



ANNUAL REPORT

2023

tusass

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Company Information

Tusass A/S

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Registered Office

Kommuneqarfik Sermersooq

Ownership

The company is 100% owned by the
Government of Greenland

Associated Company

Property company
Suliffik A/S (39,4%)
Home Municipality:
Kommuneqarfik Sermersooq

Audit

PricewaterhouseCoopers,
Chartered Accountants

Approved at the General
Assembly, May 17th 2024

Chairman of the general assembly
Thor Suhr, Nuna Law

Board

Siulittaasoq *(Chairman)*

Ulrik Blidorf

Independent board member

Siulittaasup tullia *(Vice chairman)*

Inaluk Malene Brandt

Independent board member

Board Member

Kim Kylesbech Larsen

Independent board member

Board Member

Maja Mathilde Motzfeldt-Haahr

Independent board member

Board Member

Eqalunnguaq Abel Kristiansen

Independent board member

Board Member

Kim Hammond Zinck

Employee elected

Board Member

Lars Holm Hansen

Employee elected

Board Member

Benedikta Kristina Naamansen

Employee elected

Executive Board

CEO

Toke Binzer

Deputy Director

Jonas Hasselriis

Key Figures

DKK million (unless otherwise stated)	2023	2022	2021	2020	2019
Net revenue	823.6	795.0	786.1	802.2	814.2
Operating costs	(538.5)	(531.2)	(548.4)	(514.0)	(577.4)
EBITDA	312.6	286.1	256.1	309.0	256.0
Depreciations	(148.0)	(140.3)	(141.9)	(137.4)	(134.0)
Operating profit (EBIT)	164.5	145.8	114.3	171.7	122.0
Financial items, net	0.5	(3.1)	(2.4)	(5.0)	(1.8)
Result of the term before Tax	165.4	143.1	112.0	167.0	120.1
Result of the term after Tax	124.0	116.3	82.3	122.7	121.7

Free Cash Flow

Cash flow from operational activity (FCF)	331.9	274.5	255.2	231.1	219.9
Cash flow from investment activity	(221.5)	(107.8)	(98.3)	(116.7)	(92.9)
Cash flow from financing activity	(88.1)	(88.3)	(163.2)	(200.7)	(99.8)

Key Figures

Gross margin	%	61.0	60.1	57.7	62.2	55.2
EBITDA margin	%	38.0	36.0	32.6	38.5	31.4
EBIT margin	%	20.0	18.3	14.5	21.4	15.0
Return on equity (ROE)	%	9.7	9.5	6.8	10.4	10.5
ROIC	%	9.2	9.7	6.7	13.4	9.4
Interest-bearing debt, net		(189.0)	(166.2)	(87.2)	(42.8)	(41.1)
Financial gearing	%	(14.4)	(13.3)	(7.3)	(3.6)	(3.5)
Interest-bearing debt, net / EBITDA	x	(0.6)	(0.6)	(0.3)	(0.1)	(0.2)
Solvency ratio	%	78.2	78.9	79.1	77.4	71.7
Average number of employees	antal ¹	344.0	359.0	369.0	372.0	380.0
EBITDA/AVG. number of employees	tkr.	909.4	797.6	694.1	830.8	673.7
Payroll for the full year	tkr.	176,485.0	176,668.0	184,368.0	177,932.0	177,615.0
Payroll per employee	tkr.	513.0	493.0	500.0	478.0	467.0

DKK million (unless otherwise stated)	2023	2022	2021	2020	2019
Balance					
Fixed assets	1,348.6	1,193.6	1,225.3	1,268.6	1,288.5
Total assets	1,673.3	1,584.1	1,515.7	1,557.3	1,613.1
Equity	1,308.5	1,250.2	1,198.3	1,205.3	1,157.4
Dividend	87.6	87.6	87.6	112.6	87.6
Investments in fixed assets	228.1	114.0	109.2	117.3	93.2
Receivables from sales	58.1	62.8	42.1	39.1	69.7
Other receivables	43.0	127.9	135.0	134.0	50.1
Current assets	324.7	390.5	290.4	288.8	324.6
Short-term liabilities	167.6	134.6	107.4	147.6	259.4
Net working capital	157.2	255.9	183.1	141.1	65.2

Production data

Packages ²	Stk.	145,000	133,000	148,000	127,000	126,000
Mail	kg	102,000	125,000	143,000	156,000	170,000
Mobile internet ³	Antal	1,870	1,770	1,839	1,593	1,982
Internet via landline (ADSL)	Antal	18,568	17,897	17,661	15,700	14,452
Mobile subscriptions (GSM and Tusass)	Antal	67,855	68,272	66,681	65,027	64,700

¹ Average number of employees excludes apprentices and trainees

² The method of accounting for parcels and letters was changed in 2022, as domestic shipments in Greenland were not included until 2022. Statements have been adjusted and can be compared over the period

³ Statements for telecommunications products in 2021 and 2022 have been adjusted following findings of discrepancy in the calculation methodology. Statements can be compared over the period. In the report, FWA connections are calculated as Internet



Ulrik Blidorf

Greetings From Siulittaasooq *(The Chairman of the Board)*

2023 was the penultimate year in our current strategy period, and the year has been characterized by focused work on several strategic areas that benefit all the citizens of the country.

Strategic Milestones Reached in 2023

This year, we have rolled out Premium Internet via 5G to more cities, so customers in ten of Greenland's largest cities have access to high-speed internet. This has more than doubled the internet speed we offer in cities, with an expectation of a further increase in the future.

2023 was also the year we could finally wave goodbye to variable prize internet products for residential customers, thanks to our new satellite agreement with Hispasat. It has been a long and tough battle, but it is a milestone that we have focused on for several years and are proud to materialize.

In the Postal and Logistics area, to accommodate the general increase in parcel volumes, we have significantly expanded our Aallertarfik boxes. Customers have been very satisfied with our automatic self-service solutions in the cities where we already offer

the solution, and we are therefore looking forward to offering the same service to our customers in Upernavik, Qasigiannuit, Uummanaaq and Tasiilaq during 2024.

We are Committed to Our Social Responsibility

Being a government owned company obliges. Therefore, we continuously work to make a positive impact on our surroundings, where we invest both time, money, and skills in lifting that responsibility.

Among other things, we take responsibility for the next generation by holding Coding Class courses, where the focus is to facilitate a learning space where children and young people acquire skills in IT. We are proud that, as of the end of 2023, we have arranged 87 one-week coding class courses in collaboration with the country's schools and high-schools since 2020.

To protect nature, as part of our sustainability initiatives, we have worked to upgrade our radio chain stations with sustainable energy sources. We are in the process of implementing

our new energy concept consisting of a combination of wind and solar energy at several remote stations.

At the end of the year, we launched the long-awaited Tusass Music App for the benefit of both society and Greenlandic musicians. The launch was well received by the population, and ensures that our customers can now relive old, local classics and discover new Greenlandic music, all in one place.

Securing the Digital Infrastructure

As the only supplier of digital infrastructure in Greenland, we have a great responsibility to ensure the connection between each other and the outside world. That is why we continuously work to expand and optimize our digital infrastructure to ensure society's continued digital development.

This year, we have worked intensively on the seabed survey for a new submarine cable and on the expansion of the 5G network, as part of securing society's digital infrastructure. We also launched our own Greensat satellite in collaboration with Spanish Hispasat, and I was part of a delegation of Tusass and Hispasat people who were in Tasiilaq, when the satellite was put into operation. It was a great pleasure to meet our customers on the east coast and hear about their expectations for our new setup.

During the year, our technical division has worked tirelessly to migrate the connections

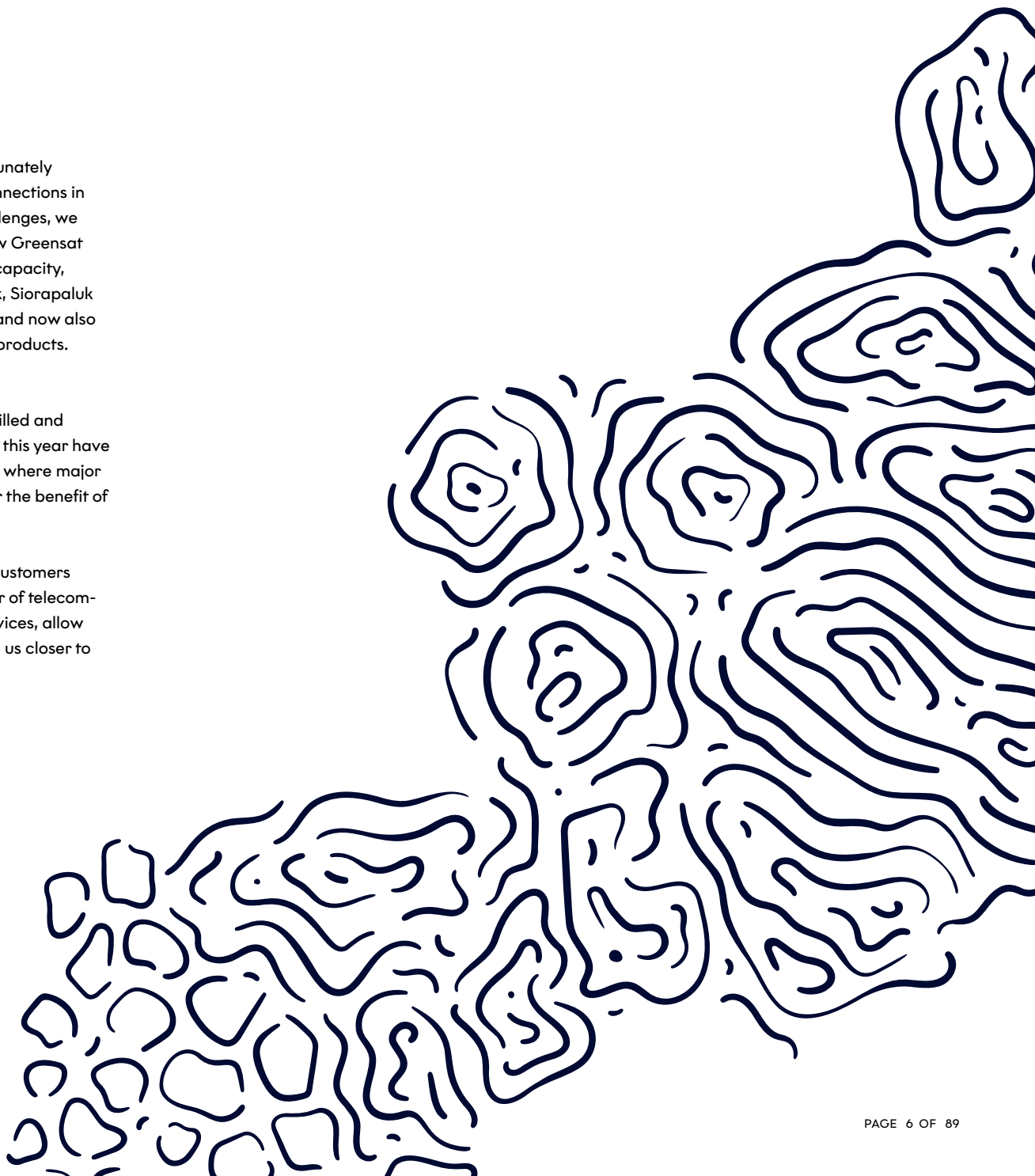
to our new satellite, which unfortunately created temporarily unstable connections in East Greenland. Despite the challenges, we are proud of the fact that our new Greensat satellite provides six times more capacity, which is why Qaanaaq, Savissivik, Siorapaluk & sheep farmers in South Greenland now also have access to flat-rate internet products.

A Final Remark

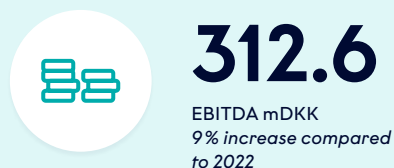
A resounding Thank You to the skilled and dedicated employees, who again this year have ensured a year with good results, where major milestones have been realized for the benefit of all of Greenland.

An equally big Thank You to our customers who, by choosing us as a provider of telecommunications as well as postal services, allow us to bring the world closer – and us closer to each other.

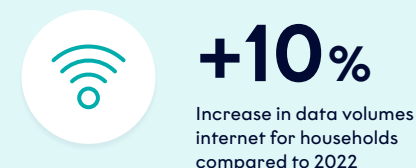
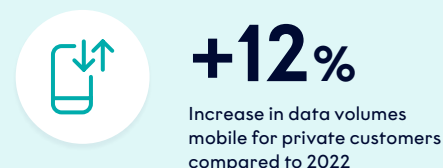

Ulrik Blidorf
 Siulittaasoo (chairman)



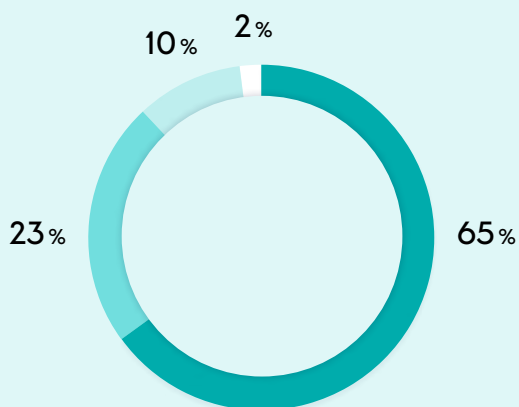
Highlights From 2023



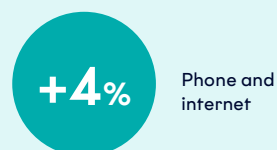
The Tele Business



Breakdown of Turnover by Business Area in Percentages %



Development Compared to 2022

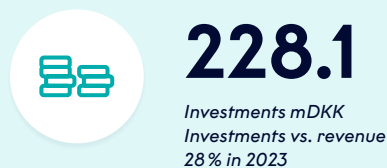
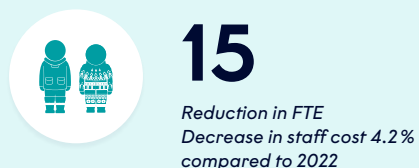


Customer and Employee Satisfaction

Development compared to 2022
 ↑ increase ↓ decrease → no change



The E-commerce & Logistics Business





Business Model

Core Ressources

Employees

Our employees make sure that services are provided across business branches, and we strive to offer the right competency and development opportunities for everyone.

Financial Resources











We finance our investments, if possible, through the flow of our operations and secondarily through lending.

Customers and Owners

Our customers and owners are the foundation for our business, and we take our relations with both seriously

Community Engagement

We invest in solutions that secure the digital development in parts of the country where the commercial basis is limited too.

-  Tusass store
-  Tusass store (*Pilersuisoq / Vectrus / Brugseni*)
-  Radio chain site
-  Radio chain
-  Submarine cable
-  Satellite zone
-  Satellite station
-  Aasiaat coastal radio
-  Cloud solutions
-  Weather services

Investments

Infrastructure

- The area ensures telephone and internet connections to the whole of Greenland and has security of supply as the most important focus.
- Infrastructure is continuously built and expanded, which ensures connections that can deliver contemporary and relevant subscriptions to customers.

Revenue

Telephony and Internet

65 % of revenue

- The area provides telephony and internet subscriptions to both private and business customers.
- New subscriptions are continuously developed which ensure customers the opportunity to be part of the digital development in Greenland and the rest of the world.

IT Services and Other Services

23 % of revenue

- The business department offers up-to-date IT solutions to customers throughout Greenland, which gives the companies the opportunity to focus on their core business.
- As a supplier of emergency and safety preparedness in Greenland, Tusass contributes to ensuring safety at sea.
- Provision of services to the aviation and weather services contributes to a solid traffic infrastructure in Greenland.

E-commerce & Logistics

10 % of revenue

- With an exclusive concession on letters in Greenland, the postal service ensures a secure supply of mail to the entire country.
- Secure package delivery solutions are offered for the whole of Greenland, which enables international trade for both private and business customers.

Wholesale

2 % of revenue


- Wholesale gives the citizens of Greenland the opportunity to choose competitors for the supply of internet connections.
- The area develops products for internet providers, so that these too can offer up-to-date subscriptions to their customers.

5,404 km  submarine cable

1,710 km  of radio chain at 67 sites


2  satellite agreements

228.1 mio.  million DKK in investments in 2023


10%  growth in data volumes for private internet customers in 2023 compared to 2022


67,855  mobile phone customers

16%  growth in business telephony in 2023 compared to 2022


3,702  weather balloons flown for aviation and weather services per year

24/7  365 days manning of Aasiaat Coastal Radio

11  Tusass shops in Greenland with personal service

102 tons  letters and a decrease of 18% in 2023 compared to 2022

145,000  increase in international traffic to wholesale customers in 2023 compared to 2022

25%  packages and an increase of 9% in 2023 compared to 2022



Tusass Strategy and Performance

Tusass Strategy and Performance

Our vision is based on bringing the world closer – and us closer to each other. The objective is to create national cohesion with digitalization as the key element. This is reflected in a strategy with three overarching themes, each with its own focus and associated goals.

The Best Customer Experiences

As the only supplier of digital infrastructure in Greenland, it is not enough that we ensure connection to each other and the outside world. It is equally important that we ensure our customers the best experiences with our products.

The year has been defined by the completion of strategic projects, which was particularly evident through our launch of new internet products delivered via 5G technology as well as through the launch and commissioning of our new Greensat satellite. The upgrade of the mobile network to 5G technology in ten cities expanded access to our highest speeds to around 43,000 citizens. This means, among other things, that internet customers in submarine cable cities were offered internet products with speeds of 80 Mbit/s – a significant increase from the previous fastest speed of 30

Mbit/s. We look forward to offering our new 5G products to Qeqertarsuaq, Upernavik and Uummanaq, as well as the business community, and to strengthening 5G coverage in the ten cities during 2024.

2023 was also the year when we could finally wave goodbye to variable rate internet products for private customers and offer flatrate internet to all of Greenland. Thanks to major investments in the satellite area and our cooperation with Spanish Hispasat, we started the year by launching the satellite Greensat, named after Greenland, into orbit. The capacity that Greensat can provide means that our customers in the country's northernmost settlements of Qaanaaq, Savissivik and Siorapaluk, as well as sheep farmers in South Greenland, got access to our flat-rate internet products in 2023, and thus the entire population of Greenland will have unlimited access to the internet for a fixed monthly price. It was an important goal to achieve, and it has not been without its challenges. East Greenland was affected by unstable connections during the transition to Greensat. On several occasions Tusass had specialists in Tasiilaq to identify the problems and work with customers to mitigate them. We

expect to work continuously to improve the customer's connections via satellite in the future.

Our customer satisfaction surveys show great levels for both our private business and the postal and logistics business. However, the business has seen a decline in satisfaction in 2023 – something we are very aware of and are working focused on turning into a positive development going forward.

Secure and Strong Networks

As a government owned company, we take care of society's digital infrastructure, we have a great responsibility to provide secure and strong networks. Our digital network must both provide the best customer experiences and be protected against breakdowns. Previous breakdowns in e.g. the submarine cable connection have shown how dependent we have become on stable and fast internet connections. It is therefore crucial that we do what we can to avoid further breaches of connections.

