GOV-1	The role of the administrative, supervisory and management bodies	SS	118, 128	
ESRS 2, IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	SS	37	
G1-1	Business conduct policies and corporate culture	SS	138	
G1-2	Management of relationships with suppliers	SS	141	
G1-3	Prevention and detection of corruption and bribery	SS	141	
G1-4	Incidents of corruption or bribery	SS	142	
G1-5	Political influence and lobbying activities	-	-	Not material
G1-6	Payment practices	SS	142	

Entity specific	Datapoint	Location	Page	Additional information
	Infrastructure development + Digitalisation			
Infrastructure	Total broadband RGUs	2iB	9	DR-M
Infrastructure	High-speed RGUs	2iB	9	DR-M
Infrastructure	Low-speed RGUs	2iB	9	DR-M
Infrastructure	Homes passed fibre ('000)	2iB	9	DR-M
Infrastructure	Homes passed coax ('000)	2iB	9	
Digitalisation	100 Mbps population coverage (%)	2iB	9	
Digitalisation	1000 Mbps population coverage (%)	2iB	9	
Digitalisation	4G mobile geographic coverage (%)	2iB	9	
Digitalisation	5G mobile geographic coverage (%)	2iB	9	
	Environment			
Environment	Energy intensity	SS	74	
Environment	Carbon emissions intensity	SS	74	
Environment	Share of renewable electricity	SS	74	
Environment	Data transported	SS	74	
	Social			
Social	Days of absense	SS	108	
Social	Injury incidence	SS	108	
Social	Rate of fatalities	SS	108	
Social	Lost time injury frequency rate (LTIFR)	SS	108	
Social	Total recordable injury frequency rate (TRIFR)	SS	108	
Social	Near-miss accidents reported	SS	108	
Social	Rate of near-miss accidents	SS	108	
Social	JAC audits conducted	SS	117	
Social	Suppliers eligible for EcoVadis	SS	117	
Social	Suppliers reporting to EcoVadis	SS	117	
Social	Risk covered	SS	117	
Social	Weighted average score of suppliers reporting to EcoVadis	SS	117	

Entity specific	Datapoint	Location	Page	Additional information
	Digital trust and ratings			
Digital trust	Employees completing a GDPR e-learning course	SS	147	
Digital trust	Employees completing a security e-learning course	SS	147	
Ratings	EcoVadis	SR	32	
Ratings	GRESB	SR	32	
Ratings	CDP	SR	32	
Ratings	CDP engagement score	SR	32	
Ratings	Sustainalytics	SR	32	

ESRS 2
Datapoints that derive from other EU legislation

The table includes all datapoints that derive from other EU legislation as listed in ESRS 2 appendix B, and indicates where the data points can be found in the report.

Disclosure requirement	Datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Location	Page
ESRS 2 GOV-1	Board's gender diversity, paragraph 21 (d)	x		x		SS	142
ESRS 2 GOV-1	Percentage of board members who are independent, paragraph 21 (e)			x		SS	142
ESRS 2 GOV-4	Statement on due diligence, paragraph 30	x				SS	36
ESRS 2 SBM-1	Involvement in activities related to fossil fuel activities, paragraph 40 (d) i	x	x	x		SS	37
ESRS 2 SBM-1	Involvement in activities related to chemical production, paragraph 40 (d) ii	x		x		SS	37
ESRS 2 SBM-1	Involvement in activities related to controversial weapons, paragraph 40 (d) iii	x		x		SS	37
ESRS 2 SBM-1	Involvement in activities related to cultivation and production of tobacco, paragraph 40 (d) iv			x		SS	37
ESRS E1-1	Transition plan to reach climate neutrality by 2050, paragraph 14				x	SS	60
ESRS E1-1	Undertakings excluded from Paris-aligned Benchmarks, paragraph 16 (g)		x	x		SS	63
ESRS E1-4	GHG emission reduction targets, paragraph 34	x	x			SS	70
ESRS E1-5	Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors), paragraph 38	x				Not material	N/A
ESRS E1-5	Energy consumption and mix, paragraph 37	x				SS	72
ESRS E1-5	Energy intensity associated with activities in high climate impact sectors, paragraphs 40 to 43	x				Not material	N/A
ESRS E1-6	Gross Scope 1, 2, 3 and Total GHG emissions, paragraph 44	x	x	x		SS	73
ESRS E1-6	Gross GHG emissions intensity, paragraphs 53 to 55	x	x	x		SS	74
ESRS E1-7	GHG removals and carbon credits, paragraph 56				x	Not material	N/A
ESRS E1-9	Exposure of the benchmark portfolio to climate-related physical risks, paragraph 66			x		Not material	N/A
ESRS E1-9	Disaggregation of monetary amounts by acute and chronic physical risk, paragraph 66 (a)		x			Not material	N/A
ESRS E1-9	Location of significant assets at material physical risk, paragraph 66 (c).		x			Not material	N/A

Disclosure requirement	Datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Location	Page
ESRS E1-9	Breakdown of the carrying value of its real estate assets by energy-efficiency classes, paragraph 67 (c).		x			Not material	N/A
ESRS E1-9	Degree of exposure of the portfolio to climate-related opportunities, paragraph 69			x		Not material	N/A
ESRS E2-4	Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28	x				Not material	N/A
ESRS E3-1	Water and marine resources, paragraph 9	x				Not material	N/A
ESRS E3-1	Dedicated policy, paragraph 13	x				Not material	N/A
ESRS E3-1	Sustainable oceans and seas, paragraph 14	x				Not material	N/A
ESRS E3-4	Total water recycled and reused, paragraph 28 (c)	x				Not material	N/A
ESRS E3-4	Total water consumption in m^3 per net revenue on own operations, paragraph 29	x				Not material	N/A
ESRS 2- SBM 3 - E4	Paragraph 16 (a) i	x				SS	85
ESRS 2- SBM 3 - E4	Paragraph 16 (b)	x				SS	85
ESRS 2- SBM 3 - E4	Paragraph 16 (c)	x				SS	85
ESRS E4-2	Sustainable land/agriculture practices or policies, paragraph 24 (b)	x				SS	87
ESRS E4-2	Sustainable oceans/seas practices or policies, paragraph 24 (c)	x				Not material	N/A
ESRS E4-2	Policies to address deforestation, paragraph 24 (d)	x				Not material	N/A
ESRS E5-5	Non-recycled waste, paragraph 37 (d)	x				SS	95
ESRS E5-5	Hazardous waste and radioactive waste, paragraph 39	x				SS	95
ESRS 2- SBM3 - S1	Risk of incidents of forced labour, paragraph 14 (f)	x				SS	99
ESRS 2- SBM3 - S1	Risk of incidents of child labour, paragraph 14 (g)	x				SS	99
ESRS S1-1	Human rights policy commitments, paragraph 20	x				Not material	N/A
ESRS S1-1	Due diligence policies on issues addressed by the fundamental International Labor Organization Conventions 1 to 8, paragraph 21			x		Not material	N/A
ESRS S1-1	Processes and measures for preventing trafficking, in human beings, paragraph 22	x				Not material	N/A
ESRS S1-1	Workplace accident prevention policy or management system, paragraph 23	x				SS	100
ESRS S1-3	Grievance/complaints handling mechanisms, paragraph 32 (c)	x				SS	101
ESRS S1-14	Number of fatalities and number and rate of work-related accidents, paragraph 88 (b) and (c)	x		x		SS	109
ESRS S1-14	Number of days lost to injuries, accidents, fatalities or illness, paragraph 88 (e)	x				SS	109
ESRS S1-16	Unadjusted gender pay gap, paragraph 97 (a)	x		x		SS	109
ESRS S1-16	Excessive CEO pay ratio, paragraph 97 (b)	x				SS	109

Disclosure requirement	Datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Location	Page
ESRS S1-17	Incidents of discrimination, paragraph 103 (a)	x				SS	111
ESRS S1-17	Non-respect of UNGPs on Business and Human Rights and OECD Guidelines ,paragraph 104 (a)	x		x		Not material	N/A
ESRS 2- SBM3 – S2	Significant risk of child labour or forced labour in the value chain, paragraph 11 (b)	x				SS	113
ESRS S2-1	Human rights policy commitments, paragraph 17	x				SS	113
ESRS S2-1	Policies related to value chain workers, paragraph 18	x				SS	113
ESRS S2-1	Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines, paragraph 19	x		x		SS	113
ESRS S2-1	Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 19			x		SS	114
ESRS S2-4	Human rights issues and incidents connected to its upstream and downstream value chain paragraph 36	x				SS	116
ESRS S3-1	Human rights policy commitments, paragraph 16	x				Not material	N/A
ESRS S3-1	Non-respect of UNGPs on Business and Human Rights, ILO principles or OECD guidelines, paragraph 17	x		x		Not material	N/A
ESRS S3-4	Human rights issues and incidents, paragraph 36	x				Not material	N/A
ESRS S4-1	Policies related to consumers and end users, paragraph 16	x				Not material	N/A
ESRS S4-1	Non-respect of UNGPs on Business and Human Rights and OECD guidelines, paragraph 17	x		x		Not material	N/A
ESRS S4-4	Human rights issues and incidents, paragraph 35	x				Not material	N/A
ESRS G1-1	United Nations Convention against Corruption, paragraph 10 (b)	x				Not material	N/A
ESRS G1-1	Protection of whistle-blowers, paragraph 10 (d)	x				Not material	N/A
ESRS G1-4	Fines for violation of anti-corruption and anti-bribery laws, paragraph 24 (a)	x		x		SS	142
ESRS G1-4	Standards of anti-corruption and anti-bribery, paragraph 24 (b)	x				SS	141

Environment

E1
Climate change

E1-1
Strategy

TDC NET is highly committed to minimising its environmental impact and leading the way for climate action.

We believe that companies – like us – that have the best conditions to reach net zero as fast as possible should take the lead on climate action. While we work to deliver on our net zero target across our full value chain by 2030, our digital infrastructure is supporting the green digital transition of Denmark.

For an overview of our climate transition plan towards net zero in 2030, including our plan for climate change mitigation, please see page 60. The transition plan has been approved by the Board of Directors.

Our transition pathway to net zero

Energy efficiency initiatives
Invest in energy-efficient technology and reduce network energy consumption.

Zero emission fleet
Optimise technician routes and convert to electric cars and vans.

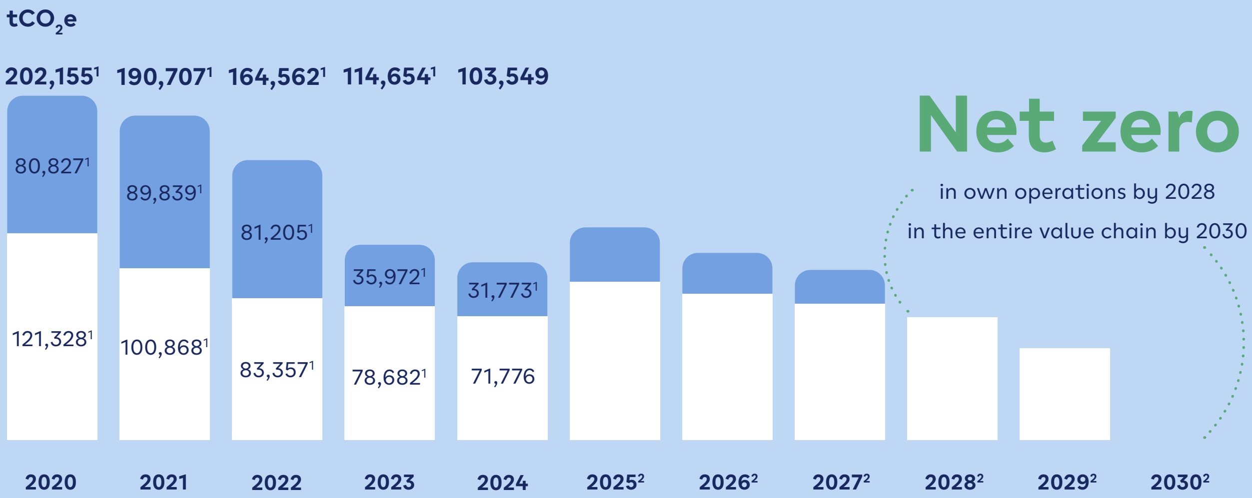
Renewable energy
Cover 100% of energy consumption with high-impact renewable energy sources.

Zero emission heat
Install heat pumps and convert natural gas to district heating.

Examples of initiatives

Own operations (Scope 1 and 2)

Rest of value chain (Scope 3)



E1-1

Committed to annual emissions reductions
TDC NET's net-zero commitment and related roadmap to reduce carbon emissions align with our 2030 business plan, which includes our spend and investment trajectories as well as our strong focus on energy efficiency, renewable energy and supplier engagement.

See section on targets E1-4 for information on our net-zero targets, which this transition plan supports.

Supplier engagement
Engage suppliers to set climate targets and reduce emissions.

Sustainable procurement
Improve circularity and reduce emissions from activities.

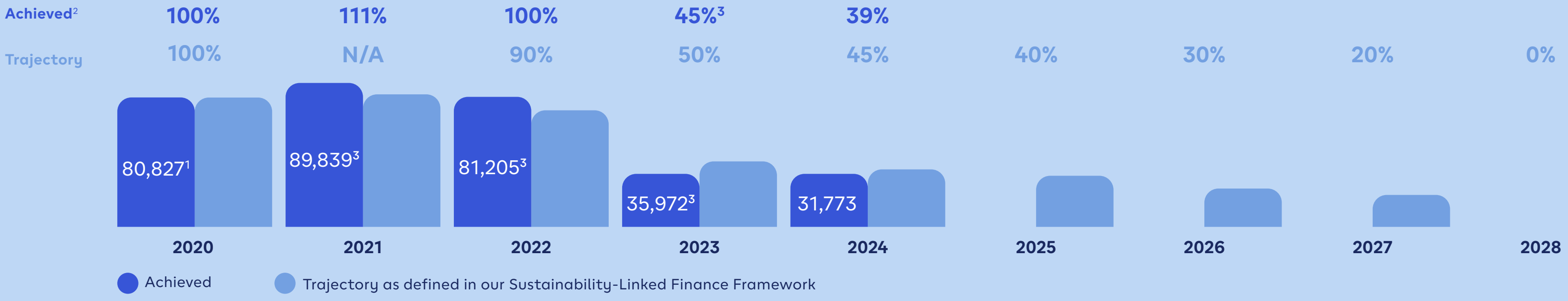
Other initiatives
Reduce emissions from remaining Scope 3 categories from various initiatives.

[1] Numbers have changed compared with data reported in our Annual Report 2023.
[2] Committed targets.

Sustainability performance report

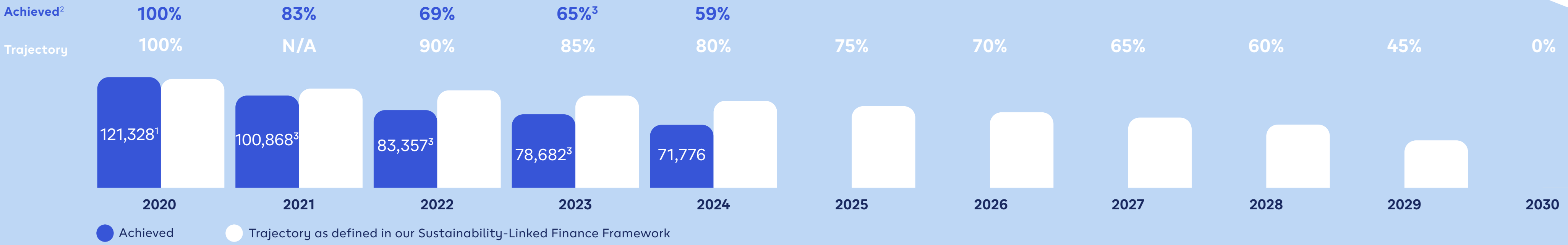
Roadmap for TDC NET Scope 1 and 2 to achieve net zero by 2028

KPI (% of 2020 baseline). Tonnes CO_2e, 2020A-2028E



Roadmap for TDC NET Scope 3 to achieve net zero by 2030

KPI (% of 2020 baseline). Tonnes CO_2e, 2020A-2030E



Second-party opinion

In 2022, Sustainalytics provided a second-party opinion on TDC NET's Sustainability-Linked Finance Framework and the associated trajectories for Scopes 1 and 2 and for Scope 3. Both trajectories were given the scores of "Very Strong" and "Highly Ambitious".

[1] In accordance with our Sustainability-Linked Finance Framework and our accounting policies, we have adjusted the 2020 baseline for Scope 3 from 126,012 tCo2e to 121,328 tCo2e. Furthermore, the 2020 baseline for Scope 1 and 2 has been adjusted from 81,066 to 80,827 tCo2e. All adjustments are made in good faith. Reference is made to the description of the recalculating event on page 62 and to the detailed description of changes in our accounting principles for Environment on pages 75-78. The adjusted baseline is subject to assurance by our independent assurance providers. Refer to pages 223-225 for the Independent Auditor's Assurance Report on the Sustainability statement.

[2] In accordance with our Sustainability-Linked Finance Framework, "achieved" performance on KPIs is subject to assurance by our independent assurance providers. Refer to pages 223-225 for the Independent Auditor's Assurance Report on the Sustainability statement.

[3] The figure has been adjusted compared with disclosed data in TDC NET Annual Report 2023. Corrections have been made to Scope 2 market-based and Scope 3 emissions due to an update of the electricity and heat emission factors as well as improved district heating data and electricity split between group companies. These adjustments occurred after last year's reporting.

Note: following the occurrence of a recalculation event, we recalculate our 2020 baselines and adjust historical data to enable comparability year on year.

Sustainability performance report

In 2022, TDC NET established a Sustainability-Linked Finance Framework (SLFF) and issued the first sustainability-linked bonds, tied to our net-zero targets validated by the Science Based Target initiative.

In 2024, TDC NET issued a single EUR 500m sustainability-linked bond. This puts the total of outstanding sustainability-linked bonds at EUR 2bn. TDC NET has also engaged in a EUR 75m sustainability-linked loan facility.

In addition to our long-term net-zero targets, we have set annual CO_2 reduction targets for our Scope 1 and 2 and Scope 3 emissions. The graph on the previous page shows the trajectory with individual annual targets towards net zero.

In alignment with the Greenhouse Gas Protocol and best practice carbon accounting, we adjust our 2020 baselines following the occurrence of a recalculation event. In accordance with our SLFF and the Terms and Conditions of our outstanding sustainability-linked bonds, a recalculation event is considered as the occurrence of 1) a significant change to the structure of TDC NET or its subsidiaries or 2) a significant change in methodology for calculating GHG emissions covered by Scope 1 and 2 or Scope 3 that requires a recalculation for any reporting year. It was concluded that the mentioned adjustments constitute a significant change in methodology pursuant to paragraph (b) of the definition of a recalculation event. This is on the basis that each of the types of adjustments set out relates to significant changes in methodology which required re-calculation of the 2020 baselines and all adjustments are made in good faith for purposes of ensuring that the sustainability performance targets are calculated on a consistent basis using comparable data for the relevant reporting year and the 2020 baseline year, respectively. Recalculating the baselines ensures consistency and comparability year on year.

Following the occurrence of a recalculation event in comprising a significant change in methodology (including implementation of industry standards, new supplier data, new tools, databases or upgrade of IT systems affecting this), we recalculated our 2020 baselines as follows:

- 2020 baseline, Scopes 1 and 2: 80,827 tonnes CO_2e
- 2020 baseline, Scope 3: 121,328 tonnes CO_2e

Net-zero target	2020 baseline	Reduction initiatives	Investor targets
Scope 1 and 2 by 2028	Emissions driven by: · 89% electricity use · 10% transport · 1% heat	· Energy efficiency initiatives · Renewable energy · Zero emission fleet · Zero emission heat	Sustainability-linked bonds of EUR 2bn with penalty if we fail to meet Scope 1 and 2 KPIs in 2026, 2027 and 2028, respectively.
Actuals	80,827 tonnes CO_2e		

Net-zero target	2020 baseline	Reduction initiatives	Investor targets
Scope 3 by 2030	Emissions driven by: · 83.5% purchased goods · 8.5% fuel and energy · 8% other	· Supplier engagement · Sustainable procurement · Spend reduction · Increase share of services compared with goods	Sustainability-linked bonds of EUR 2bn with penalty if we fail to meet Scope 3 KPIs in 2026, 2027 and 2028, respectively.
Actuals	121,328 tonnes CO_2e		

For more details, please refer to the Sustainability-Linked Finance Framework available on TDC NET's website under investor relations.

Key decarbonisation initiatives include:

1. Investing in the most energy-efficient technology (5G and fibre) and reducing network energy consumption,
2. Converting our fleet to electric cars and vans,
3. Covering 100% of energy consumption from high-impact renewable energy sources,
4. Utilising surplus heat from data centres and equipment with for example heat pumps,
5. Engaging with top suppliers to set climate targets and provide transparent data,
6. Building sustainable procurement setup to reduce materials and improve circularity

Significant investments associated with the climate transition plan:

1. Investments in the most energy-efficient technology (5G and fibre) to reduce network energy consumption,
2. Investments in electrification of cars and vans,
3. Investment in high-impact renewable energy sources including four solar parks in Denmark.

None of these activities are eligible for EU Taxonomy as network infrastructure is currently not covered by EU Taxonomy, which excludes data centre activities. The current activities covered under EU taxonomy are planned to transition to net zero in accordance with the climate plan for TDC NET. We are included in the EU Paris-aligned benchmarks.

TDC NET uses oil to fuel backup generators that can be turned on in the event of power outages and thereby secure that our network is still available for the Danish society. In 2024, oil constituted 0.01% of total Scope 1 & 2 emissions and hence poses no risk to our net-zero ambition.

In 2024, we launched our new corporate strategy – Connectivity Pioneers. Sustainability is an integrated part of our ambition to become a leading customer-centric green TechCo by 2030. Furthermore, the 2030 net-zero climate programme is fully aligned with our financial planning.

E1.SBM-3

Climate risks

TDC NET acknowledge our impact on climate change with our GHG emissions and have set an ambitious net zero 2030 target and delivered strong progress from 2020 to 2024. Nevertheless, as we advance our strategy to mitigate climate change and achieve net-zero emissions by 2030, it becomes imperative to closely examine the climate-related risks and opportunities that may impact our operations and value chain.

TDC NET assesses physical* climate-related risks, such as rising average temperatures, flooding, extreme weather and other consequences through a combination of representative concentration pathways (RCPs). Transition-related* risks, such as regulatory shifts, higher compliance costs, and consumer trends are assessed through sensitivity analyses. For these different analyses and assessments used in relation to physical and transition risks, we incorporate different climate scenarios and macro-economic trends to help guide TDC NET's response to future climate related risks and opportunities.

We use the projections available in the Climate Atlas from the Danish Meteorological Institute, which is based on the IPCC 6th Assessment Report, to identify and assess physical risks. Data in the Climate Atlas is based on a large number of regional models in Denmark and is updated once or several

*

Per the ESRS, physical and transition risks are defined as:

Physical risks resulting from climate change can be event driven (acute) or longer-term shifts (chronic) in climate patterns. Physical risks may have financial implications for organisations, such as direct damage to assets and indirect impacts from supply chain disruption.

Transition risks arise from the transition to a lower-carbon economy. This entails extensive policy, legal, technology and market changes to address mitigation and adaptation requirements related to climate change. Depending on the nature, speed and focus of these changes, transition risks may pose varying levels of financial and reputational risk to organisations.

*

Definitions of time horizons related to climate-related physical and transition risks, impacts and opportunities:

As part of our analyses, workshops and target-setting process, we have adopted the horizons put forward by the SBTi; short-term: 0 to 3 years (2024-2027), medium-term: 3 to 13 years (2027-2040), and long-term: 13 to 23 years, to align with the Paris Agreement targets (2040-2050).

The **short-term** timeframe focuses on immediate business strategies, especially those relating to operational activities, regulatory compliance, and short-term climate risk management. For example, TDC NET's climate-related targets, including energy-saving projects, securing renewable energy PPAs and emissions reduction initiatives, align closely with strategic roadmaps and annual budget planning.

For the **medium-term**, TDC NET focuses on sustainability targets, technological infrastructure upgrades and emissions reduction plans as part of its transition strategy. This is the horizon for significant investments in low-energy consumption technologies and infrastructure, including the target of achieving net-zero emissions by 2030. Financial planning within this horizon includes investment projects, renewable energy procurement and financing for climate-related initiatives.

Long-term planning aligns with TDC NET's broader business strategy to future-proof its infrastructure and integrate advanced sustainable technologies to meet future consumer demands. This horizon is essential for long-term financial investments in sustainable energy, fleet electrification and adaptation to long-term climate risks. TDC NET's ambition to continue reducing its carbon footprint to align with the Paris Agreement targets (2050) and the Science Based Targets initiative (SBTi) is a key focus for long-term financial planning.

times a year, ensuring alignment with state-of-the-art science. The climate atlas shows uncertainties estimated by looking at the spread over bias-adjusted model projections and expressed as the displayed spread between the 10th and 90th percentiles. These climate scenarios are the de facto standard used in Denmark for climate modelling and is the only standard publicly available from the Danish Meteorological Institute. They offer 3 RCPs (low 2.6, medium 4.5 and high 8.5), and we use each to identify risks and determine our corresponding management approaches for the short-, medium and long-term*.

We identify key transition risks through robust sensitivity analyses. These analyses help us project various future scenarios related to energy costs, regulatory compliance and shifts in consumer preferences as the world transitions to a low-carbon economy. By assessing the potential impacts of higher energy costs due to the phase-out of carbon-intensive sources, increased regulatory compliance costs from stringent environmental policies, and evolving consumer demand for sustainable products, we are able to develop targeted strategies to mitigate these risks. This proactive approach ensures that TDC NET is well-prepared to navigate the complexities of a low-carbon future while maintaining our commitment to environmental sustainability.

While TDC NET has diligently identified key transition risks through sensitivity analyses, we acknowledge that these should have been complemented with comprehensive scenario analyses in accordance with the ESRS. Recognising the importance of this approach, we are committed to enhancing our methodologies and will be integrating scenario analyses into our risk assessment processes in the near future. This improvement will enable us to better evaluate and prepare for various transition risks, further strengthening our commitment to sustainability and resilience.

TDC NET has, through the abovementioned RCPs and sensitivity analyses, identified the following material physical and transition climate-related risks:

E1-4, E1.IRO-1

Physical climate-related risks
In a high-carbon future, flooding (long-term risk) has been deemed a material physical climate-related risk to TDC NET's operations. Flooding risks threaten TDC NET's infrastructure, especially at key sites like data centres, telecommunication towers and critical facilities in flood-prone areas. Flooding can damage infrastructure, disrupt operations and cause data or communication service losses. Such disruptions hinder telecom services, cause delays and increase operational costs due to emergency repairs. Additionally, there may be supply shortages for critical infrastructure components required for restoration efforts.

Consequently, different initiatives have been undertaken to ensure that TDC NET's digital infrastructure will not be affected, even in an RCP 8.5 scenario, also noted as the 'business as usual' scenario, where temperatures are expected to increase by up to 3.7°C by year 2100. These initiatives have entailed taking precautionary actions to future-proof TDC NET's key infrastructure sites, where data centres and

telecommunication towers are located. Such precautionary actions have entailed a priority location identification process to identify areas most vulnerable to floods (and other climate related risks such as fire, extreme cold, heat, etc.). More concretely, a detailed risk assessment of our 10 most critical facilities was undertaken. These risk assessments have provided us with a comprehensive understanding of our facilities' vulnerabilities and the necessary protective measures, thereby mitigating potential future damage from a high-carbon future and reducing capital expenditures for repairs. In high-risk areas, TDC NET has implemented mitigation measures, such as improving drainage systems and installing water sensors.

In addition to assessing key infrastructure sites, we have comprehensively evaluated the resilience of TDC NET's entire value chain against climate-related risks. This includes scrutinising our supply chain, logistics and operational processes to ensure continuity and robustness in the face of potential disruptions such as flooding and other extreme weather events. By integrating these assessments, we aim to enhance the resilience of our value chain, helping us maintain reliable telecom services even under adverse climate scenarios. These inspected facilities were chosen based on reports from Orbicon (now WSP Global Inc) and Dansk Skybrud Rådgivning (now MMAKE), which assessed them due to their proximity to water and the differences in levels between the water and the facilities. The conducted risk analyses provided a comprehensive understanding of our facilities' vulnerabilities and the protective measures necessary for different climate scenarios in the future. Such precautionary measures are put in place to prepare for potential flooding, and applicable insurance policies are in place to minimise the financial impact of potential damage to equipment and facilities. The measures have led to several initiatives to future-proof our digital infrastructure and assets:

- All TDC NET locations with data centre activities have implemented climate change measures in accordance with projections for future climate events and scenarios.
- TDC NET's climate protection strategy involves minor landscape changes to naturally guide water away.
- A general climate adaptation approach has been enacted for 10 of our most critical sites.
- The inauguration of a TDC NET Infrastructure Weather Protection Policy regarding cloud burst and storm surge.
- Preventive measures are based on the 2011 Copenhagen cloud burst (+25% overhead) and the 1872 "Øresund" storm surge.

The proactive approach mentioned above enhances the resilience of TDC NET's business model in managing physical climate-related risks and enables TDC NET to deliver on its goals, outlined in the company's 2030 strategy. Moreover, proactively mitigating these physical risks prevents potential GHG emissions associated with emergency repairs and recovery, contributing to overall climate resilience and sustainability. Also, by sharing knowledge and strategies with industry partners, TDC NET can enhance collective resilience against such physical climate risks, fostering a more robust network infrastructure for the entire sector.

Other physical risks that were identified are related to rising average temperatures and extreme weather events. However, as these physical risks were not deemed material to TDC NET, no further actions have been taken by TDC NET. If the applied climate scenarios are to be modified in the future, a new assessment of these physical risks will be conducted to determine their materiality and if any actions are required by TDC NET.

E1-4, E1-6 and E1.IRO-1

Transition climate-related risks

In a lower-carbon future, where global warming is limited through stringent climate policies, corporate action and societal behaviour, TDC NET has identified three material transition risks and opportunities related to higher energy costs, higher regulatory compliance costs, and a consumer base that will increasingly value greener products and sustainable business practices. For each of the identified transition risks and opportunities, sensitivity analyses have been conducted. Such analyses project different future levels of decreasing demand for carbon-intensive energy sources, various scenarios of increased pricing related to GHG emissions, and different projections of future consumer preferences for low-carbon product offerings.

Higher energy costs (short-term risk) are a significant transition risk due to TDC NET's substantial electricity consumption, which makes it vulnerable to market volatility, with the expected phasing out of carbon-intensive energy sources. Higher energy costs may affect TDC NET's operations at data centres, office spaces and network sites, increasing operational expenses. This could lead to higher prices for services or absorbed costs. Any disruption in this supply chain can affect energy stability, escalating costs and reducing competitiveness.

TDC NET is actively mitigating this risk by entering into long-term PPAs for renewable energy, which secure fixed prices and ensure a stable supply of energy while supporting the transition to net zero in scope 1 and 2 by 2028. TDC NET, through its solar parks, built in cooperation with Better Energy, have benefitted greatly from cheaper renewable energy, and in 2024 TDC NET was able to cover 74% of its electricity consumption with renewable energy from its solar parks. The PPA covers 100% of our contractual instruments for buying and selling energy bundled with generation attributes related to Scope 2 GHG emissions.

In a lower-carbon future, where global warming is limited, higher demand for renewable energy PPAs and control of renewable energy assets is expected. To mitigate this transition risk, TDC NET is actively pursuing new PPAs to ensure reaching its 100% renewable energy target by 2028. In the case of a market with limited supply and high demand for renewable PPAs, TDC NET has enacted a clause in its contract with Better Energy, permitting TDC NET preferred access to excess solar energy from its 4 solar parks, allowing TDC NET to continuously source renewable energy for its operations.

TDC NET further addresses higher energy costs from transitioning to a low-carbon economy by conducting sensitivity analyses on future energy demand and GHG emissions. We invest in advanced energy management systems to optimise energy use and ensure a smooth shift to renewable energy. This aligns our consumption with sustainability goals, reducing our carbon footprint. Additionally, by increasing on-site renewable energy generation, we can supply excess energy to the grid, supporting the community's move to sustainable energy

Regulatory compliance costs (medium to long-term risk) are also expected to rise as stricter environmental regulations come into effect. TDC NET identifies and evaluates regulatory compliance risks through sensitivity analyses, considering stringent environmental regulations such as CO_2 taxes and penalties. The risk of higher regulatory compliance costs is likely to affect TDC NET across its entire value chain, from procurement to operations and sales. Stricter regulations related to CO_2 emissions, energy usage and sustainability reporting can impose additional compliance costs throughout the supply chain. This has implications for supplier relationships as TDC NET might require suppliers to meet stringent environmental criteria, necessitating adjustments in procurement practices. Moreover, increased regulatory costs can affect operational budgets and necessitate investment in new technologies and processes to ensure compliance. This could lead to higher costs for goods and services procured, thereby affecting overall supply chain efficiency and financial performance.

TDC NET's proactive measures in reducing Scope 1, 2 and 3 emissions are crucial to managing this transition risk moving forward and include a strong focus on energy efficiency, electric fleet transition, renewable energy, surplus heat utilisation, supplier engagement and sustainable procurement. Additionally, our long-term business plan assumes viability in a low-carbon economy, though we recognise that climate-related factors increase uncertainty in some estimates and assumptions. Our efforts are supported by long-term PPAs for renewable electricity and the issuance of sustainability-linked bonds, ensuring our preparedness for new climate regulations. This alignment supports our ability to manage climate risks while maintaining long-term business resilience. By setting ambitious internal sustainability targets and publicly reporting progress, TDC NET demonstrates leadership in corporate responsibility, potentially attracting investment from environmentally conscious stakeholders and strengthening its market position.

Consumer preferences (long-term opportunity) and the changing consumer behaviour in favour of more sustainable products, presents various risks and opportunities for TDC NET. TDC NET identifies opportunities and risks related to shifting consumer preferences towards sustainable products through comprehensive materiality assessments and robust consumer engagement initiatives. The materiality assessments conducted highlighted a shift in consumer sentiment towards more sustainable product offerings (such as fibre instead of legacy products like copper) and business practices (ambitious net-zero targets).

Changing consumer preferences towards more sustainable and low-carbon products is likely to impact TDC NET's product development and marketing. This shift necessitates that TDC NET adapts its product offerings and services to meet evolving consumer demands, such as transitioning from copper networks to fibre-optic solutions. The impacts on the supply chain include the need for sourcing sustainable materials and services, which can create pressure on suppliers to enhance their sustainability practices.

By enhancing energy efficiency, transitioning to renewable energy and promoting circular economy practices, TDC NET improves its sustainability credentials and aligns its offerings with the evolving expectations of its customers. This strategic focus on sustainability helps TDC NET position itself at the forefront of the digital infrastructure space, committed to driving a transition towards a low-carbon future. A risk associated with this sustainable push is a reversal of consumer sentiment, where lower demand for low-carbon products and services will lead to TDC NET becoming less competitive. To mitigate this risk, TDC NET is continuously engaging with its consumers to understand evolving patterns and trends. This engagement comes in the form of surveys, interviews and the analysis of data related to consumer purchases and demand.

Moreover, engaging consumers through sustainable product offerings can drive innovation and open up new market opportunities. However, a failure to align with these preferences could result in lost market share and reduced competitiveness, further influencing the strategic direction of procurement and vendor management to ensure alignment with TDC NET's sustainability goals.

E1

The process to identify and assess climate-related impacts, risks and opportunities

In identifying and assessing the above mentioned climate-related risks and opportunities, and their subsequent impacts on TDC NET and the company's value chain, a comprehensive methodological structure has been used, outlined on pages 39-40, which goes through the five steps of identifying, assessing, prioritising, monitoring and ensuring due diligence related to all risks and opportunities, and their impacts. For the four material physical and transition risks identified, the same structure has been used. This has been done not only in the context of TDC NET's operations, but through the entire value and supply chain TDC NET is a part of and has the possibility to impact.

E1.SBM-3

Climate resilience

The resilience analysis used to identify and prioritise facilities that needed resilience measures to mediate climate risks resulted in a clear understanding of which facilities are most vulnerable. We have consequently strategically allocated resources to mitigate the potential impact of extreme weather events, thereby enhancing our infrastructure's resilience and reducing long-term capital expenditures. The results from the high-carbon scenario (RCP 8.5) analysis determined risks to digital infrastructure that could lead to decreased connectivity for customers if mobile towers are down or data centres are flooded. Such scenarios determined the likelihood of having to intervene in an acute situation where a natural disaster driven by climate change occurs in Denmark and our network must be operational for emergency services. This led to financial and technology strategy work on the cost of making critical infrastructure more resilient to climate change, e.g. ensuring data centres in basements remain online despite flooding due to a storm.

We apply the recommendations from the ESRS to understand, identify, adapt and report on climate-related risks and opportunities. We further identify short, medium-, and long-term climate risks, and we report on them in our annual response to the Carbon Disclosure Project (CDP). As recommended, we describe our 1) governance, 2) strategy, 3) risk management and 4) metrics and targets in relation to climate risks. As TDC NET's Climate & Nature Forum oversees these processes quarterly, TDC NET can quickly adjust and adapt its strategy and future business model to ensure that

TDC NET remains operational and continues to provide value to all its stakeholders.

E1-2

Policies

TDC NET's Environmental Policy is adopted to guide on minimising our environmental impact while building digital infrastructure.

The objective of our environmental policy is to outline TDC NET's commitment to environmental sustainability across our entire value chain, to foster a culture of continuous improvement, to enforce responsible resource management and apply ecological stewardship within our organisation. Specifically, our environmental policy addresses our commitment to climate change mitigation and adaptation, energy efficiency and renewable energy. In practice, we will live up to these commitments by minimising energy use, phasing out fossil fuels in our operations, sourcing renewable energy, minimising value chain emissions and increasing the resilience of our networks to the effects of climate change by implementing adaptation measures. The policy also sets out clear targets to integrate environmental considerations into business operations, and enforces compliance with all applicable environmental laws and regulations. It also aligns with the principles of the UN Global Compact.

Our environmental policy is applicable to TDC NET's owners as well as all employees in TDC NET, consultants, temporary staff, contractors, and all other persons to whom this policy

First electric fibre van in Denmark

A large proportion of TDC NET's direct emissions come from our car and van fleet. In order to remove these emissions, TDC NET has a goal to fully electrify its fleet by 2028, which is a core Scope 1 initiative to reach our net-zero target.

While transitioning passenger vehicles to electric has been straightforward, electric vans have proven more difficult. An electric van suitable for our fibre technicians was not available on the market (specifically in terms of solutions to heat the fibre), and we therefore decided to partner with conversion specialists to develop a van fit for fibre. As a result, the first electric fibre van in Denmark was put on the road in H1 2024. This is a testimony of TDC NET's frontrunner mentality within the field of sustainability – solutions are not always in place, but through collaboration with market players we can push boundaries.

The next pool of electric vans has already been ordered, but many more are in the pipeline to reach our target of a 100% electric fleet by 2028.

could be relevant. Environmental impacts in our value chain are addressed through the TDC NET Supplier Code of Conduct.

The environmental policy is maintained and reviewed on an annual basis by TDC NET's Sustainability Team and Head of Sustainability based on strategic initiatives, and is approved by the Board of Directors. Responsibility for implementing and compliance with the policy lies with TDC NET's Climate and Nature Forum chaired by the Chief Financial Officer, as well as employees whose work falls within the scope of the policy.

A proof point for our solid environmental management is our ISO certification. TDC NET's Environmental Management System is ISO 14001 certified, with 100% coverage. Environmental risk assessments as well as internal and external audits are performed as part of the certification. ISO 14001 awareness involves ongoing tracking of participation in employee training programmes and introduction during our onboarding programme.

E1-3

Actions

Our climate transition plan, including plans and initiatives for climate change mitigation, is disclosed in our Annual Report 2024, page 60. Key initiatives include energy efficiency, electric fleet transition, renewable energy, surplus heat utilisation, supplier engagement and sustainable procurement. During this decade, we estimate investments of more than DKK 1bn (split between OPEX and CAPEX – excluding investments in energy-efficient technology) will be required in the 2030 net-zero climate programme. A limited part of this is eligible for EU taxonomy as network infrastructure (which excludes data centre activities) is currently not covered by EU taxonomy.

A residual part of GHG emissions will be neutralised in 2030, which could include nature-based solutions, but we are awaiting official guidance on neutralisation from the Science Based Targets initiative (SBTi).

Delivering on the net-zero 2030 climate plan depends on several factors:

1. Access to renewable electricity in Denmark to cover 100% of operations,
2. Availability and technological advancements of the electric vans to ensure no operational impact,
3. Support from key vendors to drive down value chain emissions,
4. Availability and technological advancements in the market for GHG emission neutralisation.

E1-4

Targets

Our net zero targets cover the entire value chain (Scopes 1, 2 and 3), where no exclusions are made. The net zero targets are aligned with the Science Based Targets initiative (SBTi) standard aiming at a 90% reduction of GHG emissions and 10% neutralisation (GHG removals, etc.) from a 2020 baseline.

To achieve the SBTi-approved targets, TDC NET has set separate targets for scope 1 and 2 by 2028 and scope 3 by 2030. The SBTi targets are:

SBTi near-term target: TDC NET commits to reduce absolute Scope 1, 2, and 3 GHG emissions by 60% by 2028 from a 2020 base year.

SBTi long-term target: TDC NET commits to reducing absolute scope 1, 2, and 3 GHG emissions by 90% by 2030 from a 2020 base year.

Having net zero targets for 2030 that are aligned with and validated by the SBTi, ensures that TDC NET is doing its part to limit global warming to 1.5°C, which is in line with the Paris Agreement. This is the case as SBTi estimates that, in order to limit the global temperature rise to 1.5°C, businesses must halve their GHG emissions by 2030 and become net-zero by 2050.

Our baseline was calculated in collaboration with external experts (The Carbon Trust) and conducted for three years (2019, 2020 and 2021) to ensure comparability (pre Covid-19 versus during Covid-19). Furthermore, our baseline is validated as part of our 2030 net-zero target validation from SBTi.

As explained in our accounting principles and sustainability-linked bonds programme, significant changes (such as mergers and acquisition activities) will trigger a baseline recalculation to ensure comparability.

TDC NET's climate transition plan is aligned with its business plan and designed to deliver on its net zero target.

Expected decarbonisation initiatives include:

- Energy efficient technology (15k tonnes CO_2e),
- Renewable energy (60k tonnes CO_2e)
- Zero emission fleet (7k tonnes CO_2e)
- Sustainable procurement (75k tonnes CO_2e)
- Neutralisation (20k tonnes CO_2e)
- Initiatives TBD (25k tonnes CO_2e)

A workshop was conducted with relevant stakeholders across TDC NET in March 2024. RCP 2.6, RCP 4.5 and RCP 8.5 scenarios were analysed and evaluated as part of that meeting.

E1-4

Targets

TDC NET has GHG emissions reduction targets in place to manage IROs related to climate change mitigation and adaptations as well as renewable energy (no other targets in place for climate).

