Sustainability Statement 2024

A1 Group

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General information

Basis for preparation

BP-1 — General basis for preparation of sustainability statement

The information in the sustainability statement covers the entire A1 Telekom Austria Group (A1 Group) and its subsidiaries. The scope of consolidation corresponds to the consolidated financial statements for the 2024 financial year. Material impacts, risks, and opportunities for the value chain (upstream and downstream) have been included in the double materiality assessment as described in IRO-1. The extent to which the value chain has been included in the reporting on policies, actions, targets, and metrics is topic-specific and is explained in the relevant chapter. The option to omit certain information relating to intellectual property, know-how or the results of innovation is exercised in accordance with ESRS 1 (7.7).

BP-2 — Disclosures in relation to specific circumstances

Time horizons
The following time horizons have been used for the reporting in accordance with the requirements of the ESRS (European Sustainability Reporting Standards):
- Short-term: corresponds to the reporting period, i.e. up to one year
- Medium-term: from one year to five years
- Long-term: more than five years

Sources of estimates/value chain estimation
The availability of data on the upstream and downstream value chain presents the A1 Group – like most companies subject to reporting requirements – with major challenges.

When applying the standards E1 Climate change and E5 Resource use and circular economy, projections are required to calculate individual metrics: for E1, these are the scope 3 emissions (E1-6); for E5, metrics for weights (E5-4) are projected because complete data is not available. Details on the methods that are used are provided in the relevant chapters.

It is expected that, as a result of the expansion of regulatory requirements, the availability of data from direct sources will improve over the next few years and that suppliers will increasingly provide the required information as standard in the course of the purchasing/delivery process. The A1 Group will also implement actions in cooperation with its suppliers and industry associations in order to gradually improve the accuracy of the information on the value chain.

Changes in preparation or presentation of sustainability information
This sustainability statement has been prepared in accordance with the requirements of the topics identified as material on the basis of the ESRS. The implementation of the CSRD in national law, in the form of the Nachhaltigkeitsberichtsgesetz (NaBeG – Sustainability Reporting Act), had not yet been put into effect at the time of reporting. The requirements of the Nachhaltigkeits- und Diversitätsverbesserungsgesetz (NaDiVeG – Sustainability and Diversity Improvement Act) therefore continue to apply to the reporting in the 2024 financial year. The A1 Group thus reports voluntarily in accordance with the ESRS for the financial year while taking the requirements of the NaDiVeG into account.

The application of the ESRS has resulted in some changes to the definitions used in the calculation of the metrics and the disclosure of new metrics. Where definitions have been changed, information from prior periods is not stated, as the metrics are not comparable. Prior periods are reported if the calculation of the metrics has not changed. The table below shows how the information required by the NaDiVeG is covered in this sustainability statement in accordance with the ESRS.

Coverage of the NaDiVeG in the sustainability statement according to ESRS

Matters pursuant to the NaDiVeG	Material matters pursuant to the 2022 materiality assessment	Coverage in the section of the sustainability statement in accordance with the ESRS	Metrics from the preceding period (2023)	Reason
Business activities	High-performance and future-proof networks, new business models for customers resulting from digitalization and innovation, and the improvement of public services through digitalization, sustainable supply chain	S4: Entity-specific topic (critical) infrastructure and resilience	No	Amended definition of the topic
		S4: Entity-specific topic information security	No	New definition of the metrics
		G1: Entity-specific topic data protection	No	New definition of the metric
		S2: Workers in the value chain G1: Management of relationships with suppliers	N/A	No metrics
Environmental matters	Climate change and carbon footprint of own operating business, resource optimization and dematerialization, sustainable products and services	E1	Yes	
		E5	Partial	Partial new definition of the metrics
Social matters	Cybercrime and access to information and education	S4: Entity-specific topic digital competences	Yes	
Employee matters	New ways of work, transforming skills in the workplace and developing employees' digital skills, employee engagement and well-being, diversity, inclusion and equality	S1	No	New metrics/ partial new definition or calculation of the metrics
Respect of human rights		S1, S2, G1	Partial	New metrics
Combating corruption and bribery	Anti-corruption and compliance with laws and regulations	G1	Partial	Partial new definition and calculation of the metric

Disclosures stemming from other legislation or generally accepted sustainability reporting pronouncements
This sustainability statement has been prepared in accordance with the requirements of the matters identified as material on the basis of the ESRS and the NaDiVeG. The implementation of the CSRD in national law, in the form of the Nachhaltigkeitsberichtsgesetz (NaBeG – Sustainability Reporting Act), had not yet been put into effect at the time of reporting. Other frameworks that are used for the A1 Group's reporting include the GHG Protocol for calculating emissions, the Science Based Targets Initiative (SBTi) as a framework for the transition plan for climate change mitigation, and the guidelines of the Task Force on Climate-Related Financial Disclosures (TCFD) for the climate risk assessment.

Governance

GOV-1 — The role of the administrative, management and supervisory bodies

In accordance with the Aktiengesetz (AktG – Austrian Stock Corporation Act), the management structure of Telekom Austria AG, consisting of the Management Board and the Supervisory Board, is based on strict separation between the two boards. The Group Management Board is the administrative and governing body of the A1 Group. The holding company Telekom Austria AG is the parent company of the A1 Group: the Group comprises subsidiaries in Austria, Belarus, Bulgaria, Croatia, North Macedonia, Serbia, and Slovenia as well as A1 Digital International GmbH (A1 Digital), which also operates in Switzerland and Germany. The task of the Management Board is to conduct the day-to-day business and represent the company externally. At the end of 2024, the Management Board consisted of Alejandro Plater (1967), Chief Executive Officer (CEO), and Thomas Arnoldner (1977), Deputy Chief Executive Officer (Deputy CEO). The Management Board thus consists of two members. Sonja Wallner has been the Chief Financial Officer (CFO) of the A1 Group, without formally being a member of the Management Board, since September 2023 and reports directly to Alejandro Plater.

CEO Alejandro Plater has enjoyed a long international career in the telecommunications industry, particularly in the areas of business development and sales/key account management. Deputy CEO Thomas Arnoldner has many years of experience in the industry as well as in the field of market and growth strategy. CFO Sonja Wallner contributes her many years of experience in the financial sector. The Management Board and the CFO regularly exchange information with the specialist departments on new strategic and regulatory developments relating to sustainability.

The Supervisory Board appoints members of the Management Board and monitors the activities of the Management Board. It consists of ten members elected by the Annual General Meeting, four members delegated by the Central Works Council of A1 Telekom Austria AG (Austria), and one member delegated by the Staff Council of Telekom Austria AG. Employee co-determination on the Supervisory Board is regulated by Austrian law.

All Supervisory Board members have the relevant competencies and expertise in the area of sustainability, derived for example from their professional activities outside the Supervisory Board of the A1 Group and also as a result of their constant engagement with sustainability aspects within the Supervisory Board. The table below provides an overview of the composition of the Supervisory Board and the competencies of the members of the Supervisory Board that are essential for monitoring sustainability matters, among other things.

Diversity in the Supervisory Board

	Supervisory board members elected by the Annual General Meeting										Members of the Supervisory Board delegated by the Staff Council				
	Edith Hlawati	Carlos García Moreno Elizondo	Alejandro Cantú Jiménez	Karin Exner-Wöhrer	Stefan Fürnsinn	Peter Hagen	Carlos M. Jarque	Peter F. Kollmann	Daniela Lecuona Torras	Oscar Von Hauske Solís	Gerhard Bayer	Gottfried Kehrer	Renate Richter	Alexander Sollak	Franz Valsky
General information															
Year of first appointment	2018	2014	2014	2015	2023	2016	2014	2017	2018	2012	2020	2010	2018	2010	2023
Diversity															
Sex	f	m	m	f	m	m	m	m	f	m	m	m	f	m	m
Year of birth	1957	1957	1972	1971	1979	1959	1954	1962	1982	1957	1967	1962	1972	1978	1972
Nationality	AUT	MEX	MEX	AUT	AUT	AUT	MEX	AUT	MEX/ ESP	MEX	AUT	AUT	AUT	AUT	AUT

Competences of the Supervisory Board members elected by the Annual General Meeting

Internationality	International experience	■ (broad)
Industry expertise	Telecommunications	■ (broad)
	Technology, digital services	■ (broad)
	Financial services	■ (expertise)
Functional expertise	Senior management experience	■ (broad)
	Strategy	■ (broad)
	Entrepreneurship, innovation, new business development	■ (broad)
	Risk management	■ (broad)
	Finance, accounting, audit	■ (broad)
	Financing, treasury	■ (broad)
	Legal, regulatory	■ (broad)
	Corporate governance	■ (broad)
	Capital market, investors	■ (broad)
	M&A	■ (broad)
	Human resources, organization and culture	■ (broad)
	Marketing, sales	■ (broad)
	IT, digitalization	■ (broad)
	ESG, sustainability	■ (broad)
	Compliance	■ (broad)
	Operations, purchasing, supply chain	■ (expertise)

■ Broad expertise (more than 2 Supervisory Board members)
■ Expertise (1-2 Supervisory Board members)

Of the total of 15 members of the Supervisory Board, four are women, which is equivalent to around 27%. In accordance with Section 86(7) AktG, at least 30% of the Supervisory Board members must be women and at least 30% must be men. Of the ten shareholder representatives on the Supervisory Board, three are women, which corresponds to a proportion of 30%. This fulfills the mandatory gender quota of 30%.

The guidelines defined by the Supervisory Board for determining the independence of its members are consistent with Annex 1 of the current version of the Austrian Code of Corporate Governance (ÖCGK). According to these provisions, members of the Supervisory Board can declare that they are independent if they have no business or personal relations with the company or its Management Board that could constitute a material conflict of interest and thus influence their behavior. All shareholder representatives have declared that they are independent in accordance with the ÖCGK.

The shareholder representatives on the Supervisory Board are appointed in accordance with the provisions of the syndicate agreement between the controlling shareholder América Móvil and Österreichische Beteiligungs AG (ÖBAG).

The Management Board and the Supervisory Board of Telekom Austria AG comply with established principles as well as the principles of transparency and an open communication policy with a view to ensuring sustainable corporate development that creates value. The Group-wide areas of competence and responsibility are clearly regulated by the Articles of Association of Telekom Austria AG in addition to statutory provisions. Furthermore, the duties, responsibilities, and working methods are described in greater detail in the rules of procedure of the Management Board and the Supervisory Board. Possible adjustments to governance in order to anchor sustainability even more firmly in the area of responsibility of the Management Board and Supervisory Board are evaluated on an ongoing basis.

The Supervisory Board has set up three committees, which provide effective support by carrying out preparatory work on selected tasks and issues on behalf of the Supervisory Board. The committee work supports the Supervisory Board by ensuring focused discussions and efficient, sustainable decision-making. The CFO takes responsibility for the material impacts, risks and opportunities based on the double materiality assessment. The company's risk management informs the CFO of the material impacts, risks and opportunities and discusses these with her. The CFO passes this information on to the CEO, who then reports it to the Supervisory Board or the Audit Committee.