One of the solutions is to make sure that there is redundancy in our network. Through our ground stations in Greenland and Gran Canaria, in 2023 we have recently secured redundancy via Greensat, which in the future can transport the most critical traffic flows and thus maintain society's critical functions should our submarine cable connections fail. However, this will not be tested until 2024, when we also expect to launch a priority product for business customers.

With support from the EU, we have carried out

a seabed study for a possible future submarine cable on the stretch between Qaqortoq and Ilulissat, which was initially only planned from Qaqortoq to Aasiaat. We are pleased that we have found a route all the way to Ilulissat through a trench in Disko Bay, where the risk of a tear caused by icebergs on a possible future submarine cable is low. This opens other possibilities for North Greenland if the establishment of such a submarine cable can be realized. However, it is still too early to guarantee, as we are still in the beginning phase of the project, where especially the price development of submarine cables and materials poses a significant risk. Laying a submarine cable is very costly, and therefore we greatly appreciate the fact that the EU is allocating funds to support digital projects in Greenland, as well as the increased national debate on security of supply and digital infrastructure in Greenland.

We have also spent the year identifying how we can optimize our data center infrastructure. Our data centers continuously handle large amounts of data for both us and our customers, which is why it is critical to ensure a robust setup with optimal uptime, as well as redundancy on e.g. power and cooling, which minimizes the risk of breakdowns. On this basis, we are in the process of designing a new and modern Tier 3 data center to take care of our own and our customers' needs. It will significantly optimize the security and stability of our data management and contribute to society's continued digital development.





An Efficient and Attractive Company

For us to continue to run an efficient business and secure investments in the technology of the future, we must continuously simplify the business while both attracting and retaining the best employees. The employees' efforts are the basis of the company's work and therefore job satisfaction, commitment and well-being among the employees are essential focus areas that we take seriously and continuously follow up on.

As part of our commitment to our social responsibility and attracting the next generation of the country's specialists, we started a Coding Class project in collaboration with Kommuneqarfik Sermersooq in 2020. Since then, the project has developed into a lighthouse project, where the ambition of arranging 40 Coding Class courses during the strategy period has already been fulfilled. In total, since 2020, we have arranged 87 Coding Classes across the country, and expanded the concept to the high schools, just as we have developed a virtual course. In 2023 alone, we have arranged 34 Coding Class courses, including virtual courses for settlement schools – a focus area we will develop further to acquire skills in IT for children and young people across the country.

2023 was also the year when we launched our own music streaming service, which gathers Greenlandic music in one App. Tusass Music was launched with over 4,000 Greenlandic songs and was well received in both Greenland and Denmark. We are proud of the fact that in the first two weeks the service achieved over 5,000

subscribers and was number one on the list of most downloaded apps in both Greenland and Denmark over Christmas. We look forward to continuously adding new music and thereby supporting the Greenlandic artists by giving the profits from Tusass Music back to them.

We protect nature by designing the expansion of our radio chain stations with sustainable energy sources in mind. The ambition during the strategy period was to establish seven "green sites". During 2023, several of our expansion projects in North Greenland were unfortunately affected by delays, among other things due to bad weather. As a result, we have had to postpone the completion of several sustainability initiatives at the radio chain stations until 2024. Therefore, our ambition has now also been lowered from seven to five green sites during the strategy period.

For us to run a healthy business and contribute to Greenlandic society, we continuously work to adapt our business model to the outside world through streamlining and simplification. Through our new internet products delivered via 5G technology, in 2023 we took a big step towards a modern network where all connections can be delivered wirelessly. Within the Postal and Logistics area, we have optimized the self-service options and set up several Aallertarfik boxes around the country to strengthen the customer experience. With our modern Aallertarfik boxes, we provide customers with a flexible collection solution while simplifying our workflows.

Economic Developments in 2023

Economic Developments in 2023

Performance Development

Profit before tax in 2023 amounted to DKK 165.4 million, which is DKK 22.3 million higher than in 2022, where profit before tax amounted to DKK 143.1 million.

The result is higher than budget expectations, which were DKK 110-115 million and is considered a very positive result.

The profit after tax for the year is DKK 124.0 million and is DKK 7.7 million less than in 2022, where profit after tax was DKK 116.3 million in 2022.

The result in 2023 is particularly positively impacted by higher revenue from mobile, internet and IT services, as well as lower 'other external costs'. The result is negatively affected by increased costs for consumption of goods/extraneous services and increased depreciation.

Revenue Development

Net revenue in 2023 was DKK 823.6 million, which is an increase of DKK 28.6 million. The development in net sales from 2022 to 2023 has taken place in the following areas, among others:

Positive Effects:

- An increase in revenue on Tusass mobile subscriptions, partly since a large part of Postpaid customers have moved to Tusass mobile subscriptions. Postpaid products have been continuously closed, leaving only Mobil Mikisoq. Mobile usage has been steadily increasing, resulting in higher ARPU (average revenue per user).
- An increase in revenue on Internet Prepaid is primarily due to the migration from DSL to the 5G FWA solution. Higher ARPU on the 5G solution provides additional revenue.
- Increasing turnover in fixed-price projects of DKK 1.2 million.
- Increasing parcel volumes.
- Provisioning of premium SMS.
- Roaming commitmentaftaler.

Negative Effects:

- A large drop in fixed and ISDN revenue due to the phasing out of fixed telephony.
- An overall decline in postal turnover due to the decline in letters both nationally and internationally.

Cost development

In 2023, operating expenses are DKK 538.5 million and have increased by DKK 7.3 million compared to 2022.

Among other things, the cost level is affected by the following conditions compared to 2022:

- Higher costs on support agreements.
- Higher helicopter rental costs.
- Higher costs of writing off receivables of Icelandic VAT.
- Lower costs on other external costs, as there was a lower consumption of legal costs in 2023.
- The Company has reached a settlement in the lawsuit brought by Inu:It A/S, which has been described under miscellaneous obligations in 2022.
- Staff costs have decreased by DKK 1.5 million, which is primarily due to fewer employees in 2023 than in 2022 and a decrease in the consumption of staff-related expenses in general, such as less consumption on recruitment agencies, etc.

Balance Sheet Development

As of December 31st, 2023, equity is calculated at DKK 1,308.5 million. In 2023, DKK 87.6 million in dividends have been paid to the Government of Greenland for the financial year 2022.

The solvency ratio in 2023 is 78.2% - down from 78.9% in 2022. Investments have increased to DKK 228.1 million in 2023, which is DKK 114.1 million higher compared to 2022.

Net interest-bearing debt is DKK -189.0 million and thus increased by DKK 22.8 million compared to 2022. Thus, Tusass has no bank debt at the end of 2023. Long-term debt (including short-term share) has decreased from DKK 13.1 million in 2022 to DKK 12.5 million at the end of the year.

The high degree of self-financing is not expected to continue, as planned infrastructure investments, dividend expectations and ownership requests for selected price reductions will result in a need for external financing to a certain extent, although not expected until 2025 at the earliest.





Our Business Areas

Privatmarkedet

Mobile

The number of active private mobile subscriptions is now more than 59,900, which means that there are not many citizens in Greenland without a mobile subscription. From making up 57% of private subscriptions in 2022, Tusass Mobil now accounts for 62%, while the share of the old bill-based subscriptions has fallen from 6% to a share of only 2%. Prepaid customers now account for only about a third (36%) of household customers.

The phase-out of bill-based subscriptions has been a key focus through 2023. Both Akulleq and Angisooq products were completely phased out during the year. The only product left is Mikisooq, which will be phased out in 2024.

The children's subscription, introduced in December 2020, has since seen an increasing customer influx. This has contributed to an increase in the share of Tusass mobile subscriptions among children and young people between 6 and 17 years – now, as many as 69%

of this population group, corresponding to 6,651 children and young people, have a Tusass children's subscription with free voice and SMS and 1 GB of data.

In the summer of 2023, Tusass launched a new mobile product specifically aimed at tourists. It will allow tourists to get online during their visit here in Greenland at a more affordable price than what most foreign mobile customers can do via roaming. With the imminent opening of new Atlantic airports, we expect additional revenue from this initiative.

Internet

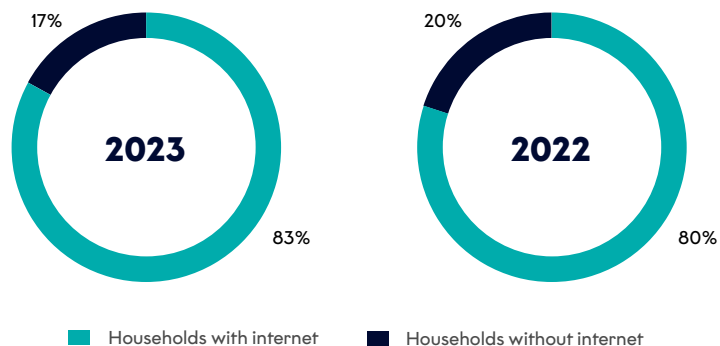
In 2022, internet via 5G was launched in Sisimiut, Maniitsoq and Narsaq, which meant that customers in these three cities could buy 80/20 Mbit/s for DKK 1,199 per month. During 2023, seven more cities were given this opportunity and in 2024 three more cities – Uummanaq, Upernavik and Qeqertarsuaq – are expected to be connected to this fast internet service. This will mean that as much as 82% of the population will have access to fast 5G internet connections.

By the end of 2023, Tusass flat-rate internet will make up almost all private internet connections (99.7%). This is due, among other things, to the

69%

of all people between the ages of 6 and 17 now have a Tusass children's subscription

Development of Internet Penetration in Greenland



expansion of the area with flat-rate internet to include North Greenland with Qaanaaq, Savissivik and Siorapaluk, which as of December 2023 got this opportunity via the Greensat satellite connection. In addition, sheep farmers in South Greenland have also gained access to flat-rate internet via the same channel.

Going forward, the focus is on moving customers from maintenance-intensive ADSL connections to more efficient and faster FWA connections to ensure better customer experiences. In Nuuk, wired, fiber-like solutions in the form of Ethernet products will be introduced in 2023. By the end of 2023, we had 654 Ethernet customers. The solution can deliver speeds on par with 5G. The technology is also expected to be implemented in more cities in the future.

The combination of 5G and Ethernet will ensure the best possible internet product, both from a customer perspective and from an operational optimization perspective. The increase of ~700 private internet customers in

2023 has contributed to a revenue increase of 3% in 2023 compared to the previous year. The increasing penetration of the internet in recent years has led to an increase in internet penetration (the proportion of households with fixed internet), which means that Tusass is approaching the same level as many European countries in relation to the proportion of households with fixed internet.

Customer Satisfaction, Private

Our annual customer satisfaction survey shows that private customer satisfaction has seen an increase from 72 in 2022 to 73 in 2023. 73 is also the target in the 2024 strategy and at the same time the highest level for the area ever measured. We see that core products increasingly have an impact on customer satisfaction. Here, satisfaction with the internet products is generally stable, while the mobile products are rated even higher. Supporting services show great progress, and contact points such as customer service, technicians and stores are rated highly by customers.



Our Business Areas

Business market

Tusass offers a wide range of services to business customers, including business telephony and internet. In addition to business telephony and internet, we focus particularly on services within three core areas that give companies a solid foundation for becoming part of digitization in Greenland. These areas are networking, hosting and cloud IT. Tusass also plans to offer IT security to small, medium, and large companies. Through these services, Tusass supports the companies' overall IT needs, so they can focus more on their core business.

Internet

The fixed-price agreements for the largest companies, where the companies convert their products to fixed-price services, will remain virtually unchanged in 2023. The area continues to be the mainstay of the business services where fixed-price agreements account for 49% of the total turnover on internet and network connections. In 2022, the area accounted for 45% of the total revenue for similar connections.

Mobile

The two Tusass Business mobile products 20 GB and 50 GB data including Tusass abroad, experienced good growth in 2023: the number of subscriptions increased by 4.4% during the year.

The above subscriptions currently make up 74% of all Business mobile products. The remaining 26% is in the product Tusass Business mobile OGB.

Landline Telephony

In 2023, agreements to phase out fixed telephony were signed with all remaining landline customers. During the first quarter of 2024, these customers will switch to cloud-based internet telephony in the form of Tusass Flow.

In 2023, the number of landline subscriptions fell by 76%, from 2,217 to just about 500 (15 of these are private).

Business Telephony

Tusass' new communication platform "*Tusass Flow*" has been popular in 2023, and business customers in all customer segments have really embraced the modern telephony product. With the Tusass Flow app, you have access to business telephony all the time, and in addition to the product being sold with 'unlimited minutes', it is also possible to hold conference calls and virtual meetings. Tusass Flow also provides the customer with a lot of self-service options, which makes it possible for the customer to customize the product to their



own needs. The many simple features make Tusass Flow an attractive and strong product in Greenland.

2023 was the year that really kick-started the conversion to this new product, which is why revenue also increased significantly.

Network Solutions

In 2023, there has been a focus on consolidating and optimizing network deliveries to business customers, while ensuring that Tusass keeps up with the trends in an IT world that is constantly evolving. The network products will be adapted so that products and prices to a greater extent also match the needs of small and medium-sized business customers. This gives more business customers a stronger network.

Hosting and Cloud-based Solutions

Cloud-based solutions have very much arrived in the Greenlandic business community, and Tusass supports and helps move business customers in the new cloud-based world. The business area continues to evolve and is continuously adapted to customer needs. Tusass is strong in delivering hybrid solutions of both hosting and cloud, from which business customers benefit greatly.

IT Security Solutions

In 2023, there has been an increasing focus on increasing IT security for business customers, where Tusass as an IT supplier is helping to create customized security solutions against

cybercrime. In 2023, we have consolidated a relationship with a security service provider that we look forward to offering our business customers. Tusass wants to deliver IT solutions that complement each other, so the business customers feel sufficiently covered in terms of business telephony, internet, network, cloud, and hosting of servers, as well as security. Business customers will therefore to a greater extent be offered complete solutions where the included services complement each other.

Customer Satisfaction, Business

Customer satisfaction in the business area achieved a score of 63 (out of 100) in 2023. This is down eight points from 71 in 2022 and is a low level that we haven't been at since 2019. It is especially among the smallest business customers that satisfaction is challenged. The negative development conceals a broad decline, while it is especially in relation to the communication between Tusass and the customers that improvements are lacking. This is a development that we at Tusass are uncomfortable with, as customer satisfaction is among our highest priorities. The results from this year's customer satisfaction survey among corporate customers are extremely unsatisfactory, and something we will actively and dedicatedly work to improve.





Our Business Areas

E-commerce & Logistics

In the parcel area, 2023 has seen a growth in the number of parcels of 9% compared to 2022 - a number that represents all parcels with our partners. PostNord has seen a decrease in volumes, but on the other hand, we are seeing a nice increase, especially from countries other than Denmark, handled by DHL Express. Logistics prices are under pressure globally, and this development also affects Greenland. This means that we are looking into a future with pressure on prices, where we must continue to work with a sharp streamlining and optimization of our business.

The digitization of public sector mail has not yet been fully implemented, so we continue to see letters from the public sector, but the decline is significant and is expected to continue. In 2023, total mail volumes have decreased by 18% compared to 2022. The figure includes the larger letter shipments, which have also declined through 2023. This decrease is mainly due to the reduced volumes from China, whose postal status has changed, and which has led to an increase in postage rates.

Dynamic Delivery Boxes – Aallertarfik, as Well as Red Delivery Boxes

Aallertarfik, our dynamic self-service boxes for delivery of shipments, is a resounding success.

In 2023, a total of 249,423 shipments were delivered from Aallertarfik, as well as our older, red boxes, where most deliveries are made via Aallertarfik. From customers, we get a positive response to the initiative and a high proportion of parcels are picked up within a short time after their SMS notification. The long opening hours of the collection boxes provide significantly greater flexibility for customers.

Tusass Stores

Throughout 2023, the Tusass stores have undergone a change, which means that today they solely function as the entry and delivery point for mail and minor freight. Sales of devices (phones and tablets) has been stopped, as the business area has generated a loss over several years, with great competition from private players. Therefore, in the last 3 months of the year, a clearance sale was carried out in the Tusass stores, so that today mobiles, iPads, and other devices are no longer sold.

Cooperation with External Partner

The cooperation with Kalaallit Nunaanni Brugseni has been further strengthened in the towns of Narsaq and Nanortalik. This means that today we have a collaboration in 3 cities, including Paamiut. As part of the collaboration, the Tusass stores have been closed in these 3

cities and the postal business itself is carried out at Brugseni. It is Tusass' and Brugseni's experience that customers really welcome this initiative, as customer service has improved significantly: Now, customers can pick up mail and parcels during Brugsen's opening hours, and not as before, when the Tusass stores were only open 3 hours a day. Tusass' employees have all been offered jobs at Brugseni, so the entire collaboration has been established without lay-offs.

Stamps

2023 has been a year with many exciting themes represented on the stamps. We have seen Greenlandic feature films, the 75th anniversary of women's suffrage in Greenland, tattoo art, everyday heroes, street art, HRH Prince Christian's 18th birthday, a new daily series with Greenland's coat of arms, and Christmas in Greenland. In addition to these stamps, which can be purchased in all Tusass stores and in KNI's stores in the settlements, several stamp products are manufactured with demand from the global market for stamp collectors. The profitability of the business area is based on the earnings from these collector products, which contain the new stamps, and which are sold worldwide.

Additional Value Stamp 2023

Once a year, Tusass issues a stamp for a good cause. The stamp has an additional price of one krone per stamp sold. The total additional price goes to a charity 1.5 - 2 years later. In 2023, The

Greenlandic Patient Home in Copenhagen was chosen as the recipient of the additional value. The Greenlandic Patient Home plays a major role when citizens from Greenland voluntarily or involuntarily visit Denmark for treatment or investigation of illness. Coco Apunnguaq Lyng created the beautiful motif on the additional value stamp, which was issued on August 28th, 2023. This happened at a presentation of the stamp at the Patient Home. Patients, relatives, staff, and the artist behind the stamp participated in the event, where they could hear the multi-artist Rasmus Lyberth entertain with his popular songs.

Customer Satisfaction, E-commerce & Logistics

Customer satisfaction for E-commerce & Logistics is scored at 79 (out of 100) in 2023. That's a seven-point improvement compared to 2022, when satisfaction scored 72. This significantly exceeds the 2024 strategy targets. The elements that influence satisfaction increase on all parameters without exception. A more evenly distributed satisfaction can be seen across the entire country than what we have seen so far. All contact points are assessed more positively and all at a very high level.



Our Business Areas

Wholesale

The Wholesale division handles several different business areas that are exempt from general competition.

Wholesale

The market for internet and data connections in Greenland was liberalized in 2015. Private ISPs buy wholesale connections on Tusass' network and resell these as their own private and business subscriptions.

Price reductions have been implemented for wholesale connections in 2023 but have not led to a corresponding increase in capacity utilization.

The increasing travel activity from the tourism segment has resulted in increased data traffic both from foreign visitors to Greenland and Greenlandic customers who use their Tusass subscription internationally. However, Tusass has fixed price agreements with most international operators operating in the most popular travel destinations, which limits the fluctuations in revenue compared to the actual traffic volume.