- 100% renewable energy in operations by 2028
- Net-zero CO_2 on Scopes 1 and 2 by 2028 and Scopes 1, 2 and 3 by 2030

2024 results and performance

We have made significant progress towards our net-zero target and are performing better than the annual targets set.

In 2024, total carbon emissions across the entire value chain decreased by 10% (11,105 tonnes CO_2e) compared with 2023 and by 49% (98,606 tonnes CO_2e) compared with our 2020 baseline. This achievement was primarily driven by decommissioning legacy equipment, reduced electricity consumption, lower district heating use, improved supplier data quality and lower emission factors. Improvements were also achieved across our energy and carbon intensity rates.

Scope 1 and 2 results: in 2024, our Scope 1 and 2 market-based emissions decreased by 12% (4,199 tonnes CO_2e) compared with 2023, and 61% (49,054 tonnes CO_2e) compared with 2020. This was driven by energy efficiency effects from legacy equipment decommissioning, reduced electricity consumption and lower district heating use. We also took further steps towards reaching our target of 100% renewable energy by 2028 and now cover 74% of our electricity consumption with renewable energy.

Scope 3 results: in 2024 we reduced our Scope 3 emissions by 9% (6,906 tonnes CO_2e) compared with 2023 and by 41% (49,552 tonnes CO_2e) compared with our 2020 baseline. This achievement was driven mainly by shifts in supplier spend, improved supplier data and lower emission factors.

Energy and carbon intensity

Our energy intensity declined by 11% compared with 2023, while our network carried 10% more data. This was driven by our continued focus on activating customers to use the most energy-efficient digital infrastructure: our 5G and fibre networks. Our carbon emission intensity declined by 20% as a result of reduced CO_2e emissions while data throughput in our network increased.

E1-5

Energy consumption and mix

Energy consumption and mix	2024	2023	2022	2021	(Base year) 2020	% N / N-1
	Retrospective					
6. Total fossil energy consumption (MWh)	**74,665**	N/A	N/A	N/A	N/A	N/A
Share of fossil sources in total energy consumption (%)	33%	N/A	N/A	N/A	N/A	N/A
7. Consumption from nuclear sources (MWh)	**4,165**	N/A	N/A	N/A	N/A	N/A
Share of consumption from nuclear sources in total energy consumption (%)	2%	N/A	N/A	N/A	N/A	N/A
8. Fuel consumption for renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen, etc.) (MWh)	0	N/A	N/A	N/A	N/A	N/A
9. Consumption of purchased or acquired electricity, heat, steam and cooling from renewable sources (MWh)	147,734	N/A	N/A	N/A	N/A	N/A
10. The consumption of self-generated non-fuel renewable energy (MWh)	91	N/A	N/A	N/A	N/A	N/A
11. Total renewable energy consumption (MWh) (calculated as the sum of lines 8 to 10)	**147,825**	N/A	N/A	N/A	N/A	N/A
Share of renewable sources in total energy consumption (%)	65%	N/A	N/A	N/A	N/A	N/A
Total energy consumption (MWh) (calculated as the sum of lines 6, 7 and 11)	**226,665**	**240,813**[1]	**247,881**[1]	**242,670**[1]	**235,837**[1]	**-6%**
Own energy production (MWh)						
Non-renewable energy production	0	N/A	N/A	N/A	N/A	N/A
Renewable energy production	0	N/A	N/A	N/A	N/A	N/A

[1] Historic calculation adjustments have been made due to an improved electricity split between companies and correct district heating numbers.

E1-6

Gross Scopes 1, 2 and 3 GHG emissions*

	Retrospective							Milestones and target years			
GHG emissions	**2024**	**2023**	**2022**	**2021**	(Base year) **2020**	% N / N-1	**Total reduction vs Base year**	**2028**	**2030**	**2050**	**Annual % target / Base year**
Scope 1 GHG emissions											
Gross Scope 1 GHG emissions (tCO_2eq)	7,369	8,440	9,228	8,265	8,241	-13%	873	0	0	0	12.5%
% of Scope 1 GHG emissions from regulated emission trading schemes (%)	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Scope 2 GHG emissions											
Gross location-based Scope 2 GHG emissions (tCO_2eq)	13,544	14,613[1]	24,809[1]	28,363[1]	24,371[1]	-7%	10,827	0	0	0	N/A
Gross market-based Scope 2 GHG emissions (tCO_2eq)	24,404	27,652[1]	71,977[1]	81,574[1]	72,585[1]	-12%	48,181	0	0	0	12.5%
Significant Scope 3 GHG emissions											
Total Gross indirect (Scope 3) GHG emissions (tCO_2eq)	71,776	78,682[1]	83,357[1]	100,868[1]	121,328[1]	-9%	49,552	72,797	0	0	10.0%
1: Purchased goods and services	61,330	65,434[1]	65,794[1]	82,529[1]	101,252[1]	-6%	39,922	60,751	0	0	N/A
2: Capital goods	*Included in cat. 1*	*Included in cat. 1*	*Included in cat. 1*	*Included in cat. 1*	*Included in cat. 1*	*Included in cat. 1*	*Included in cat. 1*	*Included in cat. 1*	-	-	N/A
3: Fuel and energy-related activities (not included in Scope 1 or Scope 2)	4,159	4,771[1]	9,963[1]	10,928[1]	10,332[1]	-13%	6,173	6,199	0	0	N/A
4: Upstream transportation and distribution	1,124	968[1]	1,268	1,633[1]	1,372	16%	248	823	0	0	N/A
5: Waste generated in operations	11	32	67	32	23	-66%	12	14	0	0	N/A
6: Business travel	1,041	1,096	999	806	977	-5%	-65	586	0	0	N/A
7: Employee commuting	1,032	1,282	1,051	492	1,078	-20%	47	647	0	0	N/A
11: Use of sold products (direct)	1,557	2,994	2,650	2,542	4,503	-48%	2,947	2,702	0	0	N/A
12: End-of-life treatment of sold products	0	1	1	1	2	-73%	2	1	0	0	N/A
13: Downstream leased assets	1,522	2,103	1,564	1,904	1,788	-28%	267	1,073	0	0	N/A
Total GHG emissions											
Total GHG emissions (location-based) (tCO_2eq)	92,689	101,735	117,394	137,497	153,941	-9%	61,252	72,797	0	0	N/A
Total GHG emissions (market-based) (tCO_2eq)	103,549	114,773	164,562	190,707	202,155	-10%	98,606	72,797	0	0	10.8%

* Apart from the calculation adjustment mentioned here, we have no knowledge of significant events and changes in circumstances relevant to GHG emissions, that have occured between the reporting dates of the entities in our value chain and the date of our general purpose financial statements.

[1] Historic calculation adjustments have been made due to improved electricity split between companies and correct district heating numbers

Share of the target related to each respective GHG emission scope (as of base year 2020)	2028
Scope 1 emissions	10%
Scope 2 emissions (market-based)	90%

E1-6

Gross GHG intensity per net revenue	2024	2023	2022	2021	(Base year) 2020	% N / N-1	Total reduction vs Base year
Total GHG emissions (location-based) per net revenue (tCO_2e/mDKK)	14.36	15.75[1]	17.68[1]	20.60[1]	22.55[1]	-9%	8.19
Total GHG emissions (market-based) per net revenue (tCO_2e/mDKK)	16.04	17.76[1]	24.79[1]	28.57[1]	29.61[1]	-10%	13.57

	Revenue DKKm	tCO_2eq/ DKKm	Percentage
GHG emissions by economic activity	**6,455**	**103,549**	**100%**
Landline voice	345	5,534	5%
Internet & network	2,478	39,751	38%
Mobile services	2,719	43,617	42%
Other services	523	8,390	8%
TV	390	6,256	6%

Entity specific	2024	2023	2022	2021	2020
Share of renewable electricity (%)	74%	71%	-	-	-
Energy intensity (MWh of electrical energy / PB of data throughput)	7.2	8.1[1]	9.2[1]	8.9[1]	10.0[1]
Carbon emissions intensity (tCO_2e of Scope 1 and 2 market-based emissions / PB of data throughput)	1.2	1.5[1]	3.7[1]	4.1[1]	4.2[1]
Total Scope 1 and 2 emissions (market-based) (tCO_2e)	31,773	35,972[1]	81,205[1]	89,839[1]	80,827[1]

Data transported - Entity specific	2024	2023	2022	2021	2020
Data transported (TB of data throughput)	25,655,843	23,301,162	21,740,130	20,132,123	17,372,825

[1] Historic calculation adjustments have been made due to improved electricity split between companies and correct district heating numbers

E1 Accounting policies

CO_2e emissions calculation methodology
To calculate our CO_2 e emissions, we collect activity data, for example, litres of gasoline and diesel and electricity consumed by our technicians' vans as well as electricity purchased across our operations on an annual basis. District heating is measured once annually and the consumption data is collected from the invoices. We do not use any refrigerants.

This data is sourced from:

- Electricity: consumption is measured directly from ~15,000 meters across our sites.
- Oil, natural gas, district heating: taken directly from supplier invoices as volume or cost.
- Transportation fuels: diesel and gasoline data from company fuel cards, as these cards should be used for 100% of fossil fuel purchased. From 2023 onwards, electric vehicle electricity consumption is sourced from TDC NET's electric vehicle partner, Homecharge.
- District heating: measured through meters annually.

We use fuel conversion factors to convert our fuels into kWh. For petrol, diesel, oil and natural gas, we use the official UK government / DEFRA fuel conversion factors. These factors are updated on an annual basis, according to the newest published factors from DEFRA.

Emissions related to TDC Holding are allocated to TDC NET. This means, that all energy consumption related to TDC Holding is assigned to TDC NET.

Scope 1
To calculate Scope 1, we use the total consumption for natural gas, diesel, petrol and oil and calculate CO_2e emissions based on DEFRA *(Department for Environment, Food & Rural Affairs – UK Government GHG Emission Conversion Factors for Company Reporting)* conversion factors. Scope 1 is always reported in metric tonnes CO_2e.

Scope 2
Scope 2 is calculated using the total electricity consumption and subtracting the PPA for location-based scope 2 emissions. We multiply the consumption by either the location-based emission factor from Energi Danmark (for location-based Scope 2) or the market-based emission factor from Energinet (for market-based Scope 2.)

District heating is always included in scope 2. We use the annual CO_2e emission factor from Hofor multiplied by our district heating consumption, to obtain our total district heating emissions.
Electricity emissions + district heating emissions = Scope 2 emissions
Scope 2 is always reported in metric tonnes CO_2e.

Our publication significantly predates the issuance of the correct emission factors for the given year. In our reporting we use the latest available emission factors. Once the actual emission factors are made available, we update our emissions to reflect any possible change.

Financial resources allocated to action plan (E1-1)
Refer to the current and future financial resources necessary to implement action plans for sustainability. Only a limited part of our CAPEX is eligible for EU taxonomy as network infrastructure (which excludes data centre activities) is currently not covered by EU taxonomy.

Absolute value (E1-4)
The absolute value of reductions refers to the total quantity of GHG emissions that have been reduced, compared with our base year. We report on Scopes 1, 2 and 3. These data points are always measured in metric tonnes of CO_2e.

Intensity value
We calculate all intensity ratios based on revenue following IFRS 15.

Total energy consumption (E1-5)
This is the sum in MWh of energy consumption from fossil sources, nuclear sources and renewable sources.

Energy consumption from fossil sources (E1-5)
The sum in MWh of energy consumption from fossil sources.

Electricity
We subtract the PPA from our total electricity consumption and subtract our own production of electricity. We use the residual mix from Association of Issuing Bodies (AIB) for fossil sources to find the share of fossils in the remaining sum of electricity.

District heating
We use the fuel declaration for the district heating company Hofor in Copenhagen, where we consume most of our district heating. The declaration specifies which fuel types have been used to generate heating. We calculate our total consumption of fossil fuels in district heating based on this declaration.

Other fossil fuels
Our fossil energy consumption contains other fossil fuel consumption amounts. These account for a minor share of the total and consist of: natural gas, petrol, diesel and oil.

Energy consumption from nuclear sources (E1-5)
This is the sum in MWh of energy consumption from nuclear sources. We only have nuclear sources in our residual mix for electricity. We subtract the PPA from our total electricity consumption and subtract our own production of electricity. We use the residual mix from AIB to find the share of nuclear sources in the remaining sum of electricity.

Energy consumption from renewable sources (E1-5) and (E1-6)
The sum in MWH of energy consumption from renewable sources.

Electricity
We subtract the PPA and our own production of renewable electricity from our total electricity consumption. We use the residual mix from AIB for renewable sources to find the share of renewables in the remaining sum of electricity. We then add the PPA consumption amount and our own production of renewable electricity.

100% of contractual instruments for Scope 2 GHG emissions are bundled with energy generation attributes, while 0% are unbundled.

District heating
We use the fuel declaration for the district heating company Hofor in Copenhagen where we consume most of our district heating. The declaration specifies which fuel types have been used to generate heating. We calculate our total consumption of renewable sources in district heating based on this declaration.

This is also how we find our total fuel consumption from renewable sources (E1-5_06).

Purchased electricity (E1-5, E1-6)
Our power purchasing agreement with Better Energy generates 140 GWh annually. Since Nuuday has a large electricity consumption share in our buildings, it also has a share of our PPA. We calculate the percentage of much the PPA covers of the total electricity consumption. This percentage is then used on TDC NET's (incl. TDC Holding) electricity consumption.

The PPA is also categorised as our only use of contractual instruments used for sale and purchase of energy bundled with attributes concerning energy generation.

Renewable energy production (E1-5)
We have access to the electricity meters on the solar panels of our building that produce electricity. However, none of this produced energy is sent to the grid and therefore, the reported value is 0.

Biogenic emissions (E1-6)
Scope 1
Both petrol and diesel in Denmark includes biogenic fuels. We make the assumption that this amount is 4%, which is why we multiply the DEFRA emission factors by 4%. We use different emission factors for CO_2 equivalents and CO_2 and sum them in the end.
Biogenic emissions of CO_2 from the combustion or bio-degradation of biomass not included in Scope 1 GHG emissions amounts to 336 tCO_2e.

Scope 2
Biogenic emissions are part of our district heating fuel mix. The district heating supplier Hofor has a fuel mix declaration whereby a percentage of the mix comes from biogenic sources. We multiply the district heating consumption with this percentage and then use the DEFRA emission factor for biomass. We divide these emission factors by 95% since the efficiency of the boiler is around 95%.

We use different emission factors for CO_2 equivalents and CO_2 and sum them in the end. Biogenic emissions of CO_2 from combustion or bio-degradation of biomass not included in Scope 2 GHG emission amounts to 3,182 tCO_2e.

Entity specific
Share of renewable electricity
Total renewable electricity consumption divided by total electricity consumption.

Energy intensity
Total electricity consumption divided by total data transported in the network (PB data of throughput).

Carbon emissions intensity
Total scope 1 and 2 market based GHG emissions divided by total data transported in the network (PB data of throughput).

Scope 3
Nine of the fifteen Scope 3 categories have been found to be relevant for our business. In 2020, we performed our first Scope 3 inventory and reported for 2019 and 2020. In 2024, data calculation was further automated and methodological improvements were applied. All changes were applied retroactively going back to 2020 to ensure comparability year-on-year.

We report in line with the Scope 3 Guidance for Telecommunication Operators published by GMSA/GeSI/ITU, which complements the Greenhouse Gas Protocol. The percentage of Scope 3 emissions derived from primary data is 32% for 2024.

TDC NET reports on the following Scope 3 categories 1: Purchased goods and services & 2: Capital goods, 3: Fuel and energy-related activities, 4: Upstream transportation and distribution, 5: Waste generated in operations, 6: Business travel, 7: Employee commuting, 11: Use of sold products (direct), 12: End-of-life treatment of sold products, 13: Downstream leased assets.

Changes made in 2024 occurred in the following categories:
Categories 1 & 2:
Inventories calculated automatically through the CO_2e module of the spend visibility tool Sievo going back to 2020. New inflation factors and exchange rates were used compared with previous reporting years, as well as consistent mappings for all years between the Exiobase database of emission factors used by Sievo and our procurement spend taxonomy.

More suppliers moved from EEIO to Supplier Allocation Method. Where previous years' data was not available, the closest full year data was applied retroactively to years without data.

Ericsson's RAN software emissions were counted twice in past reports but set to 0 for 2024 and previous years, as they were already included in hardware emissions.

Lenovo + Lenovo group emissions have been removed from 2024 and previous years. Lenovo is not a direct supplier, and its emissions have been accounted for double in previous years. Lenovo emissions are already accounted for in other direct suppliers, from which TDC NET acquires Lenovo products.

Emissions from Tofane Global and Interoute Managed Services set to 0 for 2024 and previous years as these are interconnects, per the Carbon Trust, are not relevant for Scope 3 emissions.

Donations to the Post Tele Museum fond were misreported as supplier contracts in previous years; corrected to 0 emissions for all years.

Category 4
Postnord's new customer portal shows package emission data for 2023 and 2024. TDC NET included 2023 data in category 4, which was previously unavailable.

Category 1: Purchased goods and services and Category / 2: CAPEX
Categories 1 and 2 for Scope 3 emissions are calculated together for complete coverage, despite not fully aligning with the GHG Protocol. Procurement and finance classify purchases differently; procurement offers high granularity but does not split CAPEX and OPEX, while finance lacks detail but does split them. Matching these datasets was impossible. Confident in our detailed procurement data, which includes all spend, we used it for better footprint estimation, foregoing the CAPEX/OPEX split. Our CO_2 calculation method relies on supplier and category spend, making the less detailed finance data unsuitable for use.

There are two different methodologies for calculating emissions, depending on data availability. They range from most to least accurate:

a) Product carbon footprint: when PCF data is available, it is used. Spend on items with PCFs is then removed from the total spend on those suppliers, and method b) or c) is applied on the portion of the spend without PCFs.

b) Supplier allocation method: if the transparency of supplier data for Scopes 1, 2 and 3 is 'sufficient', then we calculate our share of their emissions using the following formula:

TDC spend / Supplier revenue * Supplier footprint (Scope 1, Scope 2 market & Scope 3 upstream).

There is a threshold for what is considered 'sufficient', i.e. the supplier must:

- Publish Scope 1 emissions
- Publish preferably, market-based Scope 2 emissions but location-based emissions are used otherwise
- Have a full Scope 3 inventory for upstream emissions, with a minimum of purchased goods and services

The 'sufficiency' criteria are expected to be updated every year for the top 100 suppliers ranked by EEIO. Average annual exchange rates are used with the best available 12-month data from each supplier.

c) Environmentally extended input output method: If suppliers' Scope 1, 2 and 3 data is insufficient, then we estimate the footprint using EEIO modelling, based on the Exiobase database. Calculations are automated with the Sievo CO_2 module.

Category 3: Fuel and energy-related activities
To calculate these emissions, we use activity data from Scope 1 and market-based Scope 2 emission factors from EnergiNet, DEFRA to CO_2 equivalent emissions.

Category 4: Upstream transportation
All transportation is accounted for in this category as we source the transportation. Actual activity data is provided by our transportation supplier, and we use estimated data based on spend for subsidiaries and minor suppliers.

Category 5: Waste
We use supplier-specific tonnage for all waste. We use emission factors from DEFRA to translate this activity data into CO_2 equivalent emissions.

Category 6: Business travel
- Air: we use supplier specific data on kilometres travelled on short, medium, long-haul, business and economy, with DEFRA emission factors
- Hotel: we use nights spent in each country and the DEFRA emission factor
- Rental cars: we use supplier-specific and invoice data and assume a 50/50 split of petrol and diesel
- Taxi: we use invoice data and a DEFRA emission factor for taxis
- Public transport: use invoice data and the supplier specific emission factor (spend/revenue*CO_2 footprint of Danske Statsbaner (DSB railway company)
- Sea travel: we estimate the number of cars on ferries and used CO_2/kg transported

Category 7: Employee commuting
A 2020 survey of employees provided detailed responses on the commuting habits of 115 employees. Using this information to model trends for the whole organisation, we adjust figures according to office occupancy rates from facility management.

Category 11: Use of sold products
This category includes routers sold/leased as well as Optical Network Terminals (ONT). To calculate the emissions generated, we first determine the energy consumed by the devices, based on the wattage for a typical user profile. To calculate the lifetime of the device, we make type-specific assumptions. Using the activity data generated by the exercise, we calculate emissions using the location-based grid emission factor from the national grid.

Category 12: End of life of sold products
This category includes ONTs sold to third parties over the reporting year, and the number installed in that year. Assumptions are made for the average composition of WEEE and the end-of-life treatment.

Category 13: Downstream leased assets
For floor space leased for commercial and residential purposes, we use m^2 data for each site. We estimate the electrical consumption in kWh/m^2 for commercial purposes using assumptions based on TDC NET locations that are purely administrative, and use the average residential kWh/m^2 for Denmark calculated by Statistics Denmark.

Exclusions
TDC NET has excluded the following Scope 3 categories. The reason for the exclusions is:

Category 8 - Upstream leased assets: TDC NET does not have any upstream leased assets. This is because we use the operational consolidation approach and are limited by Danish law. Telecommunication operators in other countries may have upstream leased assets through equipment in other operator's infrastructure (an antenna on someone else's tower, or a server in someone else's data centre). However, in Denmark as the law states that the user of electricity must choose the provider and is billed directly, this means that emissions for information and telecommunication equipment in other operators' infrastructure are accounted for in Scope 2.

Category 9 - Downstream transportation and distribution: all transportation is upstream, as we do not ship anything to customers who arrange for transportation. Furthermore, emissions arranged by our suppliers are accounted for as purchased goods and services. What we provide downstream is access to data transportation using a radio access network (RAN) and fixed network (such as fibre optic cables), which is digital, not physical, hence has no downstream physical transportation footprint.

Category 10 - Processing of sold products: TDC NET provides telecommunication services and owns/operates infrastructure. This means that we do not process sold products, we only sell finished goods. This category may be relevant in other industries, but not in the telecommunications industry. For example the "Scope 3 Guidance for Telecommunication Operators" published by the ITU/GSMA/GeSI does not cover emissions from this category as it deems them irrelevant.

Category 14 - Franchises: as a provider of national and fixed internet connections, a franchise model is not applicable. There are typically only a few infrastructure providers per country, as the barrier to enter the market is extremely high, creating a natural oligopoly. In this market situation, a franchise model would make no sense, as you cannot franchise telecommunications infrastructure. Economies of scale and competitiveness are achieved by having large networks operated by single companies.

Category 15 - Investments: TDC NET has no investments that require reporting according to the Greenhouse Gas Protocol. TDC NET is owned by a private equity company and three separate pension funds. These owners have investments in many different companies, however TDC NET has no investments itself. Other telcos may have a business model whereby they invest in a joint venture in another country (such as European telecommunication operators working alongside national and private operators in Africa). However TDC NET operates only in Denmark and does not engage in any investment activities that fall under category 15.

TDC NET reports according to the operational consolidation approach of the GHG Protocol. Furthermore, TDC NET follows the Scope 3 Guidance for Telecommunication Operators published by ITU/GMSA/GeSI. The reporting covers the subsidiary DKTV and the joint venture Fiberkysten.

Net revenue at stated in the financial statements, Income Statement, line 1 for 2024 is used to calculate GHG intensity.

Data transported
Data transported is delivered as total terabytes (TB) of output data for the whole TDC network from 1 January to 31 December. This is based on average traffic measurements sampled every five minutes, from which an average per second per year is calculated and converted into a 'terabytes per year' datapoint.

Our EU Taxonomy reporting

The EU Taxonomy (Regulation (EU) 2020/852) is a classification system for environmentally sustainable economic activities that helps investors determine the sustainability of their investments.

The EU Taxonomy is a technical classification system, developed to direct capital into sustainable activities. For each relevant business activity, the environmental sustainability is determined by the percentages of companies' turnover, capital expenditure (CAPEX) and operational expenditure (OPEX) that are Taxonomy-eligible (i.e. have the potential to be considered sustainable) and the extent to which the eligible activity fulfils EU requirements to be considered Taxonomy-aligned.

Assessing our Taxonomy-eligible activities
As a provider of digital infrastructure, TDC NET owns and operates data centres. TDC NET's eligible activities are related to the EU Taxonomy's activity 8.1 "Data processing, hosting, and related activities" as defined in the EU Taxonomy appendix under the environmental objective Climate Change Mitigation. These activities cover storage, manipulation, management, movement, control, display, switching, interchange, transmission or processing of data through data centres including edge computing.

TDC NET's Taxonomy-eligible, but not Taxonomy-aligned data processing and hosting is measured in three KPIs: 1) Turnover, 2) CAPEX, and 3) OPEX. In calculating the numerators, an allocation key based on judgment is applied in determining the proportion of the repairs and maintenance cost relating to data processing, hosting, and other related activities serviced by third-party contractors. The financial figures are presented in our 2024 Consolidated Financial Statements, prepared in accordance with International Financial Reporting Standards (IFRS). To avoid double counting, turnover, CAPEX, and OPEX are distinctly allocated to activity 8.1, ensuring there is no overlap across financial metrics.

KPI 1: Turnover

Numerator

Taxonomy-eligible turnover is calculated as the revenue generated from data processing and hosting activities.

Denominator

Total turnover is defined in note 2.1, Revenue in our Consolidated Financial Statements.

KPI 2: CAPEX

Numerator

Taxonomy-eligible CAPEX includes investments related to maintaining and improving the efficiency of our data centres.

Denominator

Total CAPEX consists of additions of tangible and intangible assets during the financial year before depreciation, amortisation and any remeasurements. This includes revaluations and impairments, but excludes fair value changes. Additions of tangible and intangible assets are presented in notes 3.1-3.3 in our Consolidated Financial Statements.

KPI 3: OPEX

Numerator

Taxonomy-eligible OPEX includes operational expenses directly related to the operation, maintenance and servicing of our data centres.

Denominator

Total OPEX consists of direct non-capitalised costs including: research and development, building renovation measures, short-term leases, maintenance and repair, and any other direct expenses relating to day-to-day servicing of property, plant and equipment assets.

Eligibility versus alignment

An economic activity is considered taxonomy-eligible if it is listed in the Taxonomy's delegated acts. For an activity to be considered taxonomy-aligned, the activity must meet the three criteria:

- Substantial contribution (SC) criteria
- The 'does not significantly harm' (DNSH) criteria
- In compliance with the minimum safeguards (MS).

Assessing our Taxonomy-aligned activities

Using the EU Taxonomy Compass, we have assessed whether our eligible activity meets the SC and DNSH criteria as well as complying with MS.

The EU Taxonomy regulation is still evolving and the requirements for claiming Taxonomy-alignment are expected to become increasingly strict. We have reviewed our eligible economic activity 8.1 against the comprehensive SC and DNSH criteria as well as MS. However, we have determined that we do not currently have all the necessary documentation to fully meet these requirements. Therefore, we have decided to take a conservative approach and not disclose any Taxonomy-alignment for the 2024 financial year.

As part of our ongoing preparations for compliance with the EU Corporate Sustainability Reporting Directive (CSRD), we are in the process of developing the required documentation to meet the DNSH criteria and MS. Our focus is on aligning with the MS in preparation for future Taxonomy-eligible activities.

Potential to enable other sectors

The telecommunications sector has the potential to enable other sectors to reduce their own carbon emissions via green digital solutions. The current version of the EU Taxonomy does not reflect the critical role of the telecommunications sector in building infrastructure for the successful digitalisation of society – now and in the future. Digital solutions are necessary to achieve the EU Green Deal's sustainability goals. With the purpose of connecting Denmark, TDC NET is rolling out both fibre and 5G mobile network. Both solutions are considered more energy efficient than previous alternatives. The EU Taxonomy regulation does not include criteria for the economic activity “Provision and operation of a network infrastructure for telecommunications”, which is the core of TDC NET's business and has significant potential for enabling the green transition. TDC NET is a member of the European Telecommunications Network Operators Association (ETNO). Here, telco operators collaborate for the inclusion of such criteria and improved guidance in future versions of EU Taxonomy.

Proportion of turnover/Total turnover

	Taxonomy-eligible per objective	Taxonomy-aligned per objective
CCM	0.23%	0%
CCA	0%	0%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%

Proportion of CAPEX/Total CAPEX

	Taxonomy-eligible per objective	Taxonomy-aligned per objective
CCM	0.42%	0%
CCA	0%	0%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%

Proportion of OPEX/Total OPEX

	Taxonomy-eligible per objective	Taxonomy-aligned per objective
CCM	5.31%	0%
CCA	0%	0%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%

KPI 1: Turnover

Financial year 2024	Year			Substantial contribution criteria						DNSH criteria ('Does Not Significantly Harm')(h)									
Economic Activities (1)	Code (a) (2)	Turnover DKKm (3)	Proportion of Turnover, year 2024 (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) turnover, year 2023 (18)	Category enabling activity (19)	Category transitional activity (20)
A. Taxonomy-eligible activities																			
A.1. Environmentally sustainable activities (taxonomy-aligned)																			
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)			**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**N**	**N**	**N**	**N**	**N**	**N**	**N**	**0%**		
Of which enabling			0%	0%	0%	0%	0%	0%	0%	N	N	N	N	N	N	N	0%	E	
Of which transitional			0%	0%						N	N	N	N	N	N	N	0%		T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities) (g)																			
Data processing, hosting and related activities	8.1	15	0.23%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.23%		
Turnover of taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)	**8.1**	**15**	**0.23%**	**100%**	**0%**	**0%**	**0%**	**0%**	**0%**								**0.23%**		
A. Turnover of taxonomy eligible activities (A.1+A.2)	**8.1**	15	**0.23%**	**100%**	**0%**	**0%**	**0%**	**0%**	**0%**								**0.23%**		
B. Taxonomy-non-eligible activities																			
Turnover of taxonomy-non-eligible activities		**6,440**	**99.77%**																
Total		**6,455**	**100%**																

KPI 2: CAPEX

Financial year 2024	Year			Substantial contribution criteria						DNSH criteria ('Does Not Significantly Harm')(h)									
Economic Activities (1)	Code (a) (2)	CAPEX DKKm (3)	Proportion of CAPEX, year 2024 (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) CAPEX, year 2023 (18)	Category enabling activity (19)	Category transitional activity (20)
A. Taxonomy-eligible activities																			
A.1. Environmentally sustainable activities (taxonomy-aligned)																			
CAPEX of environmentally sustainable activities (Taxonomy-aligned) (A.1)			**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**N**	**N**	**N**	**N**	**N**	**N**	**N**	**0%**		
Of which enabling			0%	0%	0%	0%	0%	0%	0%	N	N	N	N	N	N	N	0%	E	
Of which transitional			0%	0%						N	N	N	N	N	N	N	0%		T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities) (g)																			
Data processing, hosting and related activities	8.1	14	0.42%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								1.09%		
CAPEX of taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities) (A.2)	**8.1**	**14**	**0.42%**	**100%**	**0%**	**0%**	**0%**	**0%**	**0%**								**1.09%**		
A. CAPEX of taxonomy eligible activities (A.1+A.2)	**8.1**	**14**	**0.42%**	**100%**	**0%**	**0%**	**0%**	**0%**	**0%**								**1.09%**		
B. Taxonomy-non-eligible activities																			
CAPEX of taxonomy-non-eligible activities		**3,311**	**99.58%**																
Total		**3,325**	**100%**																

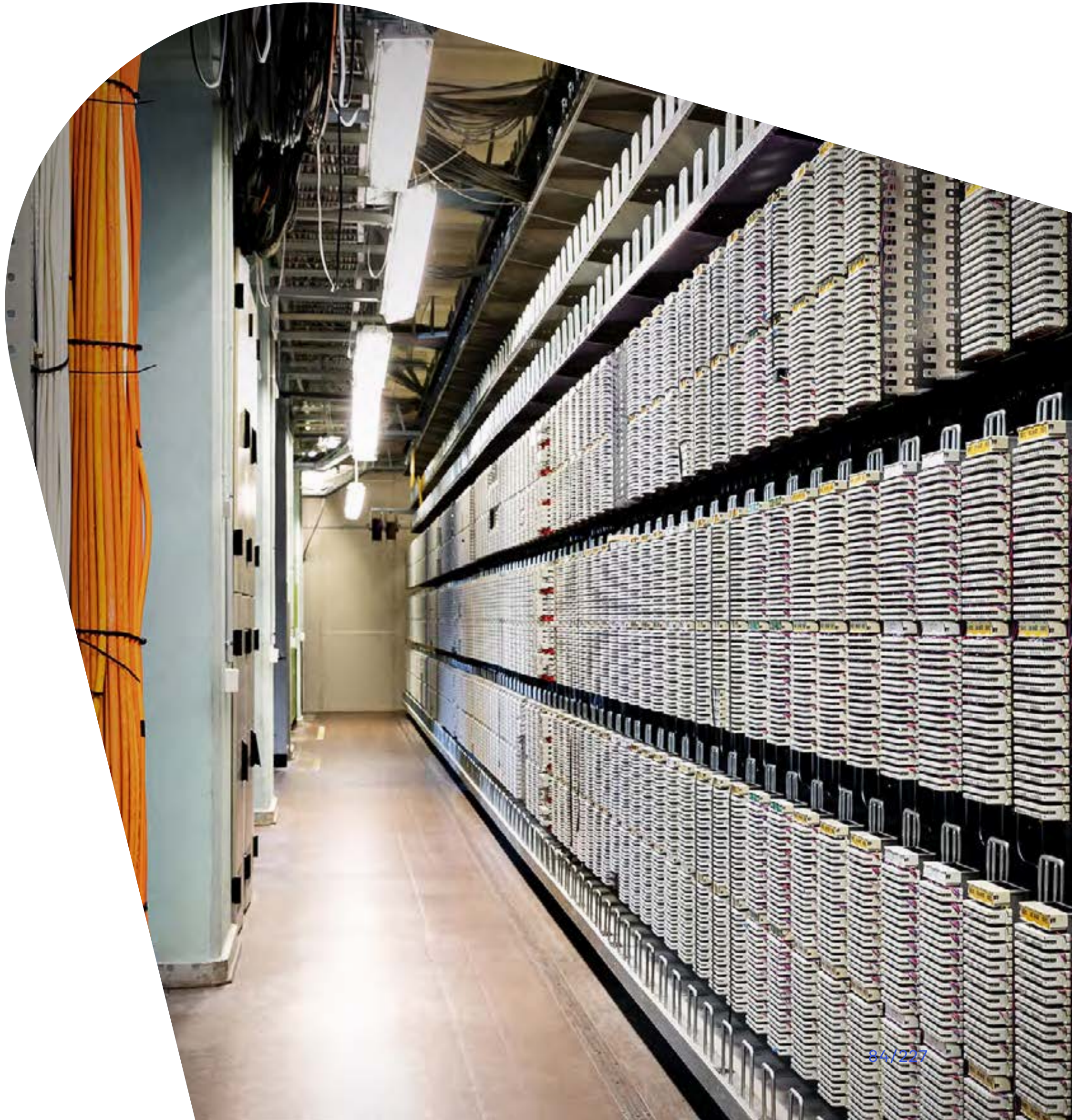
KPI 3: OPEX

Financial year 2024	Year			Substantial contribution criteria						DNSH criteria ('Does Not Significantly Harm')(h)									
Economic Activities (1)	Code (a) (2)	OPEX DKKm (3)	Proportion of OPEX, year 2024 (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) OPEX year 2023 (18)	Category enabling activity (19)	Category transitional activity (20)
A. Taxonomy-eligible activities																			
A.1. Environmentally sustainable activities (taxonomy-aligned)																			
OPEX of environmentally sustainable activities (taxonomy-aligned) (A.1)			**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**N**	**N**	**N**	**N**	**N**	**N**	**N**	**0%**		
Of which enabling			0%	0%	0%	0%	0%	0%	0%	N	N	N	N	N	N	N	0%	E	
Of which transitional			0%	0%						N	N	N	N	N	N	N	0%		T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities) (g)																			
Data processing, hosting and related activities	8.1	26	5.31%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								5.98%		
OPEX of taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)	**8.1**	26	5.31%	**100%**	**0%**	**0%**	**0%**	**0%**	**0%**								**5.98%**		
A. OPEX of taxonomy eligible activities (A.1+A.2)	**8.1**	26	5.31%	**100%**	**0%**	**0%**	**0%**	**0%**	**0%**								**5.98%**		
B. Taxonomy-non-eligible activities																			
OPEX of taxonomy-non-eligible activities		**462**	**94.69%**																
Total		**488**	**100%**																

EU taxonomy - continued

	Nuclear energy related activities	Yes/No
1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	No
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	No
3.	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	No

	Fossil gas related activities	
4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	No
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	No
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	No



E4

Biodiversity and ecosystems

E4.SBM-3

Strategy

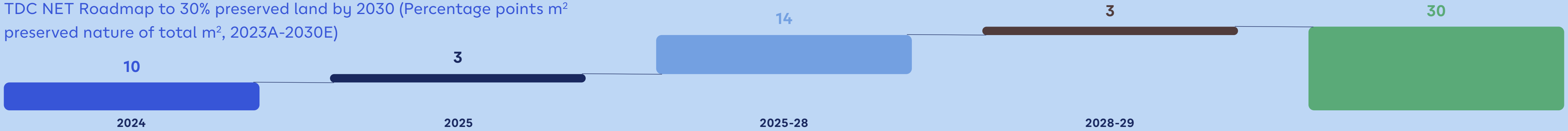
At TDC NET, we recognise that the world is currently undergoing a biodiversity crisis and that urgent action is needed to halt the loss of biodiversity. Part of the solution is to ensure more protected nature. Denmark is no exception.

When building digital infrastructure, TDC NET's physical footprint on nature covers operations below ground when digging coax or fibre cables, above ground on its +6,000 sites across Denmark covering 3.2 km² and underwater through its 4,000 km network of cables on the seabed. As part of our business operations, we interfere with nature – but with the right approach, we believe that digital infrastructure and nature can co-exist.

In 2024, TDC NET launched its biodiversity and nature strategy with the purpose to connect Danish nature. We are proud to take action towards achieving our target of 30% preserved TDC NET land by 2030. For more details, please see the target section.

Our way to ’30 by 30’

TDC NET Roadmap to 30% preserved land by 2030 (Percentage points m² preserved nature of total m², 2023A-2030E)



Kick-off initiative: Skamlebæk Radio
Activities: Enclosure & grazing, removal of invasive species and trimming of grass, bring back red-listed species
Impact: 10 pp

Planned initiative: Location to be announced
Activities: Grazing and removal of invasive species
Impact: 3 pp

High-Medium potential: 25 locations under review
Activities: Initiatives to be determined based on dialogue with experts
Impact: 14 pp

Unidentified initiatives
Activities: Identify locations and initiatives to cover remaining 3 pp to reach ambition of ’30 by 30’
Impact: 3 pp

30%
nature by 2030

Initiated
Identified
Planned
Unidentified

E4-1

Impacts, risks and opportunities

We are committed to minimising our impacts on nature. We have used ENCORE's nature impact and dependency analysis of telecommunication services to illustrate areas where the industry has a potential impact on nature and then we have applied the analysis on TDC NET and assessed actual and potential impacts of our business. In addition, TDC NET is part of the GSMA's Biodiversity Project Group, where a study has been conducted to assess the impacts of the mobile industry on biodiversity. The GSMA study covers the impacts of the information and communications technology (ICT) value chain.

TDC NET has not yet identified and assessed dependencies on biodiversity and ecosystems, and its services at TDC NET sites and in its specific value chain. The same applies for transition risks and opportunities, as well as systemic risks. TDC NET has also not yet engaged in consultations with affected communities with regards to the value chain on sustainability assessments of shared biological resources and ecosystems. Currently, TDC NET has not identified any specific communities negatively impacted by TDC NET's sites, raw material production or sourcing. Hence, we have not investigated how negative impacts on priority ecosystem services of relevance to affected communities may be avoided.

For sites on its own, leased or managed land, TDC NET is in close dialogue with municipalities and neighbours to ensure alignment with location plans and buy-in to initiatives.

TDC NET has not yet conducted a resilience analysis with regards to its business model and strategy to map biodiversity and eco-systems-related physical, transition and systemic risks and opportunities.

E4.SBM-3 *continued*

The potential impacts of our infrastructure on land

Altogether 57 of TDC NET's owned, leased or managed sites are situated in or near protected areas or key biodiversity sites and hence classify as material. Of the 57 identified sites, six sites lie in protected areas or key biodiversity areas, whilst 51 sites lie within 3-km radiuses of protected nature areas or key biodiversity areas.

These material sites (above 10,000m^2) all have TDC NET mobile network equipment installed – mainly mobile antennas or mobile towers. The best research to date on possible effects of mobile network activities and the related radiofrequency electromagnetic fields (RF-EMFs) on nature has been conducted by the German Federal Office for Radiation Protection (BfS). In 2019, BfS organised an international workshop on this topic, and a paper was published based on the results of that workshop, which reached the following main conclusions:

- The results presented at the workshop showed no sound scientific evidence of adverse effects of low-level anthropogenic RF-EMFs at frequencies exceeding 100 MHz on animals or plants under realistic environmental conditions.
- Extrapolations from laboratory animal studies, often performed at higher exposure levels, do not allow conclusions on ecological effects of RF-EMFs at low levels.
- Field studies of an appropriate quality are scarce in both animals and plants and so far, do not show clear evidence supporting adverse effects of RF-EMFs.
- Some correlations between RF-EMFs and adverse biological effects were observed, but bias and confounding factors cannot be excluded.

As research in the area of RF-EMFs' impact on species is not complete, no conclusion has been reached about the necessity to implement biodiversity mitigation measures in relation to TDC NET's mobile network. Despite no sound scientific evidence pointing to EMFs having an adverse effect on animals, insects or plants under realistic environmental conditions, TDC NET has decided to apply a precautionary approach and report on areas where TDC NET activities may have a negative effect on nature. Therefore, TDC NET has identified a total of 57 sites that may be negatively affecting protected areas and key biodiversity areas. We cannot conclude whether our mobile network activities are affecting threatened species. We are in dialogue with our supplier of mobile network equipment about the need for research in this area. The sites are located throughout Denmark.

TDC NET has identified no material negative impacts with regard to land degradation, desertification or soil sealing.

E4-2

Policies

TDC NET's Environmental Policy is adopted to manage material impacts, risks and opportunities related to biodiversity and ecosystems. In particular, it focuses on managing potential impacts related to terrestrial ecosystem use and expresses our commitment to sustainable land practices.

TDC NET aims to avoid negative impacts on biodiversity and ecosystems in our own operations and reduce negative impacts that cannot be avoided. This includes the impact of our direct business activities on nature above the ground, under the ground and underwater. We are committed to protecting biodiversity and restoring degraded ecosystems on our owned, leased or managed sites in or near biodiversity sensitive areas, and to limiting our direct impact on biodiversity loss, species extinction and impact on the condition of ecosystems.

The policy is applicable to TDC NET's owners as well as all employees, consultants, temporary staff and contractors.

Environmental impacts in the value chain are addressed through TDC NET's Supplier Code of Conduct. However, TDC NET's Supplier Code of Conduct does not yet explicitly demand traceability of products, components and raw materials with actual or potential material impacts on biodiversity and ecosystems along the value chain.

TDC NET's environmental policy and Supplier Code of Conduct do not yet address production, sourcing or consumption from ecosystems that are managed to maintain or enhance conditions for biodiversity. Neither do they address the social consequences of biodiversity- and ecosystems-related impacts.