Composition of the Supervisory Board Committees

	Audit Committee	Remuneration Committee	Staff and Nomination Committee
Edith Hlawati		X	X
Carlos García Moreno Elizondo	X	X	X
Alejandro Cantú Jiménez			X
Karin Exner-Wöhrer			
Stefan Fürnsinn	X		
Peter Hagen	X		
Carlos M. Jarque	X		X
Peter F. Kollmann	X		X
Daniela Lecuona Torras			
Oscar Von Hauske Solís	X	X	X
Gerhard Bayer	X		X
Gottfried Kehrer			
Renate Richter	X		
Alexander Sollak	X		X
Franz Valsky			X

The Remuneration Committee is responsible for regulating the relationship between the company and the members of the Management Board and thus for structuring and implementing the remuneration of the Management Board on the basis of the remuneration policy.

The Audit Committee primarily deals with the audit and preparation of the adoption of the annual financial statements, the audit of the consolidated financial statements, the proposal on the appropriation of profit, the Management Report, the Group Management Report, the Consolidated Corporate Governance Report, and the monitoring of risk management and the effectiveness of the internal control system. In 2024, the Management Board reported in detail to the Audit Committee on the Group's Enterprise Risk Management (ERM), focusing in particular on the risk exposure rate, the top five risks, and the risk assessment and calculation. The Audit Committee thus monitors the ERM process and how ESG risks are handled as a whole. Climate-related risks and other material sustainability risks are incorporated in the annual ERM process and the ERM system as a whole.

The Personnel and Nomination Committee submits proposals to the Supervisory Board for appointments to positions on the Management Board and Supervisory Board that have become vacant and also deals with questions of succession planning. When selecting and appointing members of the company's Management Board, the Supervisory Board places emphasis on the skills and expertise necessary to manage a telecommunications company. Decisions are also based on other criteria such as educational background and career history, age, gender, and general personality traits. When appointing members to the Supervisory Board, care is taken to ensure that the composition is balanced both professionally and personally, taking into account the aspects of the diversity of the Supervisory Board in terms of gender, a balanced age structure and the international background of its members.

The Management Board defines the sustainability strategy and objectives in close coordination with Group ESG and in regular consultation with the Supervisory Board, while taking the results of the double materiality assessment (material impacts, risks, opportunities) into account. Group ESG defines Group-wide targets in close coordination with the ESG managers in the countries. The sustainability strategy is agreed with the Supervisory Board.

The Group ESG department, which is responsible for implementing the ESG strategy, and the Sustainable Finance department, which is responsible for sustainability reporting, form the central pillars of the company's sustainability expertise. There are also sustainability managers in the subsidiaries, who are responsible for strategy execution locally. In order to build up and ensure the necessary knowledge on the subject of sustainability, ongoing Group-wide training courses on sustainability issues are held for managers and employees.

Related to ESRS 2 GOV-1 — G1 Business conduct

The Management Board and the Supervisory Board are responsible for monitoring the compliance management system. This includes compliance with regulations such as the anti-corruption guidelines. Measures are in place to ensure that necessary compliance trainings are carried out.

GOV-2 — Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies

The Management Board defines the sustainability strategy in close coordination with Group ESG and in regular consultation with the Supervisory Board. Group ESG defines Group-wide targets in close coordination with the ESG managers in the countries. The sustainability strategy is agreed with the Supervisory Board.

The Deputy CEO is informed every two weeks by Group ESG about the progress that has been made in implementing the targets defined as part of the sustainability strategy and about the effectiveness of the strategies and actions that have been adopted. The Management Board regularly informs the Supervisory Board in turn. Sustainability matters are discussed at every Supervisory Board meeting. In the 2024 reporting year, the Supervisory Board was informed about the following matters: results of the double materiality assessment (see tables in SBM-3), progress in the implementation of the CSRD, the transition plan for climate change mitigation, sustainability targets and results, as well as compliance.

Risk Management reports on risks and opportunities to the CFO, who in turn informs the CEO, who informs the Supervisory Board and the Audit Committee. Decisions are made based on the assessment of risks and opportunities. Material impacts will also be increasingly included in the future.

GOV-3 — Integration of sustainability-related performance in incentive schemes

The remuneration of the shareholder representatives on the Supervisory Board consists of an annual, fixed lump-sum payment and does not include any variable or performance-based remuneration. Employee representatives on the Supervisory Board do not receive any remuneration. The remuneration of the members of the Supervisory Board therefore does not include sustainability matters.

The basis for the remuneration of the members of the Management Board is provided by the current remuneration policy, which has been in force since January 1, 2024. The total target remuneration of the members of the Management Board is made up of the fixed, non-performance-based remuneration components (basic annual salary, pension contributions) and the performance-based variable remuneration components, comprising the short-term incentive (STI) and the long-term incentive (LTI). The remuneration of the members of the Management Board is largely dependent on the achievement of sustainability-related targets. Sustainability-related incentive and remuneration systems have been anchored in the A1 Group's management remuneration since 2020.

Sustainability-related targets in variable remuneration
Sustainability-related targets are anchored in both the STI and the LTI. STIs and LTIs are defined for members of the Management Board of Telekom Austria AG as well as for the CEOs of the subsidiaries and other members of top management.

Specific corporate goals are derived annually from the sustainability strategy. On this basis, the Remuneration Committee of the Supervisory Board sets STI targets for the members of the Management Board that apply for one year. For 2024, STI targets were set for the matters relating to sustainability in supply chain management and employee satisfaction. In addition, the Group Management Board defined STI targets for the CEOs of the subsidiaries and other members of the top management in connection with the transition plan for climate change mitigation.

LTI targets for the members of the Management Board are also derived from the sustainability strategy for a period of three years. For the period from 2022 to 2024, LTI targets were set for the members of the Management Board of Telekom Austria AG in relation to employee training (training hours) and energy efficiency. For the period from 2023 to 2025, LTI targets have been set relating to the gender pay gap, equal pay gap, and carbon emissions. For the period from 2024 to 2026, LTI targets have been set for the gender pay gap and carbon emissions. The Group Management Board has set LTI targets for the CEOs of the subsidiaries and members of top management for the period from 2024 to 2026 in relation to the equal pay gap and carbon emissions.

Sustainability-related targets account for 22% of the variable salary of the members of the Group Management Board for the 2024 financial year.

Related to ESRS 2 GOV-3 — E1 Climate change

The remuneration of the Management Board includes the following targets in relation to climate change mitigation:
- LTI 2022 (2022-2024): increase energy efficiency in comparison to 2021
- LTI 2023 (2023-2025): reduce carbon emissions by the end of 2025 in line with the emissions reduction curve approved by the Science Based Targets initiative (SBTi)
- LTI 2024 (2024-2026): reduce carbon emissions by the end of 2026 in line with the emissions reduction curve approved by the Science Based Targets initiative (SBTi).

As part of the STI 2024, the remuneration of the CEOs in the subsidiaries includes the following target relating to climate change mitigation: prepare a plan to implement the climate transition plan for the respective subsidiary with allocated resources – approved by Group ESG.

As part of the LTI 2024, the remuneration of members of the top management in the subsidiaries includes the following targets relating to climate change mitigation:
- 2024: keep carbon emissions constant
- 2025: reduce carbon emissions by at least 55% compared to 2019
- 2026: reduce carbon emissions by at least 65% compared to 2019

GOV-4 — Statement on due diligence

The A1 Group considers the core elements of due diligence in the following business functions: governance, strategy and business model, involvement of affected stakeholders, identification and assessment of negative impacts, actions to counteract these, and tracking of effectiveness. The table below describes where these core elements are taken into account in this sustainability statement.

Reference to the due diligence

Core elements of due diligence	Chapter in the sustainability statement	Does the disclosure relate to people and/or environment?
a) Embedding due diligence in governance, strategy and business model	ESRS 2 GOV-2	People and environment
	ESRS 2 GOV-3	People and environment
	ESRS 2 SBM-3	People and environment
b) Engaging with affected stakeholders	ESRS 2 GOV-2	People and environment
	ESRS 2 SBM-2	People and environment
	ESRS 2 IRO-1	People and environment
	E1-2	Environment
	S1-1	People
	S2-1	People
	S1-2	People
	S2-2	People
	G1-1	People
c) Identifying and assessing adverse impacts	ESRS 2 IRO-1	People and environment
	ESRS 2 SBM-3	People and environment
d) Taking actions to address those adverse impacts	E1-1	Environment
	E1-3	Environment
	S1-4	People
	S2-4	People
e) Tracking effectiveness of these efforts and communicating	E1-4	Environment
	S1-5	People
	S2-5	People
	E1-5, E1-6, E1-7, E1-8, E1-9	Environment
	S1-9, S1-10, S1-11, S1-13, S1-14, S1-15, S1-16, S1-17	People

GOV-5 — Risk management and internal controls over sustainability reporting

The A1 Group has a well-established enterprise risk management system. The A1 Group's risks related to financial and sustainability reporting are included in the financial risks category. The risk portfolio, including these risks, is analyzed and evaluated on an annual basis, mitigating actions are derived. A report is submitted twice a year to management and the Audit Committee of the Supervisory Board. A detailed description of risk management can be found in the A1 Group's Risk Management Policy. A detailed description of the control system and the controls in use throughout the Group can be found in the Framework for Internal Control Systems in Austria and CEE Segments of América Móvil, our internal policy.

Risks in connection with reporting are identified and evaluated by the internal control system, secured and made transparent by means of appropriate controls. The controls in reporting are made up of entity level controls, process level controls, and IT general controls.

The A1 Group's strategy for managing financial and non-financial reporting is risk avoidance. As in the financial reporting, controls are aimed at ensuring correct and complete reporting. By embedding the controls for sustainability reporting, the processes for creating, updating, and implementing the reporting are subject to an already well-established standard. The risk assessment is carried out by assessing the probability of incomplete or incorrect reporting and sanctions (penalties).

The internal controls governing the sustainability reporting will be continuously expanded over the next few years, particularly with a view to meeting the requirements of a future audit with reasonable assurance.

Internal control system (ICS) in relation to sustainability reporting
The scope of the ICS for sustainability reporting is determined on the basis of the double materiality assessment, which is the responsibility of Sustainable Finance and is carried out jointly with Group ESG and Risk Management.

The materiality assessment is reviewed annually as part of the risk review and updated if necessary. A complete materiality assessment is carried out at least every three years. Based on the completed materiality assessment, the ICS Competence Center determines the scope of the ICS for the sustainability reporting. Any changes in the materiality assessment defined in the annual reviews must be reflected in the ICS scoping accordingly (e.g. inclusion of controls over new data collection and reporting processes).