Many visitors from Denmark and abroad still pay high rates for using voice and data services during their stay in Greenland; a problem Tusass is working to solve by pushing for lower

roaming prices with international telecommunications companies. Tusass has also introduced a mobile data product aimed at tourists to give them a cheaper alternative to roaming prices with international telecommunications companies during visits to Greenland.

Flight Communication

Tusass handles various communication services for the companies that manage air traffic in Greenland's airspace, primarily Naviair. This is a long-standing, close and stable cooperation. However, we see signs of change in this area, as traditional technologies such as radio beacons are being phased out and replaced with new solutions supported by Tusass' infrastructure. The development also creates new tasks for Tusass considering the upcoming Atlantic airports in Nuuk and Ilulissat from 2024-2025.

Maritime Emergency and Security Communication – Coastal Radio

A 10-year service agreement has been signed with the Danish state on the operation of the radio network and staffing of Aasiaat Radio from 2018 to 2027. The payment is adjusted annually in accordance with the state's fixed adjustment price figures. In 2024, the parties will start negotiations on a possible extension

of the current agreement period for a further five years, i.e. up to and including 2032. Aasiaat Radio typically handles more than one serious incident a day – on critical per month – but the frequency is significantly higher during the summer sailing season than during the winter period. To identify the need for improvement of VHF coverage in certain fjord systems, an investigation has been initiated with participation from both Danish and Greenlandic authorities, as well as with Aasiaat Radio and Tusass' technicians.

Education Network Attat

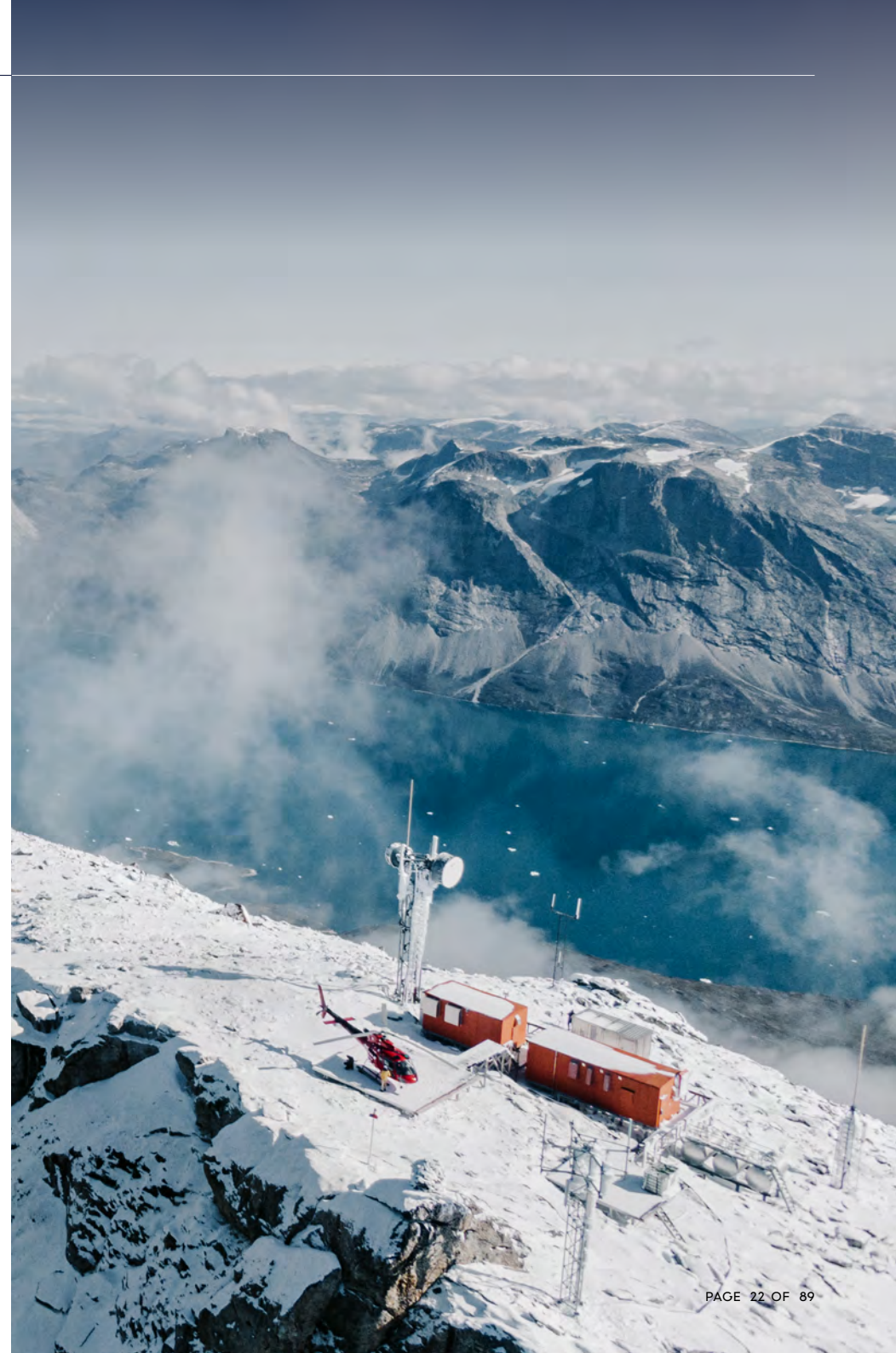
The service is operated in accordance with a special agreement from 2013 with the Government of Greenland. The annual payment is not adjusted, but Tusass continuously improve network speed as the capacity of the telecommunications infrastructure increases. Attat's full capacity is only available on weekdays and during daylight hours, thus ensuring maximum capacity for Attat during school hours, without negatively affecting other customers on Tusass' network, whose internet consumption is highest on average in the evening hours and weekends.

Mines, Research, and Remote Stations

Tusass offers different solutions to several customers outside the permanent settlements with special communication needs. Depending on the location of the activity, capacity needs and financial considerations, the solutions can be designed to utilize Tusass' radio chain and mobile coverage, the new satellite capacity from Greensat, or satellite capacity via OneWeb.

In 2023, for example, based on an agreement with the Government of Greenland, Tusass has expanded its mobile 4G coverage in the Uummanaq fjord. The aim has been to ensure communication with the detection and warning systems established by the Greenlandic Government in places that are particularly at risk of massive landslides and consequent dangerous tsunamis.

Based on negotiations in 2023, Tusass has entered into an agreement with Inussuk A/S, which operates the civilian activities at Pituffik Space Base. The agreement has been signed for a ten-year period with effect from 1 October 2023, and it means that Tusass will make investments locally in Pituffik, dedicate satellite capacity on Greensat to the area, and purchase additional satellite capacity from other providers to ensure Inussuk A/S and other customers in Pituffik access to flat-rate internet, mobile telephony, and radio/TV in line with other settlements.





Risks and Safety

Risks and Safety

It is important for a telecommunications company to have a procedure for identifying, mitigating, and monitoring risks. At Tusass, we work with risk management at both the business and project level. We work with four types of risks: strategic, operational, financial and compliance risks, the latter consisting of IT and information security risks.

The materiality of a risk is assessed on two parameters: the impact of the risk and the probability of its occurrence. Tusass' Board of Directors and Risk & Safety Committee regularly consider the Company's identified risks reported from either the Executive Management, the auditor, or other relevant sources.

The Four Risk Categories are Defined as Follows:

Strategic Risks:

Risks that affect the business. For example, global macroeconomic cycles, wars and crises, changes in market conditions and competition.

Financial Risks:

Risks related to financial aspects, such as the solvency ratio, debt and interest rate ratios of the company, currency risks and others.

Operational Risks:

Risks that affect our ability to deliver our products. It may be related to the operation of our network, delivery of equipment from our suppliers, etc.

Compliance, IT - and Information Security:

RRisks arising from legislation and compliance, as well as cybersecurity, personal data protection, etc.

Risks and Safety

The following risks are significant risks that Tusass has been working with in 2023:

Strategic Risks

Challenged Global Supply Chains, e.g. Due to War

Description

The international value chains that facilitate the delivery of critical components to Tusass such as hardware for the network or *customer premise equipment (CPE)* are affected by global uncertainties, such as the war in Ukraine. This leads to longer, more uncertain, as well as more expensive delivery times and costs, which have a great effect on all parties involved.

Consequence

For Tusass, this uncertainty and additional delivery time and costs mean that we may have to postpone the completion of projects or the launch of new products, which can result in major negative financial and image-related consequences.

Mitigating Measures

It is not possible to eliminate delivery challenges, but to minimize the risk, we try to plan the procurement process well in advance of our projects and for larger purchases, considering expected commissioning needs.

Climate Change, and Related Challenges

Description

The world is currently undergoing major climatic changes, and the poles, including the Arctic, are documented as the most affected areas.

This means that Tusass is challenged by a number of climatic conditions and weather phenomena, which are particularly significant due to Greenland's geographical location. This presents challenges, e.g. in relation to planning construction work, as previous years' stable "construction seasons" now experience unpredictable weather.

Consequence

Tusass is increasingly experiencing that our weather-exposed equipment is affected by unstable weather. There is more ice accretion than previously seen on the equipment, which affects operational stability and the functionality of the equipment. In addition, Tusass has experienced that significantly more helicopter trips are cancelled due to storms and poor visibility, when maintenance work is scheduled at the radio chain stations around Greenland, which increases the costs of construction and maintenance work and reduces efficiency.

Mitigating Measures

Climate change can be difficult to mitigate and prepare for. At Tusass, however, we take the precautions we can and try to factor the risk of changing weather into our planning of construction work. In addition, we have an extra focus on securing our weather-exposed equipment as much as possible to maintain functionality in extreme weather conditions. As part of the sustainability strategy work, we are also in the process of identifying which initiatives we can execute as a company, thereby minimizing our impact on the climate, but also identifying how we best withstand the effect of the changes.



Risks and Safety

Operational Risks

Lack of Processes and Procedures

Description

Processes are the step-by-step instructions that explain how a specific task is performed.

A procedure is more detailed and specific. It describes exactly how an activity within a process is performed. Procedures are also called work instructions, work manuals, or *Standard Operating Procedures (SOPs)*. They are essential to ensure that employees know how to perform different tasks. If a company lacks both processes and procedures, it can make it difficult to perform work consistently and correctly.

Consequences

There are several consequences of missing processes and procedures that directly or derivatively have a negative monetary effect. In addition, it may also have consequences for Tusass' image, our employee satisfaction, and our safety:

- 1 Operational Inefficiency:** Without clear processes and procedures, tasks can be performed in a chaotic manner, resulting in a waste of time and resources.

- 2 Errors and Omissions:** Unstructured workflows increase the risk of errors, lack of quality control and loss of customer trust.

- 3 Security Risks:** Lack of procedures can lead to security breaches, data incidents and cyberattacks.

- 4 Financial Losses:** Unstructured processes can lead to budget overruns, lost revenue, and financial loss.

Mitigating Measures

At Tusass, we mitigate the potential consequences of missing processes and procedures by, among other things:

- 1 Implementation of Standard Operating Procedures:** Clear procedures for all critical business processes. Includes everything from hiring and onboarding to billing and customer service.
- 2 Education and Training:** We try to ensure that employees are trained to follow the established procedures. Regular training and updating is essential.
- 3 Logging and Monitoring:** We work with an Information Security Management System

(ISMS) to ensure efficient logging and monitoring. This helps identify abnormal activities and potential threats.

- 4 Responsibilities and Division of Responsibilities:** Tusass works to define responsibilities and roles for all processes. This ensures that everyone knows what is expected of them.

Lifecycle Management – Equipment Lifetime Monitoring

Description

Lifecycle management refers to companies having an overview of how long their hardware and systems are up-to-date and are supported by the respective supplier. It is important to avoid critical licenses expiring without having a viable alternative to ensure further operations.

Consequence

In the event of a Hardware failure, obtaining replacement hardware may be cumbersome, expensive, or impossible if you have exceeded the supplier's guidelines for replacing obsolete equipment. Regarding expiring licenses, it may result in the shutdown of services or systems that can no longer be updated, which therefore

has an operational effect and a derived negative economic impact.

Mitigating Measures

In general, for all our systems in Tusass, we continuously assess them and examine whether they should be decommissioned, upgraded, or replaced. This ensures a smooth transition to a possible new system without compromising security and continuity.

Risks and Safety

Financial Risks

Global Loan Markets: High-Yield Markets

Description

Tusass has several major investments planned soon - including a new data center and potentially a redundant submarine cable. This is to be financed in part through debts taken out with lending institutions. The current global loan market is characterized by a high interest period, which significantly increases the financing costs of debt compared to the original estimates and may limit Tusass' opportunities to invest as desired.

Consequence

Tusass may end up spending significantly more on financing than expected on already adopted projects. This may affect the company's solvency ratio and lead to the company either having to cancel planned or started projects prematurely with large losses as a result, or that the company to the worst extent becomes insolvent and thus does not have the liquidity to continue operations.

Mitigating Measures

Tusass has entered into fixed financing agreements with the company's primary banks to mitigate volatility in costs related to

financing. In addition, Tusass is trying to build up liquidity further, so that the debt ratio on future investments can be minimized and as large a share as possible of the planned, strategic investments can be self-financed.

Global Inflation

Description

Global inflation in 2023 was around 7%, and despite a slight decline since 2022, years of high global inflation poses a risk to asset-intensive companies with international value chains. In 2023, Tusass has therefore again been exposed to prices rising significantly, which poses a risk to our operating budget and, consequentially, our liquidity.

Consequence

Rising prices result in rising costs, and in Tusass' current situation, where it is in the process of finalizing large investments such as the 5G network and is facing expected large future investments such as a new submarine cable, significant price increases can affect the company's ability to realize ambitions and investments, and in the worst case, be the cause of liquidity problems and insolvency.

Mitigating Measures

We cannot mitigate the effect of inflation but ensuring that Tusass' cost base does not deviate too much from budget, expectations for next year's inflation are always considered in the annual budget process. Furthermore, suppliers are expected to forecast their price developments, and external advisors who support Tusass are expected to include inflation expectations in their price proposals for execution of tasks that extend over several years. At the same time, we at Tusass continuously work to minimize our costs.

Risks and Safety

Compliance, IT – and Information Security

Compliance Risks, IT, and Information Security

As the national telecommunications company in Greenland, Tusass has a crucial role in digital communication. Therefore, we are also extra aware of the increasing need for continuous improvement of security measures. Risks related to regulatory compliance, IT and information security are increasing, both in scope and in level of impact. The international threat situation has changed significantly over the past two years with the conflict in Ukraine and increased strategic interest in Greenland and the Arctic regions. At Tusass, we therefore work according to ISO standards – both in relation to GDPR and in relation to information security, to ensure the best conditions for mitigating risks.

Protection of Personal Data

Description

Due to its role as a telecommunications and postal company in Greenland, Tusass handles significant amounts of personal data. The Company is committed to effectively protecting this data to comply with applicable legislation and meet future personal data protection requirements. This must be done in a way that not only maintains compliance, but also opens new business opportunities and strengthens trust among customers and partners.

Consequence

EA personal data protection violation triggered by errors or cyberattacks can have significant consequences for affected customers. It may also affect Tusass' reputation, potentially affecting growth and customers' choice of Tusass as preferred provider.

Mitigating Measures

Tusass has established a dedicated function for data protection that systematically maps data, systems and processes, as well as performs systematic risk assessments on behalf

of customers. Projects have been initiated to ensure compliance with GDPR in Tusass, which will ensure effective protection of customers' personal data.

Cybercrime

Description

The threat of cybercrime is still rated as very high and affects all businesses and industries. The risk of organizations being exposed to cybercrime is therefore significant. Two of the most widely used methods by cybercriminals are ransomware attacks and phishing. It is crucial for Tusass' customers that the company's services and subscriptions maintain high quality and effective protection against cybercrime, as attacks can have serious consequences for both customers and the Greenlandic society.

Consequence

Cyberattacks potentially have many implications: business consequences, high costs, and devastating consequences for Tusass' reputation. In addition, it may affect our

ability to maintain the operation of Greenland's critical digital infrastructure, and it may affect our market shares in the Greenlandic market.

Mitigating Measures

Tusass coordinates the strengthening of security through a dedicated information security department, which works every day to raise the general level of security in the organization. Cooperation with authorities, partners and relevant forums is an integral part of Tusass' strategy to continuously improve the maturity level of security. Continuous risk assessments and updating of contingency plans are essential for both technical and organizational safety, as well as employee training and awareness.

Cyberespionage and Activism

Description

The threat from cyber espionage is assessed as high, as there is a high risk that Greenlandic and Danish companies and authorities will be exposed to cyber espionage within the next few years. At the same time, the threat of cyber activism has increased significantly, driven by

ideological and political motives, especially considering persistent tensions between Russia and the West. Threat assessment against Greenland from the Center for Cyber Security can be downloaded via the link:

[The cyber threat to Greenland.](#)

Consequence

In 2022, the threat from cyber activism increased from low to medium, and in 2023, it further increased from medium to high. This underlines the need for increased focus on security in companies globally. The increasing threat from pro-Russian cyber activists carrying out large-scale cyberattacks against NATO countries makes it critical for Tusass' customers and the Greenlandic society that the company's services and subscriptions are of high quality and effectively protected against cyber espionage and activism, otherwise we may see economic consequences, as well as image-related consequences.

Mitigating Measures

We have the same measures for mitigating cyber espionage and activism as we have for cybercrime: We risk assess processes, systems, and assets, and have monitoring applications that constantly scan our network for potential threats and intrusion attempts.



Other Matters of the Company

Other Matters of the Company

In 2023, there has been no change in the Board of Directors, which consists of eight members, including 3 employee-elected representatives.

Further information about the individual board members, including special competencies and other management functions, can be found in note 20 and on the company's website. All five members of the Board of Directors elected by the general assembly are considered independent.

In 2023, the Board of Directors has had six ordinary and one extraordinary board meeting. The Board of Directors' Audit Committee has had four meetings in 2023, while three meetings of the Risk and Safety Committee have been called, as well as a joint Audit Committee and Risk and Security Committee meeting.

The Board of Directors regularly considers the recommendations in the "*Guidelines for Corporate Governance in the Greenlandic Government-owned companies*" and our compliance with this is stated on Tusass' website.

Internal Audit

The Board of Directors considers annually, on

the recommendation of the Audit Committee, whether internal audit should be established. It is currently not considered relevant to establish.

Regulatory Issues

Since 2015, other operators have been able to legally offer data and internet services via Tusass' network. There are currently three operators who have an agreement with Tusass Wholesale to buy capacity for resale.

Financial Matters

At the end of 2023, long-term debt amounts to DKK 12.0 million and short-term debt amounts to DKK 0.5 million. In the spring of 2022, a loan framework of DKK 200 million was established with a banking consortium consisting of SEB, Nykredit and GrønlandsBANKEN to finance the investments in the coming years. This loan line has been available through 2023 but has not been used yet.

Capital Structure and Dividends

Tusass continues to have a high solvency ratio, with a solvency ratio of 78.2% at the end of 2023. At the same time, net interest-bearing debt remains negative.