Our environmental policy is maintained and reviewed annually by TDC NET's Sustainability team and Head of Sustainability and is approved by our Board of Directors. Responsibility for implementing and ensuring compliance with the policy lies with TDC NET's Climate and Nature Forum chaired by the Chief Financial Officer, as well as employees involved in TDC NET's biodiversity initiatives.

E4-3

Actions

To deliver on our '30 by 30 target', we launched our first nature projects in Skamlebæk in Odsherred Municipality in 2024. The area is situated within EU's Natura 2000 network with protected nature types.

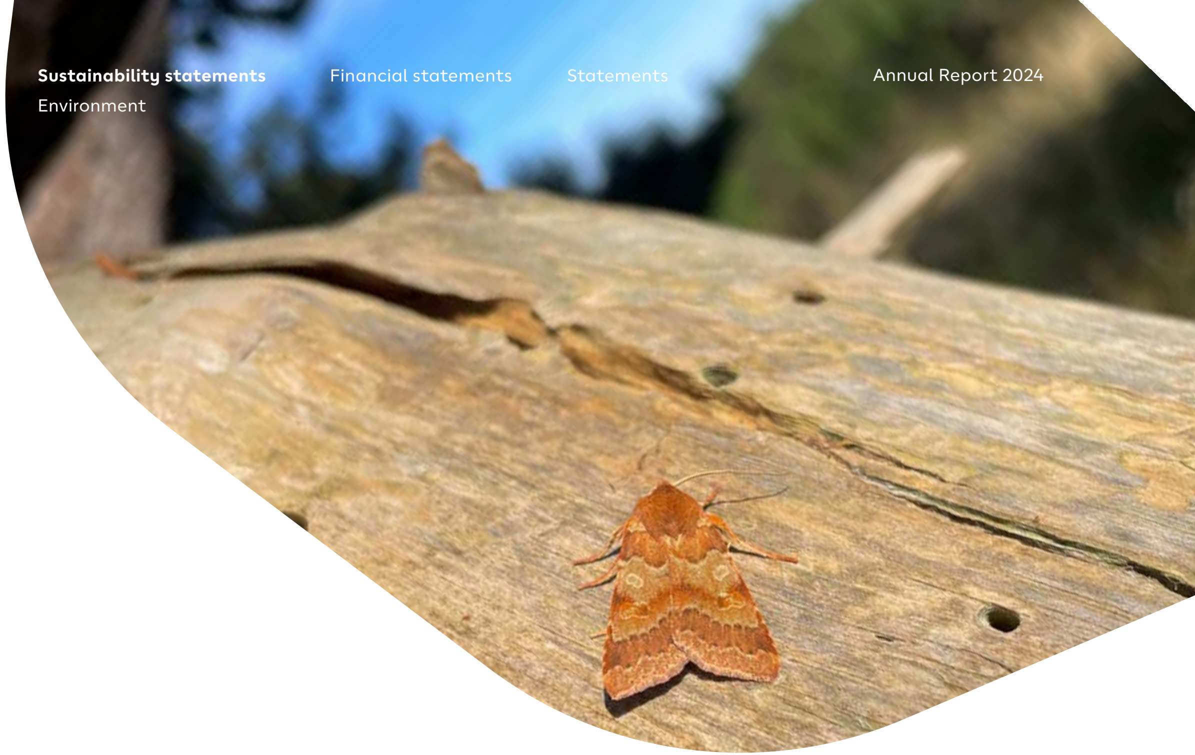
Based on a plan for nature care developed together with biologists from Odsherred Municipality's Nature Team, we initiated a number of nature restoration projects on our site in Skamlebæk.

Hay sled

In spring 2024, we completed a hay sled on 3.4 hectares of land with the purpose of removing tall grass that has been overgrowing natural herbs. Only a couple of months after the hay sled, natural herbs started flourishing.

Grazing project

As recommended by the Danish Biodiversity Council, Denmark needs more, better and larger nature areas – in order to create the best possible conditions for nature to regenerate. In early summer 2024, we launched a shared grazing project with the Danish Nature Agency. As TDC NET and the Danish Nature Agency have neighbouring sites, we have made larger coherent nature



areas by creating a shared enclosure (21 hectares in total, of which 14 hectares are on TDC NET land). In June 2024, we welcomed six cows to their new home and they have been grazing over the summer. During the autumn, another three cows joined the enclosure, and the cattle grazed the area until early January 2025. In spring 2025, a new group of grazers will join the enclosure.

Heather restoration
In December 2024, we initiated a heather restoration project on the heathland in Skamlebæk. Scotch broom has overgrown the area in recent years. The heather restoration project is also intended to create better habitats for endangered species that depend on the heather plant to reproduce. By restoring the heathland to its “original state”, we aim to welcome endangered butterflies, such as Plebejus argus and Plebejus idas and their larva, back to repopulate the area in abundance.

TDC NET is engaging with an entrepreneur specialised in nature care and heather recovery. The project includes removal of the invasive plant Scotch broom. In 2024, a total of approximately DKK 250,000 (OPEX) was spent on nature restoration projects in Skamlebæk.

Local community engagement
TDC NET is engaging the local nature community in Skamlebæk, and other neighbours on an ongoing basis - through participation in events hosted by the nature community, by providing information about TDC NET's initiatives via the nature community's social media channel and by inviting participation in nature events hosted by TDC NET, such as our bioblitz. See case description. The local community and stakeholders are also heard during consultation periods for the §3 dispensation application process, which is mandatory ahead of initiating any nature restoration projects. Hence, neighbours and stakeholders were given the opportunity to object before the hay sled, grazing and heather restoration projects were initiated.

E4-4

Targets
The state of biodiversity and nature is a growing concern, and it is becoming increasingly important to take action.

To halt the global diversity loss, COP15 in Kunming-Montreal set a target of preserving 30 percent of land and 30 percent of ocean by 2030. According to the Danish Biodiversity Council, Denmark is far behind this target with only 1.6 percent protected nature on land and 1.9% at sea.

Based on ENCORE’s sector-level analysis of the telecom industry's impacts, our "30 by 30" target is related to the impact driver of terrestrial ecosystem use as well as disturbances, with potential impacts on habitat modification and disturbances from electrical components that can impact local species.

The scope of our target is unbuilt land on TDC NET locations across Denmark. TDC NET has not used any biodiversity offsets in setting the target. Ecological threshold and allocation of impacts to TDC NET were not applied when setting the 30% preservation target. The target falls within the Restore layer in the mitigation hierarchy, as the target focuses on landscape restoration.

To measure progress on TDC NET's target of preserving 30 percent of TDC NET land by 2030, we use the KPI related to land-use change over time in terms of managing the ecosystem and applying better nature management practices. In essence, this means that TDC NET monitors the effect of its nature restoration projects to ensure improvement of the local ecosystem, creating better living conditions for endangered species.

Target

- To preserve 30% of TDC NET land by 2030

2024 results and performance

In 2024, we made significant progress towards our '30 by 30' target, achieving the first 9.6% of our 30% nature preservation target. As described under Actions, the percentages were achieved on our 30.6-hectare land area in Skamlebæk, North-West Zealand, Denmark.

TDC NET registered more than 300 species during its bioblitz in Skamlebæk

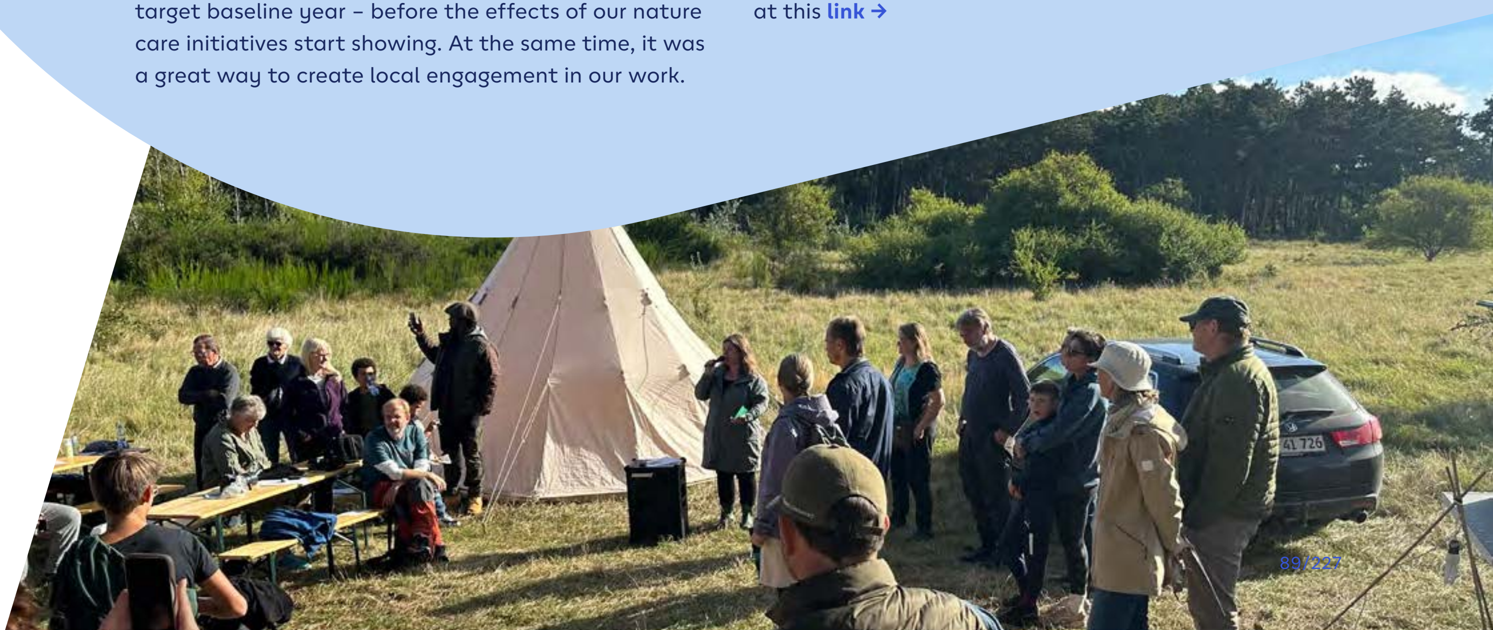
At TDC NET, we believe general awareness about nature is needed in order to solve the ongoing nature crisis. That is why we have an ambition to create awareness of protected nature and unique nature types through our nature projects.

In close collaboration with UNESCO Global Geopark Odsherred and Odsherred Municipality's Nature Team, TDC NET gathered nature interested families, profes-sionals, Skamlebæk Nature Community and employees for a so-called bioblitz – with the purpose to register insects, animals and plants on our land in Skamlebæk. This was done to measure the state of nature in our target baseline year – before the effects of our nature care initiatives start showing. At the same time, it was a great way to create local engagement in our work.

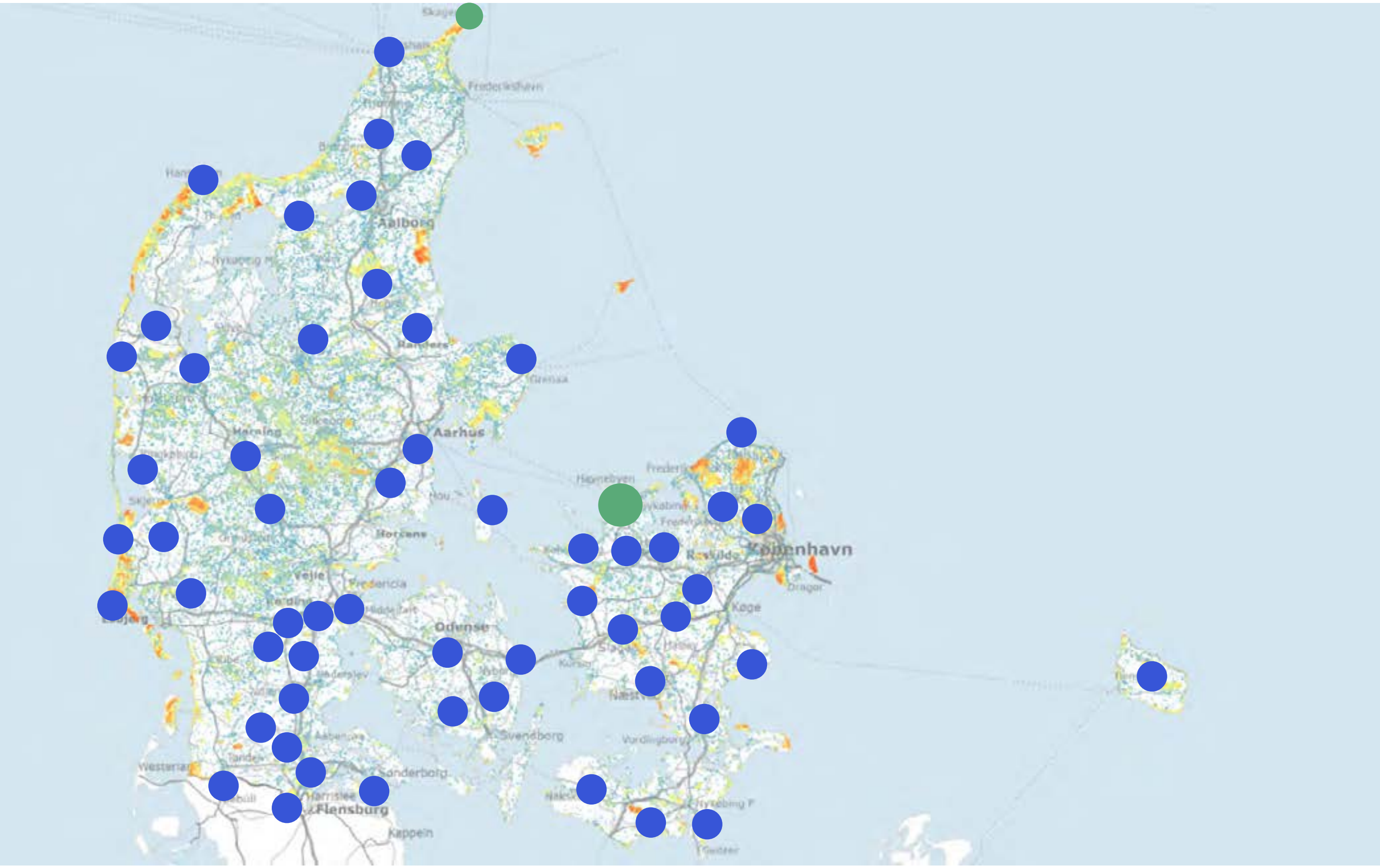
During the four-hour event on Sunday 15 September, approximately local 70 participants found a total of 812 individual finds, covering 329 species, including red-listed species such as a sand lizard (lacenta aigilis), honey buzzard (pernis apivorus) and among plants, yellow eternity flower (helichrysum arenarium) and heather eyebright (euphrasia micrantha).

Our event also had general public interest with national news coverage on the radio og TV – and with coverage in several online news articles.

More information about the species found is available at this **link →**



Overview of our sites in or near biodiversity sensitive areas



TDC NET areas at protected nature sites <10,000m²

TDC NET areas close to protected nature sites <10,000m²

Dots are illustrative. The locations vary in size.

TDC NET sites in or near biodiversity sensitive areas - one hectare or above in size

Site name	City	Municipality
Within Natura 2000 or § 3 area		
Skagen Radio	Skagen	Frederikshavn Municipality
Skamlebæk grund E.	Fårevejle	Odsherred Municipality
Skamlebækvej, Grund	Fårevejle	Odsherred Municipality
Skamlebækvej 12B, Fårevejle	Fårevejle	Odsherred Municipality
FM - Odsherred	Fårevejle	Odsherred Municipality
Skamlebækvej 39, Fårevejle	Fårevejle	Odsherred Municipality
Close to Natura 2000 or §3 area (within 3 km radius)		
Læsø 1 RK/Bangsbo	Læsø	Læsø Municipality
Rangstrup/SINE-projekt	Agerskov	Tønder Municipality
Sletvej 30, Tranbjerg J.	Tranbjerg J	Aarhus Municipality
Nakskov 3/Karleby/SINE-projekt	Nakskov	Lolland Municipality
Blåvand Satellit og Ferielejlighed	Blåvand	Varde Municipality
Kalundborg 3	Kalundborg	Kalundborg Municipality
Ølgod/Ølgod SINE-Projekt	Ølgod	Varde Municipality
Brande BSA	Brande	Ikast-Brande Municipality
Tommerup RS	Tommerup	Assens Municipality
Felsted 1	Aabenraa	Aabenraa Municipality
Hove sender	Smørum	Egedal Municipality
Tved TV2 / Svendborg 3	Svendborg	Svendborg Municipality
Brønderslev BSA	Brønderslev	Brønderslev Municipality
Nibe RK / SINE-projekt	Nibe	Aalborg Municipality
Nordenskov/Varde SINE-projekt	Varde	Varde Municipality
Ringkøbing BSA	Ringkøbing	Ringkøbing-Skjern Municipality
Ørslev/Røstofte Mark/Vordingborg/ SINE-projekt	Mern	Vordingborg Municipality
Løgstør RK/BSA	Løgstør	Vesthimmerlands Municipality
Mørkøv RS TV2	Jyderup	Holbæk Municipality
Dronninglund BSA	Dronninglund	Brønderslev Municipality
Hjordkær RS	Rødekro	Aabenraa Municipality
Hjørring 3 RK / Tornby	Hirtshals	Hjørring Municipality
Videbæk TV2	Videbæk	Ringkøbing-Skjern Municipality
Tranebjerg BSA	Samsø	Samsø Municipality
Mejrup /Holstebro / SINE-Projekt	Holstebro	Holstebro Municipality
Viborg BSB	Viborg	Viborg Municipality
Reersø R	Gørlev	Kalundborg Municipality
Snoghøj BSA/Erritsø	Fredericia	Fredericia Municipality
Fornæs 1	Grenaa	Norddjurs Municipality
Nykøbing F 4/Egebjerg	Nykøbing F	Guldborgsund Municipality
Gjerlev BSB	Gjerlev J	Randers Municipality
Ringsted BSB	Ringsted	Ringsted Municipality
Lemvig BSA	Lemvig	Lemvig Municipality
Blåbjerg 1	Nørre Nebel	Varde Municipality
Holbæk BSA	Holbæk	Holbæk Municipality
Niels Bohrs Vej, Kolding	Kolding	Kolding Municipality
Kolding 4	Lunderskov	Kolding Municipality
Hammelev BSA	Vojens	Haderslev Municipality
Ragebøl / Sønderborg BSB	Sønderborg	Sønderborg Municipality
Hanstholm 1 RK	Hanstholm	Thisted Municipality
Nørregade 31/Larslejsstræde 6 (Skt. Petri Passage)	København K	Københavns Municipality
Gilleleje BSA	Gilleleje	Gribskov Municipality
Tønder BSA	Tønder	Tønder Municipality
Virum MC/Virum Syd BS	Virum	Lyngby-Taarbæk Municipality
Årsballe 1/SINE-projekt	Rønne	Bornholm Municipality
Nyborg BSA	Nyborg	Nyborg Municipality
Næstved 3 / SINE-projekt	Næstved	Næstved Municipality
Herning	Herning	Herning Municipality
Bovbjerg 1	Lemvig	Lemvig Municipality
Store Heddinge BSA	Store Heddinge	Stevns Municipality
Ødis 2 RK	Vamdrup	Kolding Municipality

E4-5

Biodiversity and ecosystems - preserved nature

Datapoint	2024
Number of sites owned, leased or managed in or near protected areas or key biodiversity areas that undertaking is negatively affecting	57
Area of sites owned, leased or managed in or near protected areas or key biodiversity areas that undertaking is negatively affecting (m^2)	1,783,203
Total land area used (m^2)	3,184,047
Total area onboarded towards target (m^2)	306,184
% of target achieved	9.6%

E4 Accounting policies

Number of sites and total area of sites in or near protected areas or key biodiversity areas calculation
The total number of sites and m^2 was identified using the database in Plania and the Natura 2000 map. The Natura 2000 map showed both protected nature in Denmark under §3 of the Danish Nature Conservation Act and key biodiversity areas defined by the EU under Natura 2000. To calculate the total area of the sites, each site identified was analysed to determine the specific number of m^2 in or near a protected area or key biodiversity sensitive area. Only sites above 10,000 m^2 are assessed. A site is considered to be 'near' a protected area or key biodiversity sensitive area, if it is within a 3km radius.

Despite no sound scientific evidence pointing to the fact that electromagnetic fields from our mobile antennas and tower have an adverse effect on animals, insects or plants under realistic environmental conditions, TDC NET has decided to report on the areas where TDC NET's activities may be negatively affecting nature.

Total land area used
TDC NET's total use of land is all the land TDC NET owns, leases or manages. This number is found by adding all the sites (grundareal) in the Plania database.

'30 by 30' target calculation in m^2
To calculate the number of m^2, TDC NET will need to preserve, to reach our '30 by 30' target, the total amount of land TDC NET owns, leases or manages is multiplied by the value of 0.30, representing the 30 percent target.

m^2 of preserved nature calculation
To calculate the area of nature that is preserved, TDC NET's total land area on a site, and the amount of developed land (buildings and all types of physical assets) on the site are subtracted. This highlights the number of m^2 of nature (unbuilt land) being preserved.

% of preserved nature calculation
To calculate the percentage of TDC NET land that is preserved, the preserved land area of nature on a site, and the total amount of land TDC NET owns, leases or manages is divided. This highlights the share of nature the preserved area represents relative to all TDC NET land. This figure is also used to measure progress towards the 30 percent preserved nature target for 2030.

E5

Resource use and the circular economy

Strategy
TDC NET is committed to a sustainable use of resources and has an ambition to formulate and launch a strategy for Circular Economy during 2025 with clear targets and initiatives. However, efforts to push a more circular way of working across the organisation have already been initiated – see the following sections.

E5.IRO-1

Impacts, risks and opportunities

Resource inflows

In 2024, TDC NET concluded its first Circular Economy Hotspot Analysis for resource inflows. This involved taking spend data for 2023 and identifying sub-sub-sub categories in the procurement taxonomy that are direct procurement for material goods. Of 130+ categories, 22 were found to meet this description, and when a spend threshold was applied, nine suppliers were found to be in scope for a circular economy programme, as well as two additional suppliers that were included in agreement with the relevant category managers.

In 2024, TDC NET also began screening purchases for their impact on our circular economy. If a purchase above a spend threshold is made in one of the 22 relevant sub-sub-sub categories, a list of questions relating to the circular economy are asked during the request for proposal stage of the tender and a bid evaluation criterion is applied.

Consultations were held with internal stakeholders and relevant suppliers identified in the Circular Economy Hotspot Analysis. Consultations with affected communities have not been conducted during this process.

Resource outflows including waste

TDC NET has an ambition to conduct a similar hotspot analysis for resource outflows including waste during 2025 as part of the strategy process. Nevertheless, some natural outflows will occur in the coming years due to the decommissioning of legacy equipment, hereunder from the copper network. These will be focus points for the circularity work.

E5-1

Policies
Resource use and the circular economy are addressed directly in the TDC NET Environmental Policy in which we commit to e.g. implementing circular principles in the design of products and in the sourcing process in order to minimise the use of non-renewable virgin materials. For further information on the policy's objectives, scope or accountability in the organisation, see the policy description under section E1 Climate Change. In our Sustainable Procurement Policy, we commit to conducting environmental & social due diligence in the sourcing process based on double materiality, impacts, risks and opportunities, where circularity is implicitly included. Finally, our Supplier Code of Conduct sets the minimum standards for circularity

at suppliers, including concepts of circular design, modularity, minimisation of resources, reuse, reparability and waste management.

E5-2

Actions

TDC NET plans to launch a circularity strategy during 2025 alongside clear actions with resources secured. However, TDC NET is already committed to the sustainable use of resources in managing resource inflows and outflows. Circularity actions have therefore been initiated, and a formal programme will be launched in 2025.

- Copper recycling: recycling copper and other materials recovered from removing obsolete underground cables.
- Waste management: general handling of resource outflows from locations, such as food waste, in which materials are sorted and sent to the correct treatment option.

Recycling of copper cables

TDC NET's copper network has connected the Danish society for more than 140 years. However, to future-proof our digital infrastructure, it has been decided to decommission the copper network by 2030 and focus on more energy efficient and futureproof solutions, like fibre and 5G. But decommissioning copper not only closes a chapter, it also opens new opportunities for other industries.

TDC NET is committed to a sustainable use of resources, also at the end-of-life of our products. A copper recycling programme has therefore been initiated in which cables are pulled up from the ground and sent to a recycling facility where the materials are divided and can be used for other purposes. Copper is currently in high demand as it is predicted to be in short supply within the next few decades. We are therefore pleased that we can recycle our materials in a sustainable way where possible, and at the same time help to solve a global problem.

During 2024, 25 km of copper cables were removed from the ground for recycling, and this amount will increase in the coming years.

E5-3

Target

- TDC NET has not set any circular economy targets, but plans to do so during 2025.

E5-3, E5-4

2024 results and performance

Resource inflows
The Circular Economy Hotspot Analysis has disclosed that the following resource inflows are material for TDC NET:

- Network equipment for mobile network (e.g. radios & antennas)
- Network equipment for fixed network (e.g. fibre optic cables, ONTs and coax routers).

Mobile network
During 2024, TDC NET purchased 700 basebands, 1,023 radios and numerous antennas. Both radios and antennas primarily consist of aluminium, copper, iron, zinc, nickel, silicon, glass oxide, epoxy resin and small amounts of other materials including less than 1% of rare earth elements.

Fixed network
This year, we report quantitatively on the materials used in the roll-out of our fibre network in terms of ducts.

TDC NET applies Circular Transition Indicators (CTI) methodology of the The World Business Council for Sustainable Development (WBCSD).

We use primary data for activities to prevent double counting.

Resource outflows including waste
During 2024, TDC NET's waste totalled 1,420 tonnes, and we had a recycling rate of 82%. The majority of waste was diverted from disposal (1,170 tonnes) and went to recycling for treatment, while the remaining amount was directed to disposal through energy recovery and landfill (250 tonnes).

E5-4

Resource inflows

Weight (metric tonnes)	2024
Weight - ducts	1,009
Weight - technical materials	902
Weight - biological materials	107
Total weight of materials used (metric tonnes)	**2,018**
Percentage of sustainably sourced biological materials used	0%
Weight of reused & recycled components and materials	59
Percentage of reused & recycled components and materials	6%

E5-5

Resource outflows

Waste diverted from disposal	2024
Non-hazardous waste	
Preparation for reuse	-
Recycling	948.3
Other recovery methods	-
Total non-hazardous waste	**948.3**
Hazardous waste	
Preparation for reuse	-
Recycling	221.9
Other recovery methods	0.0
Total hazardous waste	**221.9**
Total waste diverted from disposal	**1,170.2**
Waste directed to disposal	
Non-hazardous waste	
Incineration	245.1
Landfill	3.6
Other disposal operations	-
Total non-hazardous waste	**248.7**
Hazardous waste	
Incineration	1.0
Landfill	-
Other disposal operations	-
Total hazardous waste	**1.0**
Total waste directed to disposal	**249.7**
Total waste (metric tonnes)	**1,419.9**
Total amount of non-hazardous waste	1,197.0
Total amount of hazardous waste	223.0
Total amount of recycled waste	1,170.2
Recycling percentage	82%
Total amount of non-recycled waste	249.7
Non-recycling percentage	18%

E5 Accounting policies

Resource inflows

TDC NET reports on the material resource inflows for ducts used in the roll-out of the fibre optic network. Data is supplied by the relevant supplier.

Resource outflows and waste

TDC NET receives data from our suppliers which is then split, based on the location of the waste and the type of waste, into three categories: Nuuday, TDC NET and TDC Holding (later divided between Nuuday, TDC NET & external renters). This categorisation ensures that waste volumes are accurately allocated according to their point of origin. Some data on resource outflows is TDC NET-only (network waste) and is solely allocated to our organisation. DKTV is also included in the overall waste volumes for TDC NET. The data is based on direct measurements made by suppliers on the waste generated. We generate no radioactive waste.

Social

ESRS S1

Own workforce

Strategy

At TDC NET, we consider our employees our most important asset – an asset which we do our best to take care of. Our 2030 corporate strategy, Connectivity Pioneers, aims to transform our culture and organisation, as we aspire to be the preferred employer in Denmark. The sustainability priorities embed diversity and inclusion (D&I) topics within social sustainability, ensuring an inclusive culture, equal opportunities and diverse workforce. Additionally, our People & Culture strategy focuses on fostering a defined target culture and is characterised by our three new Pioneering Traits, being explorers, courageous and committed. The strategy has specific ambitions to increase the female share of leadership and reinforce our dedication to D&I with actionable goals. During 2024, we also firmed up our commitment to continuously improve our work environment. With emphasis on our company value "care", we expanded our strategic focus to include wellbeing, on top of a strong focus on health and safety, to ensure that our employees thrive as whole human beings during their career with TDC NET. During 2025 and in coming years, we will work even more dedicatedly with this updated strategy for wellbeing, health and safety, to the benefit of all our employees.

At TDC NET, we are committed to maintaining transparency and accountability in all our operations concerning our workforce. We ensure that our disclosure practices align with the European Sustainability Reporting Standards (ESRS 2), which mandate the inclusion of all individuals within our own workforce who may be materially impacted by our company.

This approach includes every employee group, ensuring that no subset of our workforce is overlooked or excluded. Whether they involve full-time, part-time, temporary, or contractual employees, our policies and disclosures cover the material impacts, risks and opportunities that pertain to each category. By doing so, we fulfil our commitment to integrating sustainability and ethical considerations into our business practices, reaffirming our dedication to fostering a supportive and inclusive work environment.

S1-SBM-3

Types of employees and non-employees

At TDC NET, our workforce comprises a diverse range of individuals, all playing a crucial role in our operations. Recognising the potential material impacts on all members of our workforce, we categorise our employees and non-employees to ensure comprehensive management and disclosure of these impacts. This approach is in line with the ESRS 2.

Employees:	
1. Full-time employees (permanent employees):	• Definition: employees working the standard number of hours as defined by their employment contracts. • Potential impacts: these employees are essential to our everyday operations and may be affected by policies related to work hours, compensation, health and safety, and career development opportunities.
2. Part-time employees (permanent employees):	• Definition: employees working fewer hours than full-time employees, often on flexible schedules. • Potential impacts: part-time employees may face different challenges related to job stability, benefits eligibility and work-life balance.
3. Temporary employees:	• Definition: employees hired for specific periods or projects. • Potential impacts: temporary workers might be impacted by job security issues, transition processes, and short-term benefits.
4. Contractual employees:	• Definition: employees working under fixed-term contracts. • Potential impacts: contractual employees could be affected by contract renewals, integration into a long-term company culture, and access to training and development programmes.

Non-employees:	
1. Self-employed individuals:	• Definition: independent contractors providing specific services without being on the company's payroll. • Potential impacts: potential impacts include project scope clarity, timely payment and contractual obligations.
2. Agency staff:	• Definition: individuals hired through employment agencies to fill temporary or long-term positions. • Potential Impacts: agency staff may face uncertainties related to their continuation and integration within the company workflow.

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Impacts, risks and opportunities

Material negative impacts

At TDC NET, we prioritise identifying, assessing and disclosing material negative impacts on our workforce. Key focus areas include:

- Health and safety incidents: implementing continuous improvements to reduce workplace injuries and illnesses.
- Workplace discrimination and harassment: enforcing anti-discrimination policies and promoting diversity and inclusion.
- Stress and mental health issues: offering support concerning stress and mental health through our health insurance.
- Job insecurity: providing clear communication about job roles and contracts.
- Inadequate compensation: regularly reviewing and benchmarking compensation packages.
- Ethical and legal compliance: upholding ethical standards through policies and training.

Activities resulting in positive impacts

At TDC NET, we focus on initiatives that foster a supportive and inclusive work environment, benefiting both employees and non-employees. Key initiatives include:

Employees:

- Workplace safety: implementing health and safety measures for a safer work environment.
- Health and wellbeing: promoting a healthy work environment with easy mental health support and an environment providing psychological safety.
- Competitive compensation and benefits: regularly updating compensation and benefits to ensure financial stability and job satisfaction.
- Diversity, equity, inclusion and belonging (DEIB) initiatives: promoting bias-free recruitment and career advancement opportunities, benefiting all employees, especially underrepresented groups.
- Flexible work arrangements: offering remote work options and flexible hours to improve work-life balance.

Non-employees:

- Engaging with self-employed and agency staff to ensure fair contracts, timely payments and integration into training programmes.

These TDC NET initiatives create a supportive working environment that enhances engagement, satisfaction and professional growth, contributing to the company's overall success and sustainability.

TDC NET ensures that all individuals, whether employees or non-employees, are acknowledged and their material impacts are managed effectively.

Material risks and opportunities arising from impacts and dependencies

At TDC NET, we recognise our workforce as a critical asset. Material risks include health and safety, especially for our technicians, talent retention for employees with skills that are highly relevant for our transformation, such as IT, as well as discrimination and employee well-being for our entire workforce.

We mitigate these risks through policies, competitive compensation, DEIB initiatives, and a wellbeing focus. Opportunities arise from enhanced engagement, diversity, development, flexible work and technological advancements.

We leverage these opportunities through employee surveys, inclusive recruitment, training and remote work options.

By addressing these risks and opportunities, TDC NET aims to create the resilient, motivated and skilled workforce essential for long-term success, ensuring sustainability and enhancing overall business performance.

Material impacts on workers arising from green transition plans

As TDC NET transitions to greener operations, we recognise key impacts on our workforce, which include job role changes due to low-energy consumption technologies, increased training needs, potential operational disruptions, concerns about job security from automation and temporary increased workloads.

To mitigate these impacts, we implement training programmes to equip employees with the skills necessary for new technologies and processes. We maintain transparent communication regarding transition plans and their effects on job roles to ensure employees are informed and prepared, while also focusing on open communication to help manage stress and adapt to changes. Additionally, we engage with employees and gather feedback to address concerns and improve transition processes. To ensure job security, we work on creating transition pathways for affected roles and offering internal mobility options.

TDC NET is dedicated to a smooth and supportive transition towards low-energy consumption operations, fostering a resilient and adaptable workforce prepared for sustainable business practices.

Forced or compulsory labour

We are committed to maintaining a high standard of ethical conduct and mitigating the risk of forced labour. We have identified risks in supply chain operations, manufacturing and construction due to complex supply chains, regional labour law enforcement and reliance on subcontractors.

To address these risks, we enforce a strict Supplier Code of Conduct with its point of departure in high ethical standards. We conduct regular audits and due diligence, provide training for awareness, collaborate with stakeholders to uphold human rights and labour practices, and establish clear grievance mechanisms. TDC NET aims to ensure that all operations, particularly in high-risk sectors, are free from exploitative labour practices and uphold human rights standards. For information about where a risk of forced labour is identified in our supply chain, please see our reporting on ESRS S2 Workers in the value chain. As TDC NET operates in Denmark and our employees are covered by union agreements, there is no significant risk of forced labour in our own workforce.

Child labour

We are committed to ensuring that our operations and supply chain are free from child labour. Our risk assessments identify supply chain operations, production and raw material extraction as high-risk areas. These sectors often involve regions with weaker enforcement of child labour laws, economic pressures and complex supply chains that obscure working conditions.

To mitigate these risks, our Supplier Code of Conduct prohibits child labour and we conduct regular risk-based audits and due diligence assessments to ensure compliance. For information about where the risk of child labour is identified in our supply chain, please see our reporting on ESRS S2 Workers in the value chain. As TDC NET operates in Denmark and our employees are covered by union agreements, there is no significant risk of child labour in our own workforce.

Understanding particular characteristics

We emphasise understanding the diverse profiles of our workforce to identify and mitigate risks comprehensively and proactively, ensuring employee well-being and safety.

Development of understanding: we have established a risk assessment framework that evaluates potential risks to different workforce segments, conducts anonymous employee surveys for direct feedback and develops individual risk profiles based on roles, personal characteristics and working contexts.

Key areas of focus: vulnerable workers such as employees with disabilities, pregnant workers, young and senior employees are provided with tailored workstations, flexible hours and regular health check-ups. High-risk job roles in construction and maintenance receive comprehensive safety training and personal protection equipment. Remote workers benefit from regular virtual check-ins and mental health resources. Employees in high interaction roles are trained in conflict resolution and supported by zero-tolerance harassment policies.

Continuous improvement: we regularly review and update risk assessments and mitigation strategies, engaging with employees and stakeholders to adapt to changing conditions and emerging risks.

In response to the opportunities related to diversity and inclusion, we focus on the unique needs of different workforce groups to ensure safety and support. In our DEIB strategy, we work on specific initiatives such as increasing the number of women in leadership roles, and employee resource groups aim to foster inclusion across various employee groups focusing on age, gender, nationalities, minorities and culture. All these measures are designed to create a workplace that welcomes everyone.

We believe that promoting diversity and establishing an inclusive environment leads to a more innovative and supportive workplace, benefiting all our employees as well as TDC NET as a company.

S1-1

Policies

To mitigate potential material impacts on employees as well as non-employees, TDC NET has implemented a series of comprehensive policies, including:

- **Human and Labour Rights Policy**: supports fair treatment, non-discrimination and the protection of labour rights across all employee types.

- **Health and Safety Policy**: ensures a safe and healthy working environment, prioritising wellbeing and the prevention of work-related injuries, particularly relevant for our technicians.

- **Diversity, Equity, Inclusion and Belonging (DEIB) Policy**: promotes an inclusive workplace, recognising and valuing diversity among all workforce groups.

- **Supplier Code of Conduct**: ensures non-employees, such as contractors and agency staff, engage in fair, ethical practices aligned with TDC NET standards.

These policies reflect our adherence to international guidelines such as UN Guiding Principles on Business and Human Rights, and are instrumental in identifying, assessing, managing and remediating any material impacts on our workforce, thus ensuring their wellbeing and continuous engagement.

In addition to our strategic policies, we have a number of operational policies, approved by the Corporation Committee (ESU):

- **Framework HR Policy**
- **Prevention and Handling of Offensive Behaviour Policy**
- **Smoking and Substance Abuse Policy**

All polices are supported by various agreements and local arrangements that regulate numerous sustainability aspects. This includes compliance with laws such as the Annual Leave Act, the Maternity Leave Act and legislation on equal treatment and anti-discrimination.

Finally, our employee handbook (intranet) contains numerous additional labour rights provisions.

Health and safety

Achieving our ambition and targets requires the right culture across TDC NET. As expressed in our Health and Safety Policy, we focus on providing a healthy and safe working environment for our employees, which is enabled by our health and safety (H&S) governance structure. Our H&S organisation is structured in line with the Danish Working Environment Act, and our H&S management system is ISO 45001 certified, covering 100% of TDC NET's operations.

Eliminating discrimination

We have developed the following policies to combat discrimination and harassment and to promote equal opportunities:

- HR Policy
- DEIB Policy
- Prevention and Handling of Offensive Behaviour Policy
- Human and Labour Rights Policy

Under Danish law, the prohibition against discrimination is established in the Discrimination Act § 1, sections 2 and 3. The law outlines specific grounds for discrimination in § 24 b.

Our Human and Labour Rights Policy echoes this legislation, prohibiting discrimination on the grounds of gender, skin colour, race, ethnicity, language, disability, age, political opinion, religion, or sexual orientation, for example.

In the HR Policy, we state that "we are committed to diversity and inclusion, and will therefore:

- Be inclusive in all employee-oriented activities.

- Avoid discrimination based on age, race, gender, sexual orientation etc.

- Strive to reflect diversity in society."

In the Policy for Prevention and Handling of Offensive Behaviour, we provide specific examples of what constitutes a violation: degrading behaviour based on gender, gender identity, sexual orientation, ethnicity, age, disability, political opinion or religion.

Diversity and inclusion

Our DEIB Policy describes how TDC NET ensures that all HR processes in the employment cycle reflect our desire for inclusion and diversity, supporting equal opportunities for all employees and ensuring that TDC NET avoids discrimination.

In accordance with corporate governance regulations, specific targets have been set for other management levels. See target section for overview of gender diversity targets in management.

Policy implementation

People & Culture policies are implemented through the following process:

- Once the policy is drafted, the policy is discussed with the trade unions, as required under the cooporative agreement, where there is also a collective agreement.
- Upon agreement, the policy is approved by the ESU. Where the policy legally requires approval from the board, the committee is informed about the policy but does not participate in discussions.
- The approved policy is published on our intranet, and all employees are informed about the policy on our intranet, which is easily accessible to all.
- Announcements about the new policy are posted on corporate news channels.
- All new hires receive a nano-learning session about the policies applicable within TDC NET.

S1-3

Approach to remediation

If TDC NET causes or contributes to a significant negative impact on employees, as described in TDC NET's policies, the following remedial actions are initiated:

Reports to whistleblower schemes are handled in accordance with the procedures described in the whistleblower policy.

Violations of human and labour rights raised through the trade union system are dealt with according to the rules that apply to trade union procedures.

For other reports, the following process is followed:

- People & Culture conducts a fact-finding investigation to ascertain the facts related to the incident.
- Once the investigation is complete, People & Culture discusses the findings and response with the Chief Human Resource Officer, including any measures that should be taken to prevent recurrences.

Raising concerns

The following channels have been established for employees wishing to raise concerns or issues:

- The health and safety representatives, according to the Working Environment Act
- The union representatives, according to the collective agreement
- The whistleblower scheme, according to whistleblower legislation
- The Cooperation Committee, according to the cooperation agreement
- The HR business partners.

Grievance and complaints

The majority of TDC NET employees are covered by a collective agreement, which includes specific procedures for handling grievances.

For employees not covered by the collective agreement, the employment contract and relevant legislation outline how grievances are handled.

A cooperation structure with the ESU has been established to ensure collaboration between management and employees, where breaches of human and labour rights can be discussed.

- Employees covered by a collective agreement are also represented by union representatives, who ensure compliance with human and labour rights, and to whom breaches can be reported.
- Employees have the opportunity to report breaches of human and labour rights directly to their HR business partner or by emailing HRHelpdesktdcnet@tdcnet.dk .
- A whistleblower scheme has been established, whereby breaches or suspected breaches of human rights can be reported. The whistleblower scheme is available on TDC NET's intranet and website. Our whistleblower mechanism and human rights impact assessments ensure continuous improvement and a supportive work environment.

Questions regarding wellbeing and violations are addressed in the annual employee satisfaction survey and the workplace assessment (APV). Additionally, the trade union system is deeply rooted in TDC NET's history as a public organisation, ensuring that any irregularities are raised through the union system or the ESU if they arise, as employees are part of the union system.

TDC NET has established several channels and systems to ensure employees can safely raise concerns without fear of retaliation. This includes the ESU and union representatives, to whom employees can report any breaches of human and labour rights. Employees can also report issues directly to their HR business partner or through the whistleblower system, both of which ensure confidentiality and protection against retaliation. The whistleblower policy specifically provides mechanisms for reporting violations while safeguarding the anonymity and protection of reporting individuals.

S1-4

Actions

Actions to prevent or mitigate negative impacts

TDC NET complies with Danish labour market legislation designed to prevent significant negative impacts on its own workforce. Collective agreements are negotiated to provide employees with rights extending beyond those given by law. To ensure compliance with these rules, TDC NET takes the following actions:

- Questions are included in the annual workplace assessment (APV) to determine if employees have felt violated.
- Policies clearly describe the procedures for reporting violations.
- The whistleblower policy provides a mechanism for reporting breaches.