The main risks identified and the mitigation strategies, including associated controls
The risks involved in the sustainability reporting include its greatly expanded scope pursuant to the requirements of the CSRD. In addition, high data quality must be guaranteed, although many data points can be recorded or calculated only manually at present. In contrast to the established financial reporting, IT systems are currently available only for selected data points. Risks also arise as a result of the limited availability of data in the value chain and the resulting projections and estimates.

Risks and controls relating to the sustainability reporting
The following relevant risks were identified for the sustainability reporting for the year under review, where their prevention shall be ensured by controls that have been implemented:
- Expertise and organization of the sustainability reporting in the A1 Group
- Governance – tasks, competences and responsibilities for the sustainability reporting
- Scoping for the sustainability reporting
- System readiness before the start of the reporting period
- Separation of report creation and data approval
- Existence of the reporting guideline and the schedule
- Consistency check for relevant metrics
- Confirmation that the information from the data providers is accurate

Currently, 14 controls are executed at Group level and 6 controls are executed for each subsidiary. Like the Process Level Controls, the Entity Level Controls are an integral part of the framework for Internal Control systems and SOX. The implementation of the controls is supported by the company's own application for carrying out and documenting controls. The report on the successful implementation of the controls is addressed to the Head of Sustainable Finance and to the staff responsible for sustainability reporting at local and Group level.

The ICS Competence Center is responsible for creating and implementing the controls relating to the sustainability reporting. Each control is developed and implemented together with the respective process owners at Group level. The controls are then rolled out to all subsidiaries by the local ICS managers. The responsibility for executing the controls lies with the employees who provide the data points or approve the data. Other roles and responsibilities will be continuously adapted in the course of implementing the CSRD.

Reporting to the administrative, management and supervisory bodies
Supervisory Board and Audit Committee: The Supervisory Board or Audit Committee has to review the effectiveness of the company's risk management system (in accordance with Section 92(4a) no. 4b AktG). The Management Board reports to the Audit Committee at least once a year on the company's risk situation, measures to optimize risks, and the development of the Enterprise Risk Management process.

Management Board: The Management Board of the A1 Group defines the tasks of Enterprise Risk Management, lays down the opportunity and risk policy, and reports to the Supervisory Board or Audit Committee on the effectiveness of the risk management system (in accordance with Section 92(4a) no. 4b AktG). It also approves the risk prioritization and measures to optimize risks and integrates Enterprise Risk Management into other company processes.

Enterprise Risk Management (ERM): ERM reports directly to the Chief Financial Officer (CFO) and has operational responsibility for the entire enterprise risk management process and the methods applied there. ERM is responsible for the further development of the risk management system, harmonizing all risks at company level, and reporting to the Management Board and the top management. Together with areas that manage the business operations, such as Security, Controlling and Compliance, Enterprise Risk Management takes on the role of the second line in the three lines model (model for the effective organization of the risk management).

Sustainable Finance (reporting directly to the CFO) is responsible for the sustainability reporting and regularly informs the Management Board in steering meetings in course of the CSRD implementation about potential risks in connection with the sustainability reporting.

Strategy

SBM-1 — Strategy, business model and value chain

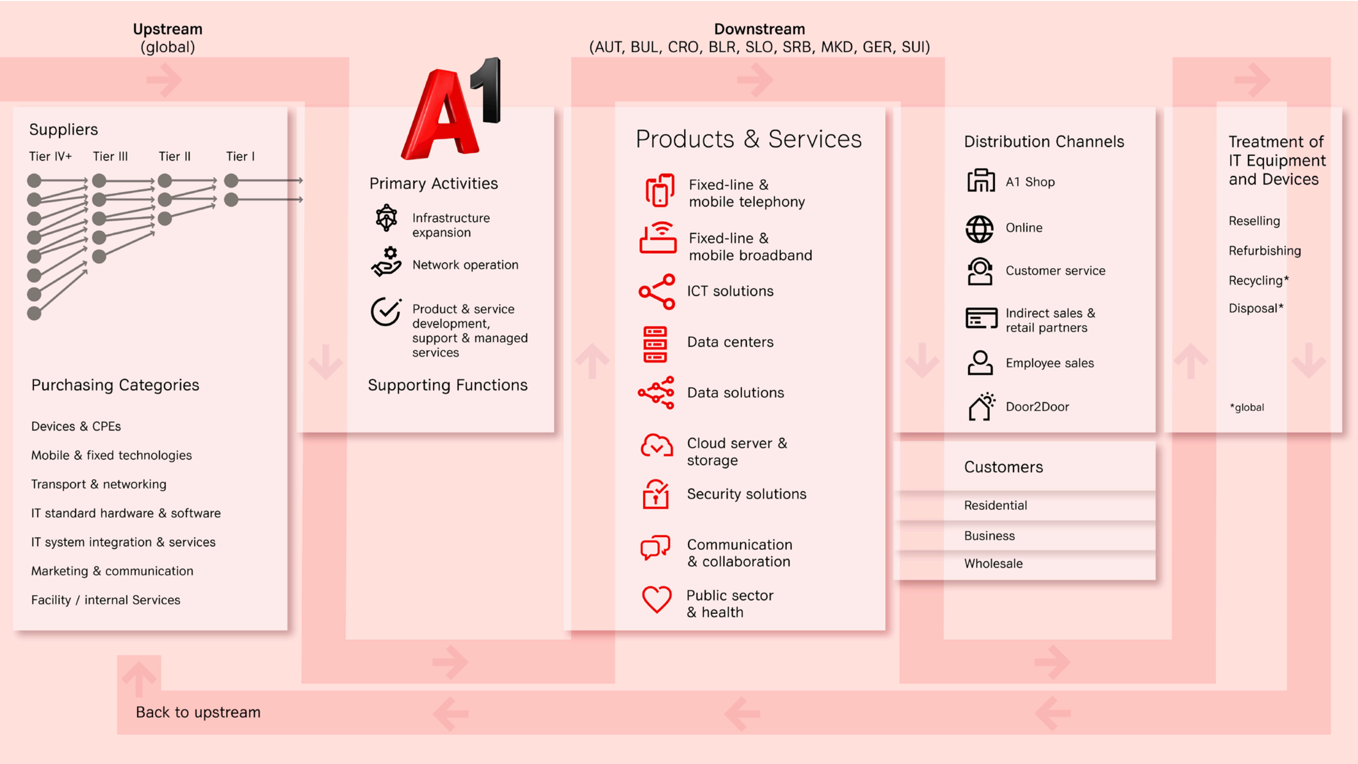
The A1 Group, which is listed on the Vienna Stock Exchange, is a leading provider of digital services and communication solutions and offers these in the CEE region in its seven core markets of Austria, Belarus, Bulgaria, Croatia, North Macedonia, Serbia, and Slovenia. The A1 Group offers products and services in the areas of voice telephony, broadband Internet, mobile and home entertainment as well as data and IT solutions, wholesale, payment solutions, and digital services. Through A1 Digital International GmbH (hereinafter A1 Digital), the A1 Group also offers industry-specific solutions for business customers in its core markets as well as in Germany and Switzerland. The A1 Group is part of América Móvil, one of the world's largest telecommunications providers with subsidiaries in 23 countries in North, Central, and South America as well as in Europe.

The A1 Group generates revenues from the provision of fixed-line and mobile communication services. Fixed-line services include access fees, domestic and long-distance services including Internet services, fixed-to-mobile calls, voice value-added services, interconnection, call center services, data and ICT solutions, television services, IPTV, and smart home services. Mobile communication services include mobile voice and data services, m-commerce, information and entertainment services (for example mobile television, music streaming, etc.), and roaming. In the 2024 financial year, the company generated EUR 2.1 bn in the fixed-line segment (J.61.10) and EUR 3.2 bn in the mobile services segment (J.61.20).

These products and services play an important role in digitalization and sustainability. The expansion of fixed and mobile communication services will create a stable infrastructure that will enable data to be transmitted faster and more efficiently. On the one hand, this is driving the digital transformation, while, on the other, these products and services contribute to sustainability, for example by optimizing the use of resources, reducing energy consumption, and lowering carbon emissions. At the same time, however, telecommunication services can also be energy-intensive. The operation of networks, data centers, and terminal equipment requires energy, which produces a larger ecological footprint. For this reason, increasing energy efficiency and continuously expanding the proportion of electricity generated from renewable energy sources is of major importance. In the context of digitalization, the promotion of digital education is also essential – it enables people of different age groups to take advantage of the opportunities offered by the digital world, while at the same time promoting a critical approach to digital media.

Our value chain
A substantial share of the products we procure from tier I suppliers comprises network technology (mobile and fixed devices), transport and core components, IT infrastructure, and associated services (such as support and maintenance). In addition to OEMs (original equipment manufacturers), we have also entered into contracts with general contractors and distributors as tier I suppliers. Distributors are contracted if this is requested by the OEMs.

Our 17,975 employees (in headcount, see S1-6) develop products and solutions that are tailored to the needs of our customers and the growing demand for digital services. We are continuously investing in the expansion of our infrastructure and the modernization of our networks. We use various sales channels, including direct sales, online sales, customer service, partner networks, and telesales. Our approximately 30 million customers are divided into private customers, business customers, and wholesale customers. At the end of our value chain is the refurbishment, recycling, and disposal of terminals as well as ICT equipment.



Corporate and ESG strategy

With our vision of Empowering Digital Life, we want to offer our customers services and digital communication solutions that make their lives easier and enable them to take advantage of the opportunities offered by digitalization. The best customer experience and reliable technology provide the basis for this. We have made a conscious commitment to shaping a sustainable future – for our employees, customers, business partners, and all stakeholders along the value chain. The corporate strategy focuses on two core areas:

- **Evolve the core:** We are endeavoring to strengthen our position in our core business by responding flexibly to rapidly changing requirements. Our focus is on optimizing the infrastructure to deliver customers a best-in-class experience and maintain our reputation as a quality leader. We focus here on the comprehensive integration of customer needs throughout the entire customer journey. Thanks to the increased use of cloud technology, we are constantly simplifying and modernizing processes and driving the digital transformation forward.
- **Explore the new:** We want to tap into new business areas in order to exploit additional growth opportunities. To this end, we are constantly expanding our existing portfolio and counting on partnerships to provide a comprehensive range of digital services. We bundle knowledge in our internal competence centers, use it throughout the entire Group, and create synergies in this way.

Our strategy puts people at the heart of every activity: Human@Center (see S1) aims to promote a culture of responsibility, team spirit, and professional development. The A1 brand, sustainability (ESG), and the whole area of security are paving the way in this sense, making them an integral part of the corporate strategy. The A1 brand connects all the markets in which we operate. It serves as the basis for cross-border initiatives and represents the values of the Group. Rising customer expectations and legal requirements have increased the relevance of information security (see S4 Information security) and data privacy (see G1 Data privacy). As a trustworthy partner, we therefore offer solutions that meet the highest security standards. We are also committed to a sustainable and inclusive future. This is why ESG (E - environment, S - social, G - governance) is a central element of our corporate strategy.