In 2023, the company has paid out DKK 87.6 million in dividends to the Government of Greenland, which has been part of an agreed dividend policy with the owner

Taxation

Tusass expects to pay DKK 21.1 million in corporation tax for the 2023 income year. In 2023, the company has paid DKK 59.9 million in Greenlandic income tax on behalf of our employees.

Post-Fiscal Year Events

Tusass A/S has filed a lawsuit against Isortaq Trawl ApS claiming compensation for submarine cable damage in 2019. Please refer to note 17 for further description of the case. A final judgment was rendered in the case on March 25, 2024, where Tusass was fully vindicated. The opposing party has been ordered to pay compensation in the amount of DKK 8.2 million, as well as legal costs totaling DKK 0.3 million.

As of 1 March 2024, there was a change in the Executive Board, with Toke Binzer becoming CEO succeeding Kristian Reinert Davidsen, and Jonas Hasselriis becoming Deputy CEO. Tusass is looking for a new CFO after Toke Binzer.







The Future

Higher Speeds and Increased Security

In 2024, we will enter the last year of the strategy period and the year will be spent completing strategic efforts and starting preparations for the new strategy period. This task will require both focus and high work effort from the entire organization.

Higher Speeds

The continued rollout of 5G technology in 2023 provided access to high-speed internet to 10 Greenlandic cities. In the coming year, we expect to launch the same internet products for Uummannaq, Upernavik and Qeqertarsuaq, and we expect to offer business-oriented 5G products in all cities with 5G networks. This will ensure faster connections to the business community and thus promote cloud-based solutions, which combined will support the continued digital development of Greenlandic companies. In addition, we will optimize the coverage of 5G by, among other efforts, expanding more telecommunications masts to ensure the best customer experiences.

In the satellite area, the year was spent on both the launch and commissioning of Greensat, which was realized in collaboration with Hispasat. This means that all of Greenland

now has access to unlimited internet for a fixed monthly price. Work continues to address some of the challenges identified during the transition to Greensat. In 2024, the focus will be on improving the customer experience for our residential customers in the satellite cities, by e.g. investigating whether replacing modems provides a better and more stable connection.

Sikkerhed

Security has been an important factor in recent years, and will continue to be most relevant, both when it comes to cybersecurity and securing our network. The increasing turmoil in the world around us and technological developments make it an area that is critical to securing our operations.

Our customers trust us to protect their data in the best possible way. It is our duty to secure them against threats such as ransomware attacks, etc. We want to be able to offer a high level of information security to our customers, and that is why the work towards becoming GDPR compliant continues in the coming year. In addition, the year will be spent maturing processes and workflows in Tusass in accordance with ISO 27001 standards, and

potentially working towards ISAE declarations on our services.

Security is not just information security and GDPR. It's also redundancy in our network, which makes us less vulnerable in the event of a crash. Therefore, in 2021, we started work on an expansion of the submarine cable connections internally in the country between Qaqortoq and Ilulissat. The feasibility study was completed in 2023 and the next stage will be to build receiving terminals in the cities that the submarine cable will connect. The next few years will therefore require major, but necessary, investments in our infrastructure.

In 2024, we also expect to initiate the construction of a new and modern Tier 3 data center, where security and stability are up to today's standards. When the data center is completed, the process of migrating and consolidating the current data centers to the new one will begin.

E-commerce & Logistics

In the postal and logistics area, the alignment continues towards a more flexible and efficient service for our customers. We are adapting our business to declining mail volumes, while increasing self-service options and availability through the installation of Aallertarfik boxes in more cities.

Expected result 2024

Tusass is also planning major investments in 2024. This is due to a planned data center, where tendering and construction are expected to begin in 2024. In addition, there will be major investments for submarine cable land works, the continued roll-out of 5G technology, general infrastructure upgrades, including transmission optimization, preparation and tendering of a new BSS system and investments in the energy area.

Tusass expects an EBITDA level for 2024 around DKK 310-330 million, which is on the same level as 2023. Compared to 2023, Tusass expects to realize around DKK 160-170 million before tax in 2024, which is the same level as the realized 2023 result.



Sustainability 2023





Foreword by Outgoing CEO

Final Year of the Strategy

2023 has been another busy and productive year for Tusass. With the last phase of the strategy period towards 2024, we have made the final effort to achieve the strategy's objectives; that Tusass is for everyone in the country, and that everyone who wants it, can be part of the digital community when we bring the world closer to Greenland – and us closer to each other.

With our connections, we can feel that the world has come closer to us, and thus Greenland is also part of the global development. A development where new demands are placed on companies to work on sustainability in the business. Soon, we will be met with new, stricter demands from the EU. Future sustainability reports will be more structured and transparent and must reflect efforts that really make a difference - both for the outside world, for people and the environment, but also for the company itself.

At Tusass, we have an ambition to be at the forefront of the new requirements. Firstly, to get ready for the legislation, but also to ensure that we contribute to the international goals of a greener and more sustainable future.

To meet the reporting requirements, we have strengthened the work on sustainability by

integrating the area into Tusass' other strategy work, which is led from the Strategy Department.

We take part in the responsibility for educating children and young people in innovation and technology - key skills of the future workforce. A future where digitalization plays an even greater role in everyday life. We have successfully implemented and run Coding Class in Greenland, and a new focus will ensure anchoring of the effort in collaboration with the individual municipalities and the local school. A focus that will benefit far more primary school students because we can contribute to more teachers being trained in teaching Coding Class.

It takes a lot of work to develop and establish the technical solutions critical to our infrastructure, and at the same time work towards a network that is more powered by renewable energy. There are still some ways to go, and it is a task that will never end, because we can always do a little better. Therefore, it is also crucial that we have employees who are dedicated to their work. They are at the heart of our business and without their effort and commitment to the task, no matter where in the organization they are, we could not

perform the task given to us by our owners, the Greenlandic society.

This is my last sustainability report for Tusass, and I pass on the baton with pride in the work we have achieved together during my time here, and I am confident that Tusass will continue to lead the work with sustainability in Greenland.

Sincerely,



Kristian Reinert Davidsen

Outgoing CEO



Sustainable Business

Memberships & Frameworks

This report has been prepared in accordance with The Annual Accounts Act section 99a: statement of social responsibility, section 99b: statement of the gender composition of management and section 107d: statement of policy on diversity and section 99d: statement of policy on data ethics.

We are a member of both CSR Greenland and Transparency International Greenland, both of which work to promote the responsibility agenda in Greenland. In addition, we adhere to the UN Global Compact's 10 principles, on which we report on an annual basis. This includes reporting on our sustainability efforts and progress in the areas of climate and environment, human and labor rights, and anti-corruption .

In continuation of our membership of the UN Global Compact, we also contribute to the UN's 17 Sustainable Development Goals.

Organization of Work With Sustainability

As of 1st August 2023, responsibility for sustainability has become part of the Strategy Department under the Finance Division in Tusass. This means that the strategic responsibility for Tusass' sustainability work now lies with the CFO. This is in part to ensure that sustainability and new expected reporting requirements such as CSRD and ESRS become an integrated part of Tusass' future business strategy. The sustainability department consists of a head of department and four full-time positions, including two learning consultants, who primarily work with Coding Class and other initiatives to strengthen digital development in children and young people. The other resources in the team must, among other things, ensure that Tusass' reporting on sustainability complies with applicable legislation.

WE SUPPORT



⁴ Tusass CoP 2023: <https://unglobalcompact.org/what-is-gc/participants/39611>



Sustainability Strategy

Next Generation at the Forefront

During this strategy period, we are working on two priority sustainability areas: social and environmental. In the social field, through Coding Class we have had a major role in arousing interest and curiosity for IT in the next generation of the population. In the environmental area, we are working to limit our CO₂ emissions by switching to renewable energy, for example at our radio chain stations. Through these two focus areas, Tusass works to ensure that sustainability initiatives help future-proof the company and at the same time contribute to a positive development of digital communities in Greenland.

By strengthening the digital competences of children and young people, we have an ambition to promote the next generation's interest in IT and technology. We run Coding Class in Greenland and contribute with several initiatives focusing on innovation, IT, and technology. With this, we want to support the future generation of IT specialists, technicians, and engineers. Children and young people must not only be super users of the digital solutions, but they must also be able to be innovative and creative with the technology. We focus on creating projects and teaching programs that contribute with relevant learning outcomes and that inspire and strengthen the expertise of children and young people.

By focusing on the implementation of renewable energy at our radio chain stations, we contribute to an increased share of renewable energy that not only supports the stability of infrastructure operations, but at the same time optimizes energy consumption and thus reduces the company's CO₂ emissions.

During this strategy period, we have worked actively to develop and test renewable energy equipment and have found the equipment matching our needs that can handle the extreme weather conditions in Greenland.

Our priorities in the sustainability strategy stem in part from our corporate social responsibility policy:

"We conduct business in a responsible manner, showing consideration and respect for our employees, the local community and the environment we are part of. We run an efficient and stable business with a focus on digital investments for the benefit of Greenland. With our knowledge, experience and expertise, we are a driving force for value-creating development"

Sustainable Development Goals

Our Contribution

At Tusass, the UN's Sustainable Development Goals are used in the organization to structure and visualize the work with sustainability and raise awareness of the difference we make and what value it has for society.

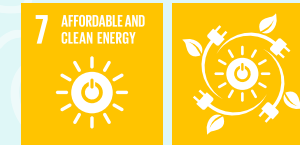
Based on the identified SDGs since 2019, we have worked with four objectives which are the primary focus in relation to our sustainability efforts. For each objective, we have completed activities that bring Tusass closer to having a positive effect on each objective.



Target 4.1

Ensure Inclusive and Equitable Quality Education and Promote Lifelong Learning Opportunities for All

We will empower the next generation of digital competences through Coding Class. We will contribute with effective and relevant learning outcomes that strengthen the expertise of children and young people.



Target 7.2

Increase the Share of Renewable Energy Globally

Through green energy solutions, we ensure robust infrastructure and contribute to the introduction of environmentally friendly technologies in Greenland.



Target 9.1

Build Sustainable and Resilient Infrastructure

By developing a safe and reliable infrastructure, we ensure access to an effective communication technology for citizens in Greenland, supporting the economic development of society and bringing the world closer to us – and us closer to each other.



Target 17.17

Encourage Effective Partnerships

We establish strong partnerships, when we see better opportunities through collaboration, for solutions based on community, for example when we ensure collaboration on anchoring Coding Class with all five municipalities.

Our Initiatives

Quality Education and Partnerships

Since 2020, Tusass has been working to implement Coding Class in primary schools, a project about teaching primary school students about creative coding. During this period, Tusass has established partnerships with all five municipalities and completed 87 training courses. A course involves four to five days of concentrated coding instruction for an entire class. During the course, students are trained in design processes and coding through idea generation, innovation, problem analysis, collaboration, and presentation techniques.

In 2023, we completed 34 courses at primary and secondary schools, to which we have also expanded the concept during the strategy period. This happened across the country, and at the end of the Coding Class season, we had a virtual Coding Class championship for the third year in a row with 11 participating primary school students from different towns and settlements in Greenland.

Kim and John Knudsen from the South Greenlandic settlement, Qassiarsuk, won the championship with their game coded based on SDG 13 on climate action:

"It has been really fun to have the opportunity to participate in Coding Class and end up advancing in the championship. It has been fun to make a game and we are really happy that our game about Bjørn Jørgen got first place."

- Kim and John Knudsen, Qassiarsuk

In addition to putting coding on the school curriculum, we also arrange spare time courses for children and young people whenever possible. Our primary focus is to increase digital creator skills in a fun way. As part of these initiatives, we have continued our collaboration with GUX in Nuuk and had IT Masterclasses for student volunteers who have already shown an interest in STEAM courses. Ten teaching sessions have been completed in spring 2023.

As a step towards anchoring the Coding Class initiative in schools, we have expanded our collaboration on a new pilot project with Kommune Qeqertalik. In this pilot project, a Coding Class teacher from Tusass has trained a local teacher at the school in Qeqertarsuaq



⁵ STEAM is short for Science, Technology, Engineering, Art & Math.



to be able to teach based on Coding Class and carry the teaching forward at the school. The first steps towards anchoring the Coding Class initiative at a local school have succeeded, and Kommune Qeqertalik is now the first municipality with its own Coding Class teacher. We are in dialogue with other municipalities about expanding the initiative to other schools and expect further local anchoring of Coding Class in 2024.

Virtual Reality in Education

Tusass has contributed to a pilot project on Virtual Reality (VR) in collaboration with SiliconHagen and GUX in Nuuk. In the pilot project, VR material has been developed based on mathematics and chemistry at upper secondary level, where VR technology is integrated as a supplement in teaching. SiliconHagen has been responsible for the development of the VR material with involvement and input from teachers at GUX facilitated by Tusass.

The overall goal of the project is, among other things, to contribute to new opportunities for creating engagement, learning and problem-solving using technology, both for students and for teachers. The development of the VR material, which began in 2022, is expected to be ready for implementation in teaching and we hope to test the concept for students in the first quarter of 2024.

Climate and Environment

Future-Proof and Resilient Infrastructure

In recent years, we have focused on exploring, testing, and implementing new technologies to minimize the negative climate impact we have, especially at radio chain stations, where our goal is to increase the share of renewable energy. Tusass' corporate policy highlights our commitment to climate and the environment. We will:

- continuously identify environmentally harmful consumption and come up with measures for improvements
- prevent negative impacts on the environment and climate to the extent possible
- set goals, structure, and report on how work is being done to minimize negative impact on the environment

2023 is the first year that we at Tusass begin work with CO₂-reporting. We do not yet have a full overview of all relevant data, but the work has been initiated and the expectation is that in the coming years we will work intensively to clarify all internal data, as well as all the external data that is possible.

Renewable Energy at Radio Chain Stations

With a goal of converting seven radio chain stations from generator operation to primary operation via wind and solar energy over a four-year period, Tusass already in 2021 made an active choice to reduce CO₂ emissions from our business. With two stations realized in 2019 and 2021, respectively, we were well on our way, but the project has met many challenges. Both the political situation in the outside world and derived challenges at our suppliers have affected the milestones and made the task more complex. In addition, the Greenlandic weather has also created obstacles. This means that our expectations and plans to convert a total of seven stations from pure generator operation to wind turbine and solar PV during this strategy period have been revised. Instead, our current expectation is to achieve five stations powered by renewable energy in the current strategy period.

The total production of renewable energy at all our stations in 2023 has been 18.4% of total energy consumption. One of the stations that supplies the largest share of renewable energy is Oqummiq, located north of Nuuk. Here,

the solar panels have supplied 65.23% of the station's energy consumption over the year, which is a very satisfactory result.

The production comes primarily from solar energy, as we have had some challenges with the two installed wind turbines. However, these are challenges that can be solved when the stations become available again in terms of weather and we have received the spare parts that are needed. We look forward to seeing how much renewable energy can be supplied

when both solar cells and wind turbines are in operation.

The generators are powered by diesel and therefore the CO₂ calculation has been prepared using the emission factor of the climate compass for diesel⁶.

⁶ klimakompasset.dk/klimakompasset

TOTAL USAGE FOR ALL SITES	2023	2022
Generator-produced MWh	504.6	439.9
Renewable energy produced MWh	113.6	92.4
Total MWh production	618.2	532.3
% fossil fuel consumption	81.62	82.64
% of renewable energy	18.38	17.36
Diesel consumption in L	190,488.51	215,115.9
Total CO ₂ Kg emissions from generator	514,319	580,812.9

Photovoltaic Systems in Aasiaat

In the autumn of 2022, a photovoltaic system was established at Tusass' buildings in Aasiaat, whose energy production is based on generator operation, with an expectation that it will reduce CO₂ emissions from our buildings by 32% annually. As the installation took place relatively late in the year, the facility was not given the opportunity to show its full capacity in 2022, and connection to Tusass' own measuring units is not expected to take place until the first quarter of 2024. Therefore, data for 2023 is taken from Nukissiorfiit's electricity meters and does not show the photovoltaic system's production, but instead the savings that have been made on the consumption of electricity, purchased from Nukissiorfiit, produced using fossil fuels. The calculation shows a saved

amount of energy of 42803 kWh, i.e. a CO₂ saving of 19.3%, compared to 2021.

In addition to the savings shown, from April 2023 to September 2023, the photovoltaic system has produced enough electricity for Tusass to return 6453.64 kWh to Nukissiorfiit.

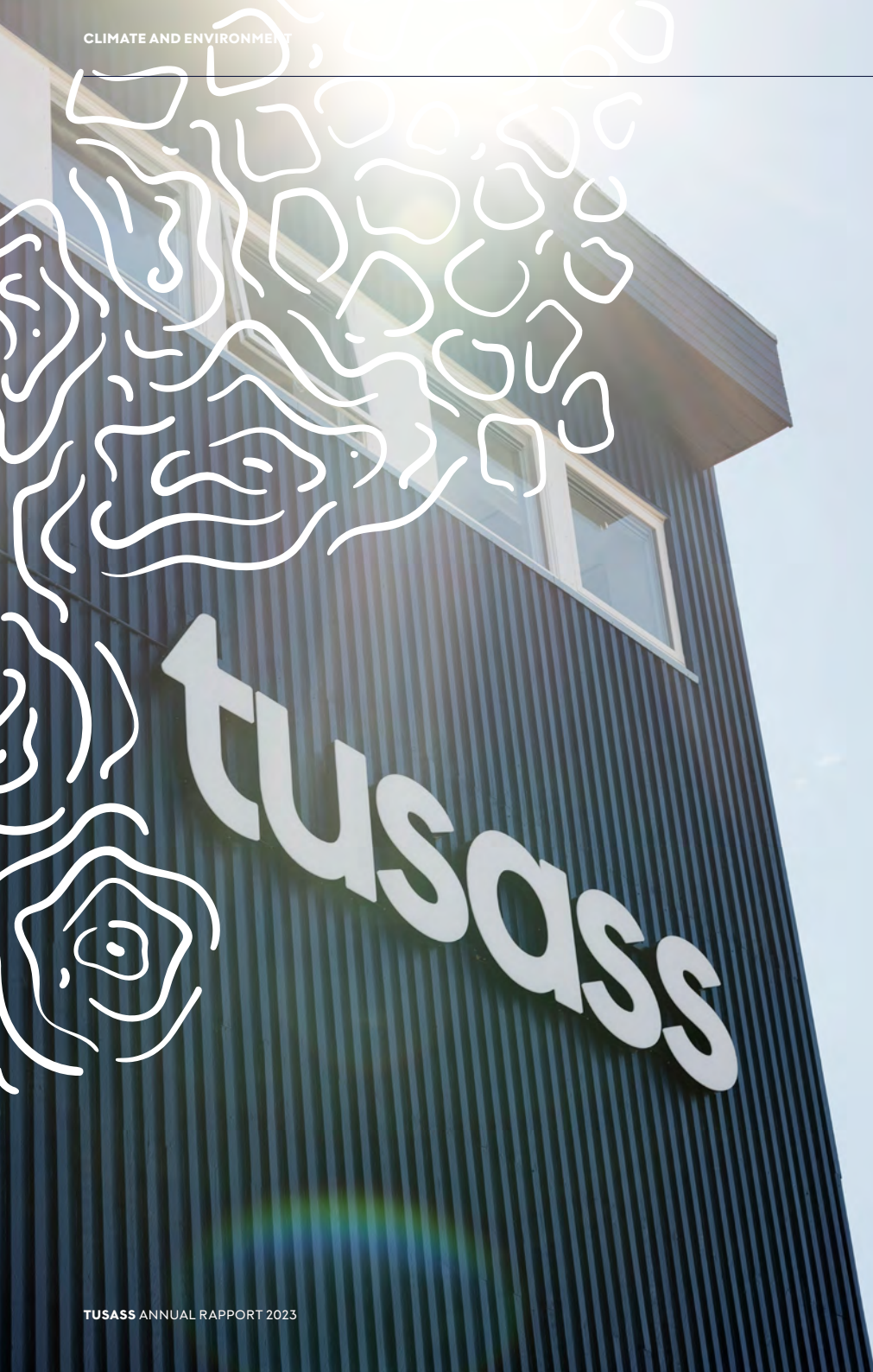
⁷ When the photovoltaic system was installed, the electricity meter was disconnected and by mistake not reconnected

⁸ Due to the lack of installation of own meter, produced kWh from photovoltaic systems is calculated as the difference between 2021 and 2023 consumption. 2021 has been chosen as a comparison due to uncertainties in 2022 data

CONSUMPTION	2023	2022 ⁷	2021
Total MWh consumption	222.1	222.6	264.8
Amount of CO ₂ in Kg	177,901	-	-
Saved MWh from photovoltaic systems ⁸	42.803	-	-
Savings in Kg CO ₂	34,298	-	-
Sold back to supplier in MWh	6.5	-	-

CO₂ quantity and savings are calculated using emission data from Nukissiorfiit.