In addition, TDC NET has a unionised system and a cooperation structure stipulated in the collective agreement, whereby employees can raise concerns or report violations. Employees typically use these channels to address their concerns.

Other measurements involve tracking the number of complaints received through the various channels established for reporting irregularities. We assess how many of these complaints involve violations of laws, collective agreements or policies. Our goal is to have as few violations as possible, but equally importantly, to have a complaint system that is actively utilised.

If TDC NET becomes aware of a potential or actual negative impact, a fact-finding investigation is first conducted to identify the extent of the issue. Based on the findings, mitigation measures are considered and assessed for implementation to address the specific incident and whether there is a need to tighten processes or internal regulations to avoid recurrence.

As in previous years, an APV (Workplace Assessment) and employee satisfaction survey are planned for 2025. These surveys will include questions concerning harassment and the overall wellbeing of employees.

In 2024, TDC NET also took steps to broaden the scope of our health and safety work to ensure wellbeing, thereby applying a more holistic approach to mental health and physical safety at work. In 2025, the focus on wellbeing will be applied to our strategy, policies and targets.

TDC NET adheres to both human and labour rights and is continually attentive to improving the rights of employees and facilitating the reporting of violations. Recent initiatives to address these concerns include:

- Recently adopted guidelines allowing for paid leave in the event of stillbirth and up to two months of paid leave for parents with children under 18 in case of a child death.

- A new policy on human and labour rights established, covering many areas also described in laws and collective agreements. The policy aims to signal that these are among the company's core values.

- A plan to simplify the whistleblower system and introduce an awareness campaign to ensure knowledge about how to report, for example human rights violations through the whistleblower system.

TDC NET's values highlight compliance, and adherence to human and labour rights, which are ingrained in our operations. The long-standing collaboration with collective agreement partners and the cooperation structure also ensures that compliance with these rules is continuously monitored.

S1-4

Unions

No resources in TDC NET are specifically allocated to ensuring continuous audits of the adherence to human and labour rights as described above. However, ongoing compliance with our policies is ensured through the following measures: People & Culture has discussions with health and safety representatives and union representatives and are a part of the whistleblower organisation that handles reports. Lastly, People & Culture manages grievances raised through the union system.

Regular meetings are held with trade unions to discuss employee conditions and general matters. Additionally where appropriate, the unions are involved in how TDC NET incorporates employment law, such as the registration of working hours to ensure compliance with maximum weekly working hours and rest period regulations.

The unions receive information about salary developments on a yearly basis and other information monthly that enables them to ensure employees are employed under correct conditions.

Regular meetings of the ESU ensure that union representatives can raise concerns and receive information from TDC NET about the company's progress.

S1-5

Targets*

Gender diversity in management

- Executive leadership level: 25% representation of the underrepresented gender by 2026.

- Senior leadership level: 32% representation of the underrepresented gender by 2026.

- All people managers: 27% representation of the underrepresented gender by 2026.

- All leadership levels: 35% representation of the underrepresented gender by 2030.

Health and safety

- Zero fatality tolerance: reduce total recorded injury frequency rate (TRIFR) to 10 in 2030 from 23.5 in 2023.

- Build a proactive wellbeing, health and safety culture, striving to maximise learnings from incidents and near misses to prevent injuries at work.

* Targets are applicable to TDC NET only.

2024 results and performance

Our workforce
In 2024, the total number of employees (headcount) was 2,637, all working in Denmark.

Diversity and inclusion
Gender diversity in management
We monitor progress against our gender diversity targets at executive leadership diversity targets at executive leadership level and senior leadership level targets. At both leadership levels the underrepresented gender is currently women.

At executive leadership level, the gender split was 87.5% men and 12.5 % women in 2024.

At senior leadership level, the gender split was 70% men and 30% women.

The percentage of female leaders across all leadership levels at TDC NET was 24% in 2024.

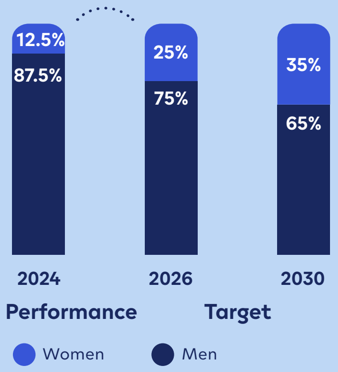
To reach our target across all leadership levels, we will strengthen our pipeline by increasing our focus on diversity in our recruitment and promotion processes. This includes developing a structured review of internal and external candidates, being bias-conscious and having open discussions about diversity, to ensure we find the right candidate.

To reach our target across all leadership levels, we will focus on creating transparent career paths by conducting structured evaluations of internal and external candidates, implementing mentorship programmes, and fostering open discussions that promote diversity and inclusion in recruitment and promotion decisions.

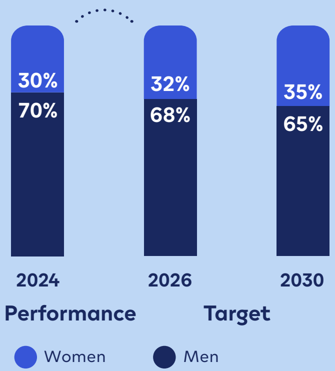
In 2024, the gender split across our entire workforce (including DKTV) remained stable at 22% women and 78% men.

As in other tech and IT companies, achieving an overall gender balance is difficult due to underrepresentation of women in relevant educations and in the industry. To achieve our gender diversity target and ambition, we need to attract and retain female talents.

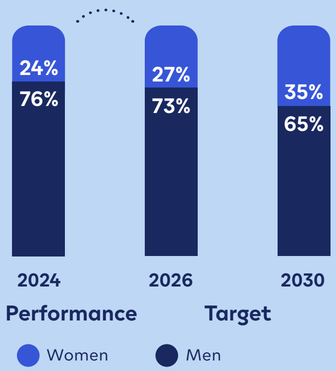
Executive leadership level[1]



Senior leadership level[1]



All people managers (total)[1]



[1] Graphs with performance against targets covers TDC NET leaders only. Numbers are excluding DKTV.

2024 results and performance

Health and safety
In 2024, we recorded no fatalities. Our colleagues reported a total of 3,382 near-misses (2024 target: 2,500) and thereby our rate of near-miss accidents increased from 454 in 2023 to 773 in 2024. We see this increase as a positive development and a clear result of our safety awareness initiatives across TDC NET.

We encourage our employees to report near misses as part of our prevention measures.

Total injuries dropped from 108 in 2023 to 83 in 2024.

Our total recordable injury frequency rate (TRIFR) declined from 23.5 in 2023 to 19.0 in 2024, bringing us closer to reducing TRIFR to 10 in 2030.

At TDC NET, we use the Bradley scale to indicate the maturity level of our H&S culture. In 2024, we achieved 82/100 on the Bradley scale. Though we use the widely accepted Bradley approach to define our safety culture, the Bradley survey is developed by TDC NET inspired by international research in health and safety. A score of 82/100 is high and satisfying. The result indicates that we have a strong focus on wellbeing, health and safety, and take ownership not only for the wellbeing, health and safety of ourselves but also of others.

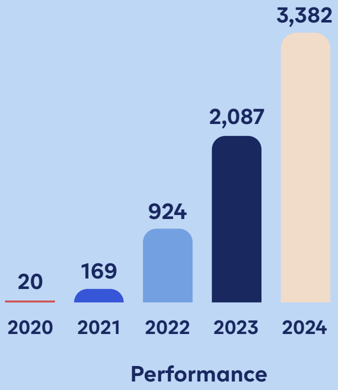
Discrimination
Discrimination is a collective term for cases of discrimination, bullying, sexual harassment and other types of harassment, called offensive behaviour at TDC NET. In terms of incidents and complaints through TDC NET's whistleblower system, we have logged 2 substantiated incidents related to discrimination within TDC NET's own workforce that occurred in 2024.

In line with this, no fines, penalties and compensation were paid in 2024.

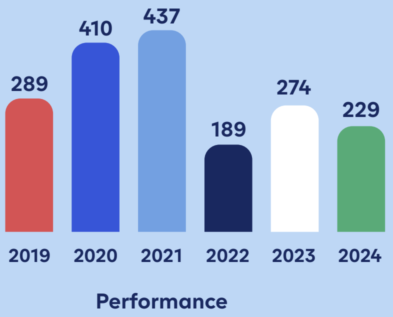
Total recordable injury frequency rate (TRIFR)

Total injuries

Near-misses reported



Days of absence



Social data

S1-6

Characteristics of the undertaking's employees

Employees by contract type (headcount – number)	2024	2023	2022	2021	2020
Employees on permanent contracts - men	2,040	2,125	2,316	2,354	2,173
Employees on permanent contracts - women	590	585	633	609	489
Employees on temporary contracts - men	5	5	2	21	8
Employees on temporary contracts - women	2	2	6	24	6
Employees on non-guaranteed hours contracts - men	0	-	-	-	-
Employees on non-guaranteed hours contracts - women	0	-	-	-	-

Employees by employment type (headcount – number)	2024	2023	2022	2021	2020
Employees on full-time contracts - men	1,991	2,077	2,273	2,319	2,152
Employees on full-time contracts - women	545	555	592	582	459
Employees on part-time contracts - men	54	53	45	56	29
Employees on part-time contracts - women	47	32	47	51	36
Employees on non-guaranteed hours contracts - men	0	-	-	-	-
Employees on non-guaranteed hours contracts - women	0	-	-	-	-

S1-6

Characteristics of the undertaking's employees – continued

Employees by gender (headcount)	2024	2023	2022	2021	2020
Men (number)	2,045	2,130	2,318	2,375	2,181
Women (number)	592	587	639	633	495
Total	**2,637**	**2,717**	**2,957**	**3,008**	**2,676**
Men (%)	78%	78%	78%	79%	82%
Women (%)	22%	22%	22%	21%	18%

S1-6

Employees by gender (headcount) - TDC NET only - excluding DKTV

Men (number)	1,571
Women (number)	506
Total	**2,077**
Men (%)	76%
Women (%)	24%

Employee turnover: total departures and turnover rate	2024	2023	2022	2021	2020
Employees left the undertaking (headcount - number)	516	-	-	-	-
Rate of employee turnover (%)	19%	16%	-	-	-

Social data

S1-7

Non-employees

Non-employees in own workforce (average headcount - number)	2024
Non-employees - total	1,685
Non-employees - self-employed people	20
Non-employees - people provided by undertakings primarily engaged in employment activities	1,665

S1-8

Collective bargaining coverage and social dialogue

Employees covered by collective bargaining (%)	2024	2023	2022	2021	2020
% of total employees covered by collective bargaining agreement (%)	87%	88%	87%	-	-

S1-9

Diversity metrics

Employees by employment category (headcount – number)	2024	2023	2022	2021	2020
Executive leadership level - men	8	11	-	-	-
Executive leadership level - women	1	2	-	-	-
Senior leadership level - men	22	27	-	-	-
Senior leadership level - women	9	12	-	-	-
All people managers (total) - men	169	182	199	197	179
All people managers (total) - women	45	59	48	58	40
Non-managers - men	1,846	1,948	2,119	2,178	2,002
Non-managers - women	537	528	591	575	455

Employees by employment category (%)	2024	2023	2022	2021	2020
Executive leadership level - men	89%	85%	-	-	-
Executive leadership level - women	11%	15%	-	-	-
Senior leadership level - men	71%	69%	-	-	-
Senior leadership level - women	29%	31%	-	-	-
All people managers (total) - men	79%	76%	81%	77%	82%
All people managers (total) - women	21%	24%	19%	23%	18%
Non-managers - men	77%	79%	78%	79%	81%
Non-managers - women	23%	21%	22%	21%	19%

Social data

S1-9

Diversity metrics

Employees by employment category (headcount – number) TDC NET only - excluding DKTV	2024
Executive leadership level - men	7
Executive leadership level - women	1
Senior leadership level - men	21
Senior leadership level - women	9
All people managers (total) - men	106
All people managers (total) - women	33
Non-managers - men	1,437
Non-managers - women	463

Employees by employment category (%) TDC NET only - excluding DKTV	
Executive leadership level - men	87.5%
Executive leadership level - women	12.5%
Senior leadership level - men	70%
Senior leadership level - women	30%
All people managers (total) - men	76%
All people managers (total) - women	24%
Non-managers - men	76%
Non-managers - women	24%

S1-9

Diversity metrics – continued

Employees by age group (headcount – number)	2024	2023	2022	2021	2020
Employees under 30 years old	274	275	320	292	243
Employees 30-50 years old	1,107	1,113	1,190	1,186	1,026
Employees over 50 years old	1,256	1,329	1,447	1,530	1,407
Employees by age group (%)					
Employees under 30 years old	10%	10%	11%	10%	9%
Employees 30-50 years old	42%	41%	40%	39%	38%
Employees over 50 years old	48%	49%	49%	51%	53%

S1-13

Training and skills development metrics

Employee performance reviews – by gender and employee category* (%)	2024	2023	2022	2021	2020
All people managers (total) - men	71%	84%	93%	93%	94%
All people managers (total) - women	71%	90%	83%	96%	100%
% of appraisal - non-management - men	83%	94%	92%	95%	96%
% of appraisal - non-management - women	76%	90%	91%	91%	99%

Employee training	
Average training hours - men	7.35
Average training hours - women	2.21
Average training hours - total	**6.21**

Social data

S1-14

Health & safety metrics

Occupational health and safety – Employees	2024	2023	2022	2021	2020
People covered by the undertaking's health and safety management system (%)	100%	100%	100%	100%	100%
Fatalities own workforce (number)	0	0	0	0	0
Fatalities other workers (number)	0	0	0	0	0
Injuries with lost time - LTI (number)	24	24	29	39	31
Injuries without lost time (number)	59	84	65	53	50
Total injuries - TRI (number)	**83**	**108**	**94**	**92**	**81**
Entity specific					
Days of absence (number)	229	274	189	437	410
Injury incidence (injuries with lost time per 10,000 employees)	110	104	122	160	153
Rate of fatalities*[1]	0	0	0	0	0
Lost time injury frequency rate - LTIFR*[2]	5.5	5.2	6.1	8.0	7.6
Total recordable injury frequency rate - TRIFR*[3]	19.0	23.5	19.8	18.9	20.0
Near-miss accidents reported (number)	3,382	2,087	924	169	20
Rate of near-miss accidents*[4]	774	454	194	35	5

* For calculation of rates from 2023 and onwards, we have changed yearly hours worked per employee from 1,645 hours to 2,000 hours in order to align with the methodology used in the European Sustainability Reporting Standards. Due to this change, we have also changed the historic data to ensure comparability year on year.

1 Calculated as number of fatal accidents per one million working hours.
2 Calculated as number of injuries with lost time per one million working hours.
3 Calculated as total injuries (with/without lost time) per one million working hours.
4 Calculated as number of near-miss accidents per one million working hours.

S1-16

Remuneration

Remuneration metrics (pay gap and total remuneration)	2024
Gender pay gap (%)	3.2%
Annual total remuneration ratio	14.84
Gender pay gap - Executive leadership level (monetary)	46.1%
Gender pay gap - Senior leadership level (monetary)	17.3%
Gender pay gap - People managers (monetary)	1.2%
Gender pay gap - Non-managers (monetary)	1.6%

S1 Accounting policies

Our employee data is calculated based on year end, headcount data, and is taken from internal HR systems. Other definitions include:

Employee data

Employees by gender is the number/percentage of employees, men and women, employed at the company at year end.

Employees by employment category is the number/percentage of employees who are employed at the company during the reporting year at year's end, who have managerial or non-managerial responsibilities, divided by gender (men/women).

We report on the following leadership levels:

- Executive leadership level covering the CEO and people managers reporting to the CEO
- Senior leadership level covering people managers reporting to executive leadership level
- All people managers, incl. executive leadership level and senior leadership level
- Non-managers

People managers are defined as managers with a minimum of one person reporting directly to them.

Employees by contract type is the number of employees who are employed at the company at year end, who had either a permanent or temporary contract, divided by gender (men/women).

Employees by employment type is the number of employees who are employed at the company at year end, who were either employed in a full-time or a part-time capacity, divided by gender (men/women). A 37-hours workweek is considered full-time employment, while working less than 37-hours a week is considered part-time.

Employees by age group is the number/percentage of employees who are employed at the company at year end, divided into three age brackets: 1) employees under 30 years old, 2) employees 30-50 years old and 3) employees over 50 years old.

Employee performance reviews is the percentage of employees who are employed at the company during the reporting year and at year end, who received a performance review during the reporting year, divided by gender (men/women) and employee category (managerial responsibility/non-managerial responsibility). Managers are defined as people managers with a minimum of one person reporting directly to them.

Average training hours (hours per FTE) is calculated as the total number of hours of training provided to employees in 2024 at TDC NET locations and paid for by TDC NET (internally and externally), divided by the total number of employees at year end (headcount).

Percentage of total employees covered by collective bargaining agreements is the percentage of employees who are employed at the company at year end, who were covered by collective bargaining agreements.

Rate of employee turnover (%) is the number of employees who left TDC NET within the last 12 months compared with the average number of employees in the same period. The total turnover rate covers both involuntary and voluntary turnover.

Due to changes in our company structure, historical figures before 2020 are not available.

DKTV employees are part of the employee reporting and figures.

As TDC NET operates only in Denmark, figures are not broken down per country.

Non-employees

Non-employees are defined as Individuals contracted directly as self-employed or provided by employment agencies to supply labour.

Non-employees are reported as average headcount for the reporting period, based on contractual data.

Data includes self-employed individuals and agency-provided workers actively engaged in TDC NET operations.

Fluctuations in non-employee numbers are disclosed where material to understanding operational impacts.

If data is estimated, the methodology and assumptions are clearly stated.

Health and safety - own workforce

Number of fatalities is the tally of work-related fatal injuries reported during the year.

Number of injuries with lost time (LTI) is the tally of work-related injuries reported during the year where the employees did not come to work the following day due to the accident.

Number of injuries without lost time (RIWLT) is the tally of work-related injuries reported during the year where the employees came to work the day after the accident.

Total recordable work-related injuries (TRI) is the tally of work-related injuries reported during the year with and without absence.

Number of days lost is the total combined number of days where employees were absent from work due to work-related injuries.

Injury incidence is the number of work-related injuries with absence per 10,000 employees.

Rate of fatalities is calculated as number of work-related fatal accidents per one million working hours.

Lost time injury frequency (LTIF) is calculated as the number of work-related injuries with lost time per one million working hours.

Total recordable work-related injury frequency (TRIF) is calculated as the number of work-related injuries with and without lost time per one million working hours.

Number of near-miss accidents (NMR) is the tally of work-related near-miss accidents reported during the year.

Rate of near-miss accidents (NMRF) is calculated as the number of work-related near-miss accidents per one million working hours.

Health and safety - other workers

Number of fatalities is the tally of incidents reported during the year.

Gender pay-gap

The gender pay gap is calculated as the percentage difference between the average hourly earnings of male and female employees. This is based on the following formula:

$$\text{Gender Pay Gap} = \frac{\text{Average Male Hourly Earnings} - \text{Average Female Hourly Earnings}}{\text{Average Male Hourly Earnings}} \times 100$$

Inclusions

The calculation includes:

- Base salary
- Variable pay components such as bonuses, allowances and incentives

Exclusions

Geographic segmentation or adjustments for purchasing power are not included in this KPI.

Accuracy and verification

All data used for the calculation are sourced directly from HR and payroll systems to ensure accuracy, and multiple quality checks are conducted before final reporting.

Total remuneration ratio

This ratio offers a clear perspective on the distribution of earnings across the organisation and supports TDC NET's commitment to pay with equity and transparency, aligned with regulatory and ESG reporting requirements.

Total remuneration includes all forms of compensation, such as base salary, bonuses, allowances, benefits and any other monetary rewards provided to employees during the year.

We compare the total annual remuneration of the highest-paid individual to the median annual total remuneration for all employees, excluding the highest-paid individual (see method below).

We calculate the ratio across the different employee groups (management, specialists, and support) to provide a more granular understanding of income disparity within specific segments of TDC NET.

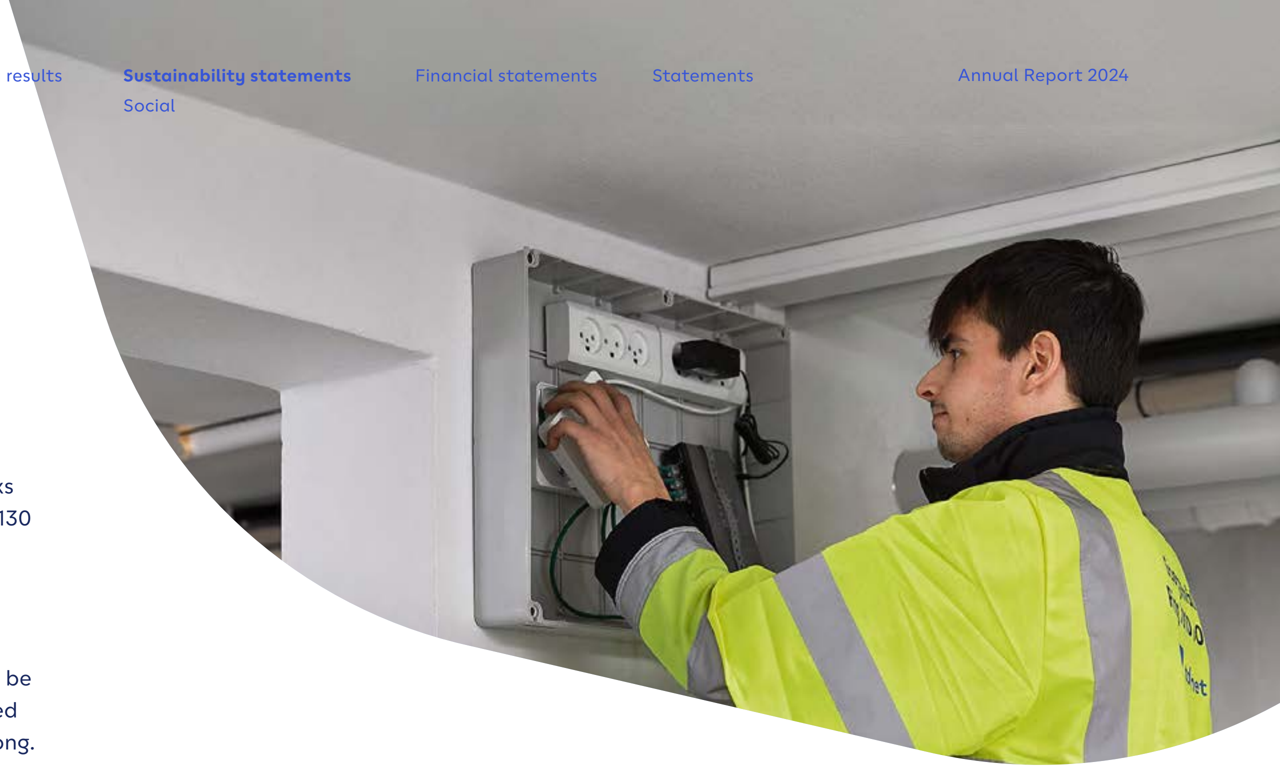
This allows for targeted insights and action plans where disparities are identified.

Method used for group-specific analysis:

1. We exclude the highest-paid individual from the dataset.
2. Calculate the median total remuneration for the remaining employee population.
3. Ratio calculation: divide the total annual remuneration of the highest-paid individual by the median total remuneration derived above.

Discrimination

The number of incidents of discrimination include substantiated incidents within TDC NET workforce related to discrimination, bullying, sexual harassment and other types of harassment that can occur at the workplace. Cases are reported through TDC NET's H&S representatives, unions, whistleblower scheme, Cooperation Committee and HR partners. At present, TDC NET's formal processes are not designed to capture ESRS required metrics pertaining to S1-17.



S2
Workers in the value chain

Strategy
TDC NET's supply chain is critical for the operations of our company and we have a supplier network of +3500 suppliers across different products and services. Managing and engaging the supply chain is pivotal to reaching our net-zero target for 2030 as Scope 3 currently constitutes 70% of our emissions. Value chain workers are a vital part of our supplier network and are therefore also important in our engagement with the supply chain.

S2.SBM-3

Impacts, risks and opportunities
All value chain workers who can be materially impacted by TDC NET are included in the scope of this disclosure. Upstream, this is ensured by applying a Risk Based Category Management Approach (RBCMA) to assess the risks related to workers in the value chain. The coverage in relation to spend is 100%, as category managers in the procurement function are responsible for strategy across all external spend. External spend is classified in a procurement taxonomy consisting of four categories 1) Technology, 2) Civil Works & Materials, 3) Indirect and 4) IT and over 130 sub-sub-sub categories.

Risks related to value chain workers in 1) Technology & 2) Materials
Various types of value chain workers could be materially impacted and they are identified according to the category where they belong. For Technology (both fixed and mobile network), as well as for Materials needed for the network to function (such as fibre optic cables) and IT hardware, the workers who could be materially impacted are determined from on-site audit factory data collected at industry level. This gives insight into both the geographic trends, as well as the human and labour rights topics that are most at risk.

Risks related to value chain workers in 2) Civils Works, 3) Indirect and Facility Management and 4) IT
Regarding workers at TDC NET sites who are not part of our own workforce, a specific area of identified risks relates to Civil Works suppliers who put fibre and coax cables in the ground. As this involves manual labour with machinery, health and safety has been identified as material. TDC NET applies the same standards for health and safety to its suppliers as it does for its own employees through contractual agreements, including requirements for suppliers related to monitoring, reporting and performance management.

For indirect procurement such as facility management and IT, TDC NET identifies the same risks as its own employees on site and applies a contractual framework that is aligned with our union agreements.

Risks related to specific geographies
Geographical data is available for all on-site audits by the Joint Alliance for CSRD (JAC – see further description below) and trends are routinely summarised by JAC central office. They are not public, however, these trends are used when discussing which areas to pay particular attention to with third-party auditors.

The Uyghur minority in China has been identified as being subject to higher human rights risks, particularly related to Information and Communication Technology (ICT) and solar panels. As such, TDC NET audited the facility where the solar panels were assembled in China during the years when the solar power purchase agreement came into effect.

Other risks and dependencies
With the Risk Based Category Management Approach (RBCMA), a score of 1-5 is applied to assess the risks related to socio-economic conditions of workers for that particular category, taking into account factors such as forced labour, child labour, freedom of association, discrimination, health and safety, unfair remuneration and working hours.

There is an inherent risk due to the lack of visibility in the supply chain. TDC NET typically uses the Delivery At Place (DAP) incoterm, meaning that we do not track where deliveries originate from, only that they arrive where they were meant to arrive on the right date. Consequently, we have a low level of traceability in the supply chain, which is complicated by the fact that (ICT) equipment typically has many tiers. Identifying high risk purchases and entering into dialogue with the supplier to trace the place of assembly, manufacturing or components is therefore an opportunity to identify the actual workers in the value chain and to perform JAC audits to ensure they have satisfactory working conditions.

Positive material impacts
TDC NET is an active member of JAC, which is an industry organisation consisting of 27 telecommunication operators. JAC facilitates a shared audit programme in which each member is required to conduct a minimum of five on-site audits at supplier factories every year. For 2024, JAC released a report detailing the findings for that year. Based on 150 factory audits conducted with over 20,000 workers in 2024 across 31 countries, 661 corrective actions were identified. 44% of these were related to health and safety, 19% to working hours, 11% to environment and 11% to wages and compensation. Considering that similar findings are found year on year, it can be concluded that issues relating to health and safety and working hours are systemic, particularly in certain geographical regions.

During 2024, TDC NET concluded its first pilot for the Supplier Development Programme , which resulted in a baseline assessment in the form of a validated off-site assessment and an on-site audit at the facility of a strategic supplier. The results provided a baseline upon which discussions can take place to improve worker conditions. This framework is expected to be applied in upcoming years to additional suppliers.

All value chain workers have positive economic impacts in the form of employment and subsequent remuneration.

Opportunities identified in 2024:
- The open corrective actions from JAC audits are tangible opportunities to improve the working conditions of actual workers in the value chain.
- There is an opportunity to systematically address supplier development in the sourcing process by replicating the pilot for supplier development concluded in 2024.

S2-1
Policies
TDC NET has the following policy framework in place, which covers all workers in the value chain:

1. Human and Labour Rights Policy is applicable for own workforce and includes a commitment to conduct due diligence for human rights for acquisitions and divestments, as well as for in-sourcing/out-sourcing labour. It also commits TDC NET to performing audits and risk assessments. It is aligned with the United Nations Guiding Principles on Business and Human Rights (UNGP). The policy is approved by the Board of Directors. The policy mentions the following international frameworks: The Universal Declaration of Human Rights, The UN Guiding Principles on Business and Human Rights, The UN Covenant on Economic, Social and Cultural Rights, The UN Covenant on Civil and Political Rights, The ILO Declaration on Fundamental Principles and Rights and the UN Global Compact's 10 principles that contribute to the achievement of the Sustainable Development Goals.
2. Supplier Code of Conduct (SCoC) goes into significant detail on the minimum requirements related to human rights for suppliers and their sub-suppliers. It explicitly mentions forced labour, child labour and the "Protect, Respect and Remedy" framework of the UNGP. The SCoC is approved by the Board of Directors and explicitly mentions UNGP, relevant ILO standards and 10 principles of the United Nations Global Compact.

3. The Sustainable Procurement Policy is an internal operational policy for the procurement department. It outlines our commitments in terms of conducting due diligence for human rights related to workers in the value chain. It commits the team to identify, assess and manage impacts on workers in the value chain. The policy commits the team to operate within the double materiality framework, which includes improving impacts, applying an RBCMA and identifying and acting upon opportunities. This policy also commits TDC NET to ensure that all suppliers sign the SCoC. The policy is approved by TDC NET's Sustainable Procurement Board.

4. The whistleblower policy provides a grievance mechanism for stakeholders to voice their concerns without fear of reprisal.

S2-1 to S2-3

Supplier due diligence

TDC NET applies a two-fold approach to supplier due diligence:

1. Proactive approach for potential new suppliers:

- According to the Sustainable Sourcing Guidelines, for tenders in select categories where labour could be done by TDC NET but has been outsourced, questions relating to diversity, equality and inclusion as well as labour rights are asked and weighted during the bid evaluations. A due diligence process is therefore in place that allows the procurement team to understand the maturity of bidders regarding these topics. It allows some bidders to be deselected, or for contractual agreements relating to supplier development to be reached where the capacity can be built over the lifetime of the contract. If all bidders have a readily available supplier assessment in the form of an EcoVadis score, it is also used as a bid evaluation criterion with human and labour rights being a component of the score.

- Bidders in tenders that are in categories ranked with a risk of 3/5 or above in the RBCMA for socio-economic risks with an annual spend of >1m DKK are contractually required to have a supplier sustainability assessment by reporting to EcoVadis. One of the four pillars of EcoVadis involves human and labour rights, and suppliers must upload documentation showing they have systems in place to identify risks and improve performance.

- Bidders in tenders in categories ranked with a risk of 4/5 or above in the RBCMA for both environmental and socio-economic risks with an annual spend of >10m DKK and a fixed place of work (e.g. factory) are contractually obliged to undergo a JAC audit.

2. Reactive approach to current supply base:

- Suppliers in categories that are ranked with a risk of 3/5 or above in the RBCMA for socio-economic risks with an annual spend of >1m DKK are required to have a supplier sustainability assessment via EcoVadis. One of the four pillars of EcoVadis is labour and human rights and suppliers must upload documentation showing they have systems in place to identify risks and improve performance.

- Suppliers in categories that are ranked with a risk of 4/5 or above in the RBCMA for both environmental and socio-economic risks with an annual spend of >10m DKK and a fixed place of work (for example factory) are eligible for JAC audit.

During JAC audits, auditors typically take a cross-section of approximately 30 employees and ask them questions relating to their working conditions without management or HR present. Results are then shared among JAC members. Vulnerable value chain workers are not specifically selected, however a broad range of employees are interviewed.

After a JAC audit, the audit report contains a corrective action plan (CAP) outlining all non-conformities with the JAC checklist of approximately 180 questions, most related to working conditions. TDC NET then engages the factory directly to ensure that the corrective actions are closed within an agreed timeframe. Failure to do so can be considered a material breach of contract according to the SCoC. Results are presented to the Sustainable Procurement Board.

For supplier assessments (EcoVadis), the score is used in the supplier relationship management programme via quarterly business reviews. Scorecards are reviewed and opportunities for improvement are discussed.

S2-2 to S2-3

Engagement with value chain workers

Governance for sustainable procurement is done via the Sustainable Procurement Board, which meets quarterly as stated in the sustainable procurement policy. The board consists of senior decision makers such as the Head of Sustainability and the Head of Supply Chain. A standing item on the agenda is the progress of the JAC audit campaign. The sustainable procurements board reviews progress and can make decisions on which courses of action to take.

Effectiveness of engagement with value chain workers is assessed in terms of:

- How many mid- and high-risk suppliers eligible for supplier assessments that are in the yearly EcoVadis campaign are currently reporting.
- The overall score for human and labour rights in the supplier assessment (EcoVadis) weighted by spend.
- Whether JAC CAPs are closed in the agreed timeframe.

Grievance mechanism

TDC NET has a publicly available whistleblower scheme that everyone is free to use, e.g. our employees, suppliers or sub-suppliers. Furthermore, suppliers are encouraged to have a rights-compatible grievance mechanism at operational level that allows employees and external stakeholders to confidentially voice their concerns about supplier operations and the supply chains without fear of reprisal.

Assessing whether value chain workers are aware of and trust these structures is currently not in scope for the Sustainable Procurement Programme at TDC NET

S2-4 to S2-5

Actions

TDC NET's ambition is to have full transparency regarding the environmental, health and safety, business ethics, and human and labour rights in our supply chain by 2030. We intend to achieve this by ensuring:

- All new contracts include the latest Supplier Code of Conduct
- All eligible suppliers with medium or high sustainability risk report to EcoVadis
- All suppliers and sub-suppliers with medium or high sustainability risk have at least one on-site audit
- All CO_2-intensive purchases undergo due diligence processes, with suppliers chosen on the basis of CO_2 alongside commercial and technical criteria
- All procurement staff trained and are able to deliver on the sustainability agenda

Currently there are 1.25 FTEs dedicated to Sustainable Supply Chain and 0.2 FTE resources allocated to management of material impacts.

Going forward, TDC NET will continue to be a member of JAC and is committed to conducting a minimum of five audits per year, which includes managing & closing CAPs. Each corrective action is an opportunity to tangibly improve the working conditions of workers in the value chain. Supplier assessments via the EcoVadis programme are well established and not in scope for change in the near future. Sustainable sourcing guidelines are in place and are not expected to change.

S2-5

Targets

The target of a minimum of five JAC audits per year is set by JAC. The other ambitions such as suppliers signing the TDC NET Supplier Code of Conduct and suppliers that must have a supplier sustainability assessment via EcoVadis are agreed through the Sustainable Procurement Board.

S2-5

Targets

- Five on-site JAC audits per year
- Increase spend coverage of eligible suppliers with medium or high sustainability risk reporting to EcoVadis to 100% by the end of 2024

Value chain workers or their legitimate representatives were not engaged directly in tracking performance against targets or engaged directly to learn lessons or improvements as a result of our performance.

S2-1 and S2-4

2024 results and performance

JAC
In 2024, 150 JAC audits were conducted by third parties on TDC NET's behalf. 661 Corrective Actions Plans were found of which 147 actions have been closed with a satisfactory result. TDC NET audited five suppliers during 2024, which is in line with our yearly target.

EcoVadis
We use the EcoVadis platform to evaluate suppliers' sustainability performance. In 2024, 66 medium- and high-risk suppliers were eligible for EcoVadis of which 39 reported to EcoVadis. The risk covered in 2024 was 65%, which is a 6 pp decrease compared to 2023. The weighted average score of suppliers reporting to EcoVadis was 72% in 2024 compared with 65% in 2023.

Despite efforts to increase the spend coverage of eligible medium- and high-risk suppliers reporting to EcoVadis to 100%, we faced several challenges that hindered our progress in 2024. A shift in our eligible medium and high-risk suppliers resulted in our risk coverage percentage being lower than expected. In response to this development, we will in 2025 review our target and the related supplier engagement plan.

Corrective action plans

When a corrective action is found in a JAC audit, the factory discusses the type of remedy required with the auditor and actions are agreed in the CAP. The factory then has an agreed timeframe to implement the remedy and to upload evidence to the JAC Audit Management Platform (AMP). TDC NET then reviews the evidence and deems whether it is sufficient to consider the corrective action closed. If insufficient, TDC NET enters into dialogue with the factory to discuss the type of remedy that would be more satisfactory.

If it is found during an audit that working hours are consistently high, TDC NET has a discussion about order frequency and volume in relation to factory capacity. This is particularly relevant if health and safety corrective actions are also involved, as it creates working conditions that increase risks of injury.

Supplier engagement	2024	2023	2022	2021	2020
JAC audits					
JAC audits conducted (number)	5	6	2	-	-
EcoVadis					
Suppliers eligible for EcoVadis (number)	66	86	92	-	-
Suppliers reporting to EcoVadis (number)	39	52	40	-	-
Risk covered (Spend on suppliers reporting to EcoVadis/Spend on suppliers eligible for EcoVadis) (%)	65%	71%	64%	-	-
Weighted average score of suppliers reporting to EcoVadis (%)	72%	65%	68%	-	-

S2 Accounting policies

Supplier engagement

JAC audits

TDC NET applies a risk-based category management approach to determine eligibility for JAC audits.

Suppliers with a weighted average risk score of medium and high for environmental or social impacts, that also have a spend threshold >DKK 10m are eligible, provided there is a fixed site to audit, such as a factory. Data is consolidated annually, as are supplier risk scores. Spend data is extracted from the spend visibility tool Sievo, and audit reports are accessed through the JAC Audit Management Platform. Factories in TDC NET's supply chain with on-site audits are defined as the number of JAC audits conducted by any JAC member on sites belonging to or used by a TDC NET supplier or sub-supplier.

EcoVadis

TDC NET applies a risk-based category management approach to determine eligibility for EcoVadis reporting. Suppliers with a weighted average risk score of medium or high for environmental or social impacts, that also have a spend threshold >DKK 1m, are eligible. Data is consolidated annually, as are supplier risk scores. Spend data is extracted from the spend visibility tool Sievo, and EcoVadis participation and scores are determined through the EcoVadis platform.

Governance

Corporate governance

We work proactively with corporate governance, aiming to provide transparency for our stakeholders while ensuring long-term value creation.

Shareholders and general meeting
TDC NET is a privately held company, ultimately owned by three Danish pension funds, ATP, PKA and PFA comprising 50% of the ownership, with international infrastructure investment funds managed by Macquarie Group comprising the other 50% of the ownership. Our ultimate shareholders exercise their rights at the Annual General Meeting through a holding company, TDC Holding A/S, which owns 100% of TDC NET Holding A/S directly, and TDC NET A/S indirectly.

GOV-1

The Board of Directors
Every year at the Annual General Meeting, our shareholders elects six members to the Board of Directors for a term of one year. Board members may be re-elected. Our employees elect three members to the Board of Directors, pursuant to Danish mandatory rules, every four years.

The Board of Directors is responsible for the overall and strategic management of the company and appoints an Executive Committee comprising the CEO and CFO. The members of the Executive Committee are not members of the Board of Directors. The Executive Committee is responsible for the day-to-day management of the company with the assistance of the Executive Leadership Team. The responsibilities and the division of duties between the Board of Directors and the Executive Committee are clearly outlined and described in the Rules of Procedure for the Board of Directors and the Rules of Procedure for the Executive Committee.

Our Articles of Association are available at this **link →**

TDC NET also reports on the Danish Corporate Governance Recommendations to create further transparency for investors and other stakeholders. See our Corporate Governance Statement 2024 for more information.

Internal control and risk management related to the financial reporting process
The Audit Committee is responsible for monitoring the effectiveness of the overall internal control environment and risk management systems related to the financial reporting process.

Our Financial Risk and Control Framework (FRCF) is designed to assess and mitigate significant financial reporting risks through internal controls. The FCRF also monitors the effectiveness of the internal control and risk management system related to the financial reporting and provides Management and the Audit Committee with a basis for evaluating TDC NET's risk management and internal controls. It also outlines the approach, roles, responsibilities, reporting entities, processes, and controls under the FRCF.

We continuously seek to strengthen the internal control environment through further standardisation, increased automation and transparent governance.

Annually, we conduct a top-down, risk-based financial risk assessment. This process ensures that management identifies and mitigates significant financial reporting risks effectively through internal controls. Risks are assessed based on materiality impact, judgement and estimates, process complexity, and likelihood of error and omission. Controls at the process and transaction level mitigate these risks. The financial risks are assessed and reviewed at multiple levels in the Group, including monthly performance review meetings at Executive Leadership level.

Any observations from the independent auditor's long-form audit report and management letter are addressed with action plans, assigned responsibilities and deadlines, and are regularly reviewed.

Meeting attendance:

Meeting attendance:	Board of Directors	Audit Committee	Compensation & Nomination Committee	Health and Safety Committee
Henrik Clausen	●●●●●●●	●●●●●	●●●●	●●●●
Frank Hyldmar	●●●●●●●		●●●●	●●●●
Susanne Juhl	●●●●●●●	●●●●●	○●●●	
Geoffrey Shakespeare	●●●●●●●			
Gabriela Styf Sjöman	●●●●●●●			
Natalia Akst	●○○○○○○	●○○○○	●○○○	●○○○
Susana Leith-Smith	○●●●●●●	○●●●●	○●●●	○●●●
Ole Mølgaard Andersen	●○○○○○○			
Svend Bank Andreasen	●○○○○○○			
Pernille Bloch	●●●●●●●			
Casper Moser	○●●●●●●			
Helle Schultz	○●●●●●●			
Total number of meetings	7	5	4	4

● Attended ● Not attended ○ Not a board/committee member at the time
Numbers above indicate number of meetings attended out of the total possible numbers of meetings.

The Board of Directors' work in 2024
The Board of Directors has collaborated with the Executive Committee to refine and advance our strategic initiatives, ensuring TDC NET's competitive edge in Denmark. Throughout 2024, the Board has placed significant emphasis on enhancing digital transformation and maintaining leadership in mobile networks, broadband services and superior customer experiences.

In line with our ongoing commitment to sustainability, the Board has actively overseen initiatives focusing on climate and nature conservation.

Additionally, cyber security has remained a top priority. The Board, in conjunction with the Audit Committee, has diligently worked to strengthen our frameworks and policies to mitigate cyber risks, ensuring the utmost security for our infrastructure and customer data.

This ongoing commitment underscores our dedication to sustainable growth, robust governance and strategic excellence.