The focus of our sustainability strategy in the area of the environment, and at the same time the greatest challenge, lies in continuously improving energy efficiency and keeping electricity consumption as low as possible despite the expansion of even more powerful infrastructure and increasing data consumption. Only in this way we can make an active contribution to climate change mitigation. This is also reflected in our targets: reducing carbon emissions and increasing energy efficiency are integral elements of our strategy.

In the social sphere, we focus on promoting digital competences in society, advocating equality, and reducing the gender pay gap. As a technology company, we are taking on the challenge of increasing the proportion both of women overall and of female managers.

In the area of governance, we are working together with our suppliers and business partners to make our supply chain sustainable. The global challenges in the area of sustainability include in particular transparency regarding complex supplier structures, the monitoring of and compliance with human rights, ensuring fair working conditions, and environmental protection measures in countries where the general legal conditions are currently set at a lower level.

Our sustainability strategy addresses the A1 Group as a whole, no specific targets have been defined for individual product groups, customer segments, geographical areas or stakeholder groups.

SBM-2 — Interests and views of stakeholders

Actively working together with stakeholders and making sure they are involved are crucial to the long-term success of our company. Their views, needs, interests, and expectations are integrated in our corporate strategy and business model.

Our Stakeholder Engagement Policy provides the framework for identifying, prioritizing, and involving our stakeholders. By exchanging views and information with our stakeholders, we can better understand their interests, concerns, and expectations, and we discuss these at least twice a year with the Group Directors (management level directly below the Group Management Board).Group ESG also informs the Management Board of the results of these discussions. This ensures that the concerns and perspectives of the stakeholders are incorporated into our decision-making processes.

The Stakeholder Engagement Policy is based on international standards and norms such as the UN Global Compact, the UN Guiding Principles on Business and Human Rights, and the OECD Guidelines for Multinational Enterprises.

Once a year, we organize a stakeholder roundtable to which representatives of all stakeholder groups (see Stakeholder involvement table) are invited. This event enables us to receive direct feedback from our stakeholders on various issues. The roundtable also promotes exchanges and strengthens the relationship between stakeholders and our company, thereby promoting and supporting transparency and cooperation.

We have identified employees, workers' representatives, customers, the capital market, suppliers, the media, the competitive environment, government representatives, and authorities as well as local communities as our most important stakeholders. The table below shows how we get in contact and interact with them and the purpose and results of this interaction. The views, interests, and expectations of the stakeholders are incorporated in our due diligence process and the materiality assessment described under IRO-1.

Stakeholder Engagement

Key stakeholders	Description	Responsibility	Engagement and purpose	Examples of outcomes
Employees and Works Council	Employees, potential employees (local and European), workers' representatives	Group Human Resources and Human Resources in the countries Local employee representatives and European Works Council	Employees are involved through the intranet, e-mails, personal meetings, employee surveys (e.g. Great Place to Work), and events in order to keep them informed and integrate them in company activities. Communication with potential employees generally takes place at career fairs, on employer evaluation platforms, on career websites, on job portals, and at conferences. The aim of the communication with employees and potential employees is to reinforce trust in the company and strengthen our position as an attractive employer in order to retain existing employees and attract new ones. The workers' representatives are involved through e-mails, telephone calls, video conferences, and discussions with the Group Management Board. They are also represented on the Supervisory Board, where they contribute employee concerns and perspectives. The aim of involving workers' representatives is to promote cooperation based on trust and develop joint solutions.	• Human@Center concept and coordinated actions • Works agreements adapted to the employees' needs • Optimization of processes
Customers	Residential customers (B2C) Business customers (B2B Large Enterprise and B2B Small Business Sales)	Business Unit Enterprise Business Transformation and Acceleration	We involve customers through e-mails, contact forms, telephone calls, surveys (e.g. NPS/net promoter score) as well as through personal exchanges and meetings – with the aim of gaining a better understanding of their needs and their expectations of us and our services and tailoring these accordingly.	• Aligning services with the needs of customers • Strengthening customer loyalty • Ensuring long-term satisfaction and loyalty
Financial community	Institutional investors, private investors, analysts, financial media	Investor Relations	We provide the capital market with information via publications on the website and e-mails and involve them through telephone calls, roadshows, meetings, and video conferences in order to ensure transparency and strengthen the market's trust in us.	• Meeting the information needs of investors • Positive contribution to maintaining enterprise value
Suppliers	Strategic suppliers, medium-sized and small suppliers, distributors Workers in the value chain	Purchasing Compliance	We communicate with suppliers via the digital procurement platform, e-mails, phone calls, meetings, and events – with the aim of ensuring that our cooperation is transparent and efficient and that potential challenges are identified at an early stage. The procurement platform also ensures that our suppliers act in compliance with business practices, the environment, human rights, and reporting obligations. In addition, workers in the value chain can submit any concerns they may have via thetell.me whistleblowing platform	• Optimizing delivery processes • Ensuring product quality • Optimizing sustainable procurement • Ensuring compliance with the Supplier Code of Conduct • Fulfilling due diligence obligations on the part of suppliers
Media	Journalists (editors-in-chief, authors), publishers, publishing houses	Corporate Communications	We inform and involve the media through press conferences, personal meetings, visits, telephone calls, video conferences, and events in order to promote trust in the company as well as its credibility. A proactive approach also enables us to manage potential crises effectively.	• Increasing brand awareness/brand value • Increasing/maintaining the enterprise value/image
Competitive landscape	Industry associations, business associations Companies from the same industry	Regulatory, European, and Public Affairs; ESG; C-Level	Industry and business associations are involved through multi-stakeholder initiatives, joint projects, conferences, and presentations. The aim is to promote the exchange of best practice and the development of common standards.	• Harmonizing sustainability practices and KPIs • Joint initiatives for workers in the value chain • Joint on-site audits of telecommunication suppliers • Coordinated approach and feedback on legislative proposals
Government officials & Authorities	Government representatives, authorities Intergovernmental organizations (IGOs)	Regulatory, European, and Public Affairs ESG	We inform and involve government representatives and authorities through face-to-face meetings, including events and the stakeholder roundtable, but also via telephone calls and e-mails. Intergovernmental organizations (IGOs) are informed and involved through events, initiatives, seminars, and reporting. Among other things, this serves regulatory compliance, the pursuit of environmental and social responsibility, and economic development.	• Cooperating in the preparation of legislative projects • Ensuring the feasibility of legal regulations

Key stakeholders	Description	Responsibility	Engagement and purpose	Examples of outcomes
Local communities	Different stakeholders are involved depending on the area of interest: • Customers and municipalities (infrastructure, health and safety, EMF) • Children, young people, educators/teachers, women, and senior citizens (digital skills) • NGOs (environmental/social)	EMF (Electromagnetic fields) ESG ESG, Marketing and Communication	Infrastructure, health and safety, EMF: communication is mainly initiated by customers or communities who express their concerns through letters, protests, and the media. We actively respond to every request in order to create trust, promote transparency, and reduce distrust. Digital competences: the involvement here includes organizing training courses and workshops to promote digital skills. This is intended to improve equal opportunities NGOs (environmental protection/social issues): involvement is related to specific topics.	• Local acceptance for new infrastructure projects • Contributing to reducing the digital divide • Developing new initiatives together with NGOs • Cooperation with NGOs

Related to ESRS 2 SBM-2 — S1 Own workforce

Through employee surveys such as Great Place to Work, as well as in the context of dialogues with management, the interests, perspectives, and rights of the workforce are collected, analyzed, and integrated into the corporate strategy and business model if necessary.

Related to ESRS 2 SBM-2 — S2 Workers in the value chain

We as a company lay down various social and ecological standards along the supply chain in guidelines such as our Supplier Code of Conduct or Responsible Sourcing Policy. The tell.me platform gives workers in the value chain the opportunity to voice their concerns and opinions. These are then analyzed and, if necessary, integrated in the corporate strategy.

SBM-3 — Material impacts, risks and opportunities and their interaction with strategy and business model

The material impacts, risks, and opportunities have been identified as part of the double materiality assessment and are presented in the table below.

E1 Climate change

Sustainability matter	Time horizon	Description
Climate change adaptation		
Risk (OO)	medium-term	The fixed and mobile infrastructure (cell towers) as well as buildings are exposed to physical climate risks. These risks can lead to the failure or unavailability of services and thus to financial risks resulting from increased costs to restore them.
Climate change mitigation		
Actual negative impact (OO, VC)	short-term	Emissions that are generated from the manufacture and use of our products and services contribute to climate change.
Risk (OO)	long-term	Higher carbon taxes can lead to higher prices for raw materials and supplies.
Opportunity (OO)	short-term	Companies that work sustainably enjoy a better reputation, generate competitive advantages, and increase their employer attractiveness.
Energy		
Actual negative impact (OO, VC)	short-term	Our business model causes high energy consumption both within the company and in the value chain.
Actual positive impact (OO, VC)	short-term	Reducing CO_2 emissions through investments to increase energy efficiency and expand the use of renewable energies; contributing to a sustainable economy
Products (devices)		
Actual negative impact (OO, VC)	short-term	Telecommunication products and services contribute to higher production and intensive use of devices, which leads in turn to higher electricity consumption and thus contributes to climate change.
Actual positive impact (OO, VC)	short-term	Telecommunication promotes digitalization, builds connections and networks, and thus has a positive impact on society.
Products (infrastructure)		
Actual negative impact (OO, VC)	short-term	Telecommunication products and services require the development and intensive use of infrastructure, which leads to higher electricity consumption and thus contributes to climate change.
Actual positive impact (OO, VC)	short-term	Telecommunication promotes digitalization, builds connections and networks, and thus has a positive impact on society.

OO = own operation
VC = value chain

E5 Resource use and circular economy

Sustainability matter	Time horizon	Description
Resource inflows, including resource use		
Actual negative impact (OO, VC)	short-term	The production of technical equipment, infrastructure, and packaging materials is resource-intensive and therefore has a negative impact on the environment and ecosystem.
Resource outflows related to products and services		
Actual negative impact (OO, VC)	short-term	The A1 Group does not produce any equipment, but is a retailer and therefore contributes to the negative impacts on the environment.