Telegraph Island

In 2021, a facility consisting of 90 solar panels with a capacity of 29.25 kW, and Li-Ion batteries corresponding to 128 kW was installed on Telegraph Island off Nuuk. The facility has two purposes. The total energy facility is an additional energy source to support the operation of, among other things, radio connections. At the same time, Tusass wants to optimize energy consumption and reduce the company's CO₂ emissions. The total capacity of the hybrid facility is expected to save 66% of energy demand within a day. The remaining 34% is generated by the generator to charge the batteries on the site.

However, the facility has some challenges, which are expected to be solved during 2024. Among other things, there have been problems with the programming of the system, which we expect to be resolved in the first quarter of 2024.

Buildings

Tusass has not previously had sufficiently valid data to be able to compile an overview of consumption and CO₂ emissions for our buildings in Greenland. Thanks to a collaboration with Nukissiorfiit, it is now possible to calculate data from 2020 until 2023.

It is important for Tusass to be able to document consumption data for use in sustainability work, even if it is data for which we do not yet have targets. We cannot assess the need for initiatives if we do not have data. We do not have targets for reducing CO₂ emissions from our buildings, but with data from 2023, we have a starting point that can be used to determine future ambitions for reduction.

The total CO₂ emissions from the operation of our buildings (electricity and heat) are 2,700,011 kg CO₂ in 2023.

CONSUMPTION	2023	2022
El MWh	7,459	7,150
Heat MWh	1,773	1,490
Water M ³	4,426	4,341

Staff housing not included in the inventory; full table for 2020-2023 can be found in Data overview



Electronic Waste

Tusass collaborates with Stena Recycling on recycling electronic waste. We do this both to ensure that the part of the waste that cannot be recycled is destroyed correctly, but also to ensure recycling of resources that are increasingly scarce globally.

In 2023, we shipped a total of 27,261 kg. of which 22,678.84 – 83.19% was recycled.

Tusass' Fleet of Cars

At the end of December 2023, Tusass has 115 cars. It is a relatively large fleet, but it is a necessity for Tusass' employees to provide the necessary service to both business and private customers, as well as fulfill postal and logistics obligations. Out of the 115 cars, 28 are gasoline-powered, 71 diesel-powered, 11 hybrid cars running on gasoline and electricity and five are pure electric cars.

In 2023, we chose to sell 10 petrol cars, while purchasing one electric car, two hybrid cars and three diesel cars. In cities without hydropower, it currently does not make sense to acquire electric cars and therefore we will continue to make use of cars that use fossil fuels.

In 2023, we have used an estimated 86,500 L of petrol and 160,643 L of diesel. Calculated in CO₂, this corresponds to 208,465 and 433,736 kg CO₂, respectively. A total amount of 642,201 kg CO₂ emitted from fuel consumption.

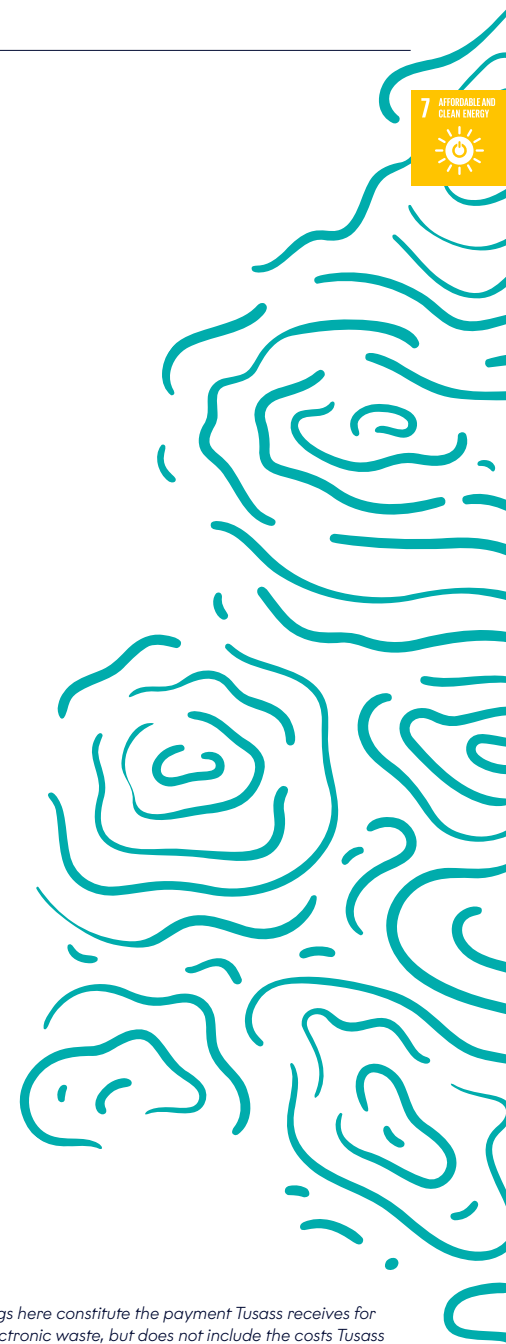
The following is a comprehensive statement of our CO₂ emissions for 2023, based on the data we have available.

There is still a lot of work for us in relation to obtaining data from the organization, ensuring validity and, not least, assessing which areas we want to initiate initiatives for.

	2023	2022
Waste in kg	27,261	33,095
Earnings in kr. ⁹	58,032	99,220

CARS	2023	2022
Electric	5	4
Hybrid (El+petrol)	11	9
Petrol powered	28	38
Diesel powered	71	69

CO ₂ IN KG	2023
Radio chain sites	514,319
Buildings	2,700,011
Cars	642,201
Total	3,856,531



⁹ Earnings here constitute the payment Tusass receives for the electronic waste, but does not include the costs Tusass has on delivery

¹⁰ Using data from the Climate Compass

Strong Networks and Partnerships

Strong Networks and Partnerships

"To support the digital development and customers' increasing demands for faster and stable connections, Tusass will invest in future-proof and sustainable telecommunications infrastructure. With strong networks, we reduce the risk of service outages.

We enter strategic partnerships with technology providers where this can increase safety, provide stability, and reduce costs."

— Excerpt from Tusass' strategy for 2020-2024

In a country like Greenland, with limited infrastructure and vast distances, internet and mobile connectivity is essential for access to contact with family and friends, and when you can't drive to other cities to visit your loved ones, a strong internet connection that supports facetime and other video technologies is sometimes the only opportunity to see each other. Having an efficient and stable connection that ensures contact with

business partners, business partners and customers is crucial for companies to ensure the operation of their business.

Infrastructure and digital development are the core of Tusass' business and it is only when it does not work optimally that we as humans understand how important it is to us.

In 2021, Tusass entered an agreement with Spanish Hispasat for the delivery of a new satellite. Due to the collaboration with Tusass, the satellite was named after Greenland and named Greensat. In 2023, we could press the start button for the new satellite connection, which covers the areas that cannot be reached by submarine cable or radio chain. This means that East Greenland, North Greenland, as well as sheep farmers in South Greenland will have significantly more capacity than before and that the connection is more stable.

5G in Partnership With Ericsson

In collaboration with Ericsson, Tusass started rolling out a 5G wireless network in Greenland in 2022. Mobile networks make sense in a Greenlandic context, because burying cables

and fiber will be both difficult and costly. However, we have the opportunity, in some places, to lay down fiber networks, but it is primarily in new construction where fiber can be buried in connection with the site development.

With the right modems, wireless 5G provides a higher speed than 4G and thus expands the possibilities of using the technology to deliver internet to both residential and business customers. In 2022, we were ready to test 5G in the first three cities; Narsaq, Maniitsoq and Sisimiut. In 2023, 5G was rolled out in the next seven cities, including Ilulissat, Qasigiannuit, Nuuk and Nanortalik. When the 5G network is fully deployed, the gains will not be limited to faster and more stable internet. There will also be a real energy gain, as 5G provides significantly more capacity and data transport than 4G technology for the same amount of energy.

Tusass' goal for the strategy period 2020-2024 is that all households that wants it should have access to the internet. We are proud to have already achieved this goal, and furthermore approximately 83% of the population will be online via an internet product by 2023.

Digital Security

Technology is constantly evolving, and it is important that we keep up with that development. There are many advantages to technological development, as it often makes our everyday lives easier, but it also entails several risks that we must deal with - both as companies and as private individuals.

In 2021 and 2022 alone, there were over a billion attempted ransomware attacks¹¹ on businesses globally¹². That equates to nearly 1.4 million attacks every single day. We can never protect ourselves 100% against these attacks, but we can do our best to anticipate them and prepare ourselves if one day we are hit, so that the consequences are kept to a minimum.

Tusass has a dedicated security department that covers three essential areas of security: information security, cyber security, and data protection. At Tusass, we store a lot of customer data, and it is our responsibility to secure that data. It is a task that requires that all employees in the organization are equipped for the task and therefore part of the responsibility in the security department is to run awareness campaigns that train our employees to act with caution in cases of, for example, phishing emails.

Data Ethics

Data ethics is new to Tusass in terms of reporting, but considerations of, and concern for, the use of data are not. By virtue of our business and our obligations as a government owned company, data processing and security is critical for us and our customers. We have therefore developed policies, including the Code of Conduct, all of which touch on data ethics from different angles. This is why we have not yet developed a separate data ethics policy.

All policies are available both internally via our intranet and externally on our website.

In line with technological development, Tusass works structured and continuous to improve the level of data protection and information security. We see it as a natural part of our responsibility to protect the data we handle and ensure that it is used in a safe and responsible manner and that we always comply with applicable law.

For those groups of employees who have access to sensitive personal information, clear guidelines have been established for workflows involving data. In addition, we collect and process only the data that is relevant, appropriate, and limited to what is necessary for our purposes.

We implement appropriate technical and organizational measures to ensure the integrity, confidentiality, and availability of our data. This includes, but is not limited to, the use of encryption, access control, and data backup.

Tusass works to ensure that all the data we handle is processed legally, fairly and in a transparent manner.

" We must ensure that all personal data that we handle is processed lawfully, fairly and in a transparent manner. We shall only collect and process personal data that is relevant, appropriate and limited to what is necessary for our purposes."

- Tusass Code of Conduct

¹¹ Ransomware is a virus that prevents users from accessing their system by encrypting files and demanding a ransom to unlock the system

¹² Statista.com - Ransomware Attempts per Year Worldwide





Social and Employee Conditions

The Employees Are the Core of Tusass

Tusass continuously strives to be a company with a strong image and high employee satisfaction to attract and retain the most qualified employees.

As the efforts of the employees form the foundation for the company's success, Tusass sees job satisfaction, commitment, and well-being among our employees as crucial factors for our business success. We work to ensure good conditions for our employees, both the physical and psychological working environment. We also ensure that the focus is always on developing the necessary skills of each employee. Both in relation to their role and the position they hold, but also so that the building of skills take place in relation to the needs of the department. Skill development is much more than courses and external education at Tusass. Most of the skill development takes place in the performance of daily work and the addition of new tasks. Therefore, peer training and a good professional dialogue between manager and employee is important for the professional development of the individual, and ensure that employees at Tusass are ready to handle new tasks.

Every year, Tusass conducts an employee satisfaction survey in collaboration with Ennova. For the past four years, job satisfaction at Tusass has been around 80 (scale 1-100) and again in 2023, job satisfaction will be 80, which is a source of pride and joy.

Working Environment, Safety & Sick Leave

Through workplace assessments (APV), which are carried out every two years, the statutory ergonomic and safety conditions for the employees at Tusass are ensured, as well as evaluation and follow-up on the psychological work environment. When hiring, all permanent employees sign up for the company's health insurance, which covers treatment at private hospitals in Denmark, addiction counseling, mental health care, and physiotherapy. We organize activities to prevent safety and health hazards, and make sure to inform, instruct, and facilitate relevant training, courses, and certifications for our employees.

¹³ [Ennova.com](https://www.ennova.com)

In 2023, six occupational injuries were reported. The number has not changed significantly in the last five years, but we still consider the figure too high. Therefore, it is an area we always focus on and continuously work to optimize.

In 2023, sick leave was 5.4% (including the child's first sick day), which is an increase compared to previous years¹⁴.

In 2022, Tusass introduced processes to minimize sick leave, among other things through collaboration with the immediate manager and care conversations with the individual employee, which must clarify whether the absence is due to dissatisfaction in the employee, and if so, how to remedy it. For this, conversation guides were produced for managers so they can find help in having what can be a difficult conversation.

Workplace Behavior

Tusass wants to focus on good behavior in the workplace, including prevention and handling of offensive acts. In 2023, preparations began for a workshop for directors, managers, and employees in Tusass on behavior, including prevention and handling of abusive acts in the workplace if it occurs.

The workshop will ensure that our company policy for abusive acts is known and adhered to:

"Tusass does not tolerate any forms of abusive acts, bullying and sexual harassment in the workplace and no employee should accept being subjected to it. Tusass will always address a problem and handle it professionally and seriously. The company wants to create a working environment that actively supports employee engagement and job satisfaction."

— Excerpt from Tusass' corporate policy on abusive acts

The workshop is scheduled to take place in the first quarter of 2024.

We Strive for the Best Students

We have an ambition to be the best place for apprenticeships in Greenland, and a desire to strengthen young people's opportunities to complete an education. As a government owned company, it is our duty to educate students and create the right skills for a developing society.

Tusass offers apprenticeships in:

- IT/ electronics & technology
- Technical facility & operation
- Procurement & logistics
- Postal Services
- Economy
- Customer service
- Marketing & Communication

During 2023, we will have had 25 students in six different study programs. They break down as follows:

- Academy education:
 - ▶ Four from the Finance and Resource Management
 - ▶ Two from International Transport and Logistics
 - ▶ Two from International Trade and Marketing
 - ▶ Three computer engineering students
 - ▶ One media graphics student

- 13 shop clerk trainees

The primary challenge we face is the lack of students applying to technical education, including a shortage of students choosing to train as electronics technicians. Therefore, we work purposefully to increase interest in technical education among children and young people through various initiatives, including participation in job and education fairs, or visiting schools locally where we present educational opportunities in Tusass. In addition, we run Coding Class at primary schools in Greenland with the ambition of arousing interest in technology among students already in primary school, so they later apply for tech educations and can become relevant

candidates for jobs with us. In addition, we are actively working to welcome trainees from primary and lower secondary schools who have a special interest in technology. In 2023, we have had ten school interns in Tusass.

¹⁴ See data summary on page 63 for previous years

Diversity

Account of the gender composition of management

"A diverse workplace is a workplace where the diversity of employees is accepted and used as a strength. Tusass provides many different services and is thus dependent on different types of employees – and not least managers."

– Excerpt from Tusass' corporate policy for diversity in management

The purpose of the diversity policy is to ensure that Tusass prioritizes the composition of employees and management. In addition, it is emphasized that diversity should be a central part of management's focus and that initiatives within recruitment, retention and career development for the underrepresented gender, and employees with local ties, must be balanced and strengthened.

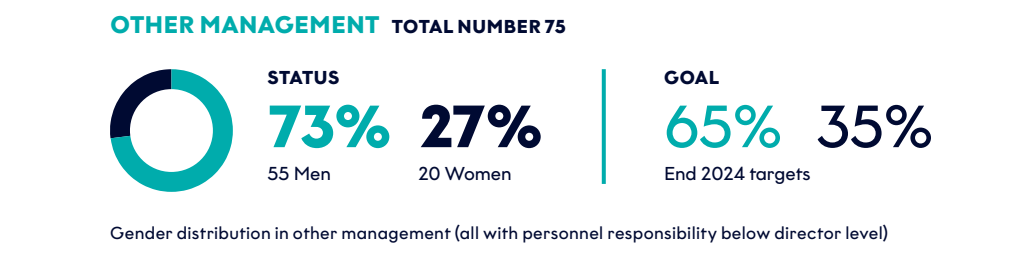
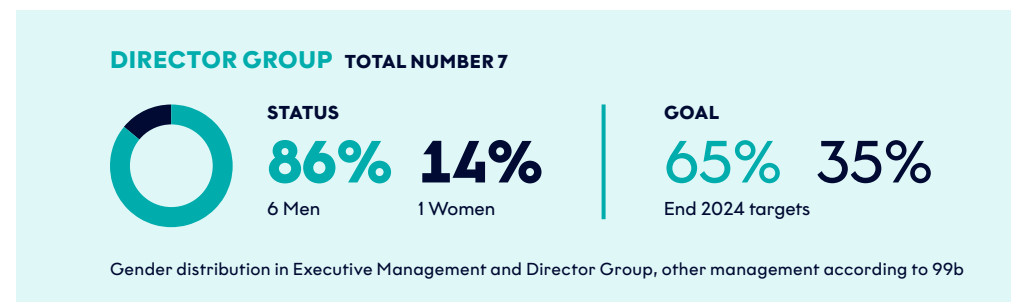
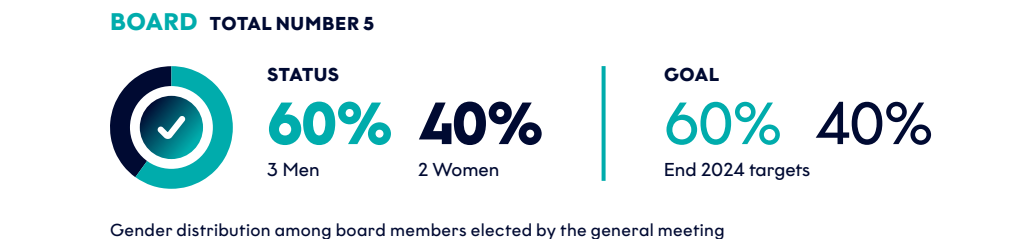
Tusass' Board of Directors consists of five members elected by the general assembly and three members elected by the employees, where two out of five members elected by the general assembly are women. This is a distri-

bution of 40/60% in relation to section 99b of the Financial Statements Act, which means that we have an equal distribution of men and women in the top management layers.