Competency matrix

	Henrik Clausen	Frank Hyldmar	Susanne Juhl	Geoffrey Shakespeare	Gabriela Styff Sjöman	Susana Leith-Smith
Board and/or executive management experience	●		●	●	●	
Strategic management, business development and business transformation	●	●	●	●	●	
Accounting, financial management and reporting			●			
Investor and capital market relations	●					●
People leadership and development	●		●	●	●	●
Risk management and compliance		●	●			
Cyber Security management and operating critical infrastructure			●		●	
Corporate Sustainability (ESG)	●		●			
Executive remuneration	●	●	●			
Technology strategy development and digital transformation	●			●	●	
B2B customer relations and wholesale business	●		●			
Operations of telecommunications and network provider	●		●	●	●	
Digitalisation; process and operating model innovation, optimisation and automation	●	●		●	●	
Regulatory requirements related to telecommunications/critical infrastructure and local government relations	●		●			
Marketing of telecommunications services and consumer behaviour	●					
Health and safety		●	●			●

GOV-1

Board evaluation and competence matrix
In December, the Board discussed the results of the annual evaluation based on individual anonymous inputs from and individual interviews with all board members and executive directors.

The result of the annual board evaluation revealed that the Board sufficiently monitors the operational and financial management of the company. The Chair manages the meetings well and ensures a safe forum for everyone to speak openly and honestly.

As part of the annual board evaluation, the Board of Directors assessed its collective experience and competencies based on the educational background, job experience, and career management duties of each individual member. This is done to ensure the inclusion of essential expertise, including topics such a corporate sustainability, executive remuneration, and health and safety. The categories of competencies are derived from the Board's statement regarding the essential skills and qualifications in the Board should collectively possess. The results of the evaluation are detailed below in Competency matrix.

Through continuous education such as workshops and training sessions with external specialists, the Board remains informed about emerging sustainability issues. For instance, during a full-day seminar in November 2024, the Board participated in the CSRD readiness programme designed to enhance its ESG competencies for the effective governance of the ESG agenda in the future.

Board committees

The Board of Directors has appointed an Audit Committee (AC), a Compensation & Nomination Committee (CNC), and a Health & Safety Committee (H&SC) to supervise certain fields and prepare cases to be decided on subsequently by the Board of Directors. Read each committee mandate here **link →**

	Audit Committee	Compensation & Nomination Committee	Health & Safety Committee
Members	· Susanne Juhl (Chair) · Henrik Clausen · Susana Leith-Smith	· Frank Hyldmar (Chair) · Henrik Clausen · Susana Leith-Smith · Susanne Juhl	· Frank Hyldmar (Chair) · Henrik Clausen · Susana Leith-Smith
Purpose	The AC assists the Board of Directors in monitoring the financial and sustainability reporting as well as risk management of the company's key financial and business risks.	The CNC assists the Board of Directors in matters relating to the nomination and remuneration of the Board of Directors and the Executive Committee, and supervision of the remuneration of the management at all levels.	The H&SC assists the Board of Directors in supervising and setting the strategy for our work with strengthening the health and safety of our employees and contractors' employees.
Focus areas in 2024	**Security oversight** Security was a significant area of focus for the Audit Committee in 2024. The committee reviewed the company's security protocols, including resilience against cybersecurity threats such as ransomware, hacking and physical security breaches. **Sustainability reporting** A key focus area was to ensure compliance with the Corporate Sustainability Reporting Directive (CSRD) for the financial year 2024. The committee tracked the progress of the double materiality assessment, which forms the foundation for sustainability reporting. **Risk management** The committee monitored the effectiveness of TDC NET's internal controls and risk management systems. This included a bi-annual review of the Enterprise Risk Management (ERM) framework and the financial compliance environment.	**Renumeration Policy** A key focus area was to adopte a new Remuneration Policy aligned with our strategic ambitions and stakeholder interests and incentive structures. The committee wishes to ensure that we can attract and retain highly competent individuals with competitive remuneration comparable to similar companies. **People and Culture Strategy** A major focus in 2024 was to oversee the development and implementation of the People and Culture Strategy to foster a consistent and cohesive company culture. **Diversity and inclusion** The committee also oversaw initiatives to address diversity and inclusion within the organisation with a comprehensive plan to ensure diversity across all management levels and the entire employee population in the second half of 2024.	**Wellbeing initiatives** The committee focused on defining and implementing a comprehensive WHS strategy in 2024, undertaking various initiatives to ensure employee well-being and create a supportive, safe working environment. **Safety culture and continuous improvement** A major focus was driving a strong safety culture for employees and contractors in 2024. Actions included increased near-miss reporting, safety campaigns, and maintaining certifications through external audits. The committee also ensured contractors met the same high safety standards by engaging them in initiatives and workshops led by health and safety experts. **Incident management and HiPOs** Significant emphasis was placed on managing High Potential (HiPo) incidents in 2024. The committee implemented a structured process for investigating and addressing HiPOs, sharing key learnings organisation-wide to prevent future occurrences and enhance safety protocols. Additionally, they reviewed incidents and workplace injuries to identify root causes and implement corrective actions.
Oversees sustainability priorities	· Digital trust · Governance, compliance and conduct	· Diversity and inclusion	· Wellbeing, health and safety
Adopted policies	· Tax Principles · Information Security Policy	· Diversity and Inclusion Policy · Remuneration Policy · Statement on the competence required by the Board of Directors	

Board of Directors

Henrik Clausen
Chair 2020 - February 2025
1963, male, Danish

- Elected by the shareholders
- Not independent[1]
- Joined in 2020
- Re-elected in 2024
- Term to expire in 2025[2]

Education
MSc in Civil Engineering, Technical University of Denmark.
MSc in Business Administration, INSEAD, France.

Other managerial duties
Member of the Board of Directors of the Technical University of Denmark. Member of the Board of Directors of Dansk Erhverv.

[1] As the member stepped down as CEO of TDC Holding A/S on 8 December 2021.
[2] Henrik Clausen resigned from the board on 21 February 2025. Consequently, Nikolaj Galskjøt, being the alternate for Henrik Clausen, joined the board as of 21 February 2025. Susanne Juhl was elected as interim Chair of the Board.

Frank Hyldmar
Deputy Chair since 2021
1961, male, Danish

- Elected by the shareholders
- Not independent[3]
- Joined in 2021
- Re-elected in 2024
- Term to expire in 2025

Education
MSc in Economics, Copenhagen Business School, Denmark.

Other managerial duties
Chairman of the Board, Currenta GmbH, CEO of Currenta GmbH4. Member of the Board of TuV Sud GmbH.

[3] As of 1 January 2024, the board member has a business relationship with an ultimate shareholder.
[4] As of 1 January 2024, Frank Hyldmar has stepped down as CEO of Currenta GmbH and at the same time was appointed Chairman.

Gabriela Styf Sjöman
1969, female, Swedish

- Elected by the shareholders
- Independent
- Joined in 2021
- Re-elected in 2024
- Term to expire in 2025

Education
MA in International Relations with specialism in Cybersecurity, King's College London, UK.
MSc in Business Administration, University of Durham, United Kingdom.

Other managerial duties
Member of the Board of Directors of Global Legal Entity Identifier Foundation (GLEIF). Managing Director Research and Network Strategy, BT Group, United Kingdom.

Board of Directors

Geoffrey Shakespeare
1961, male, Irish

- Elected by the shareholders
- Independent
- Joined in 2021
- Re-elected in 2024
- Term to expire in 2025[1]

Education
BSc Engineering, Fellow of the Institute of Engineers, Ireland.

Other managerial duties
Managing Director of Shakespeare Advisory Ltd and Shakespeare Telecommunication Ltd.

[1] Geoffrey Shakespeare resigned from the board on 23 January 2025

Susanne Juhl
1971, female, Danish

- Elected by the shareholders
- Independent
- Joined in 2023
- Re-elected in 2024
- Term to expire in 2025

Education
MSc, Political Science, Aarhus University, Denmark. Master's degree in Public Administration and Public Policy from London School of Economics and Political Science, UK. Executive MBA, Imperial College Business School, London, UK.

Other managerial duties
Chair of the Board of Directors of HOFOR A/S,
Chair of the Board of Directors of BIOFOS,
Chair of the Board of Directors of Divérs,
Deputy Chair of the Board of Directors of M. J Eriksson A/S,
Member of the Board of Directors in Lunar Bank and Lunar Group.

Susana Leith-Smith
1977, female, Portuguese

- Elected by the shareholders
- Not independent
- Joined in 2024
- Term to expire in 2025

Education
Master's degree in modern history and international relations from the University of St Andrews.

Other managerial duties
Senior Managing Director Macquarie Asset Management,
Member of the board of Arqiva,
Trustee for Womankind Worldwide.

Board of Directors

Casper Moser
1983, male, Danish

- Elected by the employees
- Not independent
- Joined in 2024
- Term to expire in 2028
- Service Technician at TDC NET

Education
Telesystem Technician, Frederiksberg Technical School.

Other managerial duties
Chairman of the Board, Dansk Metal Tele Øst

Helle Schultz
1969, female, Danish

- Elected by the employees
- Not independent
- Joined in 2024
- Term to expire in 2028
- Senior network planner at TDC NET

Education
MSc, mathematics-economics, Aarhus University, Aarhus
MSc, information- and communication technology, Aalborg University, Copenhagen

Pernille Bloch
1966, female, Danish

- Elected by the employees
- Not independent
- Joined in 2023
- Re-elected in 2024
- Term to expire in 2028
- Shift Supervisor at TDC NET

Education
Diploma in commerce (in Danish: merkonom).

Other managerial duties
Deputy Chairman of the Board of LTD.

Executive Leadership Team

The eight members of the Executive Leadership Team ensure delivery of company strategy.

Michel Jumeau (Chief Executive Officer) and Steen Møller (Chief Financial Officer) constitute the Executive Committee at TDC NET.

The Executive Committee is supported by an additional six executive leaders, collectively referred to as the Executive Leadership Team (ELT), which is responsible for the day-to-day management of the company and the progress of reaching our strategic targets. Through a cohesive decision process, the Executive Leadership Team drives initiatives, promotes cross-functional teamwork, engages with stakeholders, and establishes partnerships for the broader goal of connecting Denmark. For Everyone.

Standing from left to right:

Angelos Cacouros
Head of Strategy, Transformation, Sustainability & Procurement

Robert Dogonowski
CCO, Head of Commercial & Partners

Steen Møller
Chief Financial Officer

Michel Jumeau
Chief Executive Officer

Torben Svejgaard
Head of Delivery & Field Service

Christian Fröhlich
General Council, Head of Legal & External Regulations

Selina Lomholdt
Chief Human Resources Officer

Campbell Fraser
Chief Information Officer

Executive Committee

Michel Jumeau
Chief Executive Officer

- Born in 1972
- Appointed in 2022

Education
MSc in Engineering, Télécom Paristech, France.

Career
TDC NET A/S
2022 –
EVP, Chief Executive Officer
Orange A/S
2005 - 2022
EVP, Deputy CEO, Consumer Business (2018-2022)
SVP, Marketing & Digital Officer (2011-2018)
VP, Market strategy (2008-2011)
Management positions (2005-2008)

Management duties
Chairman of the Board of Directors of DKTV A/S.

Steen Møller
Chief Financial Officer

- Born in 1965
- Appointed in 2024

Education
Graduate Diploma in Organisation & Management, Copenhagen Business School, Denmark.

Career
TDC NET A/S
2024 –
EVP, Chief Financial Officer
Vestas Wind Systems A/S
2010 - 2024
Group SVP, Group Finance
SVP, CFO for North America
Danisco A/S
1995 - 2010
Chief Financial Officer, South America

Management duties
Member of the Board of Directors of DKTV A/S.

Roles and responsibilities

Our governance model
Each layer in our governance model has different responsibilities. Our Board of Directors approves our strategy, and our board committees review performance data and results to ensure we reach our targets. The Executive Committee is responsible for progress towards targets. Lastly, our ESG Governance Forums, which are chaired by members of the Executive Leadership Team, ensure coordination across the company to drive results to deliver on targets. The forums meet quarterly and include senior leaders with accountability for the relevant areas.

GOV-1

Roles and responsibilities in relation to oversight of sustainability matters

Board of Directors

The Board of Directors is collectively responsible for overseeing impacts, risks and opportunities with regard to sustainability matters. The Board of Directors has currently not delegated this responsibility to any individuals or committees.

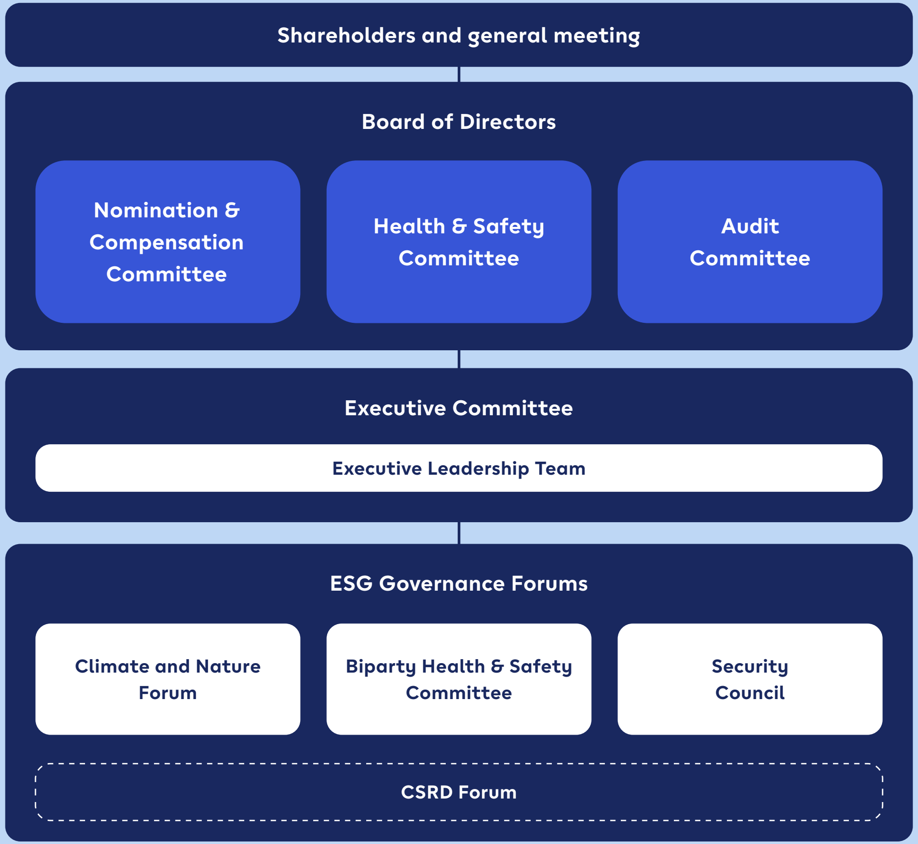
Executive leadership team

At executive level, a separate CSRD Council with Executive Leadership Team (ELT) members responsible for the material standards oversees impacts, risks and opportunities related to the material ESRS topics.

Governance frameworks

Currently, the Rules of Procedure for the Board of Directors and the Executive Committee does not directly reflect the responsibilities of the Board of Directors nor the Executive Committee regarding impacts, risks and opportunities about sustainability matters. The Charter for the Audit Committee stipulates the responsibility of the Committee to monitor the sustainability reporting processes and our general risks.

Our governance model



GOV-1

Oversight of IROs

The ELT assumes responsibility for managing and overseeing the impacts, risks and opportunities in relation to sustainability matters. However, the governance processes, controls and procedures are not formalised.

The ELT's role in the governance processes has not been delegated to a specific management position or committee. In the day-to-day management of the company, the Head of Sustainability monitors, manages and oversees impacts, risks and opportunities across our material sustainability related topics.

The Head of Sustainability reports to the Chief Strategy Officer, who reports to the CEO.

We do not have dedicated controls or procedures in place to manage the impacts, risks or opportunities.

GOV-1

Oversight of target-setting

At TDC NET, the Board of Directors holds ultimate responsibility for the strategic management of the company, ensuring alignment with both long-term goals and sustainability commitments. The Board works closely with various committees to set and monitor targets related to material impacts, risks and opportunities. For example, the Audit Committee oversees financial reporting, sustainability reporting, and risk management, while the Compensation & Nomination Committee ensures that executive remuneration aligns with company performance, focusing on diversity and inclusion targets, and the Health & Safety Committee monitors our measures for safeguarding employees' and contractors' wellbeing, health and safety.

Executive Leadership team, handles day-to-day management and drives the implementation of strategic objectives, including sustainability targets. The Sustainability team conducts double materiality assessments, engaging with internal teams, external experts and stakeholders to identify key sustainability topics. These findings undergo review and validation by the ELT and relevant committees, ensuring they are comprehensive and align with TDC NET’s strategic goals. The Board and the ELT then set strategic targets, particularly for climate risks, following Task Force on Climate-Related Financial Disclosure (TCFD) recommendations, which ensure a structured approach to managing climate-related risks and opportunities. Progress towards these targets is monitored biannually, whereby the ELT consolidates and reviews risk registers with the Board, focusing on closing any gaps between set targets and actual performance.

The Audit Committee plays a key role in this oversight, ensuring that performance data and results align with expectations. TDC NET integrates sustainability reporting into its annual report with independent third-party assurance providing additional scrutiny.

Skills and expertise at executive leadership level

The ELT integrates sustainability competencies into its leadership criteria, actively recruiting individuals with relevant backgrounds. The Chief Human Resources Officer implements ongoing training programmes to address any skills gaps. The double materiality assessment process further enhances expertise by involving collaboration between the sustainability team and departments such as IT-tech, People and Culture or Legal.

Additionally, TDC NET consults with external advisors and uses industry benchmarks to ensure comprehensive oversight. This approach guarantees that TDC NET has the skills and expertise needed to manage its sustainability impacts, risks and opportunities effectively.

GOV-2

Staying informed of IROs

TDC NET ensures that its administrative, management and supervisory bodies, including relevant committees, are regularly informed about material impacts, risks and opportunities. The ELT consolidates risk registers from each business line and reviews them on a biannual basis. This process includes identification, assessment, and updates on the material impacts, risks and opportunities, ensuring that key information is communicated effectively.

The ELT presents these consolidated findings to the Audit Committee and the Board of Directors twice a year to align on key risks and ensure the execution of mitigating plans. The Audit Committee also continuously monitors the management of financial and sustainability reporting, focusing on the implementation of due diligence processes and compliance with the CSRD requirements.

The Board of Directors discusses the company's overall risk exposure and the status of mitigating activities during their meetings. These discussions incorporate insights from the double materiality assessments, stakeholder interviews and workshops, ensuring a comprehensive understanding of the sustainability landscape.

Board Committees oversee specific areas related to their mandates.

The results and effectiveness of policies, actions, metrics and targets adopted to address material impacts, risks and opportunities are documented in TDC NET's integrated annual and sustainability report. This report is reviewed by the Audit Committee and the Board to ensure accuracy and alignment with strategic goals.

Through this structured approach, TDC NET ensures that its governance bodies are well informed and hence capable of making informed decisions to address sustainability challenges and opportunities effectively.

Finally, in accordance with regulatory requirements, TDC NET also engages external auditors to provide third-party limited assurance on sustainability reporting, enhancing the credibility of the disclosed information.

GOV-2

Considering IROs in strategy and decision making

At TDC NET, the administrative, management and supervisory bodies integrate impacts, risks and opportunities into the company's strategy, major transactions, and risk management processes. The ELT conducts biannual reviews of risk registers. These reviews are then presented to the Audit Committee and the Board of Directors, ensuring that sustainability considerations are part of the strategic direction and major business decisions.

When overseeing strategy, the Board evaluates how sustainability risks and opportunities, such as those related to climate change and digital transformation, align with TDC NET's long-term goals, considering potential trade-offs. For major transactions, the Board assesses the environmental and societal implications alongside financial returns. Investments in new technologies, for instance, consider both efficiency benefits and implementation risks.

The Board balances trade-offs, such as immediate market advantages against long-term sustainability and regulatory impacts, ensuring that TDC NET's growth is sustainable and responsible. This integrated approach ensures that sustainability considerations are central to TDC NET's strategy, major decisions and risk management.

During the reporting period, TDC NET's administrative, management and supervisory bodies, including relevant committees, address a wide range of material impacts, risks and opportunities identified through the double materiality assessment process. Climate change and greenhouse gas emissions were a significant focus. Opportunities included utilising digitalisation to enable the green transition in other industries, achieving net-zero operations, and leading the market towards sustainability by building energy-efficient infrastructure.

Energy consumption and transitioning to renewable sources were also crucial areas. The volatility in energy markets posed risks to operational costs, whereas transitioning to renewable energy and improving energy efficiency presented opportunities to meet net-zero targets in own operations by 2028.

Biodiversity as well as circularity also gained strategic focus. Opportunities included enhancing biodiversity at operational sites and contributing to broader nature preservation strategies. The circular economy considerations involved managing resource inflows and outflows sustainably, alongside recycling valuable resources such as copper and aluminium from decommissioned infrastructure.

Health and safety risks involved ensuring the safety of employees and contractors during high-risk activities, while an enhanced strategic focus on the broader wellbeing, health and safety agenda offered significant opportunities. Diversity and inclusion efforts aimed at addressing the gender imbalance.

Data privacy and cybersecurity were paramount, given the increased risks following geopolitical events. Ensuring compliance with data privacy regulations and strengthening protection measures were key areas of focus. Corporate governance was closely monitored, maintaining investor confidence and managing ethical business conduct across the supply chain.

GOV-3, E1.GOV-3

Incentive schemes

Members of the Board of Directors receive no variable compensation, incentive-based compensation, share-based compensation, share options or warrants, retention or termination benefits, or retirement benefits.

The incentives for the Executive Management comprises the Short-Term Incentive (STI) and Long-Term Incentive (LTI) programme based on performance metrics designed to promote the company's sustainable and robust growth, while discouraging undue risk taking. The STI programme ensures a focus on annual priorities and company strategy execution, providing annual cash-based bonuses tied to specific financial and operational KPIs. And the LTI programme encourages long-term value creation and sustainability progress with cash-based bonuses linked to multi-year KPIs, including critical operational results and sustainability targets.

These elements ensure that the executive management's interests align with the company's strategic goals and shareholder interests, adhering to both national and international standards.

In addition to financial and strategic targets, performance is also assessed against sustainability - related targets including:

- Reduction of CO_2e emissions (Scope 1, 2, and 3) in alignment with TDC NET's Sustainability-Linked Finance Framework.
- Enhancing workplace safety and reducing total injuries.
- Diversity targets, particularly related to gender diversity.

These targets align with strategic and operational priorities, such as the transition to net zero, workplace safety and gender diversity. Approximately 9% of STI payouts are directly tied to achieving health and safety (H&S) KPIs, reflecting our commitment to maintaining a safe work environment. These KPIs emphasise employee wellbeing and operational excellence.

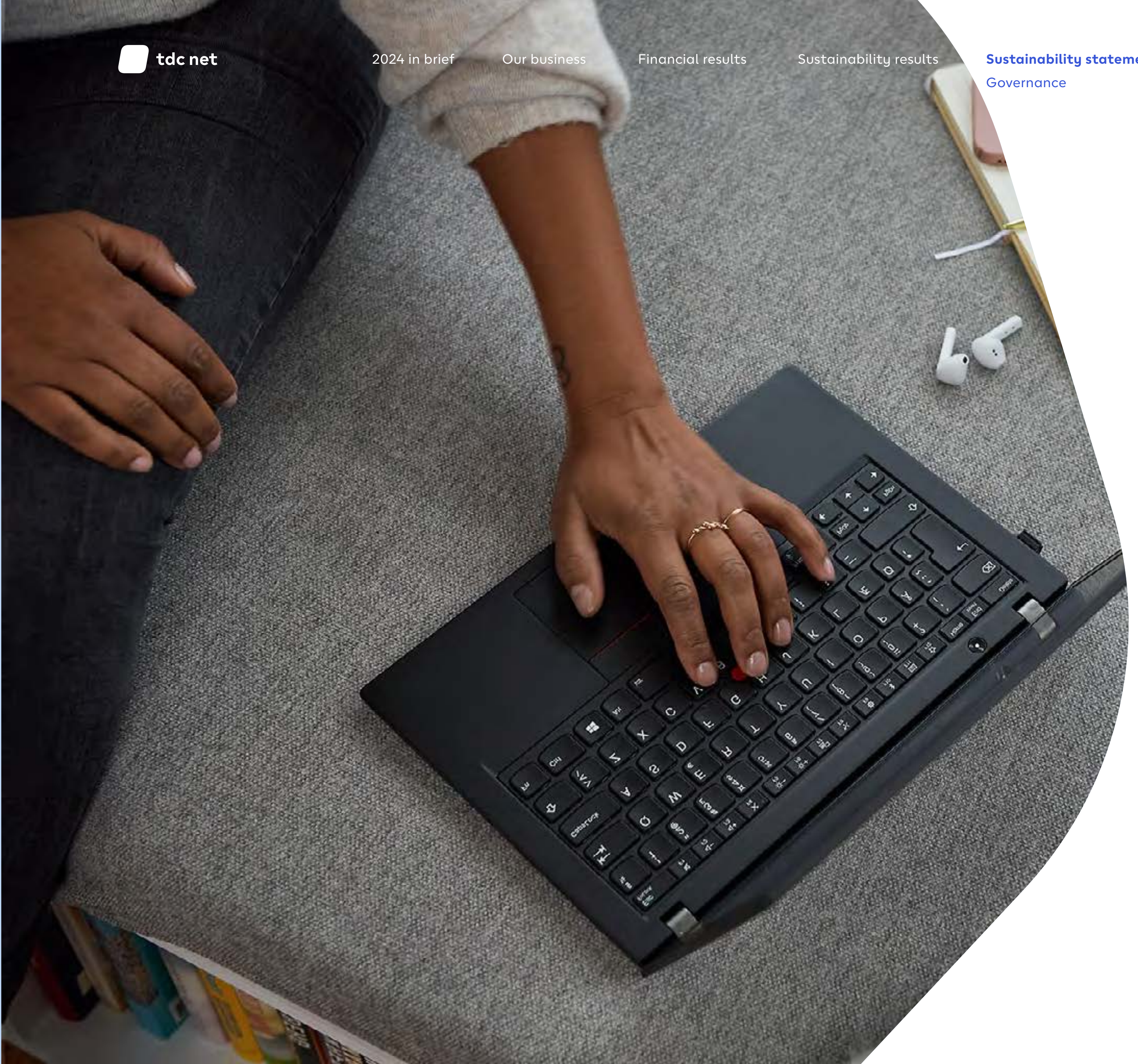
The sustainability-related targets are part of the KPIs for the LTI programme and are weighted in the calculation of the LTI bonus relevant for the payout of renumeration in 2026. Around 15% of LTI payouts are directly tied to sustainability-related targets, ensuring a sustained focus on environmental and social goals. However, these sustainability-related targets are part of a broader set of KPIs that also include operational and transformational objectives, meaning the LTI remuneration is not exclusively dependent on sustainability targets.

The LTI programme can range between 33-60% of the fixed annual salary (base salary) depending on individual contract terms.

Under the LTI programme, the maximum variable remuneration is capped at 120% of the fixed annual salary for members of the Executive Committee and 100% for members of the Executive Leadership Team.

In 2024, the total remuneration expensed to the registered Executive Committee was DKK 14,624,019. The proportion of total remuneration expensed to the registered Executive Committee linked to climate-related performance targets was DKK 215,023 or 1.47%. Total variable remuneration expensed to the registered Executive Committee was DKK 4,252,177 comprising short-term and long-term bonus expenses. The proportion of variable remuneration expensed to the registered Executive Committee linked to all sustainability-related performance targets (including climate) was DKK 485,794 or 11.42%.

The STI and LTI programmes are approved and updated annually by the Board of Directors following the assessment and recommendation of the Compensation and Nomination Committee.



Enterprise risk management

GOV-5

As a critical infrastructure provider, we navigate a landscape with many risks. From macroeconomic uncertainties associated with building a digital network in Denmark to the challenges posed by our technological transformation, our exposure is diverse.

The purpose of risk management

Risks are an inherent part of our business activities, and therefore the aim of Enterprise Risk Management (ERM) is to continuously manage these risks as the corporate risk exposure evolves, ensuring the integration of risk and opportunity management in our business activities. Our risk management approach extends to maintaining a portfolio of risks that fosters an information flow to ensure that key risk insights reach decision makers. The scope covers our entire value chain.

Our risk management process

The risk management framework deployed at TDC NET enables a consistent process for identifying, assessing, documenting and responding to risks with mitigation activities and plans as well as implementing those plans, and reassessing the outcomes. Risks are assessed based on their potential financial impact considering factors such as regulatory fines, operational costs and potential revenue changes and probability of occurring and are captured in risk registers across the organisation. Results are visualised on a risk matrix for prioritisation and decision making. Our Enterprise Risk Manager oversees the entire process, reviewing the status of risks and ensuring prompt action on emerging risks.

Each business line has its own risk coordinator responsible for its risk register. In collaboration with risk owners, the risk coordinators ensure that risks are assessed and mitigation strategies established. As part of risk management across business units, internal control procedures ensure ongoing monitoring and reporting.

A member of the Executive Leadership Team is accountable for each sub risk register, and biannually, all risk registers are consolidated centrally and reviewed by the Executive Leadership Team to secure alignment on key risks and opportunities according to our strategic objectives, as well as to ensure execution of mitigating plans. The overall risk exposure and status of the mitigating activities are submitted and reviewed by the Audit Committee and Board of Directors biannually. Every year the key risks related to TDC NET's Long Term Business Plan are identified and assessed and afterwards mapped to the risks identified through the ERM risk register.

Insurance policy

TDC NET's insurance policy is designed to ensure that potential damages whether to physical assets, third-party liability, or cyber incidents do not materially impact our equity or operational capacity. As a financial risk management tool, insurance enables the distribution of catastrophic losses over time through premium payments, while providing essential claims support for incidents involving personal injury, property damage or digital disruptions. Preventive measures are implemented to protect employee safety, and other risk mitigation actions are taken where financially viable. TDC NET's insurance programme is reviewed annually to ensure alignment with our risk profile.

ESG risks as part of ERM

We assess both sustainability and traditional business risks using a unified risk matrix. This ensures that critical risks, such as carbon emissions or data privacy receive appropriate attention and resources.

By fully integrating ESG risks into its overall risk management, TDC NET maintains a comprehensive approach that supports strategic objectives and enhances resilience and sustainability.

We prioritise GDPR compliance by utilising separate consolidation frameworks for risks affecting registers, specifically addressing data protection and privacy concerns. A data protection manager in each business unit is responsible for GDPR compliance.

Opportunities are assessed alongside traditional business prospects. We evaluate them based on their potential benefits, impact on strategic goals and feasibility. This ensures that key opportunities, such as expanding our 5G network, adopting renewable energy, and enhancing data security, are appropriately prioritised and resourced.

The top eight risks for TDC NET identified in 2024 are listed in the figure "Top 8 business risks" and described on the following pages. For each of these risks, we have provided content on the risk, its potential impact and mitigating actions.

Top 8 business risks:

#1	Commercial trends and competition	Not ESG
#2	Funding and capital market risk	Not ESG
#3	Cyber and information security	Governance
#4	IT landscape	Governance
#5	Supply chain conduct	Environment, Social, Governance
#6	Legal compliance and data privacy	Governance
#7	Recruiting a skilled workforce	Social
#8	Climate change adaptation	Environment

Read more on the following pages →

- Environment
- Social
- Governance
- Not ESG

No new risks are added compared with our risk reporting in our Annual Report 2023.

Risk #1

Commercial trends and competition

Description
Over the years, we have created a strong commercial position within our broadband and mobile infrastructure market. We own and operate a broad range of different technologies. As the industry is facing increasing consumer demand for faster connectivity, we embrace the deployment of high-speed infrastructure in our platforms. Simultaneously, we foresee a decrease in relevance over time for legacy technologies and products, as more consumers can connect to the new infrastructure offerings.

Potential impact
If we become unsuccessful in anticipating and aligning with market demands, we may encounter added operating costs linked to the continued use of legacy technologies. Conversely, decommissioning our legacy platforms at a pace exceeding market demand could potentially result in the loss of customers and missed business opportunities.

Mitigating actions
We actively track market trends and the shift from legacy to future-proof technologies, which enables us to anticipate and respond to technological developments. This positions us to align our portfolio with prevailing market dynamics. Hence, we prioritise the decommissioning of legacy platforms, ensuring customers are seamlessly connected to resilient new infrastructure. Simultaneously, we concentrate on enhancing the customer experience in our fibre roll-out, adopting a "first time right" approach. Our commitment to delivering fast fixed connections and maintaining Denmark’s premier mobile network remains central to our overall strategy.

Not ESG

Risk #2

Funding and capital markets risk

Description
As part of the transformation, we have an extensive investment programme. Our capital expenditure is funded with the strong resilient cash flow from operations. Our debt portfolio consists of loans, bonds and credit facilities and depends on stable access to capital markets for funding and liquidity management. This also includes derivatives for hedging interest-rate and foreign currency exposure.

Potential impact
Fluctuating interest rates may adversely impact on future interest costs, and fluctuations in foreign currency prices may impact on procurement costs, debt levels or interest costs.

Mitigation action
We apply treasury management to ensure stable financial risks. We regularly monitor our financial exposures and follow an active hedging strategy whereby interest rates are hedged for more than four years, and foreign currency risks are hedged to DKK or EUR with very limited room for other exposures. Intra quarter cash flow movements are mitigated through cash and revolving credit facilities. Moreover, we plan our liquidity, refinancing, leverage, and cash flows with caution to ensure a sustainable financial position. On an ongoing basis, we optimise debt issuances depending on developments in the capital markets and the funding needs of TDC NET.

Not ESG

Risk #3

Cyber and information security

Description
We greatly rely on information systems and technologies to facilitate our daily operations. As a major provider of national critical infrastructure, we are aware of the risks associated with cyberattacks.

Potential impact
A cybersecurity breach could pose a concern for our integrity, with the possibility of sensitive data being at risk, service disruptions, financial impacts and damage to our reputation. Furthermore, a cyber security incident might have the potential to escalate beyond our organisation.

Mitigating actions
To enhance our resilience against cyber threats, we have implemented key strategic measures to strengthen risk management and reinforce disaster recovery and business continuity planning. Our Cyber Defence Centre has earned a top industry certification in incident response, marking us as a leader in cybersecurity in Denmark. Adhering to NIST and ISO frameworks, we systematically manage and prioritise cyber security, ensuring our preparedness against emerging threats. Our comprehensive approach ensures that we remain a steadfast and trustworthy partner for our customers, protecting their interests and our own with immense dedication and expertise.

We train all our employees within cyber and information security to increase risk awareness.

- Governance

Risk #4

IT landscape

Description
Our current IT landscape includes several legacy applications that may raise concerns about system efficiency and security. We are also currently separating our remaining shared systems with Nuuday. Our ongoing IT transformation to address these issues involves complexities that require meticulous management.

Potential impact
As operating legacy IT applications could potentially entail risks such as security vulnerabilities and operational challenges we rely on specific personnel and incur ongoing expenses to support and manage ageing systems. Sharing systems with Nuuday can introduce some additional considerations, and if our transformation efforts overlap, unexpected costs may arise, and shared systems could potentially raise security concerns and reliance on Nuuday for vulnerability management.

Mitigating actions
Our IT transformation is designed to handle the challenges that our organisation faces when enhancing our operational efficiency and future strategic position. Our plans to decommission legacy applications and introduce new solutions is expected to yield efficiency gains, improve workflow efficiency and increase productivity. We adhere to the highest cybersecurity and general IT standards and proactively collaborate with Nuuday while as we continuously monitoring and addressing potential threats to ensure that our IT ecosystem remains robust and secure. Our proactive approach is integral to maintaining uninterrupted operations and protecting our organisation from any unforeseen challenges.

- Governance

Risk #5

Supplier conduct

Description
We rely on an international network of suppliers that operates in diverse legislative jurisdictions and with varying degrees of maturity across various practices, including sustainability and compliance. Sustainability practices encompass considerations related to the environment, health and safety, labour, and human rights and anti-corruption measures. We face risks related to labour-intensive services resulting from general cost and wage inflation, locally and internationally.

Potential impact
The risk of suppliers being non-compliant with environmental and social legislation poses an ongoing threat to our operations, integrity and reputation. Such instances may give rise to legal disputes and require supply chain changes. The risk of price increases on labour-intensive services could add pressure to our financial and business activities.

Mitigating actions
Our process for supplier selection employs a risk-based vendor management approach. Based on their sustainability practices, it identifies suppliers for focused scrutiny. Sustainability assessments are conducted for mid- and high-risk suppliers, with selected high-risk suppliers undergoing additional audits through the Joint Alliance for CSR. Ongoing category and supplier performance management, competitive sourcing processes and standardised contracts with our suppliers are instrumental tools in responding to increasing price pressure and securing a stable cost base.

● Environment ● Social ● Governance

Risk #6

Legal compliance and data privacy

Description
Our strong market position in specific areas subjects us to sector-specific regulations, including emergency communications, security measures, sanctions aligned with EU, US and Danish legislation, and compliance with data privacy rules, notably GDPR.

Potential impact
Non-compliance may result in fines and adverse decisions from the Danish Business Authority, as well as the Danish Competition and Consumer Authority. Legal requirements for investors, customers and suppliers could be affected by Danish authorities. The Danish Centre for Cybersecurity and the Danish Data Protection Agency could impose restrictions on agreements and arrangements in relation to our infrastructure. Furthermore, any GDPR compliance shortfalls could lead to potential legal disputes and reputational damage.

Mitigating actions
We have implemented a comprehensive compliance programme that involves security and privacy training for all new employees, and prompt all employees to conduct regulatory checks to ensure a proactive approach. We monitor legal and political developments in the market, which allows us to adapt swiftly, and we conduct desktop studies on contractual relations in alignment with sanction regulations. Furthermore, we have implemented security and data protection measures aligned with GDPR and Danish security regulations regarding security breaches and threats to personal data. Finally, we have strong governance with a central privacy team and a data protection manager in each business unit.

● Governance

Risk #7

Recruiting a skilled workforce

Description
Recruiting resources with a background in IT, artificial intelligence, data, cloud and transformation with hands-on experience is continuously challenging. This is due to the rapidly evolving technological landscape, and overall high demand for specialised skill sets globally. Additionally, female resources in IT with the right capabilities are scarce in the industry, which makes recruitment of a diverse workforce challenging.

Potential impact
Recruiting challenges for IT and transformation backgrounds may result in a skills gap, potentially hindering our transformation initiatives. The difficulty in recruiting international and female resources in IT hampers gender diversity, potentially limiting the organisation's ability to tap into a diverse talent pool.

Mitigating actions
We have adjusted our strategic recruitment approach and maintained our value proposition in the market to attract national and international resources with IT and artificial intelligence backgrounds and have furthermore invested heavily in establishing and launching the TDC NET Academy, encompassing relevant training programmes to bridge skill gaps and ensure the workforce remains adaptable to evolving technologies. We prioritise succession planning by identifying key roles, and cross-train existing specialists to bridge technological gaps. In addition, we actively promote diversity and inclusion initiatives internally and externally to address the challenges of diversity. This involves fostering an inclusive workplace culture and establishing outreach programmes through partnerships to attract a more diverse talent pool.

Social

Risk #8

Climate change adaptation

Description
Climate change and weather-related disasters pose a potential threat to our infrastructure, specifically heavy downpours causing flooding or landslides on our mobile equipment and crucial infrastructure at our sites, which are essential for maintaining uninterrupted telecommunication services.

Potential impact
The impacts of climate-induced events, such as flooding, can be severe. Direct exposure to water poses a threat to mobile equipment, power switchboards and batteries across our sites. Such damage can disrupt our operational capabilities and result in service outages. Furthermore, the financial implications of repairing or replacing equipment, coupled with potential service disruptions, could result in revenue losses and reputational damage.

Mitigating actions
Establishing three physical locations for our mobile network operation ensures full redundancy. In the event of a site being flooded, seamless continuity is assured through failover datacentres safeguarding against service disruptions. Furthermore, multiple climate protection activities at exposed sites are carried out, with more to come in the short-term future.

Environment

G1

Business conduct

G1.GOV-1

Business conduct governance

At TDC NET, the administrative, management, and supervisory bodies play a critical role in ensuring high standards of business conduct.

The Board of Directors is responsible for establishing and maintaining the company's ethical guidelines and standards through relevant policies such as the Anti-Bribery and Corruption Policy, Data Ethics Policy, and Human and Labour Rights Policy.

These policies are designed to ensure compliance with legal and regulatory standards and promote ethical behaviour across the organisation.

The Board reviews and approves essential policies related to business conduct. These policies, including the Remuneration Policy and the Supplier Code of Conduct, are periodically assessed to ensure they meet current legal, regulatory and best practice standards.

The supervisory bodies, particularly the Audit Committee, oversee the implementation of compliance programmes, internal controls and regular audits. This oversight helps ensure adherence to ethical guidelines and legal requirements.

The administrative and management bodies are actively involved in identifying, assessing and mitigating risks related to business conduct. This includes managing risks associated with unethical behaviour and compliance violations.

TDC NET has established mechanisms such as the whistleblower portal to report unethical conduct confidentially. The administrative bodies are responsible for handling these reports, conducting investigations and applying remedial measures where necessary.

Continuous communication and training programmes are conducted to instil a culture of integrity.

The Board supports and endorses these initiatives to ensure all employees understand and adhere to the company's business conduct standards.

Expertise on business conduct matters

TDC NET's administrative, management and supervisory bodies bring significant expertise in business conduct matters, ensuring robust governance and ethical practices. Their expertise encompasses:

Members of the Board of Directors and senior management possess extensive experience in corporate governance, legal compliance and business ethics. This includes expertise from their educational backgrounds and career experiences in various sectors.

Regular training sessions and seminars are conducted to update Board members and senior management on current legal requirements and best practices in business conduct. For example, in November 2024, the Board participated in a full-day CSRD readiness programme to enhance its ESG competencies.

The legal and compliance departments, led by the General Counsel, provide ongoing advisory and support to ensure the company's policies align with national and international regulations.

Committees such as the Audit Committee and the Compensation and Nomination Committee comprise individuals with strong backgrounds in finance, law, and ethics. Their expertise ensures rigorous oversight of financial integrity and ethical compliance.

The Board and management are committed to continually improving the company's ethical standards and business conduct practices. This includes regular reviews and updates to policies, training programmes, and ethical guidelines based on feedback and regulatory changes.

By leveraging these competencies and maintaining a robust governance framework, TDC NET ensures that its administrative, management, and supervisory bodies are well-equipped to oversee and enforce high standards of business conduct.

Strategy

We are committed to maintaining the highest standards of business conduct. Our strategy to address business conduct incidents is currently in a developmental phase. While we have established an independent and objective whistleblower scheme to promptly manage incidents, there are no formal written procedures in place at this time.

We recognise the importance of a robust business conduct strategy aligned with our values and principles. Hence, detailed policy development and implementation will be a key focus in 2025 to ensure comprehensive guidelines and procedures that underpin our commitment to ethical business practices.

Policies

TDC NET policies constitute the framework for responsible business conduct and support the governance of risks. We raise awareness of our policies with new employees as part of their onboarding. Accountability and escalation routes for these policies culminate with the Board of Directors and related committees.

TDC NET is firmly committed to conducting its business ethically and with utmost integrity, as outlined in our Anti-Bribery and Corruption Policy. This policy is reviewed annually and approved by our Board of Directors while the Executive Leadership Team is responsible for implementing and upholding the policy. It applies to all employees and emphasises the importance of transparency and compliance with both national and international guidelines. TDC NET ensures awareness and accessibility of this policy through internal channels and engages stakeholders to consistently enhance our performance. The policy extends to our business partners through the TDC NET Supplier Code of Conduct. More details on the policy are publicly available on our corporate website.