OO = own operation
VC = value chain

S1 Own workforce

Sustainability matter	Time horizon	Description
Secure employment		
Actual positive impact (OO)	short-term	The A1 Group creates a framework for secure and long-term jobs, which provides financial security and predictability for the workforce and thus also produces a positive impact on society.
Working time		
Actual positive impact (OO)	short-term	The A1 Group offers flexible working time models and clearly regulated working hours, which improves work-life balance and helps to maintain health.
Opportunity (OO)	medium-term	Flexible working time models make it easier to retain employees within the A1 Group and to attract new employees.
Adequate wages		
Actual positive impact (OO)	short-term	The A1 Group pays appropriate wages/salaries; this increases job satisfaction, creates financial security, and ensures a good standard of living.
Freedom of association, existence of works councils and rights of workers on information, consultation and participation		
Actual positive impact (OO)	short-term	Employee representative bodies and regular dialog between management and employee representatives are in place in several A1 Group operating countries, which makes it easier for employees to exercise their rights.
Work-life-balance		
Actual positive impact (OO)	short-term	A good work-life balance is essential for preventing physical and mental stress and therefore helps to maintain good health.
Health and safety		
Actual positive impact (OO)	short-term	Ensuring physical safety and creating healthy working conditions has a positive impact on the well-being of the employees
Gender equality and equal pay for work of equal value		
Actual positive impact (OO)	short-term	Equal opportunities and fair wages increase job satisfaction.
Opportunity (OO)	short-term	Equal opportunities and fair wages improve the company's position as an attractive employer and enhance its reputation and employee loyalty. This can create a competitive advantage.
Training and skills development		
Actual positive impact (OO)	short-term	The A1 Group's training programs increase employee satisfaction and equal opportunities.
Opportunity (OO)	medium-term	The continuous development of skills is a prerequisite for innovation and productivity and increases competitiveness.
Diversity		
Opportunity (OO)	medium-term	Diversity in the company leads to higher productivity and has a positive effect on the corporate culture. This improves the company's position as an employer and makes it easier to recruit talent.
Data privacy		
Potential negative impact (OO)	short-term	The misuse of data by the employer can lead to financial and mental health consequences as a result of a loss of identity, discrimination or harassment.
Risk (OO)	short-term	Data breaches or the loss of sensitive data can lead to large fines, weaken the trust of customers and employees in the company, and jeopardize the company's reputation.

OO = own operation
VC = value chain

S2 Workers in the value chain

As a telecommunications provider, the A1 Group purchases technical products and equipment. The A1 Group relies on global supply chains to procure these products. Production takes place in countries that partially do not (yet) follow international sustainability standards. This results in potential negative impacts, also on the workforce. Conversely, the A1 Group endeavors to achieve positive impacts for employees through the management of supplier relationships in conjunction with appropriate actions. Numerous topics covered by ESRS Standard S2 have therefore been assessed as material.

As all topics are closely linked depending on the supplier/production site in question, they are presented together in the following section. Further information on which targets and actions we have defined for the relevant matters is set out in detail in S2 Workers in the value chain.

Material topics due to short-term potential positive and negative impacts:
- Secure employment
- Working time
- Adequate wages
- Freedom of association
- Health and safety

Material topics due to short-term potential negative impacts:
- Gender equality and equal pay for work of equal value
- Employment and inclusion of persons with disabilities
- Measures against violence and harassment in the workplace
- Diversity
- Child labor
- Forced labor

S4 Consumers and end-users (entity-specific topics)

Sustainability matter	Time horizon	Description
Information security		
Opportunity (OO)	medium-term	The increasing relevance of information security as an issue presents the opportunity to offer appropriate products for customers and thus strengthen the market position and the A1 brand.
(Critical) infrastructure and resilience		
Actual negative impact (OO, VC)	short-term	The unavailability or limited availability of fixed line, mobile, and Internet services can lead to constraints on the customer's ability to communicate and can be particularly critical in emergency situations.
Digital competences		
Potential negative impact (OO, VC)	short-term	A lack of digital skills can lead to unintentionally taking risks as well as misuse and result in serious consequences including health problems, adverse impacts on personal safety, and financial losses.

OO = own operation
VC = value chain

G1 Business conduct

Sustainability matter	Time horizon	Description
Corporate culture		
Actual negative impact (OO)	short-term	Unethical behavior or behavior that is not consistent with the values of the A1 Group can result in employees not feeling comfortable in their work environment or can lead to health problems.
Actual positive impact (OO)	short-term	The A1 Group's corporate culture, which is based on shared values, norms, and behaviors, strengthens the sense of belonging and can improve personal and professional development.
Protection of whistleblowers		
Actual positive impact (OO, VC)	short-term	The A1 Group protects external and internal whistleblowers and thus contributes to higher transparency and ethical behavior.
Management of relationships with suppliers, including payment practices		
Actual positive impact (VC)	short-term	The A1 Group relies on diligent supplier management that builds stable and trustworthy partnerships, guarantees reliable and secure purchasing processes, and ensures that payment terms are met.
Corruption and bribery — prevention and detection including training		
Actual positive impact (OO)	short-term	The A1 Group ensures proper ethical behavior through mandatory training for all employees - this is also in the public interest.
Data privacy (entity-specific material matter)		
Actual negative impact (OO, VC)	short-term	Data breaches can result in damage to mental and/or physical health, for example through loss of identity, discrimination or harassment.
Actual positive impact (OO, VC)	short-term	Thanks to the A1 Group's internal guidelines and processes, customers can be confident that their fundamental right to data privacy will be upheld.
Risk (OO)	short-term	Data privacy violations can lead to penalties, loss of trust, and loss of reputation.

OO = own operation
VC = value chain

As a result of climate change, the effects of extreme weather, especially flooding, were felt in Croatia and Austria in 2024. There were also cases of data breaches in Croatia. The area of information security shows a growing customer demand for specific products. Overall, however, the material risks and opportunities did not have any significant financial impact on the A1 Group. At present, no restatement of assets due to material risks is required for 2025.

The A1 Group's resilience in terms of managing material impacts and risks and exploiting material opportunities is regularly evaluated as part of the strategy and risk management processes. A climate risk assessment was carried out for all A1 Group sites in 2024 that covered short to long-term time horizons and several climate scenarios. The climate risk assessment covers both physical and transition risks. The results, i.e. which risks were identified, the impacts of these risks, and the resilience of the A1 Group to the impacts, are presented in E1 SBM-3 in conjunction with E1.

Further information relating to material impacts, risks or opportunities can be found in the relevant topical chapters.

Impact, risk and opportunity management

IRO-1 — Description of the processes to identify and assess material impacts, risks and opportunities

The A1 Group has carried out a materiality assessment every two to three years since 2012. In 2023, a double materiality assessment in accordance with ESRS requirements was conducted for the first time. This includes identifying and assessing impacts, risks, and opportunities (IROs). We reviewed the results of the materiality assessment in the second quarter of 2024.

Analysis of the scope of consolidation and disaggregation
As preparation for the double materiality assessment, the scope of consolidation was analyzed. It is the same as the scope used in the financial reporting in accordance with the ESRS requirements. The double materiality assessment therefore applies to the entire A1 Group, including all subsidiaries. As each subsidiary of the A1 Group pursues the same business model, the impacts, risks, and opportunities that have been identified apply to all companies. For this reason, individual impacts, risks, and opportunities have not been disaggregated at the country level.

Assessment
All impacts, risks, and opportunities were assessed on a gross basis where possible. The scales for the assessment were derived or adopted from the existing risk management scales. The qualitative and quantitative scale values used for the assessment are based on the scales of operational Tech Risk Management and those of Enterprise Risk Management. This is intended to ensure in the long term that sustainability-related risks and opportunities are in line with other corporate risks and opportunities. The time horizons applied are consistent with the ESRS: short term up to one year, medium term one to five years, long term over five years. The time horizons reflect the first occurrence of impacts, risks, and opportunities.

In accordance with the ESRS, three scales – scale, scope and remediability (only for negative impacts) – were used to assess impacts on the environment and/or society:
- The scale of the impact on the environment or society was taken into account in the assessment.
- When assessing the scope, the extent of the impact was analyzed based on parameters such as the percentage of employees affected.
- When assessing remediability, the difficulty of repairing the damage in terms of cost and time frame was estimated.

When assessing risks and opportunities, three types of scales were available for the assessment: continuation of use of resources, reliance on relationship, and other factors influencing the future cash flow. The probability of occurrence was also included in the assessment.
- Continuation of use of resources: Metrics such as the availability of resources, raw materials for example, were taken into account.
- Reliance on relationship: This scale measures the extent to which relationships with business partners, financial institutions or employees can be influenced.
- Other factors influencing the future cash flow: This scale measures the financial impact of risks and opportunities on cash flow.

If several scales were used for the assessment of risks and opportunities, the scale with the highest assessment was applied.

Threshold
A topic was identified as material if at least one impact, risk or opportunity exceeded the threshold. Thus, topics are material where either impacts, risks or opportunities are in the top third of the assessment result.

Stakeholder involvement
A comprehensive online survey of stakeholders was conducted for the materiality assessments that have been performed to date. In view of the special requirements – both in terms of the variety of topics and the depth of analysis required for a well-founded assessment – the A1 Group took the conscious decision that an online survey of external stakeholders was not suitable for the double materiality assessment. For this reason, the following approach was chosen: The assessment itself was carried out by internal experts (see process description) with specialist knowledge of the relevant topic. They are informed about the concerns, expectations, and wishes of stakeholders – for example through the annual stakeholder roundtable: Topics discussed, findings and results from the roundtable are incorporated in the assessment and also in the review. In 2024, almost 60 representatives from all A1 Group stakeholder groups took part in the stakeholder roundtable. Current trends or results from surveys such as Great Place to Work are also included in the assessment.

Process
The A1 Group has defined following process steps for carrying out the double materiality assessment of impact and financial materiality:
1. Collection of topics to be assessed and preparation
2. Assessment workshops
3. Communication and approval of results
4. Review of the results

Step 1: Collection of topics to be assessed and preparation
As a first step, the A1 Group analyzed material topics of other ICT and telecommunications companies as well as international standards such as the GRI (Global Reporting Initiative) and SASB (Sustainability Accounting Standards Board). All topics and sub-topics from the ESRS standards as well as industry and entity-specific topics resulting from the preliminary analysis were included: This resulted in a longlist with a total of 99 topics to be assessed. In preparation for step 2 (assessment workshops), the company's touchpoints with the relevant topics along its value chain were identified. The topics were then assigned to one or more departments in order to create a basis for the allocation of the participants to the assessment workshops.

The extent to which the departments are affected by the touchpoints, can influence them or are aware of the interests of the affected stakeholders was taken into account.

Step 2: Assessment workshops
One or more workshops were held with specialist departments for each ESRS standard and for entity-specific topics. Experts from various fields were invited in order to incorporate a broad spectrum of perspectives and specialist knowledge. This interdisciplinary collaboration made it possible to take the different points of view into account. At least one representative from each of the areas of Enterprise Risk Management, Sustainable Finance, and ESG attended all workshops. Topic by topic, the company's touchpoints were first discussed and elaborated on, then the negative and positive impacts, risks, and opportunities were described in order to evaluate them in the next step. When discussing the impacts, the area of the value chain in which the impact is localized was also identified: in the company's own activities and/or in the value chain (in all configurations: upstream, downstream or upstream and downstream). Finally, the specific area of the impact along the value chain was taken into account in the assessment.