Tusass is a government owned company, and we have no direct influence on the composition of the Board of Directors. The composition of the Board of Directors is determined in accordance with the requirements laid down in the "Inatsisartut on equality between men and women"¹⁵.

We aim to achieve a percentage distribution between the sexes of 65/35% men/women in other management levels by the end of 2024. In 2023, we had a percentage distribution of 74/26% men/women in our other management layers.

We strive to meet the demand for a more equal gender distribution in Tusass¹⁶, but we face a challenge. Like many others, our industry is experiencing significant labor shortages, and recruitment in the technical field, especially among women who are the underrepresented



gender in our industry, is challenging. This challenge has led us to focus on securing the necessary competencies needed to maintain operations and ensure security of supply. This means that the focus on gender composition has not led to any results during 2023 at the executive or other management level.

¹⁵ Inatsisartut on equality between men and women: L 03 2013 (nalunaarufit.gl)

¹⁶ Section 99b of the Financial Statements Act; An equal gender distribution means a distribution of 40/60 per cent of women and men

Diversity

Statement of Diversity in the Organization



FULL-TIME STAFF



STATUS

74,6%

264 Men

25,4%

90 Women

354

Total

(Excluding trainees)

ALDER

% Share

< 35 years 25%

35 - 60 år 62%

61 years > 13%

(Excluding trainees and apprentices)

ANCIENTITET

% Share

< 5 years 48%

6 - 10 years 16%

11 - 25 years 24%

26 years > 12%



Respect for Human Rights

Code of Conduct

At the end of 2023, Tusass' executive group approved a Code of Conduct. Tusass' Code of Conduct sets the framework for good conduct in the company and is based on the policies and guidelines adopted in Tusass to support the obligations we as a company have in relation to social responsibility.

"We have a shared responsibility to demonstrate good business ethics through openness and decency, credibility and transparency, both internally in our business, between colleagues, and externally towards partners, suppliers and consumers."

— Excerpt from the Tusass Code of Conduct

The Tusass Code of Conduct is not static and must be continuously adapted to the outside world's requirements for the company, and the culture of the company with an annual evaluation. The next step in this work is to establish a Supplier Code of Conduct, so that we also demand good behavior in our value chain.

A Supplier Code of Conduct must also contribute to us supporting and living up to our corporate policy for human rights:

"... We are committed to continuously working to honor human rights throughout our value chain, so that through our company we support a positive approach to human rights, both for ourselves, our suppliers, and the society we are part of!"

— Excerpt from the Tusass Code of Conduct

Good Business Ethics

Anti-corruption

Tusass refrains from all forms of corruption, bribery or other forms of unethical behavior that may damage Tusass' reputation. This is reflected in our corporate anti-corruption policy:

"Tusass conducts business responsibly and rejects all forms of corruption, bribery or other forms of unethical behavior that may damage the reputation of the business. Employees at Tusass must at all times act professionally and responsibly across departments and when meeting with customers and other stakeholders."

— Excerpt from Tusass' corporate anti-corruption policy

Receiving Gifts

Gifts received or given as part of work-related activities are subject to clear guidelines. Our employees may neither give nor accept gifts or other benefits, as this may be construed as bribery.

A violation of these guidelines can lead to employment law consequences, and in the case of serious offences, this is reported to the police. However, we do allow modest

gratitude gifts within reasonable limits for anniversaries.

All gifts received are returned or donated to charity.

Conflicts of Interest and Nepotism

Personal interests must not influence the decisions made by our employees, including, for example, favoring family members or friends based solely on personal relationships. HR is involved in all appointments and acts as the objective party to ensure that there are no conflicts of interest and nepotism. Likewise, the Department of Procurement is involved in all purchases, and ensures that any disqualification in connection with the conclusion of agreements is taken care of.

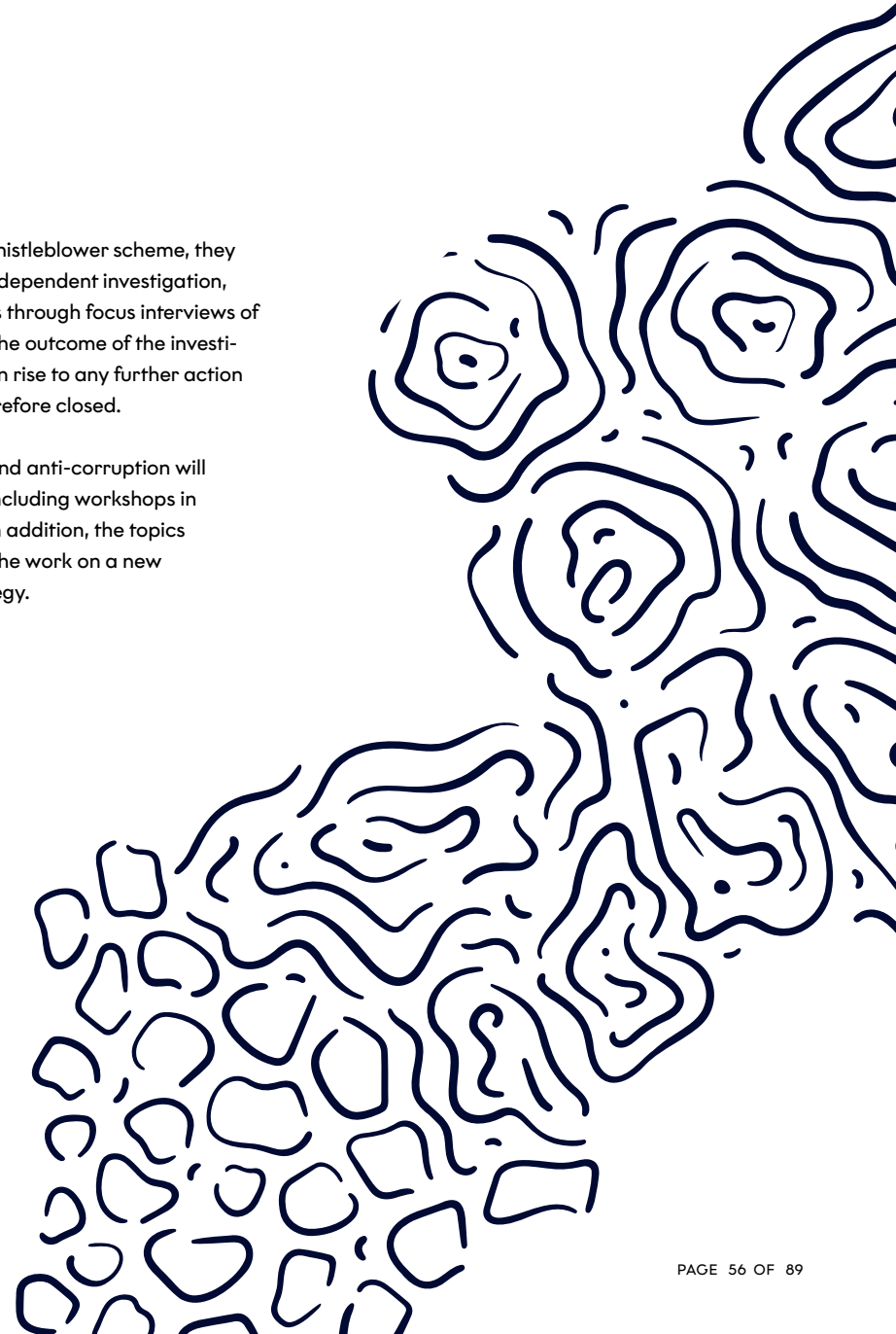
Whistleblower-Scheme

We have a whistleblower scheme that allows our employees, board members and other stakeholders to anonymously report persons associated with the company in the event of or suspicion of violations committed in our business.

In 2023, we received one report through the whistleblower portal. The report has been handled via Tusass' whistleblower agreement with the law firm Arctic Law Greenland, and

according to the whistleblower scheme, they have initiated an independent investigation, among other things through focus interviews of selected persons. The outcome of the investigation has not given rise to any further action and the case is therefore closed.

The initiatives around anti-corruption will continue in 2024, including workshops in the organization. In addition, the topics will be included in the work on a new sustainability strategy.



Sustainability Risks

Sustainability Risks

At Tusass, we monitor risks related to sustainability issues and have actively considered how we act on them:



Labor Rights and Human Rights

Risk Description

A poor working environment can have a negative impact on the health, well-being, and performance of employees. This can lead to an inability to maintain efficient operations and it can have financial consequences for the company.

In addition, human rights violations can have serious consequences for both employees and the company, and thus it is important to work towards preventing human rights violations in the value chain.

Mitigating Actions

We are continuously working to create a healthy and safe working environment through several formalized tools. This is ensured through internal information platforms, guidelines, workplace assessments and annual employee development interviews, as well as employee satisfaction surveys.

Our Code of Conduct also defines the framework for a good and safe working environment and contributes to preventing negative impacts on human rights, labor rights, the environment and anti-corruption.



Diversity

Risk Description

In our industry, it is generally a challenge to adhere to §99b on gender diversity in management. This can lead to several risks, including a bad image and a challenge to Tusass' recruitment opportunities.

Mitigating Actions

Through policies and behavior, we ensure equal opportunities for men and women in relation to education and promotions, and thus continuously work with several initiatives to ensure a diverse workplace.



Environment and Climate

Risk Description

Around the world, there is a focus on climate change, and this focus is expressed, among other things, as regulatory changes. With new regulation, we may be limited in some activities where we need to spend more resources on reporting and documentation.

In addition, the actual climate change can also create changed working conditions for us as a company: the construction season experiences greater weather fluctuations than usual, violent storms that affect receiving stations, become more frequent, etc.

Mitigating Actions

We are continuously working to ensure that environmental and climate considerations are integrated into projects and to develop and test new methods to increase the share of renewable energy in our production. In addition, intensive work is also being done to formulate a new sustainability strategy, which will serve as the basis for future compliance with the EU regulations on ESG reporting. Also, all projects include work on ensuring the resilience of our network so that it can withstand the Arctic wind and weather.



Anti-corruption

Risk Description

A poor working environment can have a negative impact on the health, well-being, and performance of employees. This can lead to an inability to maintain efficient operations and it can have financial consequences for the company.

In addition, human rights violations can have serious consequences for both employees and the company, and thus it is important to work towards preventing human rights violations in the value chain.

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2024 Commitment

Double Materiality Analysis and Sustainability Strategy 2024

In 2024, work will begin on establishing a new sustainability strategy. To ensure that focus areas and initiatives are the most important for both Tusass and our surroundings, all sustainability topics and related initiatives will be assessed from the double materiality perspective. This may cause some of the initiatives on which we have reported in recent years to be considered insignificant and replaced by new and more Tusass-specific initiatives.

Like several other companies in Greenland, Tusass has chosen to work with the EU directive CSRD before we are legally obliged to do so. It makes sense for us to use the time until the CSRD replaces the current Non-Financial Reporting Directive to familiarize ourselves with the processes and the many requirements allowing us to be ready when the legislation enters into force.

The first steps towards CSRD compliance and the basic requirement for a double materiality analysis have been taken in 2023. Here, a stakeholder analysis focusing on ESG was conducted. The result of this analysis was the starting point for a workshop held with the management team. The purpose was to get the group's input on the materiality of the sustainability topics assessed in the stakeholder analysis.

In 2024, work will continue on the results from both stakeholder analysis and workshop. Among other things, major work must be initiated to clarify the organization's data and its validity – also to be able to set initiatives for the upcoming sustainability strategy, which will be applicable from 2025.

A Sustainable Community

We Create Value for Society

Every year, Tusass supports projects and activities that create value and promote the use of information and communications technology in Greenland. The support can be given in the form of the competencies we have, services and products we sell, and sponsorships of a financial nature.

Tusass Music – A Platform for Greenlandic Music

In December 2023, Tusass launched the music streaming service 'Tusass Music', which will help pave the way for Greenlandic music, music artists and Greenlandic culture through a streaming platform. Music by established as well as new artists must have a secure platform where they can safely publish and share their music and distribute Greenlandic music to everyone.

A subscription to the streaming service costs DKK 49 per month and the profits are returned to the Greenlandic musicians. As of December 31, 2023, approximately 5,000 customers in both Greenland and Denmark had subscribed.

"Tusass Music is a digital treasure trove with Greenland's musical heritage, present and future. A place where there is room for all kinds of Greenlandic music. Tusass Music will help preserve Greenlandic music produced several years back, but Tusass Music is also made for current and future music. Music by recent and current artists who need a secure platform where they can safely release and share their music."

– Nikolaj Christoffersen,
Commercial Director at Tusass

Neriuffik – National Fundraiser for the Danish Cancer Society

When the Cancer Society in Greenland has their annual national fundraiser for the fight against cancer, Tusass is ready to contribute. Since Neriuffik's very first fundraising event in Greenland, we have made sure that there is a call center where anyone can call in to donate and support the fundraiser.



tusass stafeti

Powered by 



"We are pleased to contribute with the call center to the annual national fundraiser. Tusass has now sponsored the Call Center for several years, and it is an event we continue to support and help. Cancer is a terrible disease, and anyone touched by it may need a helping hand. The call center is our helping hand."

— Kristian Reinert Davidsen,
departing CEO

Attat – Greenland's Educational Network

Tusass delivers and supports Greenland's educational network, Attat, to all educational institutions under Naalakkersuisut via a fixed price agreement. Attat is a network that provides primary schools, secondary schools, vocational, and higher education in Greenland with internet. We ensure faster connections for schools across the country, opening more opportunities, such as distance learning, which empower students to access education.

Postage Stamp With Additional Value

Tusass issues about 24 new stamps a year. One of these stamps is very special. There is a tradition of issuing a stamp once a year for a cultural or social purpose. Almost three years ago, Tusass chose that the purpose for the year 2021 was the four Greenlandic houses in Denmark. This was done as a great recognition of the houses' many years of work, as well as the houses' efforts to spread knowledge about Greenland. In November and December 2023, each of the four Greenlandic houses has been presented with a cheque for DKK 25,000.

In 2023, Tusass chose that the stamp with additional value should benefit the Greenlandic Patient Home in Denmark.

Tusass Stafeti – Powered by DHL

In the summer of 2023, Tusass could complete its 11th race event in Nuuk. With over 1,100 participants, there were teams from many different companies, as well as those who wanted to form teams with friends, family and even children. As a starting point, the relay is an annual event where many participants are ready for a day of exercise, health, and community.

We are proud to set the framework for employees from Greenlandic companies, their friends, family, and children to gather around a health promotion initiative.

"... It's so cool to see so many people join in - both to run and to cheer on the sidelines. It's our biggest event of the year, and we spend a lot of time planning. We want to make the Tusass Relay an event everyone enjoys being at and participating in. There has been a good atmosphere, and that only makes it more fun for us to do the Tusass Relay every year. Thank you all for helping to create a good experience."

— Arnalaa Johansen, marketing coordinator and planner of the event at Tusass

Data Overview

Data overview described throughout the report, divided into environmental, social and governance (ESG) data.

Environment – Environmental Data	Unit	2023	2022	2021	2020	2019	Social – Social Data	Unit	2023	2022	2021	2020	2019
Generator produced, RKS ¹⁷ (fossil fuel)	MWh	504.9	439.9	44.1 ¹⁸	580.5	-	Full-time workforce	FTE	344	359	369	372	380
Renewable energy produced RKS	MWh	113.6	92.9	1.5 ¹⁸	111.5	-	Job satisfaction / employee satisfaction	Index	80	80	82	84	80
Total production RKS	MWh	618.3	532.3	45,6 ¹⁸	692	-	Injuries	Quantity	6	6	7	0	7
Fossil fuel (Diesel)	L	190,488.5	215,115.9	18,496.12	-	-	Sick leave (incl. child sick days)	FTE/%	5.4	4.8	4.3	4.3	4.1
Fossil fuel RKS	%	81.6	82.6	79	84	-	Students	Quantity	25	23	28	23	28
Renewable energy RKS	%	18.4	17.4	21	16	-							
Electricity consumption buildings (incl. photovoltaic systems in Aasiaat)	MWh	7,459	7,150.1	6,808.6	6,916.8	-	Governance – Management Data	Unit	2023	2022	2021	2020	2019
Heat consumption buildings	MWh	1,772.9	1,489.5	2,095.8	1,312	-	Members of the Board of Directors elected by the general assembly	%	40/60	40/60	40/60	40/60	40/60
Water consumption buildings	M ³	4,426.3	4,340.7	4,623	6,044	-	Other management cf. 99b	%	86/14	88/12	75/25	75/25	71/29
Total CO ₂	Kg	3,749,802	-	-	-	-	Other management, at director level	%	73/27	74/26	70/30	73/27	68/32
Electronic waste	Ton	27.3	33	8.9	14.4	9.7	Whistleblower scheme	Quantity	1	0	0	0	-
Electric cars	Quantity	5	4	1	-	-							
Hybrid cars	Quantity	11	9	-	-	-							
Other cars	Quantity	99	116	-	-	-							

¹⁷ RKS = Radio chain stations

¹⁸ Data only covers part of the year due to faults in measuring equipment

Financials 2023

Management Endorsement

Today, the Board of Directors and the Executive Management have considered and approved the annual report for the fiscal year January 1st to December 31st, 2023, for Tusass A/S. The annual report have been prepared in accordance with the Financial Statements Act, which is applicable in Greenland.

In our opinion, the financial statements fairly present the Company's assets, liabilities, and financial position as of December 31st, 2023, and the results of the Company's activities and cash flows for the financial year January 1st to December 31st, 2023.

In our opinion, the management report contains a true and fair account of the development of the company's activities and financial conditions, the results for the year and of the company's financial position, as well as a description of the most significant risks and uncertainties facing the company.

The annual report is recommended for approval by the general assembly.

Nuuk, April 9th, 2024

Executive Board

Toke Binzer

CEO

Jonas Hasselriis

Deputy Director

Board

Ulrik Blidorf

Siulittaasoq and Independent Board Member

Inaluk Malene Brandt

Siulittaasup tullia and Independent Board Member

Eqalunnguaq Abel Kristiansen

Independent Board Member

Maja Mathilde Motzfeldt-Haahr

Independent Board Member

Kim Kylesbech Larsen

Independent Board Member

Kim Hammond Zinck

Employee-elected Board Member

Lars Holm Hansen

Employee-elected Board Member

Benedikta Kristina Naamansen

Employee-elected Board Member

The Independent Auditors Statement

To the Shareholders of Tusass A/S

Conclusion

In our opinion, the annual accounts give a true and fair view of the Company's assets, liabilities, and financial position as of December 31st, 2023, as well as of the result of the Company's activities and cash flows for the financial year January 1st to December 31st, 2023, in accordance with the Financial Statements Act applicable in Greenland.

We have audited the financial statements of Tusass A/S for the fiscal year January 1st to December 31st, 2023, which include the accounting policies, income statement, balance sheet, cash flow statement, equity statement and notes (the "Financial Statements").