G1-1

Our corporate culture

At TDC NET, our set of values serve as a compass for our decisions, actions and results. Values that mean more to us than words on the back of our ID card or on a poster on the wall. Our values must be heard, seen, felt, understood, implemented and lived everywhere within the company. We must carry them with us, refer to them, and use them as guidelines. This is also why we integrate them into our polices and processes, include them in our onboarding training for newcomers and continuously refer to them as part of who we are. We have also developed support materials on our values for the continued use of employees and leaders.

Our values are the backbone of our promise to shape the digital future of Denmark.

- Care – We care about the world we live in
- Open – We listen and are open to alternatives
- Trust – We can be trusted
- Drive – We take the initiative
- Impact – We deliver results

In addition, and as part of our corporate strategy, which was introduced in September 2024, we have engaged our workforce to identify three cultural traits – Explorers, Courageous and Committed. By strengthening and embodying these traits, our teams actively seek new possibilities, innovate beyond boundaries and venture into uncharted territories. We embrace curiosity, continuous learning and rapid adaptation. We act with integrity, prioritise the greater good and work as a unified team to overcome obstacles, ensuring that society can rely on us as much as we rely on each other.

These initiatives help us build a stronger and more cohesive team, aligned with our goal to transform our culture and organisation. Additionally, we prioritise wellbeing by integrating it into our health and safety initiatives to better support our team's overall health and happiness.

In order to evaluate the perception of our corporate culture, we conduct annual employee engagement surveys and engage both leadership and the broader organisation in working with the results.

TDC NET has several channels for employees to report on irregularities or unlawful behaviour. The channels are listed in TDC NET's strategic policies and include a whistleblower portal that is also open for external reporting via TDC NET's webpage.

Speak up
TDC NET is committed to providing a safe environment for employees to speak up if they witness misconduct. If employees or business partners see or suspect a violation of applicable laws or TDC NET's policies and procedures, we depend on them to report the matter to our whistleblower system. This allows for the system to conduct a fair and objective investigation and address the issues. Our whistleblower system is hosted on a secure, external website to ensure an independent and autonomous channel. Reports can be made anonymously, and all cases remain confidential with respect to the rights of privacy and data protection, except in instances when this is specifically prohibited by law.

TDC NET has zero tolerance for reprisals against whistleblowers and witnesses. To support the availability of our whistleblower system, the system is publicly accessible 24/7 on TDC NET's corporate website and internally on our intranet in Danish and English. Additional information about our whistleblower system and how to file a report is available through the link provided in the table on the right. It is established in accordance with the Danish legislation on whistleblowers, and the implemented grievance mechanism is designed to adhere to the "Protect, Respect and Remedy" framework of the United Nations Guiding Principles on Business and Human Rights.

TDC NET is committed to investigating business conduct incidents promptly,

DR-P Infrastructure development + Digitalisation

TDC NET policies[1]

Environment	Social	Governance
	Supplier Code of Conduct (external)	
Environmental Policy (external)	Framework HR Policy (internal)[2]	Anti-Bribery and Corruption Policy (external)
	Human and Labour Rights Policy (external)	Data Ethics Policy (external)
	Diversity, Equity, Inclusion and Belonging Policy (external)	Disclosure Policy (internal)
	Health and Safety Policy (internal)[3]	Information Security Policy (internal)
	Remuneration Policy (external)	Whistleblower Policy (external)
	Prevention and Handling of Offensive Behaviour Policy (internal)[2]	Tax Principles (external)
	Smoking and Substance Abuse Policy (internal)[2]	

[1] External TDC NET policies are available via this link →
[2] Approved by ESU.
[3] Adopted by the Main Work Council (HSU) after recommendation from the bi-party H&S Committee (AmU).

independently and objectively. Besides the whistleblower scheme, TDC NET has no written procedures in place.

G1-3

Anti-corruption and bribery measures
Besides our operational policy for accepting and giving gifts and participation in events, we do not have specific procedures in place to prevent, detect and address allegations or incidents of corruption and bribery, nor have we separate investigators assigned or processes to report outcomes to management. We plan to adopt these procedures during the coming years.

Our policies will be available for all employees on our internal webpage.

We do not have written guidelines for training employees in business conduct in place nor do we currently train our employees or members of our managerial bodies in our anti-corruption and anti-bribery policy.

Functions at risk of corruption and bribery
At TDC NET, the functions most at risk of corruption and bribery are Procurement and the Supply Chain (high-value contracts and supplier interactions), Sales and Marketing (incentives in client negotiations), Government Relations (regulatory processes and permits) and Network Deployment (contractor oversight and project approvals). These areas involve significant financial transactions, external interactions, or regulatory dependencies, making them higher risk.

Approach to suppliers
Suppliers are always expected to be in line with our contractual minimum requirements, and procedures for addressing deviations shall be clearly communicated. Where suppliers are found to be not operating in accordance with best practices, we commit to engage them and collaborate on development and capacity building to ensure improvement over time. This can be done either through bilateral negotiations or collectively through industry associations. We are currently developing a new supplier segmentation model defining collaboration methods and governance structures depending on spend, business criticality and ESG parameters. The segmentation model is expected to be implemented during H1 2025 and will be the responsibility of a newly established "Supplier Management" team, which is currently being established in the TDC NET Supply Chain.

ESG criteria in supplier selection
ESG parameters are taken into account at various stages in the supplier selection process. Initially the ESG parameters are taken into account as part of the early "risk screening" of shortlisted suppliers for a given sourcing process. This initial screening defines which contractual documents must be included in final contract, as well as which set of (pre-defined) questions regarding ESG should be included in the Request-for-Quotation (RfQ) material in the sourcing process. Upon completion of the RfQ, the specific set of ESG-related questions are reviewed by the relevant subject matter expert and scored according to the scoring principles in the RfQ process. This scoring influences the final scoring of a given supplier with a (project-by-project) pre-defined weight.

Actions
Anti-corruption
TDC NET has no convictions or fines for violation of anti-corruption and anti-bribery laws.

We do not train employees in anti-corruption and anti-bribery.

G1-2

Late payments
There is no written policy as such to prevent late payments, but there is a built-in reminder procedure in TDC NET's payment system for the processing time of supplier invoices and follow-up on supplier invoices on hold quarterly.

TDC NET applies a three-tiered range of standard payment terms across all suppliers and categories. The range of payment terms consists of "current month + 35 days", "current month + 65 days" and "current month + 95 days". The range of standard payment terms was implemented during 2023 and is implemented gradually as contracts are re-negotiated/renewed. Historically, TDC NET standard payment terms have been 90 days net and 120 days net.

Daily payments run on working days for all approved invoices.

Governance data

GOV-1

Gender representation – Shareholder-elected board members	2024	2023	2022	2021	2020
Men (number)	3	3	4	5	-
Women (number)	3	3	2	1	-
Total	**6**	**6**	**6**	**6**	-
Men (%)	50%	50%	67%	83%	-
Women (%)	50%	50%	33%	17%	-

GOV-1

Gender representation - All board members	
Men (number)	4
Women (number)	5
Total	**9**
Men (%)	44%
Women (%)	56%

GOV-1

Gender representation - Executive leadership level (Excluding DKTV)	
Men (number)	7
Women (number)	1
Total	**8**
Men (%)	87.5%
Women (%)	12.5%

GOV-1

Independent board members	2024	2023	2022	2021	2020
Percentage of independent shareholder-elected board members (%)	50%	50%	-	-	-
Percentage of independent board members out of all board members (%)	33%	-	-	-	-

G1-4

Incidents of corruption or bribery					
Number of convictions for violation of anti-corruption and anti-bribery laws	0	0	0	0	0
Amount of fines for violation of anti-corruption and anti-bribery laws	0	0	0	0	0
Prevention and detection of corruption or bribery - anti-corruption and bribery training table	N/A	N/A	N/A	N/A	N/A

G1-6

Payment practices					
Average number of days to pay invoice from date when calculation of contractual or statutory term of payment starts	68.11	-	-	-	-
Percentage of payments aligned with standard payment terms	49%	-	-	-	-
Number of outstanding legal proceedings for late payments	1	-	-	-	-

Governance accounting policies

Gender representation - Board of Directors

Number/percentage of gender representation of shareholder-elected Board members is a tally/ percentage of the number of directors on the Board of Directors who are men and women, at year end of the reporting year. This data point only includes directors elected at the Annual General Meeting; employee representatives are excluded.

Number/percentage of gender representation on the Board of Directors is a tally/percentage of the number of Directors on the Board of Directors who are men and women, at year end of the reporting year. This data point includes directors elected at the Annual General Meeting as well as employee representatives.

Board independence

Percentage of independent board members out of the total number of shareholder-elected Board members is the percentage of independent shareholder-elected board members calculated as number of independent board members divided by the total number of board members elected by the annual general meeting.

Percentage of independent board members on the Board of Directors is the percentage of independent board members calculated as the number of independent board members divided by the total number of board members.

Anti-corruption

Number of convictions for violations of anti-corruption and anti-bribery laws by a legal entity of the TDC NET Group or any member of management or any employees in TDC NET Group having acted on behalf of TDC NET Group within the reporting period.

Amount of any fines for convictions for violations of anti-corruption and anti-bribery laws by a legal entity of the TDC NET Group or any member of management or any employees in TDC NET Group having acted on behalf of TDC NET Group within the reporting period.

Late payments

Average number of days to pay invoice is calculated on a spend weighted average payment term basis, meaning that the average number of days is weighted by spend and not based solely on the number of invoices and corresponding payment days.

Percentage of payments aligned with standard payment terms is based on the measure of the average number of days to pay invoices. The percentage reported is the percentage of payments that fall into the bracket between “Current month + 35 days” and “Current month +95 days”.

Description of TDC NET’s standard payment terms refers to a company decision rather than a calculation or measurement.

Entity specific disclosures

Reporting on entity specific topics
Through our DMA process, we have identified three entity specific topics: 1) Security, 2) Infrastructure development and 3) Digitalisation.

Security is reported on as part of our entity specific disclosures related to the sustainability priority area Digital trust.

Infrastructure development and Digitalisation are part of our core business as illustrated in our business model on page 11. Disclosure requirements (DR) on policies, actions and targets (PATs) related to these topics are covered in different parts of the Annual Report.

DR-P are covered in our Governance section (page 140) as all our company policies support our core business.

DR-A and DR-T are covered under Highlights (page 8) and Our strategy and priorities (pages 13-16).

DR-M are disclosed under Key figures (page 9).

Digital trust

Strategy
As a provider of national critical infrastructure, protecting data and our networks is key to earning the trust of our customers, stakeholders and society. As shown in our double materiality matrix, cyber security and data privacy are some of the most material issues for TDC NET and our stakeholders. We therefore have an ambition to protect our network integrity, personal data and the right to privacy.

Cyber security strategy
We have continued the operationalisation of our Cyber Security Strategy through our comprehensive Security and Resilience Programme, which also covers the NIS2 legislation. With the ambition to increase TDC NET's overall resilience and maturity, the programme consists of 10 initiatives, aiming to improve TDC NET's ability to: 1) identify threats and risks, 2) protect critical services, 3) detect network and service issues, 4) respond to incidents effectively and 5) recover quickly from breakdowns.

It is a part of our strategy to have our own Cyber Defence Center which is responsible for protecting TDC NET and our customers against external and internal cyber-related threats. Our internal team of pen testers test our own IT systems and networks on an ongoing basis to identify and address any potential vulnerabilities. Risk and vulnerability assessments are also conducted on a regular basis to spot and mitigate potential weaknesses in our network.

Impact, risks and opportunities
At TDC NET, we handle significant volumes of sensitive data, including personal and critical national infrastructure data. This places TDC NET at risk of data breaches and cyberattacks. The increasing threat of cyberattacks, especially due to heightened geopolitical tensions, presents substantial risks to our business operations. Data breaches can lead to severe operational disruptions, financial penalties and reputational damage.

We therefore invest in advanced cybersecurity measures and implement data governance practices, enabling TDC NET to protect its network integrity and data.

Policies
Data privacy
In 2024, we updated our Data Ethics Policy. The policy guides our work to protect the personal data with which we are entrusted. It

commits us to comply with the General Data Protection Regulation (GDPR) requirements and provisions.

The policy is based on principles that establish TDC NET's responsible handling of personal data both within collecting, accessing, using and sharing personal data. All in consideration with the rights of the data subject, and the right to privacy. The policy is anchored in TDC NET's Privacy and Compliance Team and all employees and stakeholders are expected to actively participate in compliance with the policy. The Policy is approved by our Board of Directors[1].

Security

TDC NET's Information Security Policy set the direction for how we protect our critical national infrastructure from threats and attacks. The policy outlines the high-level objectives, responsibilities, and policy statements necessary for maintaining the confidentiality, integrity and availability of its information assets.

The scope of the policy covers all information, employees, processes and systems within TDC NET, as well as the information of its customers processed by partners and third-party suppliers. This extensive scope ensures a comprehensive approach to securing the entire value chain, from upstream suppliers to downstream customers. The policy applies to all geographies where TDC NET operates, ensuring a uniform standard of security across all regions. Key stakeholder groups affected include employees, customers, partners and suppliers, all of whom are integral to maintaining robust information security practices.

TDC NET's Board of Directors is accountable for its implementation.

The TDC NET Information Security Policy commits us to adhering to several internationally recognised standards and frameworks to enhance its information security posture. Specifically, it aligns with ISO/IEC 27001:2022 for comprehensive information security management, complies with NIS2 (Network and Information Systems Directive) for network and information systems security, and utilises the NIST Cybersecurity Framework (NIST CSF) for monitoring and improving the maturity of its cybersecurity practices.

Through TDC NET's Information Security Policy, we have established an Information Security Management System (ISMS) based on the security framework ISO 27001.

Actions

Data privacy

In 2024, we continued our work as a partner in the Algorithms, Data and Democracy (ADD) project with the purpose of ensuring that democracy is strengthened by digital development through research, increased technology understanding, digital education and dialogue. TDC NET will help to promote understanding of how we work with data ethics and how it affects everyday life.

[1] Covering the statutory reporting on Data Ethics (according to Danish Financial Statement Act 99d)

TDC NET also engaged in a new collaboration with Danish Standard to work on the new AI standard based on the AI Act. This is important to secure a Danish influence on the international standards. The work is conducted through a network of Danish companies and authorities.

Furthermore, TDC NET is taking part in the Danish Chamber of Commerce's AI coalition, which is established to bring leading players from the business community together to speed up an ambitious and responsible Danish AI effort across sectors. With the coalition, they strive to gather expertise, promote innovation and ensure sustainable growth in the field of AI, while strengthening the development, implementation and use of artificial intelligence in Denmark.

As part of our privacy compliance work, we have conducted awareness campaigns across all of TDC NET to improve the employees' knowledge about privacy and how to handle personal data in a correct manor. This is key to keeping our colleagues updated and maintaining a focus on securing Digital Trust.

In addition to the actions mentioned above, we have also updated numerous of our standards, guidelines and processes to keep them relevant and sufficient and carried out audits on our data processors to comply with GDPR.

Security

We continue our work with security awareness and training of our own employees and external consultants working for TDC NET. As a part of this effort, we have launched an Information Security Handbook, which includes the security rules applying to everyone working at TDC NET. With the launch of the handbook, we ensured that security rules are accessible and easy to understand and follow for the users. Also, we launched role-based training for high-risk roles, such as privileged users and TDC NET leaders.

In support of our Information Security Policy, we released an additional six security standards in 2024, resulting in a total of 18 standards. The standards implement our Information Security Policy and build on our security governance foundation, ensuring compliance with the latest industry best practices and regulatory requirements.

In 2024, we merged our Disaster Recovery, Crisis Management and Business Continuity Management into one unit to ensure optimal synergy and strengthen the overall resilience.

We also completed 12 external audits for customers and the TDC NET assurance report ISAE 3402 type 2. Furthermore, a dedicated risk manager has been assigned for critical vendors to support enhanced focus and control on the TDC NET supply chain, and risk managers have been embedded at line management and SME level in IT and technology departments.

Targets

We know that awareness and training is essential for managing human risks. Our employees represent an important last line of defence against external threats towards our data and networks.

We therefore issue mandatory GDPR and security training to achieve our targets.

Targets[1]

Data privacy

- All employees complete a GDPR e-learning course

Security

- All employees complete a security e-learning course

[1] Targets are applicable to TDC NET only.

2024 results and performance

Data privacy

For data privacy, all employees must complete e-learning on GDPR and personal data compliance every year. The e-learning course is designed with targeted content for different departments and roles to make content relevant for employees.

A strong executive leadership focus and an innovative GDPR awareness campaign helped us increase the completion rate from 94% in 2023 to 96% in 2024.

Security

We continued to expand visibility of security throughout the organisation with an emphasis on continuous awareness and training – through internal campaigns, e-learning courses and the release of our Information Security Handbook.

In 2024, 98% of employees completed a security e-learning course, compared with 88% in 2023.

Digital trust - entity-specific	2024	2023	2022	2021	2020
GDPR and security e-learning					
Employees completing a GDPR e-learning course (%)	96%	94%	70%	98%	99%
Employees completing a mandatory security e-learning course (%)	98%	88%	74%	71%	77%

Entity-specific accounting principles

Digital trust

The percentage of employees who completed a GDPR e-learning is the number of employees who were employed at the company at the time of the last report, end of day, at 30 November and who completed a GDPR e-learning during the period of the campaign from the start of October to the end of November, divided by the total number of employees at 30 November who were eligible to complete the training.

The percentage of employees who completed mandatory security e-learning is the number of employees who had completed at least one nano learning activity by the end of the reporting year.

The figure considers only employees who were employed at TDC NET at year end, who were eligible to take the training.

Year end is defined as 31 December. Only e-learning activities completed before this date are included in the calculation for the reported figure.

High-speed RGUs

Sum of active broadband connections on fibre and cable-TV (coax) cables.

Low-speed RGUs

Active broadband connections on copper cables.

Total broadband RGUs

Sum of “High-speed RGUs” and “Low-speed RGUs”.

Fibre homes passed

Addresses where a fibre cable has been laid in the ground in front of the property, making it ready for connection to the digital network.

Financial statements

Consolidated financial statements

Income statement

(DKKm)	Note	2024	2023
Revenue	2.1	6,455	6,461
Cost of sales	2.2	(287)	(305)
Gross profit		6,168	6,156
External expenses	2.3	(795)	(845)
Personnel expenses	2.4	(997)	(994)
Other income		316	378
Operating profit before depreciation, amortisation and special items (EBITDA)		4,692	4,695
Depreciation, amortisation and impairment losses	2.5	(2,683)	(2,926)
Special items	2.6	(132)	(78)
Operating profit (EBIT)		1,877	1,691
Financial income and expenses	4.4	(1,300)	(1,898)
Profit/(loss) before income taxes		577	(207)
Income taxes	2.7	(166)	(157)
Profit/(loss) for the year		**411**	**(364)**
Attributable to:			
Shareholders		411	(364)
Profit/(loss) for the year		**411**	**(364)**

Statement of comprehensive income

(DKKm)	Note	2024	2023
Profit/(loss) for the year		411	(364)
Total comprehensive income		**411**	**(364)**

EBITDA-margin

Stable performance including efficiency improvements offset by settlement of the historic TDC incentive scheme

Balance sheet

Assets (DKKm)	Note	2024	2023
Non-current assets			
Intangible assets	3.1, 3.2	11,351	11,377
Property, plant and equipment	3.3	17,515	16,807
Lease assets	3.4	907	971
Joint ventures and associates		2	2
Amounts owed by group companies		1,497	1,438
Other receivables		29	27
Prepaid expenses		12	21
Total non-current assets		**31,313**	**30,643**
Current assets			
Inventories		32	33
Trade receivables	3.5	273	379
Other receivables		11	11
Contract assets	3.6	44	69
Amounts owed by group companies		928	1,103
Derivative financial instruments		419	496
Prepaid expenses		160	127
Cash		1,327	1,855
Total current assets		**3,194**	**4,073**
Total assets		**34,507**	**34,716**

Equity and liabilities (DKKm)	Note	2024	2023
Equity			
Share capital		0	0
Retained earnings		2,278	1,867
Total equity	4.1	**2,278**	**1,867**
Non-current liabilities			
Deferred tax liabilities	2.7	582	499
Provisions	3.7	290	289
Loans	4.2, 4.5	25,174	25,403
Spectrum licence fee liabilities	4.5	1,221	1,417
Lease liabilities	3.4	613	672
Other payables		146	140
Total non-current liabilities		**28,026**	**28,420**
Current liabilities			
Spectrum licence fee liabilities	4.5	239	268
Lease liabilities	3.4	354	352
Trade payables		1,884	1,778
Other payables		840	1,126
Contract liabilities	3.6	563	606
Amounts owed to group companies		97	124
Income tax payable	2.7	65	22
Derivative financial instruments		101	120
Provisions	3.7	60	33
Total current liabilities		**4,203**	**4,429**
Total liabilities		**32,229**	**32,849**
Total equity and liabilities		**34,507**	**34,716**

Statement of cash flows

(DKKm)	Note	2024	2023
Operating activities			
Operating profit before depreciation, amortisation and special items (EBITDA)		4,692	4,695
Adjustment for non-cash items		4	(44)
Payments related to provisions	3.7	(14)	(12)
Special items	2.6	(96)	(57)
Change in working capital	5.1	(29)	93
Interest received		820	528
Interest paid		(1,956)	(1,642)
Income tax paid	2.7	(40)	(234)
Total cash flows from operating activities		**3,381**	**3,327**
Investing activities			
Investment in property, plant and equipment	3.3	(2,531)	(2,323)
Investment in intangible assets	3.2	(765)	(610)
Investments in other non-current assets		(1)	(1)
Sale of property, plant and equipment		1	1
Total cash flows from investing activities		**(3,296)**	**(2,933)**

(DKKm)	Note	2024	2023
Financing activities			
Proceeds from long-term loans	5.3	3,717	8,359
Repayments of long-term debt	5.3	(3,990)	(8,922)
Settlement of derivatives related to long-term loans	5.3	-	63
Costs relating to long-term loans		(8)	-
Repayment of lease liabilities	5.3	(335)	(301)
Capital contribution		-	17
Total cash flows from financing activities		**(616)**	**(784)**
Total cash flows		**(531)**	**(390)**
Cash and cash equivalents at 1 January		1,855	2,240
Effect of exchange rate changes on cash and cash equivalents		3	5
Cash and cash equivalents at 31 December		**1,327**	**1,855**

Cash flow from operating activities
(DKKm)

3,381

Cash flow from investing activities
(DKKm)

(3,296)

A stable result from operating activities with continued high investments in our core business including cross-functional transformation.

Statement of changes in equity

(DKKm)	Share capital	Retained earnings[1]	Total
Equity at 1 January 2023	**0**	**2,964**	**2,964**
Loss for the year	-	(364)	(364)
Total comprehensive income	-	(364)	(364)
Capital contribution	-	17	17
Distributed dividends	-	(750)	(750)
Total transactions with shareholders	-	(733)	(733)
Equity at 31 December 2023	**0**	**1,867**	**1,867**
Profit for the year	-	411	411
Total comprehensive income	-	411	411
Equity at 31 December 2024	**0**	**2,278**	**2,278**

[1] See also note 4.1 for an explanation of distributable reserves and dividend.

Notes to consolidated financial statements

Notes

Section 1

Basis of preparation

This section sets out the basis of preparation, which relates to the financial statements as a whole. Where an accounting policy is specific to one note, the policy is described in the note to which it relates. Similarly, critical sources of estimation uncertainty are described in the notes to which they relate.

1.1 | Material accounting policies

The Company's Board of Directors approved these consolidated financial statements on 13 March 2025.

Throughout the financial statements "the group" refers to TDC NET group and "parent" refers to TDC NET A/S. All figures in the consolidated financial statements are consolidated figures for TDC NET group and figures in the parent company financial statements are figures for TDC NET A/S.

The group's financial statements for 2024 have been prepared in accordance with IFRS Accounting Standards as adopted by the European Union (EU) and further disclosure requirements in the Danish Financial Statements Act.

The consolidated financial statements are based on the historical cost convention, except for financial assets and liabilities that are initially measured at fair value adjusted for transaction costs if they are not subsequently measured at fair value through the income statement. Trade receivables are measured at their transaction price.

When preparing the consolidated financial statements, Management makes assumptions that affect the reported amount of assets and liabilities at the balance sheet date, and the reported income and expenses for the accounting period. The accounting estimates and judgements considered critical to the preparation of the consolidated financial statements are shown in note 1.3.

Reclassifications

Presentation of expenses related to consumption of electricity on mobile sites

The presentation of electricity for mobile sites, which are sold to Nuuday, has been changed from being accounted for as external expenses to cost of sales, as it provides a more true and fair presentation of the transaction. See table below for impact. The comparative figures have been restated accordingly.

Presentation of loans as non-current

As a result of amended IAS 1, the group has changed the presentation of loans under current liabilities. The group has an option to extend the STF loan as a consequence hereof the loan is presented as non-current.

The comparative figures have been restated accordingly. The reclassifications do not impact EBITDA, profit/loss for the year and equity.

Except for the above, the accounting policies are unchanged compared with the policies applied in the Annual Report 2023.

Consolidation policies

The consolidated financial statements include the financial statements of the parent company and subsidiaries of which the parent has direct or indirect control.

The consolidated financial statements have been prepared on the basis of the financial statements of the parent and its consolidated companies, which have been restated to group accounting policies, combining items of a uniform nature.

On consolidation, intra-group income and expenses; shareholdings, dividends, internal balances; and realised and unrealised profits and losses on transactions between the consolidated companies have been eliminated.

	Previous presentation		New presentation	
Impact on presentation (DKKm)	**2024**	**2023**	**2024**	**2023**
Revenue	**6,455**	**6,461**	**6,455**	**6,461**
Cost of sales	(220)	(236)	(287)	(305)
Gross profit	**6,235**	**6,225**	**6,168**	**6,156**
External expenses	(862)	(914)	(795)	(845)
Operating profit before depreciation, amortisation and special items (EBITDA)	**4,692**	**4,695**	**4,692**	**4,695**

1.2 | Climate-related matters

Climate-related disclosures
The group considers potential significant climate-related matters in estimates and assumptions, where appropriate. These assessments are reflected in the long-term business plan even though the group believes its business model and products will still be viable after the transition to a low-carbon economy, climate-related matters increase the uncertainty in estimates and assumptions underpinning several items in the financial statements. Even though climate-related risks might not currently have a significant impact on measurement, the group closely monitors relevant changes and developments, such as new climate-related legislation.

In line with the group's ambition to become a leader in climate and biodiversity, efforts are continuously being made to explore ways to reuse and transition to renewable energy, so that the company can stay ahead and address any new climate regulations up front.

The group's activities to manage the energy impacts and costs, include:

- increasing energy efficiency through new network hardware and power-saving features
- managing power consumption through decommissioning legacy networks and modernising sites, for example relevant units are placed outdoors to reduce the need for cooling and
- only using renewable electricity when powering our operations secured through long-term Power Purchasing Agreements for solar energy and looking for alternatives to remaining fossil-based energy sources.

In 2023 and 2024, the group issued sustainability-linked bonds. See note 4.2.

The group has entered into power purchase agreements for renewable energy. See note 6.4.

1.3 | Critical accounting estimates and judgements

The preparation of the group's annual report requires Management to exercise judgement in applying the group's accounting policies. It also requires the use of estimates and assumptions that affect the reported amount of assets, liabilities, income and expenses. Actual results may differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions are recognised during the period in which the estimates are revised and during any future periods affected.

The following areas involve a higher degree of estimates or complexity and are outlined in more detail in the related notes:

Notes		Critical accounting estimates and judgements	Estimates /judgements
2.1	Revenue	Assessment of contracts involving sale of complex products and services	Estimate /Judgement
2.6	Special items	Assessment of special events or transactions	Judgement
3.1	Impairment	Assumptions used for impairment testing	Estimate /Judgement
3.2	Intangible assets	Assumptions for useful lives	Estimate
3.3	Property, plant and equipment	Assumptions for useful lives	Estimate

1.4 | New accounting standards

The group has adopted the following new standards, and amendments to standards and interpretations that are effective for the financial year 2024.

Non-current liabilities with covenants – amended IAS 1 Presentation of Financial Statements. As a result of amended IAS 1, the group has changed the presentation of loans under current liabilities. The group has an option to extend the STF loan. As a consequence hereof, the loan is presented as non-current. The change does not impact recognition or measurement.

The presentation has been made retrospectively.

The following new amendments are effective from 2024 but do not have any impact on the financial statements:

- Lease liability in a sale and leaseback – amended IFRS 16 Leases

- Supplier finance agreements – amended IAS 7 Statement of cash flows and IFRS 7 financial instruments: disclosures.

IASB has approved a new accounting standard not yet effective

IFRS 18 introduce requirements for presentation of defined subtotals in the income statement and allocation of items in the income statement to specified categories, with the operating category being the default category. Further, the standard introduces disclosure requirements on management-defined performance measures (MPMs) in the notes to the financial statements.

An entity is required to apply IFRS 18 for annual reporting periods beginning on or after 1 January 2027. IFRS 18 requires retrospective application with specific transition provisions.

Management anticipates that the application of these amendments will have an impact on the presentation of the income statement and note disclosures in the group's consolidated financial statements in future periods. Other new or amended standards not yet effective are not expected to have an impact on the group's consolidated financial statements.

Section 2

Profit for the year

This section focuses on disclosures of details of the TDC NET Group's results for the year including segment reporting, special items and taxation.

Revenue
(Development)

(0.1)%

Driven by decline in our legacy products, offset by an increase in mobile and high-speed broadband services

2024: **6,455m**

2023: **6,461m**

Operational expenses
(Development)

1.0%

Efficiency improvements were offset by of settlement the historic TDC incentive scheme and salary growth in line with the market development

2024: **1,476m**

2023: **1,461m**

2.1 | Revenue

Specification of revenue from products (DKKm)	2024	2023
Landline voice	345	386
Mobile services	2,719	2,717
Internet & network	2,478	2,411
TV	390	413
Other services	523	534
Total	**6,455**	**6,461**

Comments

The group derives the vast majority of its revenue from contracts with Nuuday A/S. In 2020 the group entered into a contract with Nuuday A/S under which end-to-end mobile services are provided. The contract has an initial term of eight years, including an additional seven-year phaseout period if the contract is not extended. See also note 6.2.

The group is an open-access connectivity provider of digital infrastructure, which is the group's single business (operating) segment. The business segment reflects the way in which Management makes decisions and assesses the business performance.

Critical accounting estimates and judgements

Revenue recognition for a telecom operator is a complex area of accounting that requires management estimates and judgements.

Management applies judgement when determining whether revenue from a contract shall be recognised at a point of time or over time. When the group concludes contracts involving the sale of complex products and services, management judgements are required to determine whether complex products or services shall be recognised together or as separate products and services.

Revenue streams from Internet & Network
(Development)

2.8%

YoY due to price adjustments on primarily coax, coupled with a shift in our customer base towards faster and more resilient technologies with a higher ARPU

2024 (DKKm) **2,478**

2023 (DKKm) **2,411**

2.1 | Revenue (continued)

§ Accounting policies

Revenue is measured at the fair value of the consideration to which the group expect to be entitled after deducting sales tax and discounts relating directly to sales. Revenue comprises goods and services provided during the year. Services include traffic and subscription fees, interconnection fees, fees for leased lines, network services, TV distribution as well as connection and installation fees.

The group delivers services from plain access to full-service packages to service providers, which are partly regulated.

The significant sources of revenue are recognised in the income statements as follows:

- revenues from subscription fees and flat-rate services are recognised over the subscription period
- revenues from telephony are recognised at the time the calls are made
- sales related to prepaid products are deferred, and revenues are recognised at the time of use
- revenues from leased lines are recognised over the rental period
- revenues from the sale of equipment are recognised on delivery. Revenues from the equipment maintenance are recognised over the contract period
- Revenue arrangements with multiple deliverables are recognised as separate units of accounting, independent of any contingent element related to the delivery of additional items or other performance conditions.

The transaction price in revenue arrangements with multiple deliverables is allocated to each performance obligation based on the standalone selling price. Where the selling price is not directly observable, it is estimated based on expected cost plus a margin. Discounts on bundled sales are allocated to each element in the contract.

Contracts with similar characteristics have been evaluated using a portfolio approach due to the large number of similar contracts.

In case of contracts for longer periods, and if the payment exceeds the services rendered, contract liabilities are recognised, see note 3.6.

The percentage-of-completion method is used to recognise revenue from contract work in progress based on an assessment of the stage of completion. Contract work in progress includes installation of telephone and IT systems, systems integration and other business solutions.

Non-refundable up-front connection fees are included in the total transaction price for the contract with the customer and thereby allocated to the identified performance obligations (services).

The period between the transfer of the service to the customer and the payment by the customer is not of an extent that gives reason to adjust the transaction prices for the time value of money.

Other income
Other income comprises mainly accounting items of a secondary nature such as profit from sale of assets, termination of lease contracts and sale of other services compared with the company's principal activities.

2.2 | Cost of sales

(DKKm)	2024	2023
Landline voice	(31)	(42)
Mobile services	(67)	(67)
Internet & network	(74)	(81)
TV	(3)	(4)
Other services	(112)	(111)
Total	**(287)**	**(305)**

§ Accounting policies

Cost of sales includes transmission costs and cost of goods sold. Transmission costs include external expenses related to operation of mobile and landline networks and leased transmission capacity as well as interconnection costs and electricity costs related directly to the primary income. Cost of sales also includes terminal equipment and transmission material.

2.3 | External expenses

(DKKm)	2024	2023
Properties and cars	(260)	(301)
IT and equipment regarding service contracts	(311)	(269)
Contractors and consultants	(88)	(122)
Temps and personnel-related expenses	(83)	(91)
Other	(53)	(62)
Total	**(795)**	**(845)**

Power purchase agreements (PPAs)
As described in note 6.4 Other commitments, the group has entered into 10-year PPAs. These agreements are fixed price agreements and are generally regarded as derivatives at fair value with gains and losses in the income statement according to IFRS 9 Financial Instruments. However, an exemption is given for fixed-price commodity contracts that meet the “own use” criteria. The group therefore considers the power purchase agreements to fall under the so called “own-use exemption” and has consequently not accounted for the agreements as derivative financial instruments. As a result, they are recognised as power costs (refer notes 2.2 and 2.3) when the electricity is delivered and used.

Comments

The lower costs of properties and cars are primarily due to lower electricity prices and reduced expenditure on contracts related to facilities and mobile sites.

§ Accounting policies

External expenses include expenses related to IT, property, expenses related to staff, capacity maintenance and service contracts.

2.4 | Personnel expenses

(DKKm)	2024	2023
Wages and salaries (including short-term and long-term bonuses)	(1,642)	(1,626)
Pensions (defined contribution plans)	(194)	(189)
Social security	(28)	(30)
Total	**(1,864)**	**(1,845)**
Of which capitalised as tangible and intangible assets	867	851
Total personnel expenses recognised in the income statement	**(997)**	**(994)**

Remuneration for the Executive Committee[1] and the Board of Directors

(DKKm)	2024	2023
Base salary (incl. benefits)	9.1	7.5
Cash bonus	2.9	2.8
Pensions	1.3	1.1
Long-term incentive programme	1.3	2.2
Management incentive programme	-	0.1
	14.6	13.7
Redundancy compensation	-	1.7
Key management in total	14.6	15.4
Fee to the Board of Directors	6.5	8.2
Total	**21.1**	**23.6**

[1] The remuneration to the Executive Committee comprised 2 members on average, which is unchanged from 2023.

Comments

In 2024, the average number of full-time employee equivalents was 2,600 (2023: 2,696).

Incentive programmes

The Management incentive programme (MIP) covering the period 2019-2023 was settled in 2024. See note 6.1 for a description of the incentive programmes.

§ Accounting policies

Wages, salaries, social security contributions, paid leave and sick leave, bonuses and other employee benefits are recognised in the year in which the employee renders the related services.

2.5 | Depreciation, amortisation and impairment losses

(DKKm)	2024	2023
Amortisation of intangible assets, cf. note 3.2	(497)	(502)
Depreciation of property, plant and equipment, cf. note 3.3	(1,829)	(1,822)
Depreciation of lease assets, cf. note 3.4	(345)	(307)
Impairment losses, cf. notes 3.2 and 3.3	(31)	(312)
Of which capitalised as tangible and intangible assets	19	17
Total	**(2,683)**	**(2,926)**

Impairment losses in 2023 were affected by reassessment of software that led to a write-down of DKK 265m.

2.6 | Special items

(DKKm)	2024	2023
Costs related to redundancy programmes	(104)	(73)
Loss from rulings	-	(5)
Other restructuring costs, etc.	(28)	-
Special items before income taxes	**(132)**	**(78)**
Income taxes related to special items	23	17
Total special items	**(109)**	**(61)**

Cash flow from special items (DKKm)	2024	2023
Redundancy programmes	(78)	(54)
Other	(18)	(3)
Total	**(96)**	**(57)**

Critical accounting judgements

In the income statement, special items are presented as a separate item. Special items include income or costs that in Management's judgement shall be disclosed separately by virtue of their size, nature or incidence. In determining whether an event or transaction is special, Management considers quantitative as well as qualitative factors such as the frequency or predictability of occurrence of the transaction or event, including whether the event or transaction is recurring. This is consistent with the way that financial performance is measured by Management and reported to the Board of Directors and facilitates meaningful analysis of the operating results of the group.

§ Accounting policies

Special items are significant amounts that Management considers are not attributable to normal operations such as restructuring costs and special write-downs for impairment of intangible assets and property, plant and equipment.

Special items are disclosed on the face of the income statement.

2.7 | Income taxes

Income taxes (DKKm)	2024			2023		
	Income taxes expensed	Income tax payable/ (receivable)	Deferred tax liabilities/ (assets)	Income taxes expensed	Income tax payable/ (receivable)	Deferred tax liabilities/ (assets)
At 1 January	-	22	499	-	147	451
Income taxes for the year	(151)	67	84	(189)	139	50
Adjustment of tax for previous years	(15)	16	(1)	32	(30)	(2)
Income tax paid	-	(40)	-	-	(234)	-
Total	**(166)**	**65**	**582**	**(157)**	**22**	**499**
Shown in the balance sheet as:						
Tax payable/deferred tax liabilities	-	65	582	-	22	499
Tax receivable/deferred tax assets	-	0	0	-	0	0
Total	**-**	**65**	**582**	**-**	**22**	**499**
Income taxes are specified as follows:						
Income excluding special items	(189)	-	-	(174)	-	-
Special items	23	-	-	17	-	-
Total	**(166)**	**-**	**-**	**(157)**	**-**	**-**

2.7 | Income taxes (continued)

Deferred tax (DKKm)	2024 Deferred tax assets	2024 Deferred tax liabilities	2024 Total[1]	2023
Other	(10)	-	(10)	(37)
Current	**(10)**	**-**	**(10)**	**(37)**
Intangible assets	-	794	794	735
Property, plant and equipment	(155)	-	(155)	(179)
Lease assets and liabilities	(14)	-	(14)	(11)
Other	(33)	-	(33)	(9)
Non-current	**(202)**	**794**	**592**	**536**
Deferred tax at 31 December	**(212)**	**794**	**582**	**499**

1 The total net deferred tax is recognised as a liability in the balance sheet.

Comments

The parent and all its Danish subsidiaries participate in joint taxation with DKT Holdings ApS, which is the ultimate owner of the group and management company in the joint taxation. The jointly taxed companies are jointly and severally liable for the total income taxes, taxes paid on account and outstanding residual tax (with additional payments and interest) relating to the joint taxation.

2.7 | Income taxes (continued)

Effective tax rate (DKKm)	2024 DKKm	2024 %	2023 DKKm	2023 %
Tax on profit for the year before special items	(156)	22.0	28	22.0
Limitation on the tax deductibility of interest expenses	(24)	3.3	(243)	(187.8)
Adjustment of tax for previous years	(15)	2.2	32	24.7
Other	6	(0.9)	9	6.2
Effective tax excluding special items	**(189)**	**26.6**	**(174)**	**(134.9)**
Special items	23	-	17	-
Effective tax including special items	**(166)**	**28.7**	**(157)**	**(75.8)**

Comments

The effective tax rate in 2024 is higher than the statutory tax rate, which is mainly due to the effect from the interest limitation calculation for 2024 and the effect from adjustment to previous years which concerns the interest limitation calculation for 2023.

§ Accounting policies

Tax for the year comprises current income tax, changes in deferred tax and adjustments from prior years and is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income.

Current income tax liabilities and current income tax receivables are recognised in the balance sheet as income tax payable or income tax receivable.

Deferred tax is measured under the balance-sheet liability method on the basis of all temporary differences between the carrying amounts and the tax bases of assets and liabilities at the balance sheet date. However, deferred tax is not recognised if the temporary difference arises from the initial recognition of goodwill or if it arises from initial recognition of an asset or liability in a transaction other than a business combination that affects neither accounting nor taxable profit/loss. Deferred income tax is provided on temporary differences arising on investments in subsidiaries, joint ventures and associates, except where the timing of the reversal of the temporary difference is controlled by the group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax is adjusted concerning elimination of unrealised intra-group profit and losses.

Deferred tax is measured on the basis of the tax rules and tax rates effective under Danish legislation at the balance sheet date when the deferred tax is expected to be realised as current income tax. Changes in deferred tax as a result of changes in tax rates are recognised in the income statement except for the effect of items recognised directly in other comprehensive income.

Deferred tax assets and liabilities are offset in the consolidated balance sheet if the group has a legally enforceable right to offset them, and the deferred tax assets and liabilities relate to the same legal tax entity.

Section 3

Operating assets and liabilities

This section shows the assets used to generate TDC NET's performance and the resulting liabilities incurred. Assets and liabilities relating to TDC NET's financing activities are addressed in Section 4. Deferred tax assets and liabilities are shown in note 2.7.

Intangible assets
(Development)

(0.2)%

2024: **11,351m**

2023: **11,377m**

Property, plant and equipment
(Development)

4.2%

2024: **17,515m**

2023: **16,807m**

3.1 | Impairment

Impairment test of assets
The annual impairment test is an assessment of whether the cash generating unit will be able to generate sufficient positive net cash flow in the future to support the carrying amount of the assets related to the unit. The carrying amount of assets with indefinite useful lives is tested for impairment annually and if events or changes in circumstances indicate impairment. The annual tests were carried out on 1 October 2024 and on 1 October 2023, respectively.

Management has concluded any reasonably possible changes in the key assumptions are not expected to cause the carrying amount of assets to exceed the recoverable value.

Cash-generating unit
There is only one cash-generating unit in the group which reflects the way management makes decisions for future activities and assesses business performance.

Key assumptions
Impairment testing is an integral part of the group's budget and planning process, which is based on long-term business plans with projection until 2030 to reflect the completion of long-term investments in fibre infrastructure. The discount rate applied reflects specific risk relating to the cash-generating unit. The recoverable amount is based on the value in use determined on expected cash flows based on long-term business plans approved by Management.