The assessment was carried out on a consolidated basis for the entire A1 Group – in the event of country-specific differences, contact persons from the specialist departments of the subsidiaries were included. Sustainability risks were not prioritized in relation to other corporate risks. Risks and opportunities were not yet quantified at this stage (see step 4: Review of results), although quantified risks and opportunities from the risk inventory were included in the assessment. For the ESRS standard E4 Biodiversity and ecosystems, an interview was conducted with an expert from an NGO together with an ESG expert in order to assess the impacts, risks, and opportunities.

Step 3: Communication and approval of the results
After the assessment workshops were completed, the results were discussed with the Investor Relations and Corporate Communication departments. The results of the double materiality assessment were then presented to the Management Board at the beginning of 2024 and approved following a subsequent discussion. The results were presented to the Supervisory Board in March 2024. In addition, all workshop participants and internal stakeholders were comprehensively informed about the results.

Step 4: Review of the results
The A1 Group carried out a review in the second quarter of 2024. For those topics identified as material from the double materiality assessment, the assessment of the topics was reviewed. Topics from the stakeholder roundtable held in April were also included, as were new trends and surveys (e.g. the Great Place to Work employee survey). The review of risks and opportunities was combined with the half-yearly risk review by Enterprise Risk Management.

Results
A total of 36 topics (including six entity-specific topics) were assessed as material. The ESRS standards E2 Pollution, E3 Water and marine resources, and E4 Biodiversity and ecosystems standards were identified as not material. The A1 Group has no relevant touchpoints with topics related to the ESRS standard S3 Affected communities, therefore it is not relevant to the business model. Thus the standard was identified as not material and excluded from the assessment. The topics from standard S4 Consumers and end-users were also evaluated as not material, but the entity-specific topics of information security, digital competences, and (critical) infrastructure and resilience were allocated to standard S4. The entity-specific topic of data privacy was allocated to G1 Business conduct and the topics products: devices and products: infrastructure were allocated to the standard E1 Climate change.

More than 20 departments and approximately 50 internal stakeholders were involved in the double materiality assessment and review. The results of the double materiality assessment can be found in detail in SBM-3.

Outlook
The results of the double materiality assessment to identify, assess, and prioritize impacts, risks, and opportunities are reviewed annually to take into account trends, underlying assumptions, context, and regulatory changes. We are gradually working on further quantifying the material risks and opportunities in order to fully integrate them in the A1 Group's overall risk perspective.

Related to ESRS 2 IRO-1 — E1 Climate change

Procedures in relation to the impacts on climate change/greenhouse gas emissions
Globally, telecommunications account for around 2% of total carbon emissions. Carbon emissions are caused on the one hand by the production of the technical components used, such as the end-user terminal equipment, and, on the other, by energy consumption for operating the systems, data centers, and sites. Logistics and the company's own fleet (for sales, installation, and maintenance activities) also produce carbon emissions.

The actual carbon emissions and the projection of carbon emissions in a do-nothing scenario, i.e. if emissions are not actively reduced by a transition plan for climate change mitigation (see E1-1), were used to assess the impact on climate change. The carbon emissions are calculated based on information from internal reporting (such as energy consumption, sales figures for end-user terminal equipment, sites in use, and terminal equipment in use). Scope 3 emissions are calculated and projected using information available from suppliers (see E1-6).

Climate-related physical risks at A1 Group and in the upstream and downstream value chain
The A1 Group has regularly carried out climate scenario analyses since 2022 in order to identify potential climate-related risks over the various planning horizons and scenarios and, if necessary, to prevent these by means of appropriate action.

In 2024, a climate risk assessment was carried out in accordance with the requirements of the ESRS: In a first step, sites were grouped according to their asset class and specific characteristics. These sites were examined individually in terms of the potential negative impacts of 18 physical climate risks. Supported by a database, more than 25,000 sites in the A1 Group's footprint were analyzed for potential climate events based on site specific geographical coordinates. The assets were divided into three clusters and then analyzed in order to assess the different vulnerabilities of the sites: For mobile communications, greenfield, rooftop and micro sites were analyzed. For the fixed line infrastructure, the focus was on switching centers such as ARUs (access remote units). In addition, the building types offices, data centers, and A1 shops were examined.

The identified climate risks and the exposed sites were assessed with experts in terms of their vulnerability to the respective climate event. Finally, adaptation solutions were discussed for those assets classed as highly vulnerable in each category, as was the time frame for possible actions to adapt the assets and thus avoid risk. The various adaptation measures were also quantified, allowing their total cost to be determined in addition to the probability of occurrence over the time horizon under consideration and the relevant climate scenario. Based on the IPCC (Intergovernmental Panel on Climate Change), the RCP 2.6, RCP 4.5, RCP 6.0, and RCP 8.5 scenarios were used for the analysis. The assessment included the upstream value chain (cell towers are rented from EuroTeleSites, among others) and the risks in the company's own operations. The assessment was carried out for short, medium, and long-term horizons.

Procedures relating to climate-related transition risks and opportunities within the company and in the upstream and downstream value chain
Two outlier scenarios were used for the climate-related transition risks: < 2° Celsius (RCP 2.6) and > 4° Celsius (RCP 8.5). The two scenarios were used to present more extreme positions and thus also to describe different risk scenarios. The observation horizon included short, medium, and long-term transition risks (up to 1 year, < 5 years and up to 30 years). The analysis included regulatory, legal, technological, market and consumer-oriented, as well as image-related aspects.

In a first step, possible transition risks were identified with experts and recorded for an assessment of the extent of the risk. The second step involved conducting the assessment and quantifying possible opportunities and risks over the period under review. Depending on the assessment results, the risks and opportunities were classified as relevant or under observation; possible actions to promote opportunities or mitigate risks were also discussed with the experts and incorporated in the action planning.

The approach is quantitative for transition risks such as energy consumption and the pricing of CO_2 emissions and strongly interwoven with the short, medium, and long-term planning of the business model. Planning assumptions for energy consumption are modeled using different price assumptions – depending on the regulatory scenario. The results of the two scenarios and the different financial impact on the planning then determine whether there are relevant risks and in which planning period (short, medium or long term) the effects will become apparent.

Related to ESRS 2 IRO-1 — E2 Pollution

In an expert workshop, the topics from E2 Pollution were analyzed and assessed in order to determine the impacts, risks, and opportunities of business activities and in the upstream and downstream value chain. The business activities of the A1 Group were reviewed with regard to specific aspects of air pollution and related emission thresholds, but specific sites were not assessed. The topic was identified as not material. Affected communities were not consulted.

Related to ESRS 2 IRO-1 — E3 Water and marine resources

In an expert workshop, the topics in E3 Water and marine resources were analyzed and assessed in order to determine the impacts, risks, and opportunities of business activities and in the upstream and downstream value chain. The business activities of the A1 Group were reviewed with regard to the touchpoint of water withdrawals, but assets were not assessed. The topic was identified as not material. Affected communities were not consulted.

Related to ESRS 2 IRO-1 — E4 Biodiversity and ecosystems

In an interview with an NGO expert together with an A1 Group ESG expert, the topics in E4 Biodiversity and ecosystems were analyzed and assessed in order to determine the impacts, risks, and opportunities in the own operation and in the upstream and downstream value chain. The scales described above were used for the assessment. The A1 Group has sites in or near biodiversity-sensitive areas, but no negative impacts on the environment have been identified. In addition, no physical risks, system risks or transition risks were assessed as material and no dependencies were identified. Thus, the topic was assessed as not material. No actions to reduce impacts have to be taken at the moment. Affected communities were not consulted.

Related to ESRS 2 IRO-1 — E5 Resource use and circular economy

In an expert workshop the topics of resource inflows, resource outflows, and waste generated were analyzed and assessed in order to determine the impacts, risks, and opportunities in the own operation and in the upstream and downstream value chain. The relevance of the topics in connection with the own operation was reviewed. Affected communities were not consulted. Network infrastructure, equipment, fixed and mobile devices, and packaging materials were identified as material inflows. The latter was also identified as a material outflow. Both resource inflows and resource outflows are material due to their negative impact on the environment and relate to the A1 Group's entire value chain.

Related to ESRS 2 IRO-1 — G1 Business conduct

In an expert workshop the topics in G1 Business conduct were analyzed and assessed in order to identify and analyze the impacts, risks, and opportunities in the own operation and in the upstream and downstream value chain. The analysis was performed consolidated for the entire A1 Group based on the comprehensive compliance management system.

IRO-2 — Disclosure requirements in ESRS covered by the undertaking’s sustainability statement

The index of disclosure requirements covered by the sustainability statement and the list of data points resulting from other EU legislation are listed in the annex to the sustainability statement.

Environmental information

Disclosures pursuant to Article 8 of Regulation 2020/852 (Taxonomy Regulation)

The aim of the EU Taxonomy as part of the European Green Deal is to mobilize investments in sustainable activities. Mandatory reporting ensures that sustainability is measured through financial performance indicators.

The legal framework is provided by the EU Taxonomy Regulation[1)], which came into force in June 2020, the Climate Delegated Act[2)] for the environmental objectives of climate change mitigation and adaptation, the associated Annexes I[3)] and II[4)] and the supplementary Disclosures Delegated Act[5)], which sets out the disclosure requirements in accordance with Article 8 of the EU Taxonomy Regulation.

In June 2023, a further Delegated Act[6)] (Environmental Delegated Act) was adopted, which includes EU taxonomy criteria for economic activities that make a significant contribution to one or more of the non-climate-related environmental objectives, namely: sustainable use and protection of water and marine resources, transition to a circular economy, pollution prevention and control, and protection and restoration of biodiversity and ecosystems. This Delegated Act also supplements the disclosure requirements pursuant to Article 8. The existing regulations for the two climate targets (Climate Delegated Act) were supplemented in June 2023 by a further Commission Delegated Regulation[7)], which defines additional taxonomy criteria.

Furthermore, the EU Commission published additional notices/FAQs[8)] that provide guidance and clarification on the correct application and interpretation of the Regulation/Delegated Acts, including Commission Notices on Article 8 and the technical screening criteria.

For the 2024 financial year, all six environmental objectives are relevant for disclosures, where the share of capital and operating expenditure (CAPEX and OPEX) and turnover from taxonomy-eligible, non-taxonomy-eligible and taxonomy-aligned activities must be disclosed for all objectives for the first time. This means that the full scope of reporting has been achieved for the time being.

Approach 2024

The newly expanded reporting requirements were again implemented in a cross-border team. The A1 Group's economic activities were reviewed at Group level in regard to their taxonomy eligibility for 2024.