Basis for Conclusion

We have conducted our audit in accordance with international standards on auditing and the additional requirements applicable in Greenland. Our responsibilities under these standards and requirements are further described in the section of the auditor's report for the audit of the financial statements. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Guidelines for

Auditors' Ethical Conduct (IESBA Code) and the additional ethical requirements applicable in Greenland, just as we have fulfilled our other ethical obligations under these requirements and the IESBA Code. We are of the opinion that the audit evidence obtained is sufficient and suitable as a basis for our conclusion.

Statement on the Management Report

Management is responsible for the management report.

Our conclusion on the financial statements does not include the management report and we do not express any kind of conclusion with certainty about the management report.

In connection with our audit of the financial statements, it is our responsibility to read the management report and, in this connection, consider whether the management report is materially inconsistent with the financial statements, or our knowledge gained from the audit or otherwise appears to contain material misstatements.

In addition, our responsibility is to consider

whether the management report contains required information in accordance with the Financial Statements Act applicable in Greenland.

Based on the work performed, it is our opinion that the management report is in accordance with the annual accounts and has been prepared in accordance with the requirements in the Financial Statements Act applicable in Greenland. We have not found any material misstatement in the management report.

Management's Responsibility for Financial Statements

Management is responsible for preparing annual accounts that give a true and fair view in accordance with the Financial Statements Act applicable in Greenland. Management is also responsible for the internal controls that management deems necessary to prepare financial statements without material misstatement, whether due to fraud or error.

When preparing the financial statements, management is responsible for assessing the Company's ability to continue operations; to disclose matters relating to continued operations, where appropriate; and to prepare the financial statements based on the accounting principle of continued operations, unless the management either intends to liquidate the company, cease operations, or has no realistic alternative but to do so.

Auditor's Responsibility for Auditing The Financial Statements

Our aim is to obtain a high degree of assurance that the financial statements are free from material misstatement, whether due to fraud or error, and to issue an audit report with a conclusion. A high degree of assurance is a high level of assurance but is not a guarantee that an audit carried out in accordance with international standards on auditing and the additional requirements applicable in Greenland will always uncover material misstatements, where such exist. Misstatements may arise from fraud or error and may be considered material if they can reasonably be expected to influence, individually or in aggregate, the financial decisions made by users based on the financial statements.

As part of an audit carried out in accordance with international standards on auditing and the additional requirements applicable in Greenland, we make professional assessments and maintain professional skepticism during the audit. In addition:

- We identify and assess the risk of material misstatement in financial statements, whether due to fraud or error, design and perform audit procedures in response to these risks and obtain audit evidence that is sufficient and appropriate to support our conclusion. The risk of not detecting material misstatement caused by fraud is



higher than material misstatement caused by error, as fraud may include conspiracy, forgery, deliberate omission, misrepresentation, or breach of internal controls.

- We gain an understanding of internal control relevant to the audit to design audit procedures that are appropriate in the circumstances, but not to express a conclusion about the effectiveness of the company's internal controls.
- We consider whether the accounting policies applied by management are appropriate and whether the accounting estimates and related information prepared by management are reasonable.
- We conclude whether management's preparation of the financial statements based on the accounting principle of continued operations is appropriate and whether, based on the audit evidence obtained, there are material uncertainties associated with events or circumstances that may create significant doubts about the company's ability to continue operations. If we conclude that there is a material uncertainty, we shall disclose in our audit report that this information in the financial statements or, if such information is not sufficient, modify our conclusion. Our conclusions are based on the audit evidence obtained up to the date of our audit report. However, future events or circumstances may result in the Company no longer being able to continue operations.

- We consider the overall presentation, structure, and content of the financial statements, including the note information, as well as whether the financial statements reflect the underlying transactions and events in such a way as to give a true and fair view thereof.

We communicate with senior management about, among other things, the planned scope and timing of the audit as well as significant audit observations, including any significant deficiencies in internal control that we identify during the audit.

Hellerup, April 9th, 2024

PricewaterhouseCoopers

State Authorized Chartered
CVR-nr. 33 77 12 31

Tue Stensgård Sørensen

Chartered Accountant
mne32200

Jess Kjær Mogensen

Chartered Accountant
mne21360

Applied Accounting Policies

Generally

The annual report for Tusass A/S has been submitted in accordance with the provisions of the Financial Statements Act for accounting class D, which is applicable in Greenland.

Accounting policies are unchanged compared to last year.

General Information About Recognition and Measurement

Assets are recognized in the balance sheet when it is likely that future economic benefits will accrue to the company and the value of the asset can be reliably measured.

Liabilities are recognized in the balance sheet when, because of a past event, the company has a legal or factual obligation, and it is likely that future economic benefits will accrue to the company and the value of the liability can be reliably measured.

At first recognition, assets and liabilities are measured at cost. Measurement after initial recognition is done as described for each accounting item below.

Recognition and measurement shall consider foreseeable risks and losses that occur before

the annual report is presented and that confirm or refute conditions that existed at the balance sheet date.

The profit and expenditure account shall include income and expenses with the amounts relating to the financial year. Value adjustments on financial assets and liabilities are recognized in the profit and loss account as financial income or financial charges.

Foreign Currency Conversion

Transactions in foreign currency are converted at the rate of the day of the transaction upon first recognition. Receivables, payables, and other monetary items denominated in foreign currency which have not been settled at the balance sheet date are translated at the exchange rate at the balance sheet date. Exchange differences arising between the rate of the transaction date and the rate prevailing on the date of payment and the rate of the balance sheet date respectively shall be recognized in the profit and expenditure account as financial items. Fixed assets purchased in foreign currency are converted at historical rates.





Applied Accounting Policies

Income Statement

Net Sales

Turnover includes the value of services and goods provided for the year; less rebates directly related to sales. Services include revenue from traffic and subscriptions, interconnection and roaming, line leasing, network services, television distribution and set-up and installation revenues. Goods include equipment placed at customers, mobile phones, etc.

The main sources of revenue are recognized in the profit and expenditure account as follows:

- Income from telephony is recognized at the time the call is made.
- Sales of prepaid subscriptions, such as airtime, are deferred and monetized in line with consumption.
- Line leasing income is recognized over the lease period.
- Income from subscriptions and consumption-independent services at fixed prices are recognized over the life of the subscription.
- Revenue from the sale of equipment is recognized at the time of delivery. Revenues related to the maintenance of equipment are recognized over the term of the contract.
- Revenue from postal activities is recognized at the time of sale.
- Work in progress for hire or reward is recognized in net turnover as production is carried out, whereby net turnover corresponds to the sales value of the work carried out during the financial year (production method).

Facility Production

The production of facilities for own purposes corresponds to the costs incurred and expensed under the respective cost items.

The value of the production of a facility is calculated and consists of the directly incurred costs for wages including IPO surcharges, whereas services provided by subcontractors are not included but are activated directly.

Miscellaneous Operating Income and Expenses

Miscellaneous operating income and expenses comprise income and expenses of a secondary nature to the company's principal activities, including profits and losses on disposal of intangible as well as tangible fixed assets, which are calculated as the difference between the sale price, less selling costs, and the carrying amount at the time of sale.

Costs of Consumption of Goods and Extraneous Services

Costs for consumption of goods and extraneous services include costs incurred to achieve net sales for the year. This includes direct and indirect costs for consumables.

Under costs for consumption of goods and foreign services, settlements to other telecommunications companies, postal activities, and other consumption of goods, which may be equipment that is resold or maintained, are included.

Miscellaneous External Costs

Miscellaneous external costs include costs for sales, advertising, administration, premises, losses on debtors, etc.

Miscellaneous external costs also include costs related to development projects that do not meet the criteria for recognition in the balance

sheet. In addition, provisions for losses on work in progress on behalf of third parties are included.

Financial Items

Financial items include income of interest and expense of interest, realized and unrealized exchange gains and losses on receivables, liabilities and transactions denominated in foreign currency, etc.

Tax

The tax for the year, which consists of the current tax for the year and the change in deferred tax, is recognized in the income statement with the part attributable to the profit for the year and directly on equity with the part attributable to entries directly on equity.

In Greenland, dividends are tax-deductible. The tax value of the dividends set aside in the annual accounts is therefore accounted for directly in equity in accordance with the above.

Current tax liabilities are recognized in the balance sheet calculated as imputed tax on taxable income for the year.

Deferred tax is recognized and measured according to the balance sheet debt method of all temporary differences between accounting and tax values of assets and liabilities. The tax value of the assets is calculated based on the planned use of the individual asset.

Deferred tax assets, including the tax value of carry-over tax losses, are recognized on the balance sheet at the value at which the asset is expected to materialize, either by offsetting against deferred tax liabilities or as net tax assets.

Applied Accounting Policies

Balance

Intangible Fixed Assets

Intangible fixed assets are measured at cost/ production cost less accumulated depreciation.

The cost includes the purchase price, costs directly associated with the acquisition, and costs for preparing the asset up to the time when the asset is ready for use. For self-manufactured assets, the cost includes direct and indirect costs for materials, components, subcontractors, and wages.

IT software is depreciated on a straight-line basis over a useful life of 2-5 years.

Intangible fixed assets shall be depreciated to recoverable value if this is less than their carrying amount.

Tangible Fixed Assets

Land and buildings, facility and machinery and other facility, equipment and furniture shall be measured at cost less accumulated depreciation. There is no depreciation on plots.

The cost includes the purchase price, costs directly associated with the acquisition, and costs for preparing the asset up to the time when the asset is ready for use. For self-manufactured assets, the cost includes direct

and indirect costs for materials, components, subcontractors, and wages.

The depreciation basis is cost less expected residual value after completion of useful life. Depreciation on a straight-line basis shall be made based on the following assessment of the expected useful lives of assets:

Buildings	10-50 years
Telecommunications and machinery	3-10 years
Submarine cable	25 years
Other facility, equipment, and furniture	3-7 years

For residential buildings, an estimated scrap value is inserted.

Software integrated with central equipment and the like is activated and depreciated over the same period as the underlying assets.

Stocks of equipment for facility production are valued at the lower weighted average of the purchase price and net realizable value.

Tangible fixed assets shall be depreciated to recoverable value if this is less than their carrying amount.

Scrap values are reassessed annually.

Participation in Subsidiaries and Associates

Equity holdings in subsidiaries and associates shall be recognized and measured in accordance with the equity method, which means that the shares are measured at the proportion of the companies' determined net asset value, as described above under consolidated financial statements, plus or minus non-depreciated positive or negative goodwill with added or subtracted unrealized intragroup profits and losses.

The profit and loss account includes the parent company's share of the companies' profit after eliminating unrealized intragroup profits and losses.

Net increase of shares in subsidiaries and associates shall be transferred to the reserve for net revaluation of shares to the extent that the accountable value exceeds cost.

Miscellaneous Securities and Equity Participations

Miscellaneous securities include unlisted shares measured at cost.

Inventories

The item consists of inventories of commodities and is measured at the weighted average of purchase price or net realizable value, whichever is lower. Depreciation is made on out-of-date goods, including slow-moving goods.

Purchase price for merchandise includes invoice price.

Net realizable value of inventories is calculated as expected sales price less completion costs and costs incurred to effect sales.

Receivables

Receivables are measured at amortized cost, which usually corresponds to nominal value, less write-downs to cover expected losses.

Accruals, Assets

Accruals recognized under assets include expenses incurred that relate to subsequent financial years. Accruals are measured at amortized cost, which usually corresponds to nominal value.

Equity

Dividends are recognized as a debt obligation at the time of adoption by the general assembly. The proposed dividend for the fiscal year is shown as a separate item under equity.

Miscellaneous Provisions

Miscellaneous provisions include expected costs for restoration of natural areas, losses on ongoing works etc.

When it is likely that the total cost will exceed the total income from work in progress for hire or reward, a provision shall be made to cover the total loss expected on that work.

Miscellaneous Financial Obligations

Miscellaneous financial liabilities are recognized at amortized cost, which usually corresponds to nominal value.

Accruals, Liabilities

Accruals recognized under liabilities include revenue received for profit and loss recognition in subsequent fiscal year. Accruals are measured at amortized cost, which usually corresponds to nominal value.

Applied Accounting Policies

Cash Flow Statement

The cash flow statement of the company is presented according to the indirect method and shows cash flow relating to operations, investments and financing as well as the company's cash and cash equivalents at the beginning and end of the year.

Cash flow related to operating activities is calculated as operating profit adjusted for non-cash operating items, change in working capital and corporation tax paid.

Cash flow related to investment activities include payments related to the purchase and sale of enterprises and activities, as well as the purchase and sale of intangible, tangible and financial fixed assets.

Cash flow related to financing activities include changes in the size or composition of the company's registered capital and associated costs, as well as borrowing, payments on interest-bearing debt and the payment of dividends to the shareholders.

Cash and cash equivalents include cash and cash equivalents and short-term securities with negligible price risk less short-term bank debt.

Key Figures

Key figures have been prepared in accordance with the Danish Financial Analysts' Association's "Recommendations & Key Figures 2015".

EBITDA

Result before depreciations, interest, and taxes

EBIT

Result before interest and taxes
(result of primary taxes)

Gross Margin

Gross result x 100/Net revenue

EBITDA-Margin

EBITDA x 100/Net revenue

EBIT-Margin

EBIT x 100/Net revenue

Return on Equity (ROE)

The year's result x 100/Average equity

ROIC

The year's result x 100/Invested capital

Financial Gearing

Interest-bearing net debt x 100/Equity

Interest-Bearing Net Debt

Interest-bearing debt - liquids

Solvency Ratio

Equity x 100/Balance

Net Working Capital

Current assets – short-term debt

Average Number of Employees

Average number of full time employees (FTEs) is calculated by norm hours. (The ATP method can not be used in Greenland.)

Payroll

A-income and pension contributions for employees (excluding trainees)

Income Statement

1st January to 31st december 2023

Note	(tkr.)	2023	2022
1	Net revenue	823,602	794,967
	Construction production	13,790	7,591
	Other operating income	13,656	14,754
2	Costs of goods and foreign services	(120,299)	(98,626)
3	Other external costs	(228,036)	(241,051)
	Gross Profit	502,713	477,635
4	Employee costs	(186,759)	(188,269)
5	Depreciations	(148,017)	(140,267)
	Other operating costs	(3,391)	(3,268)
	Result of Primary Operation	164,546	145,831
	Result after tax in associated company	309	343
	Operational Result	164,855	146,174
6	Financial income	3,004	301
7	Financial costs	(2,468)	(3,415)
	Result Before Tax	165,391	143,060
8	Tax of the year's result	(41,361)	(26,712)
	The Year's Result	124,030	116,348
	Proposal for Result Disposition:		
	Dividend for the fiscal year	87,600	87,600
	Transferred surplus or deficit	36,121	28,405
	Regulation of reserve for net revaluation	309	343
	Disposition Total	124,030	116,348

Balance Assets

31st December 2023

Note	(tkr.)	2023	2022
	IT-software	11,823	11,420
	Immaterial fixed assets under development	5,312	1,661
9	Immaterial Fixed Assets	17,135	13,081
	Buildings	284,774	292,288
	Telecommunications facilities	826,658	747,968
	Other facilities, operational material and fixtures	32,498	33,345
	Material fixed assets under construction	180,277	99,934
10	Material Fixed Assets	1,324,207	1,173,535
	Capital shares in affiliated company	6,942	6,633
	Other securities and capital shares	320	320
11	Financial Fixed Assets	7,262	6,953
	Total Fixed Assets	1,348,604	1,193,569
	Inventories	23,735	22,190
	Receivables from sales	58,126	62,834
	Other receivables	22,750	18,957
12	Accruals	20,271	108,972
	Receivables	101,147	190,763
	Liquids	199,849	177,559
	Total Current Assets	324,731	390,512
	Total Assets	1,673,335	1,584,081

Balance Liabilities

31st December 2023

Note	(tkr.)	2023	2022
13	Share capital	150,000	150,000
	Premium fund	180,357	180,357
	Reserve for net revaluation	1,850	1,541
	Transferred surplus	888,742	830,721
	Proposed dividend for the fiscal year	87,600	87,600
	Total Equity	1,308,549	1,250,219
14	Postponed tax	183,515	185,227
	Other provisions	1,750	1,500
14	Total Provisions	185,265	186,727
	Public loans	1,701	1,701
	Debt, Mortgage institutes	10,258	10,825
15	Long-Term Liabilities	11,959	12,526
15	Short-term share of long-term debt	567	549
	Prepayments received from customers	362	427
	Suppliers of goods and services	50,054	42,085
	Corporation tax	21,160	13,817
	Other debt	68,178	58,019
	European Union Grants	27,241	19,712
	Short-Term Liabilities	167,562	134,609
	Total Debt Obligations	179,521	147,135
	Total Liabilities	1,673,335	1,584,081
17	Mortgaging and Eventuality Liabilities Etc.		
18-20	Other Notes		

Equity Statement

31st December 2023

(tkr.)	Share Capital	Premium Fund	Net Revaluation of Shares	Retained Result	Proposed Dividend For the Fiscal Year	Total
Equity 01.01.2022	150,000	180,357	1,198	779,100	87,600	1,198,255
Distributed dividend for 2021	0	0	0	0	(87,600)	(87,600)
Tax value of dividends allocated for 2022	0	0	0	23,214	0	23,214
Net profit for the year	0	0	343	28,405	87,600	116,348
Equity as of 31.12.2022	150,000	180,357	1,541	830,721	87,600	1,250,219
Equity 01.01.2023	150,000	180,357	1,541	830,721	87,600	1,250,219
Distributed dividend for 2022	0	0	0	0	(87,600)	(87,600)
Tax value of dividends allocated for 2023	0	0	0	21,900	0	21,900
Net profit for the year	0	0	309	36,121	87,600	124,030
Equity Per 31.12.2023	150,000	180,357	1,850	888,742	87,600	1,308,549

Cash Flow Statement For 2023

Note	(tkr.)	2023	2022
	Result of primary operations	164,546	145,831
	Depreciations	148,017	140,267
	Gain/loss on tangible fixed assets	(2,646)	0
16	Changes in operating capital (8,520)	35,239	(8,520)
	Operating Cash Flows Before Financial Items	345,156	277,578
	Interest and similar payments	3,004	301
	Interest payments and similar payments	(2,468)	(3,415)
	Cash Flow from Ordinary Operation	345,692	274,464
	Corporate tax paid	(13,799)	0
	Cash Flows From Operating Activities	331,893	274,464
	Purchase of intangible and tangible fixed assets	(228,091)	(113,970)
	Sales of tangible fixed assets	6,637	6,137
	Cash Flows From Investment Activity	(221,454)	(107,833)
	Repayment of long-term liabilities	(549)	(724)
	Dividends paid	(87,600)	(87,600)
	Cash Flows From Financing Activity	(88,149)	(88,324)
	Change in Cash and Cash Equivalents	22,290	78,307
	Liquid funds at the beginning of the year	177,559	99,252
	Liquid Funds at the End of the Year	199,849	177,559

Notes

01 Net Revenue	(tkr.)	2023	2022
Landline telephony		4,698	13,941
Internet private		155,644	151,199
Mobile telephony and mobile internet		272,354	246,965
Internet business		103,835	106,006
IT services and other services		187,703	168,051
Stamp sales and postage income		78,939	82,827
Other postal activities		5,048	5,399
Wholesale		15,381	20,579
		823,602	794,967

The majority of the sales are in Greenland and relate to the above activities

02 Cost of Consumption of Goods and Foreign Services	(tkr.)	2023	2022
Settlement other telecommunication companies		17,597	15,998
Other consumption of goods		76,239	56,784
Postal activities		26,463	25,844
		120,299	98,626

03 Other External Costs	(tkr.)	2023	2022
Charter costs, operating means of transport		24,987	20,953
Operation and maintenance, technical installations		54,087	50,355
Development costs		4,406	4,067
Minor acquisitions		5,764	6,621
Transponder bearing		26,722	29,500
Facility costs		45,135	47,506
Administrative and sales expenses		66,935	82,049
		228,036	241,051

04 Personnel Costs

(tkr.)	2023	2022
Salaries and wages	165,980	164,270
Pension contributions	10,505	12,398
Training expenditure	2,517	2,598
Other staff-related expenditure	7,757	9,003
	186,759	188,269
Of which total remuneration to the parent company's:		
Executive board		
▸ Kristian Reinert Davidsen	4,039	3,960
▸ Toke Binzer	1,596	0
Board	1,476	1,391
Average Number of Employees	344	359
Specified		
Kristian Reinert Davidsen		
Fixed salary	3,383	2,918
Pension	203	175
Bonus	359	773
Other ¹⁹	94	94
	4,039	3,960
Toke Binzer		
Fixed salary	1,291	0
Pension	77	0
Bonus	137	0
Other ¹⁹	91	0
	1,596	0

Kristian R. Davidsen

The CEO is paid a fixed annual salary incl. pension and benefits, including a company car. The CEO can obtain a bonus payment, which can amount to up to 10% of the fixed annual salary annually. The CEO has termination and severance provisions which, upon termination by the company, give the director salary, etc. during the notice period (18 months), and a severance pay of 12 months' remuneration. The CEO has 6 months' notice to the company.