Approved forecasts consider potential significant climate-related risks as well as other types of risks and the group's ongoing and future mitigating activities. Climate-related risks are considered through, for example, the sales growth forecasts, which include offerings based on circular business models to enable reuse and recycling. The group assumes that these risks have no impact on the assumptions.

Projections for the terminal period are based on general expectations and risks, taking into account the general growth expectations for the telecoms industry in Denmark.

The long-term business plans are based on current trends. The budget period includes cash flow effects from completed restructurings combined with effects of strategic initiatives aimed at improving or maintaining trend lines.

For the impairment testing of assets, the group uses a pre-tax discount rate for the cash-generating unit.

The impairment test is sensitive to possible changes in the key assumptions, which may result in future impairments. If the WACC applied as the discounting factor in the calculations increases/decreases by 1.0% and all other things being equal, the value in use would decrease/increase by DKK 13.2bn and 24.6bn, respectively. Under the same assumptions, a 1.0% decrease/increase in the market-based growth rate would the value in use decrease/increase by DKK 11.4bn and 21.2bn, respectively. A 10% increase/decrease in EBITDA during the forecast period as well as the terminal period would change the value in use by DKK 8.5bn. All the above-mentioned changes in key assumptions would not cause the carrying amount of goodwill to exceed the recoverable value.

Probable changes in the future cash flows would not indicate a need for an impairment of goodwill. The impairment test has been prepared on the basis that the company continues to operate with the current set-up.

Key assumptions for calculating the value in use for the significant goodwill and brand amounts (DKKm)	2024	2023
Carrying amount of goodwill at 31 December (DKKm)	6,980	6,980
Carrying amount of brand at 31 December (DKKm)	1,287	1,287
Market-based growth rate applied at 1 October to extrapolated projected future cash flows for the period following 2030	2.3%	2.3%
Applied pre-tax discount rate at 1 October	7.1%	8.2%

3.1 | Impairment (continued)

Assumptions regarding recoverable amounts and projected earnings
Any reasonably possible changes in the key assumptions are not expected to cause the carrying amount of assets to exceed the recoverable value. Projections show a stable EBITDA development and stable EBITDA margin in the long term based on the following assumptions:

- Steady growth in mobility services gross profit
- Increased gross profit from highspeed broadband, stemming from the group's growing fibre footprint, continued large coax customer base and increased ARPU from higher average speed on products
- Customer base for legacy products such as landline, TV and DSL assumed to decrease at higher rates than historically
- Cost savings driven by initiatives in our end-to-end transformation programme with reductions of both external and personnel expenses
- Steady decrease in capex due to cost optimisation and optimisation of ongoing investments to maintain capacity while keeping quality in the networks. Ongoing investments in our end-to-end transformation to deliver long-term savings in both capital expenditure and operational expenses.

Critical accounting estimates and judgements

Impairment testing of intangible assets
Intangible assets comprise a significant portion of the group's total assets. The measurement of the recoverable amount of intangible assets is a complex process that requires significant Management judgements in determining various assumptions to be used in the calculation of cash-flow projections, discount rates and terminal growth rates. Management has identified cost drivers, etc. in the activity-based costing model that is used for calculating the value in use of the cash-generating unit. Management has identified one cash-generating unit, since the cash flow is not generated independently from the other part of the businesses.

The sensitivity of changes in the assumptions used to determine the recoverable amount may be significant. Furthermore, the use of other estimates or assumptions when determining the recoverable amount of the assets may result in other values and could result in required impairment of assets.

§ Accounting policies

The carrying amount of goodwill and assets with indefinite useful lives is tested for impairment annually and other assets are tested for impairment if events or changes in circumstances indicate impairment.

3.2 | Intangible assets

(DKKm)	2024 Goodwill	2024 Brands	2024 Licences	2024 Other rights, software, etc.	2024 Total	2023 Goodwill	2023 Brands	2023 Licences	2023 Other rights, software, etc.	2023 Total
Cost at 1 January	6,980	1,287	3,939	4,157	16,363	6,980	1,287	3,941	4,337	16,545
Additions	-	-	-	494	494	-	-	-	418	418
Assets disposed of or fully amortised	-	-	-	(256)	(256)	-	-	(2)	(598)	(600)
Cost at 31 December	**6,980**	**1,287**	**3,939**	**4,395**	**16,601**	**6,980**	**1,287**	**3,939**	**4,157**	**16,363**
Amortisation and impairment losses at 1 January	-	-	(1,651)	(3,335)	(4,986)	-	-	(1,505)	(3,314)	(4,819)
Amortisation	-	-	(149)	(348)	(497)	-	-	(148)	(354)	(502)
Impairment	-	-	-	(22)	(22)	-	-	-	(265)	(265)
Assets disposed of or fully amortised	-	-	-	255	255	-	-	2	598	600
Amortisation and impairment losses at 31 December	**-**	**-**	**(1,800)**	**(3,450)**	**(5,250)**	**-**	**-**	**(1,651)**	**(3,335)**	**(4,986)**
Carrying amount at 31 December	**6,980**	**1,287**	**2,139**	**945**	**11,351**	**6,980**	**1,287**	**2,288**	**822**	**11,377**

Cash flow (DKKm)	2024	2023
Additions, cf. table above	(494)	(418)
Instalments regarding mobile licences	(271)	(192)
Cash flow from investment in intangible assets	**(765)**	**(610)**

3.2 | Intangible assets (continued)

Comments

Assets with indefinite useful lives other than goodwill related to the TDC brand were unchanged at DKK 1,287m compared with 2023.

The carrying amount of software amounted to DKK 945m (2023: DKK 822m). The addition of internally developed software totalled DKK 144m (2023: DKK 140m).

Software in progress amounted to DKK 275m (2023: DKK 277m)

The carrying amount of Danish spectrum mobile licences amounted to DKK 2,139m (2023: DKK 2,288m) and is shown in the next table. Of this, DKK 131m relates to licences not yet in use, which is unchanged from last year.

Spectrum licences

Spectrum (MHz)	Bandwidth (MHz)	Licence expiry
700	2 x 15 + 1 x 20	2040
800	2 x 20	2034
900	2 x 10	2034
1500	45	2042
1800	2 x 20	2032
2100	2 x 20	2042
2300	100	2041
2600	2 x 20	2030
3500	130	2042
26000	1250	2042

3.2 | Intangible assets (continued)

Critical accounting estimates and judgements

Useful lives
Management estimates useful lives for intangible assets based on periodic studies of customer churn or actual useful lives and the intended use for those assets. Such studies are completed or updated when new events occur that may have the potential to impact the determination of the useful life of the asset, i.e. when events or circumstances occur that indicate that the carrying amount of the asset may not be recoverable and should therefore be tested for impairment. Any change in customer churn or the expected useful lives of these assets is recognised in the financial statements, as soon as any such change has been ascertained, as a change of a critical accounting estimate.

§ Accounting policies

Goodwill and brands with indefinite useful lives are recognised at cost less accumulated write-downs for impairment. Write-downs of goodwill are not reversed.

Proprietary rights, etc. are measured at cost less accumulated amortisation and impairment losses and are amortised on a straight-line basis over their estimated useful lives.

Development projects, including costs of computer software purchased or developed for internal use, are recognised as intangible assets if the cost can be calculated reliably and if they are expected to generate future financial benefits. Costs of development projects include wages, external charges, depreciation and amortisation that are directly attributable to the development activities as well as interest expenses in the production period.

Development projects that do not meet the criteria for recognition in the balance sheet are expensed as incurred in the income statement.

The main amortisation periods are as follows:

Mobile licences	16-22 years
Other rights, software, etc	3 years

Goodwill, development projects in process and intangible assets of indefinite useful lives are tested for impairment annually and written down to recoverable amounts in the income statement if exceeded by the carrying amount.

Intangible assets are recorded at the lower of recoverable amount and carrying amount.

3.3 | Property, plant and equipment

(DKKm)	2024					2023				
	Land and buildings	Network infra-structure	Equipment	Assets under construction	Total	Land and buildings	Network infra-structure	Equipment	Assets under construction	Total
Cost at 1 January	503	46,217	1,345	637	48,702	502	43,898	1,271	666	46,337
Transfers (to)/from other items	-	478	15	(493)	-	1	435	31	(467)	-
Additions	3	1,912	54	578	2,547	1	1,914	82	438	2,435
Assets disposed of	-	(194)	(57)	(335)	(586)	(1)	(30)	(39)	-	(70)
Cost at 31 December	**506**	**48,413**	**1,357**	**387**	**50,663**	**503**	**46,217**	**1,345**	**637**	**48,702**
Depreciation and impairment losses at 1 January	(168)	(30,319)	(1,052)	(356)	(31,895)	(164)	(28,637)	(955)	(339)	(30,095)
Depreciation	(2)	(1,712)	(115)	-	(1,829)	(4)	(1,683)	(135)	-	(1,822)
Impairment	-	(8)	-	(1)	(9)	-	(29)	(1)	(17)	(47)
Assets disposed of	-	194	56	335	585	-	30	39	-	69
Depreciation and impairment losses at 31 December	**(170)**	**(31,845)**	**(1,111)**	**(22)**	**(33,148)**	**(168)**	**(30,319)**	**(1,052)**	**(356)**	**(31,895)**
Carrying amount at 31 December	**336**	**16,568**	**246**	**365**	**17,515**	**335**	**15,898**	**293**	**281**	**16,807**

Cash flow (DKKm)	2024	2023
Additions, cf. table above	(2,547)	(2,435)
Non-cash additions/(deductions) regarding decommissioning obligations	(14)	(38)
Additions not yet paid, net	(2)	125
Capitalised interest	13	8
Capitalised depreciations cf. note 2.5	19	17
Cash flow from investment in property, plant and equipment	**(2,531)**	**(2,323)**

3.3 | Property, plant and equipment (continued)

Critical accounting estimates

Depreciation is based on management's estimates of residual value, depreciation method and the useful lives of property, plant and equipment. Estimates may change due to technological developments, changes in market conditions and other factors and may result in changes in the estimated useful lives and in the depreciation charges. Technological developments are difficult to predict and the Group's views on the trends and pace of development may change over time. The impact of expected developments in technology and markets are critical estimates in the evaluation of useful lives. The useful lives are reviewed at least annually taking into consideration the factors mentioned above and all other important relevant factors. A change in estimated useful lives is a change in accounting estimate, and depreciation plans are adjusted prospectively.

§ Accounting policies

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises purchase price and costs directly attributable to the acquisition until the date on which the asset is ready for use. The cost of self-constructed assets includes directly attributable payroll costs, materials, depreciation, parts purchased and services rendered by sub-suppliers or contractors as well as interest expenses in the construction period. Cost also includes estimated decommissioning costs if the related obligation meets the conditions for recognition as a provision.

Directly attributable costs comprise personnel expenses together with other external expenses calculated in terms of time spent on self-constructed assets.

The depreciation base is measured at cost less residual value and any impairment. Depreciation is provided on a straight-line basis over the estimated useful lives of the assets. The main depreciation periods are as shown in the next table.

Buildings	20 years
Network infrastructure:	
mobile networks	20 years
copper	1-20 years
coax	20 years
fibre	30 years
exchange equipment	8-10 years
other network equipment	3-15 years
Equipment (computers, tools and office equipment)	3-8 years

The useful lives and residual values of the assets are reviewed regularly. If the residual value exceeds the carrying amount of an asset, depreciation is discontinued.

Property, plant and equipment that have been disposed of or scrapped are eliminated from accumulated cost and accumulated depreciation. Gains and losses arising from sale of property, plant and equipment are measured as the difference between the sales price less selling expenses and the carrying amount at the time of sale. The resulting gain or loss is recognised in the income statement under other income or other expenses.

Software that is an integral part of telephone exchange installations, for example, is presented together with the related assets. Useful lives are estimated individually.

Installation materials to be used in the construction of assets are measured at the lower of weighted average cost and recoverable amount.

Customer-placed equipment is capitalised and depreciated over the estimated useful life of the individual asset.

3.4 | Lease assets and liabilities

Lease assets (DKKm)	2024 Land and buildings	2024 Network infrastructure	2024 Vehicles and equipment	2024 Total	2023 Land and buildings	2023 Network infrastructure	2023 Vehicles and equipment	2023 Total
Carrying amount at 1 January	784	7	180	971	1,022	9	196	1,227
Additions	249	-	36	285	130	-	54	184
Disposals	-	-	(4)	(4)	(124)	-	(9)	(133)
Depreciation	(287)	(1)	(57)	(345)	(244)	(2)	(61)	(307)
Carrying amount at 31 December	**746**	**6**	**155**	**907**	**784**	**7**	**180**	**971**

Lease liabilities (DKKm)	2024	2023
Recognised in the balance sheet at present value:		
External lease liabilities	520	484
Lease liabilities due to group companies	447	540
Total	**967**	**1,024**
Of which presented as current	(354)	(352)
Total non-current	**613**	**672**
Maturing between 1 and 3 years	395	400
Maturing between 3 and 5 years	89	119
Maturing between 5 and 10 years	89	104
Maturing between 10 and 20 years	40	49
Total non-current	**613**	**672**

Amounts recognised in the income statement (DKKm)	2024	2023
Expense relating to short-term leases	(42)	(36)
Expense relating to leases of low-value assets	(1)	(1)
Depreciation charge of lease assets, cf. above	(345)	(307)
Interest expense (included in financing costs)	(28)	(35)

Comments

The total cash outflow for leases in 2024 amounted to DKK 363m (2023: DKK 336m) of which DKK 335m (2023: DKK 301m) related to lease repayments cf. note 5.3. The amount is excluding short-term leases and leases of low-value assets.

The group is continuously aiming at decommissioning legacy networks as a measure to obtain costs savings. In 2023, the decommissioning plans implied a reduced need for leasing square metres for technical equipment and as a result, the group's leasing agreement with TDC Holding related to technical premises was amended with regard to the notice period. Based on the new contracts, the lease periods for the lease assets and liabilities were reassessed, which resulted in a net gain of DKK 58m recognised in other income.

In 2024, the lease periods for the lease assets and liabilities were reassessed, which resulted in a net gain of DKK 0m.

3.4 | Lease assets and liabilities (continued)

Comments

The Group leases various offices, mobile sites, retail stores, vehicles and equipment. Rental contracts are typically made for fixed periods of 2 to 15 years but may have extension options.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

§ Accounting policies

Assets and liabilities arising from leases are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payments that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the Group under residual value guarantees
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the lease asset in a similar economic environment with similar terms, security and conditions.

The incremental borrowing rates are based on our existing credit facilities and observable market data.

The Group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the lease asset.

Lease payments are allocated between instalment and financing costs. The financing costs are charged to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Lease assets are measured at cost less accumulated depreciation and impairment losses. Cost comprises the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs
- decommissioning costs.

Lease assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the lease asset is depreciated over the underlying asset's useful life cf. note 3.3.

Impairment tests on lease assets are performed when circumstances indicate their carrying amounts may not be recoverable. Impairment of lease assets related to vacant tenancies is based on expectations concerning timing and scope, future cost level, etc. Write-downs comprises rent and operating costs for the contract period minus the expected rental income from subleases.

Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are expensed as incurred. Short-term leases are leases with a lease term of less than 12 months. Low-value assets comprise IT equipment and small items of office furniture.

3.5 | Trade receivables

(DKKm)	2024	2023
Trade receivables	305	400
Expected credit losses	(32)	(21)
Trade receivables, net	**273**	**379**
Expected credit losses at 1 January	(21)	(17)
Expected credit losses recognised	(29)	(8)
Realised credit losses	4	2
Reversed expected credit losses	14	2
Expected credit losses at 31 December	**(32)**	**(21)**

Comments

The carrying amount of the balance's approximated fair value is due to the short maturity of amounts receivable.

In 2024, trade receivables not past due amounted to 72% (2023: 68%) of total gross receivables.

Credit risk on trade receivables (DKKm)	Not yet due	Less than 1 month past due	More than 1 month past due	More than 3 months past due	More than 6 months past due	Total
2024						
Expected loss rate	0%	0%	0%	45%	64%	10%
Gross carrying amount	219	17	16	11	42	305
Expected credit losses	-	-	-	(5)	(27)	(32)
2023						
Expected loss rate	0%	0%	0%	50%	83%	6%
Gross carrying amount	273	97	4	2	24	400
Expected credit losses	-	-	-	(1)	(20)	(21)

§ Accounting policies

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. The group operates with standard customer payment terms where customer subscriptions are billed and paid in advance of the subscription period, while usage and one-off services are billed and paid after the subscription period. The receivables are generally due for settlement within 20-30 days and are therefore all classified as current. Trade receivables are recognised initially at the amount of consideration that is unconditional. The Group holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method.

The group applies the simplified approach to measure expected credit losses, which uses a lifetime expected loss allowance for all trade receivables, contract assets and lease receivables. To measure the expected credit losses, receivables have been grouped based on shared credit risk characteristics and the days past due. The expected loss rates are based on the payment profiles of sales and the corresponding historical credit losses experienced. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

3.6 | Contract assets and liabilities

(DKKm)	2024	2023
Work in progress for the account of third parties	44	69
Total contract assets	**44**	**69**
Deferred subscription income	178	183
Deferred subscription income from contracts with group companies	290	325
Other deferred income	95	98
Total contract liabilities	**563**	**606**

Comments

Revenue recognised in 2024 that was included in deferred subscription income at the beginning of the period amounted to DKK 508m (2023: DKK 461m).

§ Accounting policies

Deferred subscription income recognised as a liability comprises payments received from customers covering income in subsequent years.

3.7 | Provisions

	2024				2023
(DKKm)	Decom-missioning obligations	Restruc-turing obligations	Other provisions	Total	
Provisions at 1 January	250	39	33	322	328
Provisions made	4	105	-	109	80
Change in present value	(4)	-	-	(4)	(28)
Provisions used (payments)	(1)	(75)	(1)	(77)	(58)
Provisions at 31 December	**249**	**69**	**32**	**350**	**322**
Of which recognised through special items in the income statement	**-**	**65**	**2**	**67**	**36**
Recognised as follows in the balance sheet:					
Non-current liabilities	249	9	32	290	289
Current liabilities	-	60	-	60	33
Total	**249**	**69**	**32**	**350**	**322**

Specification of how payments regarding provisions are recognised in the statements of cash flows (DKKm)	2024	2023
Payments related to provisions	(14)	(12)
Cash flow related to special items	(63)	(46)
Total	**(77)**	**(58)**

3.7 | Provisions (continued)

Comments

Provisions for decommissioning obligations related to the future dismantling of mobile stations and restoration of property owned by third parties. The uncertainties related primarily to the timing of the related cash outflows. The majority of these obligations are not expected to result in cash outflow within the next five years.

Provisions for restructuring obligations related primarily to redundancy programmes. The majority of the provisions for redundancy programmes are expected to result in cash outflows in the next five years. The uncertainties related primarily to the estimated amounts and the timing of the related cash outflows.

Other provisions related mainly to onerous contracts and jubilee benefits for employees as well as legal claims. The majority of these provisions are not expected to result in cash outflows in the next five years. The uncertainties regarding legal claims and onerous contracts related to both timing and estimated amounts. The uncertainties regarding jubilee benefits related to both salary and the number of employees included.

The group's total redundancy costs included wages during the notice period, severance pay, stand-off pay, payments pursuant to the Danish Salaried Employees Act, social security contributions and outplacement costs.

§ Accounting policies

Provisions are recognised when the Group has a legal or constructive obligation arising from past events, it is probable that economic benefits must be sacrificed to settle it, and the amount can be estimated reliably.

Provisions for restructuring, etc. are recognised when a final decision thereon has been made before or on the balance sheet date and has been announced to the parties involved, provided that the amount can be measured reliably. Provisions for restructuring are based on a defined plan, which means that the restructuring commences immediately after the decision has been made.

When the group is under an obligation to demolish an asset or re-establish the site where the asset was used, a liability corresponding to the present value of estimated future costs is recognised and an equal amount is capitalised as part of the initial carrying amount of the asset. Subsequent changes in such a decommissioning liability that results from a change in the current best estimate of cash flows required to settle the obligation or from a change in the discount rate are added to (or deducted from) the amount recognised for the related asset. However, to the extent that such a treatment would result in a negative asset, the effect of the change is recognised as profit for the year.

Provisions are measured at Management's best estimate of the amount at which the liability is expected to be settled. Provisions are discounted if the effect is material to the measurement of the liability.

Section 4

Capital structure and financing costs

This section includes disclosures related to TDC NET's capital structure and related financing costs as well as finance-related risks and how these are managed.

Net Interest Bearing Debt
(DKK)

(46)m

2024:
24,777m

2023:
24,823m

4.1 | Equity

The total authorised number of shares is 4,001 with a par value of DKK 100 per share. All issued shares are fully paid up. All shares rank equally.

During 2024, total equity increased by DKK 411m due to profit for the year.

During 2023, total equity decreased by DKK 1,097m due primarily to a non-cash dividend distribution of DKK 750m and loss for the year of DKK 364m. The non-cash dividend financed TDC Holdings partial repayment of the upstream loan that decreased to DKK 1,438m including accrued interests at year-end 2023.

The parent company statement of changes in equity specifies which reserves are available for distribution. The distributable reserves amounted to DKK 1,577m at 31 December 2024 (2023: DKK 1,055m).

§ Accounting policies

Dividends
Dividends expected to be distributed for the year are recognised in a separate item in equity. Dividends and interim dividends are recognised as a liability at the time of adoption by the Annual General Meeting and the meeting of the Board of Directors, respectively.

4.2 | Loans

Capital management

We have established a long-term secured infrastructure financing platform and under this platform, we have issued Eurobonds, term loans, revolving credit and additional liquidity facilities. As a general principle, funding instruments rank pari passu and are governed by a Common Terms Agreement defining financial and legal covenants and Intercreditor Agreement. We manage and monitor our capital structure in light of financial performance of the business, changes in economic conditions and requirements of the financial covenants.

In 2024, we have issued one fixed-rate Eurobond in benchmark size of EUR 500m with maturity in 2029. In addition, in December 2024 we signed an Export Credit Agency (ECA) loan financing of EUR 125m, which will be drawn during 2025.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 December 2024 and 2023.

Our policy is to target a leverage ratio below 6.0x, while monitoring interest cover ratio.

Our term loan facilities have, apart from one loan of nominal DKK 400m, all been issued in EUR mainly with floating interest rates.

Loans with floating interest rates have been hedged to fixed interest rates following internal policy guidelines and hedge requirements set out by the Common Terms Agreement.

Within the financing platform, comprehensive covenant packages and intercreditor arrangements provide enhanced credit protections. The public notes issued by TDC NET A/S under the secured financing platform are rated BBB- (stable outlook) by Fitch Rating Ireland Limited. See also note 4.3.

Derivatives are used for hedging interest and exchange-rate exposure only. The group does not apply hedge accounting.

Financial covenants

The financial covenants are monitored by using a leverage ratio, which is net debt divided by EBITDA and an interest cover ratio, which is EBITDA divided with net finance charges; both as defined in the loan documents.

If the leverage ratio exceeds 6.75x or interest cover ratio is lower than 3.0x then this leads to a “Trigger Event” limiting among other things distribution outside the Security Group. If the leverage ratio is 8.25x or interest cover ratio is lower than 2.0x it will be an Event of Default. In case of an Event of Default, a 12-month Standstill Period will apply. Standstill Liquidity Facilities are in place to ensure that debt can be serviced during the standstill period.

The carrying amount of the liabilities related to the financial covenants amounted to DKK 25,174m as per 31 December 2024.

The financial covenants are tested half-yearly at 30 June and 31 December. There have been no breaches of the financial covenants in 2024. There are no indications that the group will have difficulties complying with the covenants in the next twelve months from the balance sheet date.

Sustainability-linked bonds

Since the establishment of the financing platform, we have issued four sustainability-linked Euro Medium Term Notes (EMTNs) of total EUR 2bn. The Eurobonds are linked to our sustainability targets of becoming a net-zero carbon emission company across the full value chain (Scopes 1, 2 and 3) by 2030.

The sustainability-linked bonds are tied to Key Performance Indicators (KPIs) for TDC NET’s Scope 1, 2, and 3 emissions measured in metric tonnes of CO_2, as outlined in the Sustainability-Linked Finance Framework. Sustainability Performance Target 1 aims to achieve net-zero emissions for Scopes 1 and 2 by 2028, while Sustainability Performance Target 2 targets net-zero emissions for Scope 3 by 2030, both from a 2020 baseline. Each of the currently outstanding bonds is assigned a specific target observation date on December 31st for either 2026, 2027, or 2028. For any bond with a 2026 target observation date, the reduction target is 70% for Scopes 1 and 2 emissions and 30% for Scope 3 emissions. If the observation date is in 2027, the targets are an 80% reduction for Scopes 1 and 2 and a 35% reduction for Scope 3. For bonds with a 2028 observation date, the targets are achieving net-zero (100% reduction) for Scopes 1 and 2, and a 40% reduction for Scope 3. Failure to meet these specific reductions by the respective observation date will result in an increase in the interest rate for that bond. See sustainability results describing the development for scope 1, 2 and 3 total carbon emissions.

4.2 | Loans (continued)

2024	2025	2026	2026	2027	2027	2028	2029	2029	2030	2030	2031	Total
Maturity	Feb 2025[2]	Jun 2026	Jun 2026	Feb 2027	Feb 2027	May 2028	Jun 2029	Aug 2029	Feb 2030	Oct 2030	Jun 2031	
Fixed/floating rate[1]	Floating	Floating	Floating	Floating	Floating	Fixed	Floating	Fixed	Fixed	Fixed	Fixed	
Coupon	Margin + floored Euribor	Margin + floored Cibor	Margin + floored Euribor	Margin + floored Euribor	Margin + floored Euribor	5.056%	Margin + floored Euribor	5.186%	5.618%	5.870%	6.500%	
Currency	EUR	DKK	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	
Type	STF loan	STF loan	STF loan	STF loan	STF loan	EMTN Bond	STF loan	EMTN Bond	EMTN Bond	STF loan	EMTN Bond	
Nominal value (currency)	650	400	50	75	400	500	50	500	500	110	500	
Nominal value (DKKm)	4,848	400	373	559	2,983	3,729	373	3,729	3,729	820	3,729	25,272
– Of which nominal value swapped to or with fixed interest rate (currency)	650	-	50	75	400	500	50	500	500	110	500	

[1] STF loans have a 0% Euribor or Cibor floor.
[2] In January 2025, EUR 650m of the STF loan scheduled to mature in February 2025 was extended by a year (12 months) to February 2026. An additional, and final, one-year extension option exists and may be used at the discretion of TDC NET A/S.

Comments

EUR exposures are not considered a significant risk due to the Danish fixed EUR/DKK exchange rate policy. EMTNs and STF loans are in EUR, apart from one STF loan nominated in DKK. Nominal EUR 1bn is swapped to fixed DKK interest rates and the remaining part is in or swapped to fixed EUR interest rates.

As of 31 December 2024, there were no drawings on Revolving Credit Facilities. Undrawn RCFs amounted to EUR 350m, maturing February 2027.

4.2 | Loans (continued)

2023	2024	2026	2027	2027	2028	2029	2030	2030	2031	Total
Maturity	Feb 2024[2]	Jun 2026	Feb 2027	Feb 2027	May 2028	Jun 2029	Feb 2030	Oct 2030	Jun 2031	
Fixed/floating rate[1]	Floating	Floating	Floating	Floating	Fixed	Floating	Fixed	Fixed	Fixed	
Coupon	Margin + floored Euribor	Margin + floored Cibor	Margin + floored Euribor	Margin + floored Euribor	5.056%	Margin + floored Euribor	5.618%	5.870%	6.500%	
Currency	EUR	DKK	EUR	EUR	EUR	EUR	EUR	EUR	EUR	
Type	STF loan	STF loan	STF loan	STF loan	EMTN Bond	STF loan	EMTN Bond	STF loan	EMTN Bond	
Nominal value (currency)	685	400	75	900	500	100	500	110	500	
Nominal value (DKKm)	5,106	400	559	6,709	3,727	745	3,727	820	3,727	25,520
– Of which nominal value swapped to or with fixed interest rate (currency)	685	-	75	900	500	100	500	110	500	

[1] STF loans have a 0% Euribor or Cibor floor.
[2] In January 2024, EUR 650m of the STF loan maturing in 2024 was extended into 2025 with an option for an extension of +1+1.

4.2 | Loans (continued)

Net interest-bearing debt (DKKm)	2024	2023
EMTN bonds[1]	14,828	11,083
Senior term facilities[1]	10,346	14,320
Debt regarding leasing incl. short-term part	967	1,024
Spectrum licences fee liabilities incl. short-term part	1,460	1,685
Derivatives	-	4
Amounts owed by group companies	(1,497)	(1,438)
Cash	(1,327)	(1,855)
Total	**24,777**	**24,823**

[1] Subject to financial covenants.

Comments

Events after the balance sheet date:

- In January 2025, EUR 610m of the EUR 650m STF loan scheduled to mature in February 2025 was extended by a year (12 months) to February 2026, the remaining EUR 40m was repaid. An additional, and final, one-year extension option exists and may be used at the discretion of the group.

§ Accounting policies

Loans
Loans are recognised initially at the proceeds received net of transaction expenses incurred. In subsequent periods, loans are measured at amortised cost so that the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan.

Other financial liabilities are measured at amortised cost.

Financial instruments
On initial recognition, financial derivatives are recognised in the balance sheet at fair value and subsequently remeasured at fair value in the balance sheet and in the income statement. Depending on the type of instrument, different recognised measurement methods are applied for derivative financial instruments. (Level 2 in the IFRS fair value hierarchy).

The group does not apply hedge accounting.

4.3 | Financial risks

Comments

The group handles financial risks specific to the provision of mobile network and landline connections. The general responsibility of identifying, monitoring and managing these risks in the group is handled by the Treasury team.

Interest-rate risks
We are mainly exposed to interest-rate risks in the euro area, as the majority of the nominal gross debt is denominated in or swapped to EUR.

Throughout 2024, the group monitored and managed its interest-rate risks using financial instruments in line with our financial policy targets.

The interest rate is hedged 5 years on average. This secures a stable base rate cost. The derivatives are market to market which implies a short-term risk of losses in valuation if interest rates in general decrease.

The group does not apply hedge accounting.

The group is exposed to potential widening of credit spread in future years. This exposure is unhedged.

A 1%-point increase in interest rates would result in an extra interest cost of DKK 0m and an unrealised market value gain of DKK 299m.

Exchange-rate risks
We have limited operational exchange-rate risks related to payables from equipment suppliers. These risks are monitored and hedged by the Treasury team.

We have very limited exchange-rate risks in relation to the loan portfolio or RCF commitment, as all are issued in or swapped to DKK or EUR, and the DKK is pegged to the EUR.

Counterparty risks
We have limited credit risks as a provider of mobile network and landline connections in Denmark, where most of our revenue stems from large, well-established service providers.

Some exposure to counterparty risk emerges from cash and deposits held with financial institutions and from unrealised gains on financial contracts. This risk is managed through diversification and by applying a nominal limit to the allowed exposure to each counterpart. Moreover, financial counterparts are preferably Systemically Important Financial Institutions (SIFI) and/or Investment Grade rated.

Liquidity risks
We monitor the liquidity flow to ensure sufficient liquidity to meet payment obligations. Moreover, we are engaged in bank facilities to secure liquidity for daily operations. As of 31st December 2024, we hold a Revolving Credit Facility (RCF) of EUR 350m. In addition, the company also has a Debt Service Reserve (DSR) Liquidity Facility Agreement of EUR 165m and an Operational and Capex Reserve (O&C) Liquidity Facility Agreement of EUR 65m.

Undrawn credit lines
At year-end 2024, we had undrawn committed credit lines totalling EUR 580m under the Senior Facilities Agreement (SFA). This includes the RCF, DSR and O&C facilities.

Credit rating
TDC NET holds an external rating by Fitch. All ratings are unchanged from 2023 and listed in the below table.

TDC NET company ratings at 31 December 2024	Fitch	
	Company	Instrument
TDC NET	BB	BBB-

4.4 | Financial income and expenses

(DKKm)	2024	2023
Interest income	71	91
Interest expenses	(1,560)	(1,507)
Net interest	**(1,489)**	**(1,416)**
Currency translation adjustments	(11)	(60)
Fair value adjustments	200	(422)
Total	**(1,300)**	**(1,898)**

Cash flow from net interest (DKKm)	2024	2023
Interest received	820	528
Interest paid	(1,956)	(1,642)
Net interest paid	**(1,136)**	**(1,114)**
Specified as follows:		
Euro Medium Term Notes (EMTNs)	(705)	(188)
Senior Term Facilities (STF) incl. hedges	(378)	(639)
Lease liabilities	(28)	(35)
Loan from TDC Holding A/S	-	(235)
Other	(25)	(17)
Net interest paid	**(1,136)**	**(1,114)**

4.4 | Financial income and expenses (continued)

	2024				2023			
(DKKm)	Net interest	Currency translation adjustments	Fair value adjustments	Total	Net interest	Currency translation adjustments	Fair value adjustments	Total
2024								
Senior Term Facilities (STF) loans	(643)	(6)	(5)	(654)	(761)	(39)	(3)	(803)
Euro Medium Term Notes (EMTNs)	(789)	(6)	1	(794)	(548)	(20)	21	(547)
Hedge of Senior Term Facilities/future debt issuance	301	3	(114)	190	222	(3)	(674)	(455)
Loans group companies	59	1	-	60	19	1	-	20
Lease liabilities	(28)	-	-	(28)	(35)	-	-	(35)
Other	(87)	13	-	(74)	(84)	6	-	(78)
Total	**(1,187)**	**5**	**(118)**	**(1,300)**	**(1,187)**	**(55)**	**(656)**	**(1,898)**

In the group's internal reporting, currency translation adjustments and interest from derivatives are reported as such, as specified in the adjacent table.

Interest, currency translation adjustments and fair value adjustments represented an expense of DKK 1,300m in 2024. The decrease of DKK 598m compared with 2023 was primarily driven by a positive development in fair value adjustments:

Fair value adjustments: The development was driven primarily by an unrealised fair value adjustment related to the hedge of the floating Senior Term Facility loans. The group hedges the risk of future interest increases via interest rate derivatives and fixed rate loans. As interest rate have decreased in 2024, there is an unrealised market-to-market loss on the hedging derivatives of DKK 114m compared with a loss of DKK 674m in 2023 due to decreasing interest rates during 2023. The fair value fluctuations from year to year reflect our long-term hedging strategy, which is affected by the development in interest rates.

4.5 | Maturity profiles of financial instruments

Maturity profiles of expected cash flows[1] (DKKm)	2024 < 1 year	1-3 years	3-5 years	> 5 years	Total	Fair value	Carrying amount
Financial assets and liabilities measured at fair value through profit or loss							
Assets[2]:							
Derivatives							
Inflow	6,322	451	178	26	6,977		
Outflow	(6,151)	(256)	(100)	(21)	(6,528)		
Total derivatives assets	**171**	**195**	**78**	**5**	**449**	**419**	**419**
Liabilities:							
Derivatives							
Inflow	1,990	71	43	-	2,104		
Outflow	(1,999)	(133)	(75)	-	(2,207)		
Total derivatives liabilities	**(9)**	**(62)**	**(32)**	**-**	**(103)**	**(101)**	**(101)**
Total derivatives	**162**	**133**	**46**	**5**	**346**	**318**	**318**
Financial liabilities measured at amortised cost							
Euro Medium Term Notes (EMTNs)	-	-	(7,458)	(7,458)	(14,916)	(15,918)	(14,828)
Senior Term Facilities (STF) loan	-	(9,163)	(373)	(820)	(10,356)	(10,410)	(10,346)
Total loans and issued bonds	-	(9,163)	(7,831)	(8,278)	(25,272)	(26,328)	(25,174)
Spectrum licence liabilities	(241)	(483)	(483)	(400)	(1,607)	(1,460)	(1,460)
Lease liability	(360)	(420)	(99)	(165)	(1,044)	(967)	(967)
STF and EMTN, interest[3]	(1,265)	(2,194)	(1,601)	(743)	(5,803)	(585)	(585)
Amounts owed to group companies	(97)	-	-	-	(97)	(97)	(97)
Trade and other payables[4]	(1,084)	-	-	-	(1,084)	(1,084)	(1,084)
Total financial liabilities measured at amortised cost	**(3,047)**	**(12,260)**	**(10,014)**	**(9,586)**	**(34,907)**	**(30,521)**	**(29,367)**
Total	**(2,885)**	**(12,127)**	**(9,968)**	**(9,581)**	**(34,561)**	**(30,203)**	**(29,049)**

Maturity profiles
The maturity analyses of financial assets and liabilities are disclosed by category and class and are allocated according to maturity period. All interest payments and repayments of financial liabilities are based on contractual agreements. Interest payments on floating-rate instruments are determined using forward rates.

Financial assets and liabilities measured at fair value relate to derivatives. The fair value of these derivatives is calculated based on observable inputs such as interest rates, etc. (Level 2 in the IFRS fair value hierarchy).

4.5 | Maturity profiles of financial instruments (continued)

2023

Maturity profiles of expected cash flows[1] (DKKm)	< 1 year	1-3 years	3-5 years	> 5 years	Total	Fair value	Carrying amount
Financial assets and liabilities measured at fair value through profit or loss							
Assets[2]:							
Derivatives							
Inflow	418	2,268	144	38	2,868		
Outflow	(125)	(2,085)	(98)	(31)	(2,339)		
Total derivatives assets	**293**	**183**	**46**	**7**	**529**	**496**	**496**
Liabilities:							
Derivatives							
Inflow	377	5,894	65	13	6,349		
Outflow	(371)	(5,949)	(112)	(19)	(6,451)		
Total derivatives liabilities	**6**	**(55)**	**(47)**	**(6)**	**(102)**	**(120)**	**(120)**
Total derivatives	**299**	**128**	**(1)**	**1**	**427**	**376**	**376**
Financial liabilities measured at amortised cost							
Senior Term Facilities (STF) loan	-	(400)	(12,374)	(1,565)	(14,339)	(14,380)	(14,319)
Euro Medium Term Notes (EMTNs)	-	-	(3,727)	(7,454)	(11,181)	(11,696)	(11,084)
Total loans and issued bonds	-	(400)	(16,101)	(9,019)	(25,520)	(26,076)	(25,403)
Spectrum licence liabilities	(271)	(483)	(483)	(642)	(1,879)	(1,685)	(1,685)
Lease liability	(358)	(426)	(136)	(197)	(1,117)	(1,024)	(1,024)
STF and EMTN, interest[3]	(1,374)	(2,383)	(1,551)	(1,259)	(6,567)	(533)	(533)
Amounts owed to group companies	(124)	-	-	-	(124)	(124)	(124)
Trade and other payables[4]	(956)	-	-	-	(956)	(956)	(956)
Total financial liabilities measured at amortised cost	**(3,083)**	**(3,692)**	**(18,271)**	**(11,117)**	**(36,163)**	**(30,398)**	**(29,725)**
Total	**(2,784)**	**(3,564)**	**(18,272)**	**(11,116)**	**(35,736)**	**(30,022)**	**(29,349)**

1 All cash flows are undiscounted. The table reflects only the cash flow from financial liabilities and derivatives recognised as financial assets. Other cash flow from financial assets is not disclosed.
2 Both assets and liabilities measured at fair value through profit or loss are disclosed in the above table because some of the derivatives are used for hedging financial liabilities measured at amortised cost, see table.
3 Fair value and carrying amount value consist of accrued interest on STF loan, EMTNs at 31 December.
4 As not all trade and other payables recognised in the balance sheet are financial instruments (e.g. unbilled payables do not constitute a financial liability), the amount differs from the amount disclosed in the balance sheet.

Section 5

Cash flow

This section provides information on TDC NET's cash flow. More information on development in the cash flow items is included in note 2.6 Special items, note 3.1 Intangible assets, note 3.2 Property, plant and equipment, note 3.6 Provisions as well as note 4.4 Financial income and expenses.

§ Accounting policies

Cash flow from operating activities is presented using the indirect method and is based on profit before interest, taxes, depreciation, amortisation and special items adjusted for non-cash operating items, cash flow related to special items, changes in working capital, interest received and paid as well as income taxes paid.

Cash flow from investing activities comprises acquisitions and divestments of enterprises, purchases and sales of intangible assets, property, plant and equipment as well as other non-current assets. Cash flow from acquired enterprises are recognised from the time of acquisition, while cash flows from enterprises divested are recognised up to the time of divestment.

Cash flow from financing activities comprises changes in interest-bearing debt, capital contribution, lease instalments and dividends to shareholders.

Cash and cash equivalents cover cash and marketable securities with a remaining life not exceeding three months at the time of acquisition, and with an insignificant risk of changes in value.

The cash flow statement cannot be derived solely from information presented in the financial statements.

5.1 | Change in working capital

(DKKm)	2024	2023
Change in receivables	281	(109)
Change in contract assets	25	(12)
Change in trade payables	74	(225)
Change in contract liabilities	(44)	133
Change in prepaid expenses	(32)	11
Change in other items, net	(333)	295
Total	**(29)**	**93**

5.2 | Equity free cash flow

(DKKm)	2024	2023
Cash flow from operating activities	3,381	3,327
Cash flow from investing activities	(3,296)	(2,933)
Lease repayments	(335)	(301)
Equity free cash flow	**(250)**	**93**

5.3 | Changes in liabilities arising from financing activities

2024 (DKKm)	At 1 January 2024	Cash flow from financing activities	Non-cash changes: Acquisition/ disposal	Non-cash changes: Debt from new leases	Non-cash changes: Currency translation adjustment	Non-cash changes: Other[2]	At 31 December 2024
Loans incl. short-term part	25,403	(273)	-	-	12	32	25,174
Lease liabilities incl. short-term part	1,024	(335)	(7)	285	-	-	967
Corrections for derivatives and reversals of fixed fair values on loans due to hedge accounting[1]	4	-	-	-	(4)	-	-
Total	**26,431**	**(608)**	**(7)**	**285**	**8**	**32**	**26,141**

2023 (DKKm)	At 1 January 2023	Cash flow from financing activities	Non-cash changes: Acquisition/ disposal	Non-cash changes: Debt from new licences and leases	Non-cash changes: Currency translation adjustment	Non-cash changes: Other[2]	At 31 December 2023
Loans incl. short-term part	25,858	(563)	-	-	75	33	25,403
Lease liabilities incl. short-term part	1,332	(301)	(190)	183	-	-	1,024
Corrections for derivatives and reversals of fixed fair values on loans due to hedge accounting[1]	152	63	-	-	(9)	(202)	4
Total	**27,342**	**(801)**	**(190)**	**183**	**66**	**(169)**	**26,431**

[1] Currency and fair value adjustment effect from derivatives that hedge long-term loans.
[2] Consists of amortisation of borrowing costs, lease reassessment and fair value adjustments.

The table above shows changes in the group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the group's consolidated cash flow statement as cash flows from financing activities.

Section 6

Other disclosures

This section contains statutory notes or notes that are presumed to be less important for understanding the Group's financial performance.

6.1 | Incentive programmes

To drive both short-term performance and long-term financial success, the group offers comprehensive incentive programmes for executives and managers. The remuneration of top management shall seek to align management incentives with shareholder value creation, including a strong link to our ambitious ESG leadership targets. In June 2024, the historic TDC incentive scheme was settled.