For the two environmental objectives of climate change mitigation and climate change adaptation as well as for the non-climate-related environmental objectives (sustainable use and protection of water and marine resources, transition to a circular economy, pollution prevention and control, and protection and restoration of biodiversity and ecosystems), the A1 Group's economic activities in the 2024 reporting year were screened in order to ascertain whether any changes had been made. It was concluded that the catalogue of taxonomy-eligible economic activities for A1 Group is unchanged compared to the 2023 reporting year. A first review of taxonomy alignment was necessary for the non-climate-related environmental objectives in 2024. For the climate-related economic activities, it was examined whether there were any changes in the degree to which the technical screening criteria were met compared to the previous year.

The KPIs for all taxonomy-eligible and taxonomy-aligned economic activities of the A1 Group were determined by the subsidiaries and verified for plausibility, checked, consolidated, and reconciliated with the financial indicators at Group level. Questions raised by the subsidiaries regarding the requirements of the Taxonomy Regulation, definitions, and any options for interpretations were jointly discussed and answered by the Group team. To ensure that the information was correct and complete, documentation with the key content of the EU Taxonomy was produced and shared with the team.

Taxonomy-eligible activities

The list of economic activities described in the EU Taxonomy Regulation covers only a small part of the A1 Group's core activities. Most of its business activities – which mainly involve products and services for mobile telecommunications, fixed line and broadband Internet – are currently not covered within the scope of the EU Taxonomy Regulation. Thus, the significant investments in infrastructure, such as the 5G and fiber roll-out, are also not taxonomy-eligible. Numerous studies prove the contribution of the

1) EU Taxonomy Regulation (EU) 2020/852
2) Commission Delegated Regulation (EU) 2021/2139
3) Annex I(EU) 2021/2800
4) Annex II (EU) 2021/2800
5) Commission Delegated Regulation (EU) 2021/2178
6) Commission Delegated Regulation (EU) 2023/2486
7) Commission Delegated Regulation (EU) 2023/2485
8) FAQ July 2021, FAQ January 2022, FAQ February 2022, Commission Notice C/2023/305, Commission Notice C/2023/267, Draft Commission Notice November 2024

telecommunications sector to the achievement of environmental objectives, so it is to be hoped that the EU will include telecommunication services in the catalogue of taxonomy-eligible activities in the next few years as the EU Taxonomy continues to expand.

The EU Taxonomy defines that an economic activity is characterized by the input of resources, a production process, and an output of goods or services (see FAQ[1] of the EU Commission). This means that primarily revenue-generating activities are taxonomy-eligible. The definition of revenue is based on the Delegated Regulation. The revenue-generating activities remain unchanged from the previous year.

Economic activity of EU Taxonomy Regulation	**Revenue-generating activities of the A1 Group**	**Contribution to the environmental objective**
8.1. Data processing, hosting, and related activities	A1 Group operates its own and leased data centers and sells related services, such as data processing and storage or transmission capacities.	Climate change mitigation
8.2. Data-driven solutions for GHG emissions reductions	IoT/data solutions for GHG emissions reductions: smart meters, smart waste, smart parking and mobility	Climate change mitigation
4.1. Provision of IT/OT data-driven solutions	IoT Solutions for Remote Monitoring and Predictive Maintenance (Activity 4.1./a)	Transition to a circular economy
5.4. Sale of second-hand goods	• Collection of old devices and resale as used equipment • Purchase of refurbished devices from third parties and resale	Transition to a circular economy
5.5. Product-as-a-service and other circular use- and result-oriented service models	Result-oriented services: Product-as-a-service (e.g. device as-a-service/rental of mobile phones and other devices)	Transition to a circular economy

In addition to revenue-generating activities, the EU Taxonomy Delegated Act also lists three taxonomy-eligible types of CAPEX:
- CAPEX a) refers to investments that are directly related to taxonomy-eligible revenue-generating economic activities.
- CAPEX b) refers to investments that are part of a plan to expand taxonomy-aligned economic activities or to convert taxonomy-eligible economic activities into taxonomy-aligned economic activities ("CAPEX plan").
- CAPEX c) refers to investments resulting from the acquisition of output (products/services) from taxonomy-eligible and taxonomy-aligned economic activities and individual measures by which the economic activities are carried out in a way that generates low carbon emissions or reduces greenhouse gas emissions.

Based on the above definitions, the following CAPEX c) is taxonomy-eligible in 2024:

Economic activity of EU Taxonomy Regulation	**CAPEX c) activities of the A1 Group**	**Contribution to the environmental objective**
6.5. Transport by motorbikes, passenger cars and light commercial vehicles	A1 Group buys and leases vehicles with combustion engines, hybrid and electric vehicles from manufacturing companies or dealers.	Climate change mitigation
7.2. Renovation of existing buildings	A1 Group buys services from companies that carry out renovation work.	Climate change mitigation
7.3. Installation, maintenance and repair of energy-efficiency equipment	A1 Group buys the output and services of companies to increase energy efficiency in buildings, e.g. heating and cooling systems.	Climate change mitigation
7.4. Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	A1 Group buys the output/services of companies that take care of the installation, maintenance and repair of charging stations, solar panels on charging stations and batteries for these solar panels.	Climate change mitigation
7.5. Installation, maintenance and repair of instruments and devices for measuring, regulating and controlling energy performance of buildings	A1 Group buys the output/services of companies that install, maintain or repair devices for measuring, regulating and controlling the energy performance of buildings.	Climate change mitigation
7.6. Installation, maintenance and repair of renewable energy technologies	A1 Group buys the output and services of companies that install, maintain or repair solar panels or wind turbines on buildings and cell towers.	Climate change mitigation

[1] FAQ February 2022

All taxonomy-eligible activities of the A1 Group contribute only to one environmental objective, either "Climate change mitigation" or "transition to a circular economy". This prevents activities from being counted twice.

Reporting in accordance with the Taxonomy Regulation was based on the scope of consolidation of the A1 Group, which is presented in note 34 of the 2024 consolidated financial statements.

Assessment of taxonomy alignment
For the 2024 reporting year, for the first time, taxonomy alignment is to be evaluated for all environmental objectives. The relevant taxonomy-eligible activities were therefore reviewed in terms of their taxonomy alignment, i.e. whether the technical screening criteria are met:

Economic activities in connection with the environmental objective of climate change: As part of the preparation for the CSRD, a climate risk assessment was carried out, the results of which can also be used as proof for taxonomy alignment.

The climate risk assessment is used to prove taxonomy alignment for the A1 Group's economic activities 7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings) and activity 7.6 Installation, maintenance, and repair of renewable energy technologies. The extent to which the criteria for taxonomy alignment are now met for these two activities was therefore reviewed.
- Significant contribution: As enabling activities, both activities automatically fulfill the criterion of making a significant contribution to climate change mitigation
- Do no significant harm (DNSH): The climate risk assessment is the only criterion that must be met to ensure the DNSH principle is fulfilled.
- Minimum (social) safeguards: The minimum safeguards pursuant to Article 18 of the EU Taxonomy Regulation (EU) 2020/852 are intended to ensure that an economic activity is considered taxonomy-aligned only if it also complies with international human rights standards and regulations governing issues such as bribery and corruption, taxation, and fair competition. The Platform for Sustainable Finance published a report Final Report on Minimum Safeguards in 2022[1)] (Platform on Sustainable Finance October 2022), which explains the requirements for minimum social safeguards. The A1 Group fulfills these requirements and does not violate any of the above criteria. This is verified by this sustainability statement, which reports on the key matters of human rights, bribery and corruption, and fair competition in accordance with the ESRS. The requirements regarding taxation are met by the A1 Group's Tax Policy[2)]. Furthermore, no proceedings for violations of tax laws were ongoing in 2024.

As a result, the economic activities 7.4. and 7.6. fulfill all technical screening criteria in 2024 and can be assessed as taxonomy-aligned.

Economic activities in connection with the environmental objective transition to a circular economy:
- 4.1./ Provision of data-driven IT/OT solutions and 5.4./ Sale of second-hand goods: These two activities generate only minor revenue for the A1 Group and no investments were made in 2024. They are therefore not material for the business model. In accordance with question 13 of the FAQ 2023 of the EU Commission[3)] FAQ Art. 8 20.10.2023, it is no necessary to assess the taxonomy alignment for activities that are not material for the business model.
- 5.5./ Product-as-a-service and other circular use and result-oriented service models: A review of the technical screening criteria showed that the activities only partially meet the criteria for making a significant contribution to the environmental objective. They are therefore determined as not taxonomy-aligned.

Materiality
The EU Taxonomy Delegated Act does in general not allow the application of materiality. An exception is the application of materiality for OPEX provided this they are "not significant" to the company's business model. The FAQ/Commission Notice[4)] from 2023 provided further clarification in this regard. Accordingly, all OPEX that is not material for the business model can be exempted from the calculation of the numerator of the OPEX KPI. The numerator is disclosed as being equal to zero.

The A1 Group continues to follow this approach in 2024: Only OPEX KPIs for the taxonomy-eligible economic activities that are significant (material) for the A1 Group's business model are reported. As a result, only the OPEX of revenue-generating activities is material. No other activities are included in the numerator, i.e. the OPEX KPI is disclosed as being equal to zero. In the denominator, the total OPEX as defined in the Delegated Act is still included.

[1)] Final Report Minimum Safeguards - Platform on Sustainable Finance October 2022
[2)] A1 Group Tax Policy
[3)] FAQ Art. 8, 20.10.2023
[4)] Commission Notice C/2023/305

EU Taxonomy Regulation KPIs

The KPIs for the 2024 financial year for revenue, CAPEX, and OPEX were calculated in accordance with the requirements and definitions in Annex I of Commission Delegated Regulation 2021/2178[1)] and the Environmental Delegated Act[2)], which includes amendments to the disclosure requirements.

Each taxonomy-eligible business activity of the A1 Group is allocated to the corresponding economic activity of the taxonomy catalogue. In some cases, individual economic activities could be assigned to more than one taxonomy activity. This applies particularly to CAPEX and OPEX for buildings with multiple uses as offices and data centers. To provide transparency and avoid double counting, CAPEX and OPEX were allocated only to the predominant activity ("majority principle").

To determine KPIs for all taxonomy-eligible activities as shown in the reporting templates, selection parameters were defined according to the definition of CAPEX, OPEX, and turnover and reports were generated from the respective ERP systems of the subsidiaries.

Only external revenues and expenditures related to third parties were included in the calculation. Intra-group transactions were excluded. This ensured that double counting was avoided.

Revenue KPI: Total revenue (denominator) is as disclosed in note 5 to the consolidated financial statements, revenue from services and the sale of terminal equipment.

Revenue in EUR million	2024	2023
Service revenues	4,501.6	4,347.8
Total equipment revenues	813.4	811.5
Total revenue	**5,315.0**	**5,159.2**

CAPEX KPI: Total CAPEX (denominator) is equal to the amount disclosed for total additions to intangible assets and property, plant, and equipment, plus additions to right-of-use assets in accordance with IFRS 16 (Leases). Due to the prevailing legal opinion the additions for asset retirement obligations are to be included in CAPEX since the 2023 reporting year.