Toke Binzer

The deputy director is paid a fixed annual salary incl. pension and benefits, including a company car. The Deputy Director may obtain a bonus payment that may amount to up to 10% of the fixed annual salary annually. The Deputy Director has notice and severance provisions which, upon termination by the Company, give the Deputy Director salary, etc. during the notice period (12 months). The Vice President has 6 months' notice to the company.

Board

The work of the Board of Directors and Committees is remunerated in accordance with the fee policy for the boards of directors of the wholly or partially government-owned limited liability companies adopted by Naalakkersuisut in January 2014. The annual remuneration of the Board of Directors is DKK 365,000 for the Chairman of the Board, DKK 182,000 for the Deputy Chairman of the Board of Directors, and the Chairman of the Audit Committee, respectively, and DKK 130,000 for other members of the Board of Directors. A one-off fee of DKK 50,000 has been paid to the Deputy Chairman for his role as Chairman of the Company's Risk and Safety Committee. The company covers members' expenses for transport, accommodation, etc. in relation to board work. Board material is distributed electronically, and the company provides grants for members' office teams, communication, and use of their own IT equipment, etc.

Other than the above, no members have received any additional remuneration from the Company.

¹⁹ In "other" value of free car and free telephone is factored in. In addition, housing for which rent is paid according to current rules

05 Depreciation	(tkr.)	2023	2022
IT software		8,355	3,521
Buildings		23,910	22,220
Telecommunications systems		100,233	102,718
Other facility, equipment, and furniture		15,519	11,808
		148,017	140,267

06 Financial Income	(tkr.)	2023	2022
Interest on bank deposits		2,540	86
Other financial income		370	0
Reminder fee, discounts, etc.		94	215
		3,004	301

07 Financial Costs	(tkr.)	2023	2022
Interest on bank debts, etc.		205	976
Interest expense, long-term liabilities		1,675	1,167
Other financial charges		588	1,272
		2,468	3,415

08 Tax on Profit for the Year	(tkr.)	2023	2022
Current tax		21,159	13,401
Deferred tax on profit for the year, liability		20,188	24,510
Adjustment of deferred tax, change in tax rate		0	(11,114)
Adjustment of deferred tax relating to previous years		14	(85)
		41,361	26,712
Reconciliation of tax rate:			
Greenlandic tax rate		25.0%	26.5%
		25.0%	26.5%

09 Intangible Fixed Assets

(tkr.) 2023 2022

IT software

Cost price at the beginning of the year	209,505	200,936
Migrated from ongoing	6,247	8,569
Departures during the year	(25,752)	0
Transfer between facility groups	2,510	0
Cost Price at the End of the Year	192,510	209,505

Depreciation and amortization at the beginning of the year	(198,085)	(194,564)
Depreciation and amortization of disposal assets	25,753	0
Depreciation and amortization for the year	(5,845)	(3,521)
Transfer between facility groups	(2,510)	0
Depreciation and amortization at the end of the year	(180,687)	(198,085)

Carrying Amount at End-Of-Year 11,823 11,420**Facilities under development**

Cost price at the beginning	1,661	854
Transfer to mature facilities	(6,247)	(8,570)
Arrivals during the year	9,898	9,377
Cost price at the end of the year	5,312	1,661
Carrying Amount at End-Of-Year	5,312	1,661

10 Tangible Fixed Assets

(tkr.) 2023 2022

Buildings

Cost price at the beginning of the year	610,874	606,849
Migrated from ongoing	19,469	11,940
Departures during the year	(21,643)	(7,915)
Transfer between facility groups	636	0
Cost Price at the End of the Year	609,336	610,874

Depreciation and amortization at the beginning of the year	(318,586)	(298,489)
Depreciation and amortization of disposal assets	17,934	2,123
Depreciation and amortization for the year	(23,274)	(22,220)
Transfer between facility groups	(636)	0
Depreciation and amortization at the end of the year	(324,562)	(318,586)

Carrying Amount at End-Of-Year 284,774 292,288**Telecommunications systems**

Cost price at the beginning of the year	2,998,027	2,989,109
Migrated from ongoing	103,132	33,648
Arrivals during the year	78,365	0
Departures during the year	(76,852)	(24,730)
Transfer between facility groups	(2,574)	0
Cost Price at the End of the Year	3,100,098	2,998,027

Depreciation and amortization at the beginning of the year	(2,250,059)	(2,172,071)
Depreciation and amortization of disposal assets	76,851	24,729
Depreciation and amortization for the year	(102,806)	(102,717)
Transfer between facility groups	2,574	0
Depreciation and amortization at the end of the year	(2,273,440)	(2,250,059)

Carrying Amount at End-Of-Year 826,658 747,968

10 Tangible Fixed Assets (CONTINUED)

	(tkr.)	2023	2022
Other installations			
Cost price at the beginning of the year		203,494	194,771
Migrated from ongoing		15,249	21,999
Departures during the year		(12,183)	(13,276)
Transfer between facility groups		(572)	0
Cost Price at the End of the Year		205,988	203,494
Depreciation and amortization at the beginning of the year		(170,149)	(171,615)
Depreciation and amortization of disposal assets		12,178	13,276
Depreciation and amortization for the year		(16,091)	(11,810)
Transfer between facility groups		572	0
Depreciation and amortization at the end of the year		(173,490)	(170,149)
Carrying Amount at End-Of-Year		32,498	33,345
Installations under construction			
Cost price at the beginning of the year		99,934	62,927
Transferred to fully developed facilities		(137,850)	(67,586)
Arrivals during the year		218,193	104,593
Cost price at the end of the year		180,277	99,934
Carrying Amount at End-Of-Year		180,277	99,934

11 Financial Fixed Assets

	(tkr.)	2023	2022
Participation in Ejendomsselskabet Suliffik A/S			
Cost January 1 st		5,092	5,092
Cost December 31 st		5,092	5,092
Net revaluations January 1 st		1,541	1,198
Share of profit for the year		309	343
Net revaluations December 31 st		1,850	1,541
Carrying Amount at End-Of-Year		6,942	6,633
Participation in Ejendomsselskabet Posthuset A/S			
Cost price January 1 st		320	320
Cost December 31 st		320	320
Carrying Amount at End-Of-Year		320	320

12 Accruals

	(tkr.)	2023	2022
SES		0	873
Hispasat		0	78,365
Other accruals		20,271	29,734
		20,271	108,972

13 Share Capital

The share capital consists of 1 share of 150,000 thousand DKK.
There have been no changes in the company's share capital over the past 5 years

14 Deferred Tax	(tkr.)	2023	2022
Deferred tax rests on the following items:			
Tangible fixed assets		184,575	183,991
Investment in affiliated company		462	385
Current assets, etc.		(1,522)	851
		183,515	185,227
Balance as of January 1 st		185,227	195,546
Adjustment of tax rate, income statement		0	(11,114)
Deferred tax on profit for the year		20,188	24,510
Tax value of dividends disposed of		(21,900)	(23,214)
Regulation regarding current DK tax FY21		0	(416)
Adjustment regarding tax rate DK tax		0	(85)
Deferred Tax December 31st		183,515	185,227

14 Other Provisions	(tkr.)	2023	2022
Provision for Regulatory Accounting		1,750	1,500

15 Long-Term Liabilities	(tkr.)	2023	2022
Public borrowings			
Installments due after 5 years		0	1,701
Installments due between 2 to 5 years		1,701	0
Long-term part		1,701	1,701
Short-term portion		0	0
		1,701	1,701
Mortgage lenders			
Installments due after 5 years		7,765	8,434
Installments due after 2 year to 5 years		2,493	2,391
Long-term part		10,258	10,825
Short-term portion		567	549
		10,825	11,374

16 Change in Operating Capital	(tkr.)	2023	2022
Changes in inventory		(1,545)	(8,103)
Changes in receivables		10,942	(14,027)
Changes in supplier debt etc.		25,592	13,610
Changes in other provisions		250	0
		35,239	(8,520)

17 Pledges and Collateral

The following pledges relate to the company: Mortgage debts are secured by mortgages on property. The carrying value of pledged properties totals 35,905 t.kr.

Rental Obligations

Tusass A/S has entered several leases of homes with short notice with a view to renting out to staff, where the rent during the notice period amounts to DKK 0.5 million.

Contingent Liabilities

Tusass A/S has filed a lawsuit against Isortaq Trawl ApS demanding compensation for submarine cable breaks in 2019. Tusass has been fully successful in the case and the compensation has been calculated at 1.0 million Special Drawing Rights (SDR), which amounts to approximately DKK 9.3 million. The question of guilt has been acknowledged by the opposing party, but the damage assessment has been appealed. DKK 1.3 million has been paid to Tusass, which is the part of the compensation recognized by the

other party. Based on the appeal and the fact that the sum of damages has not yet been calculated, Tusass has chosen not to recognize a receivable.

Tusass A/S operates activities at locations where there is a risk that buildings and facilities will have to be closed at a future date in accordance with the Government of Greenland's decisions to this effect. According to land use legislation in Greenland, it is the responsibility of the licensee to carry out clean-up and restoration of the area upon termination of the right of use. However, since it is the Government of Greenland that has the public service obligation and decision-making power regarding which towns and settlements Tusass A/S is to serve, it is currently not possible for Tusass A/S to calculate the extent of the obligation reliably, neither in relation to the actual need for clean-up and restoration, the amount, or the time of actualization.

18 Remuneration of Auditors Elected by the General Assembly

	Parent Company		
	(t.kr.)	2023	2022
Fees of the auditor elected by the general assembly of the parent company for the financial year:			
PWC			
Statutory audit		905	850
Other services		1,654	1,108
		2,559	1,958

19 Related Parties

Related Parties With a Controlling Influence on Tusass A/S

The company's main shareholder is the Government of Greenland, Nuuk.

Other Related Parties With Whom Tusass A/S Has Had Transactions in 2023

The Company's Board of Management and Board of Directors and their related family members. Companies in which the majority shareholder has a dominant influence.

Related Parties Over Which Tusass A/S Exercises Decisive or Significant Influence

The associated company Suliffik A/S, Nuuk.

Transactions Between Related Parties and Tusass A/S

In 2023, a dividend of DKK 87.6 million has been distributed to the company's owner, the Government of Greenland.

There is an ongoing agreement with the Government of Greenland on the distribution of digital TV and radio (DVB-T). At the turn of the year 2021/2022, a new 12-year agreement on DVB-T has been signed with the Government of Greenland. In 2013, an agreement was signed with the Government of Greenland on the operation of the education network "Attat". The agreement has been approved by the Danish Telecom Agency. In 2013, the company entered into an agreement with the Government of Greenland, where waiting time in the

telephone queue to the Medical Clinic at Queen Ingrid's Hospital takes place free of charge for customers. Other trade with entities in which the Government of Greenland has a controlling influence has had the character of normal trade.

No other material transactions have been carried out in addition to normal management remuneration with the Executive Board and the Board of Directors, which are separately disclosed in connection with note 4, Staff Costs. In addition, the Company has to a negligible extent provided data communication and postal services on market terms to the Company's management and Board of Directors. The provision of these services has taken place on the same terms as the company's other customers.

Shareholder Relations

The company's share capital is 100% owned by the Government of Greenland, Nuuk.

20 Post-fiscal Year Events

Tusass A/S has filed a lawsuit against Isortaq Trawl ApS claiming compensation for submarine cable damage in 2019. Please refer to note 17 for further description of the case. A final judgment was rendered in the case on March 25, 2024, where Tusass was fully vindicated. The opposing party has been ordered to pay compensation in the amount of DKK 8.2 million, as well as legal costs totaling DKK 0.3 million.

21 Information About Board Members' Other Management Functions, Special Skills, Etc.



Ulrik Blidorf

Siulittaasoq (Chairman of the Board)

- Independent board member
- Chairman of the Nomination and Remuneration Committee
- Medlem af Revisionsudvalget

First elected by the General Assembly in May 2015 for 1 year. Last re-elected as chairman in May 2023 for 1 year.

Special Competences

Company law, property law, family law, criminal law, employment and labor law, business consultancy, tort law, administrative law, insurance law, international agreements, contract law, tenancy law, public law, oil, gas and mineral exploration, restructuring, litigation, and arbitration proceedings as well as maritime and transport law. In-depth experience in restructuring, market adaptation of logistics business, infrastructure projects and efficiency improvement. Experienced in negotiation. Strong leadership where all competencies are involved in the decision-making processes.

Education

Jurist and lawyer. Trained plumber.

Current Job

Self-employed, owner of Eqqartuussuserisoqarfik Inuit Law.

Other Management Positions

Chairman of the Board of Anti-Doping Greenland. Board member of Young Guns Futsal club. Chairman of the Board of HCR Invest APS. Chairman of the Board of Directors of NUUKBYG APS.



Inaluk Malene Brandt

Siulittaasup tullia (Vice-President)

- Independent board member
- Chairman of the Committee on Risk and Safety
- Member of the Nomination and Remuneration Committee

First elected by the General Assembly in June 2017 for 1 year. Last re-elected in May 2023 for 1 year.

Special Competences

Organizational development, business development, competency development and competence building. In addition, extensive experience in strategy work, analysis and project management, HR, sustainability and ESG.

Education

Cand. scient. M.Sc. in biology and religion from the University of Southern Denmark, Odense. Executive Board Program, INSEAD.

Current Job

Founder and Director of Visibox Consulting APS.

Other Management Positions

Board member of Ilisimatusarfik. Founder and CEO of EB Development APS. Fully responsible participant in the sole proprietorship "Focus"



Eqaqunnguaq Abel Kristiansen

Board Member

- Independent board member
- Member of the Audit Committee

First elected by the General Assembly in May 2021 for 1 year. Last re-elected in May 2023 for 1 year.

Special Competences

Trained firefighter, police officer and now finished the Academic Profession (AP) degree in Leadership and Management. Has completed Relatepeople's board course for private and public companies in Greenland and course in annual report and financial analysis for board members.

Education

Firefighter, Police Officer, Academic Profession (AP) degree in Leadership and Management.

Current Job

Crew Manager at Royal Greenland A/S.

Other Management Positions

Board member of TAAK (Greenland Handball Federation) and Board member of Imarsionermik Ilinniarfik.



Maja Mathilde Motzfeldt-Haahr

Board Member

- Independent board member
- Member of the Risk and Safety Committee

First elected by the Annual General Assembly in May 2022 for 1 year. Last re-elected in May 2023 for 1 year.

Special Competences

Competence development, Team development, Value work, Train the Trainer course.

Education

Academy education (single subject), Air Greenland's internal management education.

Current Job

Self-employed, Owner of TUC Greenland.

Other Management Positions

Fully responsible participant in the sole proprietorship "TUC Greenland".



Kim Kyllsbech Larsen

Board Member

- Independent board member
- Chairman of the Audit Committee

First elected by the General Assembly in July 2022 for 1 year. Last re-elected in May 2023 for 1 year.

Special Competences

Many years of experience in technology-related strategy and financial management in international telecommunications companies, such as Deutsche Telekom AG and Ooredoo Group. Experience with international board work in the telecom industry and high-tech companies specializing in digital and organizational transformations and high-tech consultancy. Most of my career I have worked with business management in multicultural companies outside Denmark in Europe, Asia, and the Middle East.

Education

PhD in Physics, cand. scient in Physics and Mathematics from Aarhus University. Further education at INSEAD, France (Finance focused) and Boulder University, Colorado, USA (data science focused).

Current Job

Owner of TechNEconomY which focuses on Technological and Financial advice.

Other Management Positions

Member of the boards of Fiberhost (Poland), Benocs (Germany), and Opanga (USA, Industry Advisory Board). Technology advisor to Macquarie Asset Management (Europe).



Benedikta Kristina Naamansen

Board Member

- Employee-elected board member

Elected as a board member by employees for the first time in April 2022, for 4 years.

Special Competences

Administrator of Bentley programs, documentation, and dissemination of the traffic machine (radio chain, submarine cable and satellite earth station), course leader and project manager.

Education

Technical assistant.

Current Job

Technical assistant, Tusass A/S

Other Management Positions

None.



Kim Hammond Zinck

Board Member

- Employee-elected board member
- Member of the Risk and Safety Committee

Elected as a board member by employees for the first time in April 2022, for 4 years.

Special Competences

Many years of experience in technology, especially in telecommunications. Have different experiences within Tusass. Operations Manager – Technical Division, Private Account Manager – Telecom Division, NOC Manager – Technical Division, Technical Operations Manager – Technical Division, Department Manager Transmission – Technical and Infrastructure Division, Chairman of the Safety Committee and Emergency Manager.

Education

Electronics mechanic, Diploma manager, Incident manager, HD in Organization and Management.

Current Job

Head of Department and Emergency Manager, Tusass A/S.

Other Management Positions

None.



Lars Holm Hansen

Board Member

- Employee-elected board member
- Member of the Audit Committee

Elected as a board member by employees for the first time in April 2022, for 4 years.

Special Competences

Many years of experience in the postal service, postal legislation, logistics and development of self-service solutions.

Education

Postal training at Post Danmark 1979-1984.

Current Job

Head of Logistics at Digital Trade & Logistics, Tusass A/S.

Other Management Positions

None.



tusass

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