Short-term incentive programmes (STI)
These programmes are intrinsically linked to our core strategy. They focus on critical performance measures such as EBITDA, capital expenditures (capex), efficiency in fibre connection, and the ability to sustain and grow dividend capacity.

Bonus payments are determined by multiplying the individual's base salary by a specific bonus percentage, which is then adjusted according to the degree of target achievement.

For Executive Committee members, this bonus percentage typically falls between 25% and 50%. For other management roles, it ranges from 10% to 33%. The upper limit for target fulfilment is set at a robust 200%.

Long-Term Incentive programmes (LTI)
The Long-Term Incentive (LTI) programme is a key element of the group's approach to aligning individual performance with long-term company goals. The programme supports strategic objectives and incentivises sustained contributions to growth and transformation.

The LTI programme operates over a three-year horizon and includes performance targets in areas such as EBITDA development, fibre connectivity expansion, improvements in health and safety, and dividend capacity. Costs related to the programme are allocated across the vesting period.

The programme features differentiated target percentages up to 60% for Executive Committee members and other management roles.

Special Payout Adjustment after 2026
Participants with at least 25 months of active participation and employment as of December 2026 may be eligible for a payout adjustment factor between 0.9 and 1.75, subject to predefined key performance indicators. This adjustment applies to payouts for the LTI programmes covering 2024–2026, 2025–2026, and 2026, with a maximum payout capped at 200%.

These programmes are structured to support long-term value creation and align leadership incentives with company performance.

Long-Term Incentive programmes 2024-2026
In the strategic planning for our LTI programme for 2024-2026, it has been important for us to include ESG key performance indicators other than financial targets, which are fundamental for driving performance towards our sustainability commitments:

- Climate net-zero targets
- Health & Safety targets
- Diversity targets

6.2 | Related parties

Name of related party	Nature of relationship	Domicile
DKT Holdings ApS	Indirect ownership – ultimate parent	Copenhagen, Denmark
DKT Finance ApS	Indirect ownership	Copenhagen, Denmark
DK Telekommunikation ApS	Indirect ownership	Copenhagen, Denmark
TDC Holding A/S	Indirect ownership	Copenhagen, Denmark
TDC NET Holding A/S	Ownership – parent	Copenhagen, Denmark
Nuuday A/S	Subsidiary of TDC Holding A/S	Copenhagen, Denmark
TDC Pensionskasse	Pension fund	Copenhagen, Denmark

Related parties also include the group's joint ventures and associates shown in note 6.7.

Remuneration for the Board of Directors and the Executive Committee is specified in note 2.4.

Purchase commitments towards group companies are shown in note 6.4.

All transactions with related parties are made on market terms. The most significant related party is Nuuday A/S, see also note 2.1.

The group has the following additional transactions and outstanding balances with related parties:

Related parties (DKKm)	2024	2023
TDC NET Holding A/S		
Income	59	69
Receivables	1,497	1,438
TDC Holding A/S		
Income	46	47
Expenses, lease payments and capital expenditure	(371)	(479)
Payables	(504)	(631)
Joint ventures and associates		
Income	1	1
Expenses	(3)	(3)
Other related parties		
Income	5,310	5,238
Expenses and capital expenditure	(105)	(21)
Receivables	928	1,235
Payables	(330)	(425)

6.3 | Fees to auditors

Fees to auditors elected by the Annual General Meeting (DKKm)	2024	2023
Statutory audit	**2**	**2**
Other assurance engagements	1	1
Tax advisory services	1	-
Other services	0	-
Total non-statutory audit services	**2**	**1**
Total	**4**	**3**

Comments

Non statutory audit services
In 2024, Deloitte Statsautoriseret Revisionspartnerselskab provided other services than statutory audit, in the amount of DKK 2m (2023: DKK 1m), which mainly related to mobility tax services and CSRD assurance.

6.4 | Other financial commitments

(DKKm)	2024	2023
Lease commitments for short-term and low-value leases		
Short-term leases	25	20
Leases of low-value assets	-	1
Total	**25**	**21**
Capital and purchase commitments		
Investments in intangible assets	5	11
Investments in property, plant and equipment	130	236
Commitments related to outsourcing agreements	83	4
Other purchase commitments	514	306
Total	**732**	**557**
Which is:		
Maturing within 1 year	412	206
Maturing between 1 and 5 years	238	241
Maturing after 5 years	82	110
Total	**732**	**557**

6.4 | Other financial commitments (continued)

Comments

Leases
Except for short-term leases and leases of low-value assets, leases are recognised as a lease asset and a corresponding liability at the date at which the leased asset is available for use by the group, cf. note 3.4.

Purchase commitments
As part of the group's commitment to reduce our emissions, with a target of 100% renewable energy in operations by 2028, the group has entered into 10-year Power Purchase Agreements (PPA) with Better Energy delivering electricity from its solar parks.

The PPA is fixed at 140 GWh and the solar parks covered 74% of the groupET's electricity consumption in 2024. These agreements are fixed-price agreements. As these agreements are entered into and will continue to be held for the purpose of receiving energy for own usage within the group's operations, they are recognised as power cost. (note 2.2 and 2.3) and other purchase commitments.

6.5 | Pledges and contingencies

Pledges
Receivables from group companies with a carrying amount of DKK 1,497m (2023: DKK 1,438m), cash with a carrying amount of DKK 1,325m (2023: DKK 1,750m), receivables DKK 202m (2023: DKK 329m) and Spectrum Licence with a carrying amount of DKK 2,139m (2023: DKK 2,288m) are pledged as security for the long-term loans in TDC NET A/S.

Contingent assets
In the spring of 2023, the group received a decision from the Center for Cyber Security (CFCS) necessitating the discontinuation of our current Central Transport (DWDM) network supplier by 1 January 2027. The group will comply with the security policy decision of the authorities and adheres to CFCS's decision to replace the supplier for its DWDM network. However, as the group has assessed this action as an expropriation, this led the group to initiate legal proceedings. It is Management's opinion that the matter is fundamental to protect the company's rights, but the outcome of the legal proceedings is not virtually certain, and therefore no asset has been recognised in the financial position of the group.

Contingent liabilities
The group is party to certain pending lawsuits and cases pending with public authorities and complaints boards. Based on a legal assessment of the possible outcome of each of these lawsuits and cases, Management is of the opinion that these will have no significant adverse effect on the group's financial position.

The parent is liable for obligations attributable to the activities, assets and liabilities of TDC Holding A/S that existed at the demerger on 11 June 2019. The joint and several liabilities of TDC NET A/S and TDC Holding A/S respectively cannot exceed an amount corresponding to the net value of the assets and liabilities.

6.6 | Events after the balance sheet date

In January 2025, EUR 610m of the EUR 650m STF loan scheduled to mature in February 2025 was extended by a year (12 months) to February 2026, the remaining EUR 40m was repaid. An additional, and final, one-year extension option exists and may be used at the discretion of TDC NET A/S.

There have been no other events that materially affect the assessment of this Annual Report 2024 after the balance sheet date and up to today.

6.7 | Overview of group companies at 31 December 2024

Company name	Domicile	Currency	Ownership share (%)
DKTV A/S	Copenhagen, Denmark	DKK	100
DKTV Anlæg ApS	Vemmelev, Denmark	DKK	100
Fiberkysten A/S	Gilleleje, Denmark	DKK	60
OCH A/S[1]	Copenhagen, Denmark	DKK	25
TDC NET Finance B.V.[2]	Amsterdam, the Netherlands	EUR	100

[1] The enterprise is included under the equity method.
[2] TDC Net Finance B.V. was established in connection with the refinancing of the TDC Net group with the purpose of potentially issuing EUR denominated debt instruments that are eligible for financing at ECB. The company is however currently without activities and there are no immediate plans for the use of the company. The company will be taxable in Denmark under the rules of *Place of Effective Management* and, as such, is part of the Danish joint taxation.

Parent company financial statements

Income statement

(DKKm)	Note	2024	2023
Revenue	2.1	6,128	6,154
Cost of sales		(204)	(251)
Gross profit		5,924	5,903
External expenses		(796)	(841)
Personnel expenses	2.2	(907)	(944)
Other income		371	457
Operating profit before depreciation, amortisation and special items (EBITDA)		4,592	4,575
Depreciation, amortisation and impairment losses		(2,667)	(2,910)
Special items	2.3	(129)	(70)
Operating profit (EBIT)		1,796	1,595
Profit from subsidiaries	3.4	67	79
Financial income and expenses	4.3	(1,307)	(1,904)
Profit before income taxes		556	(230)
Income taxes	2.4	(145)	(134)
Profit/(loss) for the year		**411**	**(364)**
Distribution of profit/(loss) for the year:			
Proposed distribution of profit/(loss) for the year			
Reserve for net revaluation under the equity method		(200)	79
Reserve for capitalised development costs		89	(164)
Retained earnings		522	(279)
Profit/(loss) for the year		**411**	**(364)**

Statement of comprehensive income

(DKKm)	Note	2024	2023
Profit/(loss) for the year		411	(364)
Total comprehensive income		**411**	**(364)**

Balance sheet

Assets (DKKm)	Note	2024	2023
Non-current assets			
Intangible assets	3.1	11,273	11,307
Property, plant and equipment	3.2	17,717	17,014
Lease assets	3.3	837	916
Investment in subsidiaries	3.4	389	617
Investment in joint ventures and associates		2	2
Amounts owed by group companies		1,497	1,438
Other receivables		27	27
Prepaid expenses		12	21
Total non-current assets		**31,754**	**31,342**
Current assets			
Inventories		19	21
Trade receivables	3.5	202	329
Amounts owed by group companies		1,256	1,231
Other receivables		4	4
Income tax receivables	2.4	-	4
Derivative financial instruments		419	496
Prepaid expenses		144	112
Cash		1,325	1,855
Total current assets		**3,369**	**4,052**
Total assets		**35,123**	**35,394**

Equity and liabilities (DKKm)	Note	2024	2023
Equity			
Share capital		0	0
Other reserves		701	812
Retained earnings		1,577	1,055
Total equity	4.1	**2,278**	**1,867**
Non-current liabilities			
Deferred tax liabilities	2.4	626	547
Provisions		289	288
Loans	4.2	25,174	25,403
Spectrum licence fee liabilities		1,221	1,417
Lease liabilities	3.3	579	647
Other payables		121	122
Total non-current liabilities		**28,010**	**28,424**
Current liabilities			
Spectrum licence fee liabilities		239	268
Lease liabilities	3.4	327	328
Trade payables		1,823	1,694
Amounts owed to group companies		879	1,071
Contract liabilities	3.6	537	582
Other payables		823	1,007
Income tax payable	2.4	46	-
Derivative financial instruments		101	120
Provisions		60	33
Total current liabilities		**4,835**	**5,103**
Total liabilities		**32,845**	**33,527**
Total equity and liabilities		**35,123**	**35,394**

Statement of cash flows

(DKKm)	Note	2024	2023
Operating activities			
Operating profit before depreciation, amortisation and special items (EBITDA)		4,592	4,575
Adjustment for non-cash items		6	(43)
Payments related to provisions		(14)	(12)
Special items		(91)	(49)
Change in working capital	5.1	83	150
Interest received		822	528
Interest paid		(1,954)	(1,640)
Income tax paid	2.4	(16)	(215)
Total cash flows from operating activities		**3,428**	**3,294**
Investing activities			
Investment in property, plant and equipment		(2,552)	(2,359)
Investment in intangible assets		(748)	(594)
Investments in other non-current assets		(1)	(1)
Sale of property, plant and equipment		-	1
Dividend received		295	-
Total cash flows from investing activities		**(3,006)**	**(2,953)**

(DKKm)	Note	2024	2023
Financing activities			
Proceeds from long-term loans		3,717	8,359
Repayments of long-term debt		(3,990)	(8,922)
Settlement of derivatives related to long-term loans		-	63
Costs relating to long-term loans		(8)	-
Repayment of lease liabilities		(310)	(277)
Change in interest-bearing receivables and payables		(364)	29
Capital injection		-	17
Total cash flows from financing activities		**(955)**	**(731)**
Total cash flows		**(533)**	**(390)**
Cash and cash equivalents at 1 January		1,855	2,240
Effect of exchange rate changes on cash and cash equivalents		3	5
Cash and cash equivalents at 31 December		**1,325**	**1,855**

Statement of changes in equity

(DKKm)	Share capital	Reserve for net revaluation under the equity method	Reserve for capitalised development projects	Retained earnings[1]	Total
Equity at 1 January 2023	0	121	776	2,067	2,964
Profit/loss for the year	-	79	(164)	(279)	(364)
Total comprehensive income	-	79	(164)	(279)	(364)
Capital contribution	-	-	-	17	17
Distributed dividends	-	-	-	(750)	(750)
Total transactions with shareholders	-	-	-	(733)	(733)
Equity at 31 December 2023	**0**	**200**	**612**	**1,055**	**1,867**
Profit/loss for the year	-	(200)	89	522	411
Total comprehensive income	-	(200)	89	522	411
Equity at 31 December 2024	**0**	**-**	**701**	**1,577**	**2,278**

Notes to parent company financial statements

1.1 | Material accounting policies

The Financial statements 2024 of the parent company have been prepared in accordance with IFRS Accounting Standards as adopted by the European Union (EU) and further disclosure requirements in the Danish Financial Statements Act (reporting class D).

The parent company accounting policies are the same as those applied to the Group, with the additions mentioned below. See note 1.1 to the consolidated financial statements for the Group's accounting policies.

The accounting policies are unchanged compared with the policies applied in the Annual Report 2023.

Supplementary accounting policies for the parent company

Investments in subsidiaries, joint ventures and associates
The equity method is used for measuring investments in subsidiaries, joint ventures and associates. Under the equity method, investments in subsidiaries, joint ventures or associates are recognised on initial recognition at cost, and the carrying amount is increased or decreased to recognise the parent company's share of the profit or loss of the investment after the date of acquisition. The parent company's share of profit or loss is recognised in the parent company's profit or loss. Dividends received from investments in subsidiaries, joint ventures and associates reduce the carrying amount of the investment. The parent company's share of other comprehensive income arising from the investment is recognised in other comprehensive income of the parent company.

Reserve for capitalised development projects
In accordance with the Danish Financial Statements Act, the parent company has established a non-distributable reserve in equity regarding development projects capitalised in 2016 and later. This reserve will be reversed as the development projects are amortised or impaired.

1.2 | Critical accounting estimates and judgements

For information on critical accounting estimates and judgements, see note 1.3 to the consolidated financial statements.

1.3 | New accounting standards

For information on new accounting standards for the Group, see note 1.4 to the consolidated financial statements.

2.1 | Revenue

(DKKm)	2024	2023
Sales of goods recognised at a point in time	-	-
Sales of services recognised over time	6,128	6,154
Total	**6,128**	**6,154**

Specification of revenue from products (DKKm)	2024	2023
Landline voice	342	382
Mobile services	2,719	2,717
Internet & network	2,353	2,280
TV	390	413
Other services	324	362
Total	**6,128**	**6,154**

2.2 | Personnel expenses

(DKKm)	2024	2023
Wages and salaries (including short-term and long-term bonuses)	(1,377)	(1,380)
Pensions (defined contribution plans)	(168)	(166)
Social security	(23)	(25)
Total	**(1,568)**	**(1,571)**
Of which capitalised as tangible and intangible assets	661	627
Total personnel expenses recognised in the income statement	**(907)**	**(944)**
Average number of full-time employee equivalent	2,097	2,209

Remuneration for the Board of Directors and the Executive Committee is described in note 2.4 to the consolidated financial statements.

2.3 | Special items

(DKKm)	2024	2023
Costs related to redundancy programmes	(101)	(65)
Loss from rulings	-	(5)
Other restructuring costs, etc.	(28)	-
Special items before income taxes	**(129)**	**(70)**
Income taxes related to special items	22	15
Total special items	**(107)**	**(55)**

2.4 | Income taxes

Income taxes (DKKm)	2024 Income taxes expensed	2024 Income tax payable/ (receivable)	2024 Deferred tax liabilities/ (assets)	2023 Income taxes expensed	2023 Income tax payable/ (receivable)	2023 Deferred tax liabilities/ (assets)
At 1 January	-	(4)	547	-	128	496
Income taxes for the year	(131)	48	83	(167)	113	54
Adjustment of tax for previous years	(14)	18	(4)	33	(30)	(3)
Income tax paid	-	(16)	-	-	(215)	-
Total	**(145)**	**46**	**626**	**(134)**	**(4)**	**547**
Income taxes are specified as follows:						
Income excluding special items	(167)	-	-	(149)	-	-
Special items	22	-	-	15	-	-
Total	**(145)**	**-**	**-**	**(134)**	**-**	**-**

Effective tax rate (%)	2024	2023
Danish corporate income tax rate	22.0	22.0
Profit from subsidiaries, joint ventures and associates	(2.2)	10.6
Limitation on the tax deductibility of interest expenses	3.4	(151.9)
Adjustment of tax for previous years	2.0	20.4
Other	(0.8)	5.8
Effective tax excluding special items	**24.4**	**(93.1)**
Special items	1.7	34.8
Effective tax including special items	**26.1**	**(58.3)**

Deferred tax (DKKm)	2024	2023
Other	(10)	(37)
Current	**(10)**	**(37)**
Intangible assets	785	729
Property, plant and equipment	(101)	(123)
Lease assets and liabilities	(15)	(13)
Other	(33)	(9)
Non-current	**636**	**584**
Deferred tax at 31 December	**626**	**547**

3.1 | Intangible assets

(DKKm)	2024 Goodwill	2024 Brands	2024 Licences	2024 Other rights, software, etc.	2024 Total	2023 Goodwill	2023 Brands	2023 Licences	2023 Other rights, software, etc.	2023 Total
Cost at 1 January	6,948	1,287	3,935	4,072	16,242	6,948	1,287	3,935	4,170	16,340
Additions	-	-	-	477	477	-	-	-	402	402
Assets disposed of or fully amortised	-	-	-	(255)	(255)	-	-	-	(500)	(500)
Cost at 31 December	**6,948**	**1,287**	**3,935**	**4,294**	**16,464**	**6,948**	**1,287**	**3,935**	**4,072**	**16,242**
Amortisation and impairment losses at 1 January	-	-	(1,647)	(3,288)	(4,935)	-	-	(1,499)	(3,176)	(4,675)
Amortisation	-	-	(149)	(340)	(489)	-	-	(148)	(346)	(494)
Impairment	-	-	-	(22)	(22)	-	-	-	(265)	(265)
Assets disposed of or fully amortised	-	-	-	255	255	-	-	-	499	499
Amortisation and impairment losses at 31 December	**-**	**-**	**(1,796)**	**(3,395)**	**(5,191)**	**-**	**-**	**(1,647)**	**(3,288)**	**(4,935)**
Carrying amount at 31 December	**6,948**	**1,287**	**2,139**	**899**	**11,273**	**6,948**	**1,287**	**2,288**	**784**	**11,307**

Impairment losses in 2023 were affected by reassessment of software that led to a write-down of DKK 265m.

3.2 | Property, plant and equipment

(DKKm)	2024					2023				
	Land and buildings	Network infra-structure	Equipment	Assets under construction	Total	Land and buildings	Network infra-structure	Equipment	Assets under construction	Total
Cost at 1 January	501	46,519	1,314	636	48,970	501	44,184	1,242	665	46,592
Transfers (to)/from other items	-	478	15	(493)	-	1	435	31	(467)	-
Additions	3	1,924	50	578	2,555	-	1,946	80	438	2,464
Assets disposed of	-	(215)	(53)	(335)	(603)	(1)	(46)	(39)	-	(86)
Cost at 31 December	**504**	**48,706**	**1,326**	**386**	**50,922**	**501**	**46,519**	**1,314**	**636**	**48,970**
Depreciation and impairment losses at 1 January	(167)	(30,407)	(1,027)	(355)	(31,956)	(164)	(28,723)	(933)	(338)	(30,158)
Depreciation	(1)	(1,729)	(113)	-	(1,843)	(3)	(1,701)	(132)	-	(1,836)
Impairment	-	(8)	-	(1)	(9)	-	(29)	(1)	(17)	(47)
Assets disposed of	-	215	53	335	603	-	46	39	-	85
Depreciation and impairment losses at 31 December	**(168)**	**(31,929)**	**(1,087)**	**(21)**	**(33,205)**	**(167)**	**(30,407)**	**(1,027)**	**(355)**	**(31,956)**
Carrying amount at 31 December	**336**	**16,777**	**239**	**365**	**17,717**	**334**	**16,112**	**287**	**281**	**17,014**

3.3 | Lease assets and liabilities

Lease assets (DKKm)	2024				2023			
	Land and buildings	**Network infrastructure**	**Vehicles and equipment**	**Total**	**Land and buildings**	**Network infrastructure**	**Vehicles and equipment**	**Total**
Carrying amount at 1 January	780	7	129	916	1,011	9	144	1,164
Additions	229	-	18	247	130	-	40	170
Disposals	-	-	(4)	(4)	(124)	-	(9)	(133)
Depreciation	(280)	(1)	(41)	(322)	(237)	(2)	(46)	(285)
Carrying amount at 31 December	**729**	**6**	**102**	**837**	**780**	**7**	**129**	**916**

Lease liabilities (DKKm)	2024	2023
Recognised in the balance sheet at present value:		
Current	327	328
Non-current	579	647
Total	**906**	**975**
Maturing within 1 year	327	328
Maturing between 1 and 3 years	368	381
Maturing between 3 and 5 years	82	113
Maturing after 5 years	129	153
Total non-current	**906**	**975**

The total cash outflow for leases in 2024 was DKK 298m (2023: DKK 311m), of which DKK 27m (2023: DKK 34m) related to interest payments on lease liabilities.

Amounts recognised in the income statement (DKKm)	2024	2023
Expense relating to short-term leases	(42)	(36)
Expense relating to leases of low-value assets	(1)	(1)
Depreciation charge of lease assets, cf. above	(322)	(285)
Interest expense (included in financing costs)	(27)	(34)

3.4 | Investments in subsidiaries

(DKKm)	2024	2023
Cost at 1 January	417	417
Additions	-	-
Cost at 31 December	**417**	**417**
Value adjustments at 1 January	200	121
Share of profit/(loss)	67	79
Dividend received	(295)	-
Value adjustments at 31 December	**(28)**	**200**
Carrying amount at 31 December	**389**	**617**

Overview of subsidiaries at 31 December 2024

Company name	Domicile	Currency	Ownership share (%)
Subsidiaries:			
DKTV A/S	Copenhagen, Denmark	DKK	100
Fiberkysten A/S	Gilleleje, Denmark	DKK	60
TDC NET Finance B.V.[1]	Amsterdam, the Netherlands	EUR	100

[1] TDC Net Finance B.V. was established in connection with the refinancing of the TDC Net group with the purpose of potentially issuing EUR denominated debt instruments that are eligible for financing at ECB. The company is however currently without activities and there are no immediate plans for the use of the company. The company will be taxable in Denmark under the rules of *Place of Effective Management* and as such part of the Danish joint taxation.

3.5 | Trade receivables

(DKKm)	2024	2023
Trade receivables	232	349
Expected credit losses	(30)	(20)
Trade receivables, net	**202**	**329**
Expected credit losses at 1 January	(20)	(15)
Expected credit losses recognised	(28)	(8)
Realised credit losses	4	1
Reversed expected credit losses	14	2
Expected credit losses at 31 December	**(30)**	**(20)**

Trade receivables (DKKm)	Not yet due	Less than 1 month past due	More than 1 month past due	More than 3 months past due	More than 6 months past due	Total
2024						
Expected loss rate	0%	0%	0%	45%	69%	13%
Gross carrying amount	169	7	9	11	36	232
Expected credit losses	-	-	-	(5)	(25)	(30)
2023						
Expected loss rate	0%	0%	0%	50%	79%	6%
Gross carrying amount	233	90	-	2	24	349
Expected credit losses	-	-	-	(1)	(19)	(20)

3.6 | Contract liabilities

(DKKm)	2024	2023
Deferred subscription income	168	173
Deferred subscription income from contracts with group companies	290	325
Other deferred income	79	84
Total contract liabilities	**537**	**582**

4.1 | Equity

For information on share capital and distributable reserves, see note 4.1 to the consolidated financial statements.

4.2 | Loans

For a reconciliation between loans and cash flows from financing activities, see note 4.2 to the consolidated financial statements.

4.3 | Financial income and expenses

(DKKm)	2024	2023
Interest income	15	22
Interest expenses	(1,570)	(1,463)
Interest income from group companies	59	69
Interest expenses to group companies	-	(50)
Net interest	**(1,496)**	**(1,422)**
Currency translation adjustments	(11)	(60)
Fair value adjustments	200	(422)
Total	**(1,307)**	**(1,904)**

5.1 | Change in working capital

(DKKm)	2024	2023
Change in receivables	293	(93)
Change in trade payables	107	(115)
Change in contract liabilities	(45)	133
Change in prepaid expenses	(31)	14
Change in other items, net	(241)	211
Total	**83**	**150**

6.1 | Related parties

For information about the related parties of the Group, see note 6.2 to the consolidated financial statements. The parent company has the following transactions and outstanding balances with its subsidiaries (cf. the overview of subsidiaries in note 3.4):

Subsidiaries (DKKm)	2024	2023
Income	72	88
Expenses	(529)	(675)
Receivables	331	138
Payables	(785)	(949)

Remuneration for the Board of Directors and the Executive Committee is described in note 2.4 and incentive programmes in note 6.1 to the consolidated financial statements.

Interest expenses to group companies are shown in note 4.4.

All transactions with related parties are made on market terms.

TDC NET A/S is included in the consolidated financial statements of TDC NET Holding A/S and of the ultimate parent company DKT Holdings ApS. The consolidated financial statements can be downloaded from tdcnet.com/investor-relations and cvr.dk, respectively.

6.2 | Fees to auditors elected by the Annual General Meeting

Fees to auditors elected by the Annual General Meeting (DKKm)	2024	2023
Statutory audit	**2**	**2**
Other assurance engagements	1	1
Tax advisory services	1	-
Other services	0	0
Total non-statutory audit services	**2**	**1**
Total	**4**	**3**

6.3 | Other financial commitments

For information on other financial commitments, see note 6.4 to the consolidated financial statements. In addition, the parent company has made commitments to investments in fixed assets from DKTV A/S of DKK 1,690m in the coming years.

6.4 | Pledges and contingencies

Receivables from group companies with a carrying amount of DKK 1,497m (2023: DKK 1,438m), cash with a carrying amount of DKK 1,325m (2023: DKK 1,750m), receivables DKK 202m (2023: DKK 329m), Spectrum Licence with a carrying amount of DKK 2,139m (2023: DKK 2,288m) and shares in subsidiaries with a carrying amount of DKK 389m (2023: DKK 617m) are pledged as security for the long-term loans in TDC NET A/S.

For information on pending lawsuits, see note 6.5 to the consolidated financial statements.

Contingent assets

In the spring of 2023, TDC NET received a decision from the Center for Cyber Security (CFCS) necessitating the discontinuation of our current Central Transport (DWDM) network supplier by January 1, 2027. TDC NET will comply with the security policy decision of the authorities and adheres to CFCS's decision to replace the supplier for its DWDM network. However, as TDC NET has assessed this action as an expropriation, this led TDC NET to initiate legal proceedings. It is Management's opinion that the matter is fundamental to protect the company's rights, but the outcome of the legal proceedings is not virtually certain, and therefore no asset has been recognized in the financial position of TDC NET.

Contingent liabilities

TDC NET A/S is liable for obligations attributable to the activities, assets and liabilities of TDC Holding A/S that existed at the demerger on 11 June 2019. The joint and several liabilities of TDC NET A/S and TDC Holding A/S respectively cannot exceed an amount corresponding to the net value of the assets and liabilities.

6.5 | Events after the balance sheet date

For information on events after the balance sheet date, see note 6.6 to the consolidated financial statements.

Statements

Management statement

Today, the Board of Directors and the Executive Committee considered and approved the annual report of TDC NET A/S for 2024.

The annual report has been prepared in accordance with IFRS Accounting Standards as adopted by the EU and further requirements in the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and parent company financial statements give a true and fair view of the financial position at 31 December 2024 of the group and the parent company and of the results of the group and parent company operations and cash flows for 2024.

In our opinion, the management review is prepared in accordance with relevant laws and regulations and includes a true and fair account of the developments in the operations and financial circumstances of the group and the parent company, of the results for the year and of the financial position of the group and the parent company as well as a description of the most significant risks and elements of uncertainty facing the group and the parent company.

The sustainability statement is prepared in accordance with the European Sustainability Reporting Standards (ESRS) as required by the Danish Financial Statements Act as well as article 8 in the EU Taxonomy regulation.

In our opinion, the annual report for TDC NET A/S for the financial year 1 January to 31 December 2024, with the file name TDCNET-2024-12-31-0-en.zip, is prepared in all material respects, in accordance with the ESEF Regulation.

We recommend that the annual report be adopted at the Annual General Meeting.

Copenhagen, 13 March 2025

Executive Committee

Michel Daniel Roger Jumeau
Chief Executive Officer

Steen Møller
Chief Financial Officer

Board of Directors

Susanne Juhl
Chair

Frank Hyldmar
Vice Chair

Susana Durante Teixeira Gomes Leith-Smith

Nikolaj Wilhjelm Galskjøt

Gabriela Alejandra Styf Sjöman

Casper Niclas Bøgelund Moser

Pernille Bloch

Helle Schultz

Independent auditor's report

To the shareholder of TDC NET A/S

Report on the consolidated financial statements and the parent financial statements

Opinion

We have audited the consolidated financial statements and the parent financial statements of TDC NET A/S for the financial year 01.01.2024 - 31.12.2024, which comprise the income statement, statement of comprehensive income, balance sheet, statement of cash flows, statement of changes in equity and notes, including material accounting policy information, for the Group as well as for the Parent. The consolidated financial statements and the parent financial statements are prepared in accordance with IFRS Accounting Standards as adopted by the EU and additional disclosure requirements of the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent financial statements give a true and fair view of the Group's and the Parent's financial position at 31.12.2024, and of the results of their operations and cash flows for the financial year 01.01.2024 - 31.12.2024 in accordance with IFRS Accounting Standards as adopted by the EU and additional disclosure requirements of the Danish Financial Statements Act.

Our opinion is consistent with our audit book comments issued to the Audit Committee and the Board of Directors.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the consolidated financial statements and the parent financial statements" section of this auditor's report. We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

To the best of our knowledge and belief, we have not provided any prohibited non-audit services as referred to in Article 5(1) of Regulation (EU) No 537/2014.

We were appointed auditors of TDC NET A/S for the first time on 29.04.2021 for the financial year 2021. We have been reappointed annually by decision of the general meeting for a total contiguous engagement period of 4 years up to and including the financial year 2024.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements and the parent financial statements for the financial year 01.01.2024 - 31.12.2024. These matters were addressed in the context of our audit of the consolidated financial statements and the parent financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Accounting for revenue contracts containing multiple items

Refer to note 2.1 and 3.6 in the consolidated financial statements.

Revenue recognition of contracts containing multiple elements require judgements made by Management to evaluate recognition of contract items as a bundle or separately.

We focus on this area since TDC NET A/S has numerous application systems handling revenue contracts with multiple elements and performing the same function such as mediation, rating and billing, depending on their product offerings and revenue streams, which adds complexity to the revenue recognition process.

We have tested internal controls, including general IT controls that address the accounting for revenue contracts containing multiple elements and tested the appropriateness of accounting treatment of such contracts in accordance with IFRS 15, including:

- tested samples of revenue contracts containing multiple elements
- assessed reasonableness of the performed judgements by having discussions with Management in order to understand how they allocate revenue to the multiple elements in the contracts
- corroborated the information obtained for the selected contracts in order to assess the appropriateness of accounting treatment in accordance with IFRS 15
- performed testing on manual postings related to revenue contracts
- carried out audit procedures related to the model calculating contract assets and the system calculating the contract liabilities and further performed substantive analytical procedures to assess the values.

Statement on the management review
Management is responsible for the management review.

Our opinion on the consolidated financial statements and the parent financial statements does not cover the management review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements and the parent financial statements, our responsibility is to read the management review and, in doing so, consider whether the management review is materially inconsistent with the consolidated financial statements and the parent financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, we considered whether the management review includes the disclosures required by the Danish Financial Statements Act. This does not include the requirements in section 99a related to the sustainability statement covered by the separate auditor's limited assurance report hereon.

Based on the work we have performed, we conclude that the management review is in accordance with the consolidated financial statements and the parent financial statements and has been prepared in accordance with the requirements of the relevant law and regulations. We did not identify any material misstatement of the management review.

Management's responsibilities for the consolidated financial statements and the parent financial statements
Management is responsible for the preparation of consolidated financial statements and parent financial statements that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU and additional disclosure requirements of the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of consolidated financial statements and parent financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements and the parent financial statements, Management is responsible for assessing the Group's and the Parent's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the consolidated financial statements and the parent financial statements unless Management either intends to liquidate the Group or the Entity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the consolidated financial statements and the parent financial statements
Our objectives are to obtain reasonable assurance about whether the consolidated financial statements and the parent financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and these parent financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements and the parent financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Parent's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the consolidated financial statements and the parent financial statements, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Parent's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements and the parent financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements and the parent financial statements, including the disclosures in the notes, and whether the consolidated financial statements and the parent financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the consolidated financial statements and the parent financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and, where applicable, safeguards put in place and measures taken to eliminate threats.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements and the parent financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on compliance with the ESEF Regulation
As part of our audit of the consolidated financial statements and the parent financial statements of TDC NET A/S we performed procedures to express an opinion on whether the annual report for the financial year 01.01.2024 - 31.12.2024, with the file name TDCNET-2024-12-31-0-en.zip, is prepared, in all material respects, in compliance with the Commission Delegated Regulation (EU) 2019/815 on the European Single Electronic Format (ESEF Regulation), which includes requirements related to the preparation of the annual report in XHTML format and iXBRL tagging of the consolidated financial statements including notes.

Management is responsible for preparing an annual report that complies with the ESEF Regulation. This responsibility includes:

- The preparing of the annual report in XHTML format;
- The selection and application of appropriate iXBRL tags, including extensions to the ESEF taxonomy and the anchoring thereof to elements in the taxonomy, for financial information required to be tagged using judgement where necessary;
- Ensuring consistency between iXBRL tagged data and the consolidated financial statements presented in human readable format; and
- For such internal control as Management determines necessary to enable the preparation of an annual report that is compliant with the ESEF Regulation.

Our responsibility is to obtain reasonable assurance on whether the annual report is prepared, in all material respects, in compliance with the ESEF Regulation based on the evidence we have obtained, and to issue a report that includes our opinion. The nature, timing and extent of procedures selected depend on the auditor's judgement, including the assessment of the risks of material departures from the requirements set out in the ESEF Regulation, whether due to fraud or error. The procedures include:

- Testing whether the annual report is prepared in XHTML format;
- Obtaining an understanding of the company's iXBRL tagging process and of internal control over the tagging process;
- Evaluating the completeness of the iXBRL tagging of the consolidated financial statements including notes;
- Evaluating the appropriateness of the company's use of iXBRL elements selected from the ESEF taxonomy and the creation of extension elements where no suitable element in the ESEF taxonomy has been identified;
- Evaluating the use of anchoring of extension elements to elements in the ESEF taxonomy; and
- Reconciling the iXBRL tagged data with the audited consolidated financial statements.

In our opinion, the annual report of TDC NET A/S for the financial year 01.01.2024 - 31.12.2024, with the file name TDCNET-2024-12-31-0-en.zip, is prepared, in all material respects, in compliance with the ESEF Regulation

Copenhagen, 13 March 2025

Deloitte
Statsautoriseret Revisionspartnerselskab
CVR No. 33963556

Lars Siggaard Hansen
State Authorised Public Accountant
Identification No (MNE) mne32208

Kåre Kansonen Valtersdorf
State Authorised Public Accountant
Identification No (MNE) mne34490

Independent auditor's limited assurance report on Sustainability statements

To the stakeholders of TDC NET A/S

Limited assurance conclusion

We have conducted a limited assurance engagement on the sustainability statement of TDC NET A/S (the "Group") included in the Management's Review (the "sustainability statement"), for the financial year 1 January – 31 December 2024.

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the sustainability statement is not prepared, in all material respects, in accordance with the Danish Financial Statements Act paragraph 99a, including:

- compliance with the European Sustainability Reporting Standards (ESRS), including that the process carried out by the management to identify the information reported in the sustainability statement (the "Process") is in accordance with the description set out in the subsection Impact, risk and opportunities approach; and
- compliance of the disclosures in the subsection Our EU Taxonomy reporting within the environmental section of the sustainability statement with Article 8 of EU Regulation 2020/852 (the "Taxonomy Regulation").

Basis for conclusion

We conducted our limited assurance engagement in accordance with ISAE 3000 (Revised), Assurance engagements other than audits or reviews of historical financial information, and additional requirements applicable in Denmark.

The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion. Our responsibilities under this standard are further described in the "Auditor's responsibilities for the assurance engagement" section of our report.

Our independence and quality management

We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

Deloitte Statsautoriseret Revisionspartnerselskab applies International Standard on Quality Management 1, ISQM1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Other matter

The comparative information included in the sustainability statement of the Group was not subject to an assurance engagement on sustainability information prepared in accordance with the Danish Financial Statements Act paragraph 99a.

Our conclusion is not modified in respect of this matter.

Inherent limitations in preparing the sustainability statement
IIn reporting forward-looking information in accordance with ESRS, management is required to prepare the forward-looking information on the basis of disclosed assumptions about events that may occur in the future and possible future actions by the Group. Actual outcomes are likely to be different since anticipated events frequently do not occur as expected.

Management's responsibilities for the sustainability statement
Management is responsible for designing and implementing a process to identify the information reported in the sustainability statement in accordance with the ESRS and for disclosing this Process as included in the subsection Impact, risk and opportunities approach of the sustainability statement. This responsibility includes:

- understanding the context in which the Group's activities and business relationships take place and developing an understanding of its affected stakeholders;
- the identification of the actual and potential impacts (both negative and positive) related to sustainability matters, as well as risks and opportunities that affect, or could reasonably be expected to affect, the Group's financial position, financial performance, cash flows, access to finance or cost of capital over the short-, medium-, or long-term;
- the assessment of the materiality of the identified impacts, risks and opportunities related to sustainability matters by selecting and applying appropriate thresholds; and
- making assumptions that are reasonable in the circumstances.

Management is further responsible for the preparation of the sustainability statement, in accordance with the Danish Financial Statements Act paragraph 99a, including:

- compliance with the ESRS;
- preparing the disclosures as included in the subsection Our EU Taxonomy reporting within the environmental section of the sustainability statement, in compliance with Article 8 of the Taxonomy Regulation;
- designing, implementing and maintaining such internal control that management determines is necessary to enable the preparation of the sustainability statement that is free from material misstatement, whether due to fraud or error; and
- the selection and application of appropriate sustainability reporting methods and making assumptions and estimates that are reasonable in the circumstances.

Auditor's responsibilities for the assurance engagement
Our objectives are to plan and perform the assurance engagement to obtain limited assurance about whether the sustainability statement is free from material misstatement, whether due to fraud or error, and to issue a limited assurance report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of the sustainability statement as a whole.

As part of a limited assurance engagement in accordance with ISAE 3000 (Revised) we exercise professional judgement and maintain professional scepticism throughout the engagement.

Our responsibilities in respect of the Process include:

- Obtaining an understanding of the Process but not for the purpose of providing a conclusion on the effectiveness of the Process, including the outcome of the Process;
- Considering whether the information identified addresses the applicable disclosure requirements of the ESRS, and
- Designing and performing procedures to evaluate whether the Process is consistent with the Group's description of its Process, as disclosed in the subsection Impact, risk and opportunities approach.

Our other responsibilities in respect of the sustainability statement include:

- Identifying disclosures where material misstatements are likely to arise, whether due to fraud or error; and

- Designing and performing procedures responsive to disclosures in the sustainability statement where material misstatements are likely to arise. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Summary of the work performed
A limited assurance engagement involves performing procedures to obtain evidence about the sustainability statement.

The nature, timing and extent of procedures selected depend on professional judgement, including the identification of disclosures where material misstatements are likely to arise, whether due to fraud or error, in the sustainability statement.

In conducting our limited assurance engagement, with respect to the Process, we:
- Obtained an understanding of the Process by performing inquiries to understand the sources of the information used by management; and reviewing the Group's internal documentation of its Process; and

- Evaluated whether the evidence obtained from our procedures about the Process implemented by the Group was consistent with the description of the Process set out in the subsection Impact, risk and opportunities approach.

In conducting our limited assurance engagement, with respect to the sustainability statement, we:
- Obtained an understanding of the Group's reporting processes relevant to the preparation of its sustainability statement including the consolidation processes by obtaining an understanding of the Group's control environment, processes and information systems relevant to the preparation of the sustainability statement but not evaluating the design of particular control activities, obtaining evidence about their implementation or testing their operating effectiveness;

- Evaluated whether material information identified by the Process is included in the sustainability statement;

- Evaluated whether the structure and the presentation of the sustainability statement are in accordance with the ESRS;

- Performed inquiries of relevant personnel and analytical procedures on selected information in the sustainability statement;

- Performed substantive assurance procedures on selected information in the sustainability statement;

- Evaluated methods, assumptions and data for developing material estimates and forwardlooking information and how these methods were applied;

- Obtained an understanding of the process to identify taxonomy-eligible and taxonomyaligned economic activities and the corresponding disclosures in the sustainability statement; and

- Where applicable, compared selected disclosures in the sustainability statement with the corresponding disclosures in the Management's Review.

Copenhagen, 13 March 2025

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Forward-looking statements

Forward-looking statements

This report may include statements about the group's expectations, beliefs, plans, objectives, assumptions or future events or performance that are not historical facts and may be forward-looking. These statements are often, but not always, formulated using words or phrases such as "are likely to result", "are expected to", "will continue", "believe", "is anticipated", "estimated", "intends", "expects", "plans", "seeks", "projection" and "outlook" or similar expressions or negatives thereof. These statements involve known and unknown risks, estimates, assumptions and uncertainties that could cause actual results, performance or achievements or industry results to differ materially from those expressed or implied by such forward-looking statements.

Any forward-looking statements are qualified in their entirety by reference to the factors discussed throughout this financial report. Key factors that may have a direct bearing on the group's results include: the competitive environment and the industry in which the group operates; contractual obligations in the group's financing arrangements; developments in competition within the domestic and international communications industry; information technology and operational risks, including the group's responses to change and new technologies; introduction of and demand for new services and products; developments in demand, product mix and prices in the mobile and multimedia services market; research regarding the impact of mobile phones on health; changes in applicable legislation, including but not limited to tax and telecommunications legislation and anti-terror measures; decisions made by the Danish Business Authority; the possibility of being awarded licences; increased interest rates; the status of important intellectual property rights; exchange-rate fluctuations; global and local economic conditions; investments in and divestment of domestic and foreign companies; and supplier relationships.

As the risk factors referred to in this report could cause actual results or outcomes to differ materially from those expressed in any forward-looking statements made in this Report, undue reliance is not to be placed on any of these forward-looking statements. New factors will emerge in the future that the group cannot predict. In addition, the group cannot assess the impact of each factor on its business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those described in any forward-looking statements.

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