Capital expenditures in EUR million	2024	2023
Intangibles (Note 16)	211.4	305.2
Property, plant, and equipment without asset retirement obligations (Note 15)	662.2	806.6
Right-of-use assets in accordance with IFRS 16 (Note 30)	300.9	415.8
Total additions	**1,174.6**	**1,527.6**

OPEX KPI: Total OPEX (denominator) as defined by EU Taxonomy includes only a very limited share of operating expenditures. These are expenses related to research and development, building renovation, short-term leases, and maintenance and repairs. Since the A1 Group does not engage in any significant research and development projects and almost all of its leases are capitalized (see also note 30), only expenses for maintenance and repair that are included in other operating expenses (see note 6) were classified as relevant and included in the OPEX KPI.

Respective KPIs of the taxonomy-eligible, taxonomy-aligned, and non-taxonomy-eligible economic activities of the A1 Group, shown as the share of A1 Group total turnover, CAPEX and OPEX, are presented in the following templates in the updated version (see Annex II of Commission Delegated Regulation 2023/2486[3)]).

[1)] Commission Delegated Regulation (EU) 2021/2178
[2)] Commission Delegated Regulation (EU) 2023/2486
[3)] Commission Delegated Regulation (EU) 2023/2486

Template 1: Proportion of turnover from products or services associated with Taxonomy-aligned economic activities - disclosure covering year 2024

FINANCIAL YEAR		2024		SUBSTANTIAL CONTRIBUTION CRITERIA						DNSH CRITERIA ("Does Not Significantly Harm")									
ECONOMIC ACTIVITIES	CODE(s)	Turnover	Proportion of Turnover, 2024	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Minimum safeguards	Proportion of Taxonomy- aligned (A.1.) or -eligible (A.2.) Turnover, 2023	Category enabling activity	Category transitional activity
		in EUR million	%	(a) (b)	(a) (b)	(a) (b)	(a) (b)	(a) (b)	(a) (b)	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (taxonomy-aligned)																			
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**0.0**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**N**	**N**	**N**	**N**	**N**	**N**	**N**	**0.0%**		
Of which Enabling		0.0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%								0.0%	E	
Of which Transitional		0.0	0.0%	0.0%													0.0%		T
A.2. Taxonomy-eligible, but not environmentally sustainable activities (not taxonomy-aligned)																			
8.1 Data processing, hosting and related activities	**CCM 8.1** / CCA 8.1	73.4	1.4%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								1.3%		
8.2 Data-driven solutions for GHG emissions reductions	CCM 8.2	14.3	0.3%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.7%		
4.1 Provision of IT/OT data-driven solutions and software	CE 4.1	2.3	0.0%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								0.0%		
5.4 Sale of second-hand goods	CE 5.4	1.0	0.0%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								0.0%		
5.5 Product-as-a-service and other circular use- and result-oriented service models	CE 5.5	33.7	0.6%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								0.6%		
Turnover of Taxonomy-eligible, but not environmentally sustainable activities (not Taxonomy-aligned) (A.2)		**124.7**	**2.3%**	**70.3%**	**0.0%**	**0.0%**	**0.0%**	**29.7%**	**0.0%**								**2.7%**		
Turnover of Taxonomy-eligible activities (A.1 + A.2)		**124.7**	**2.3%**	**70.3%**	**0.0%**	**0.0%**	**0.0%**	**29.7%**	**0.0%**								**2.7%**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy non-eligible activities (B)		**5,190.3**	**97.7%**																
TOTAL Turnover		**5,315.0**	**100.0%**																

(a) Section A.1:
Y – Yes, Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective;
N – No, Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective;
N/EL – Not eligible, Taxonomy-non-eligible activity for the relevant environmental objective
(b) Section A.2:
EL – Taxonomy-eligible activity for the relevant objective;
N/EL – Taxonomy-non-eligible activity for the relevant objective

Template 2: Proportion of CAPEX from products or services associated with Taxonomy-aligned economic activities - disclosure covering year 2024

FINANCIAL YEAR		2024		SUBSTANTIAL CONTRIBUTION CRITERIA						DNSH CRITERIA ("Does Not Significantly Harm")									
ECONOMIC ACTIVITIES	CODE(s)	CAPEX	Proportion of CAPEX, 2024	Climate Change Miti-gation	Climate Change Adap-tation	Water	Pollution	Circular Economy	Biodiversity	Climate Change Miti-gation	Climate Change Adap-tation	Water	Pollution	Circular Economy	Biodiversity	Minimum safeguards	Proportion of Taxonomy- aligned (A.1.) or -eligible (A.2.) CAPEX, 2023	Category enabling activity	Category transitional activity
		in EUR million	%	(a) (b)	(a) (b)	(a) (b)	(a) (b)	(a) (b)	(a) (b)	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (taxonomy-aligned)																			
7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	**CCM 7.4.** / CCA 7.4.	1.0	0.1%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.0%	E	-
7.6 Installation, maintenance and repair of renewable energy technologies	**CCM 7.6.** / CCA 7.6.	1.3	0.1%	Y	N/EL	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	0.0%	E	-
CAPEX of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**2.3**	**0.2%**	**100.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**0.0%**		
Of which Enabling		2.3	0.2%	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%								0.0%	E	
Of which Transitional		0.0	0.0%	0.0%													0.0%		T
A.2. Taxonomy – eligible, but not environmentally sustainable activities (not taxono-my-aligned)																			
6.5 Transport by motorbikes, passenger cars and light commercial vehicles	**CCM 6.5.** / CCA 6.5.	21.5	1.8%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.8%		
7.2 Renovation of existing buildings	**CCM 7.2.** / CCA 7.2. / CE 3.2.	1.0	0.1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.1%		
7.3 Installation, maintenance and repair of energy efficiency equipment	**CCM 7.3.** / CCA 7.3.	4.4	0.4%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.8%		
7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)[c]	**CCM 7.4.** / CCA 7.4.	0.0	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%		
7.5 Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	**CCM 7.5.** / CCA 7.5.	0.1	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%		
7.6 Installation, maintenance and repair of renewable energy technologies[c]	**CCM 7.6.** / CCA 7.6.	0.0	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.5%		
8.1 Data processing, hosting and related activities	**CCM 8.1.** / CCA 8.1.	31.8	2.7%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								1.7%		
8.2 Data-driven solutions for GHG emissions reductions	CCM 8.2.	0.1	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%		
5.5 Product-as-a-service and other circular use- and result-oriented service models	CE 5.5.	24.3	2.1%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								1.1%		
CAPEX of Taxonomy-eligible, but not environmentally sustainable activities (not Taxonomy-aligned) (A.2)		**83.3**	**7.1%**	**70.8%**	**0.0%**	**0.0%**	**0.0%**	**29.2%**	**0.0%**								**5.0%**		
CAPEX of Taxonomy-eligible activities (A.1 + A.2)		**85.5**	**7.3%**	**71.6%**	**0.0%**	**0.0%**	**0.0%**	**28.4%**	**0.0%**								**5.0%**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
CAPEX of Taxonomy non-eligible activities (B)		**1,089.0**	**92.7%**																
TOTAL CAPEX		**1,174.6**	**100.0%**																

(a) Section A.1:
Y – Yes, Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective;
N – No, Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective;
N/EL – Not eligible, Taxonomy-non-eligible activity for the relevant environmental objective
(b) Section A.2:
EL – Taxonomy-eligible activity for the relevant objective;
N/EL – Taxonomy-non-eligible activity for the relevant objective
(c) Activity was not taxonomy-aligned in 2023 (reported under section A.2.). In 2024 activity is taxonomy-aligned (reported under section A.1.)

Template 3: Proportion of OPEX from products or services associated with Taxonomy-aligned economic activities - disclosure covering year 2024

FINANCIAL YEAR		**2024**		**SUBSTANTIAL CONTRIBUTION CRITERIA**						**DNSH CRITERIA ("Does Not Significantly Harm")**									
ECONOMIC ACTIVITIES	CODE(s)	OPEX	Proportion of OPEX, 2024	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Climate Change Mitigation	Climate Change Adaptation	Water	Pollution	Circular Economy	Biodiversity	Minimum safeguards	Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) OPEX, 2023	Category enabling activity	Category transitional activity
		in EUR million	%	(a) (b)	(a) (b)	(a) (b)	(a) (b)	(a) (b)	(a) (b)	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (taxonomy-aligned)																			
OPEX of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**0.0**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**N**	**N**	**N**	**N**	**N**	**N**	**N**	**0.0%**		
Of which Enabling		0.0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%								0.0%	E	
Of which Transitional		0.0	0.0%	0.0%													0.0%		T
A.2. Taxonomy – eligible, but not environmentally sustainable activities (not taxonomy-aligned)																			
6.5 Transport by motorbikes, passenger cars and light commercial vehicles[c]	**CCM 6.5.** / CCA 6.5.	0.0	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%		
7.2 Renovation of existing buildings[c]	**CCM 7.2.** / CCA 7.2. / CE 3.2.	0.0	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%		
7.3 Installation, maintenance and repair of energy efficiency equipment[c]	**CCM 7.3.** / CCA 7.3.	0.0	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%		
7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)[c]	**CCM 7.4.** / CCA 7.4.	0.0	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%		
7.5 Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings[c]	**CCM 7.5.** / CCA 7.5.	0.0	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%		
7.6 Installation, maintenance and repair of renewable energy technologies[c]	**CCM 7.6.** / CCA 7.6.	0.0	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%		
8.1 Data processing, hosting and related activities	**CCM 8.1.** / CCA 8.1.	5.7	2.9%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								3.1%		
8.2 Data-driven solutions for GHG emissions reductions	CCM 8.2.	0.3	0.1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.2%		
OPEX of Taxonomy-eligible, but not environmentally sustainable activities (not Taxonomy-aligned) (A.2)		**6.0**	**3.0%**	**100.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**								**3.3%**		
OPEX of Taxonomy-eligible activities (A.1 + A.2)		**6.0**	**3.0%**	**100.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**								**3.3%**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OPEX of Taxonomy non-eligible activities (B)		**193.5**	**97.0%**																
TOTAL OPEX		**199.5**	**100.0%**																

(a) Section A.1:
Y – Yes, Taxonomy-eligible and Taxonomy-aligned activity with the relevant environmental objective;
N – No, Taxonomy-eligible but not Taxonomy-aligned activity with the relevant environmental objective;
N/EL – Not eligible, Taxonomy-non-eligible activity for the relevant environmental objective
(b) Section A.2:
EL – Taxonomy-eligible activity for the relevant objective;
N/EL – Taxonomy-non-eligible activity for the relevant objective
(c) Based on materiality approach, OPEX determined as not material for A1 Group business model is disclosed as zero in the template

Taxonomy eligibility and alignment per environmental objective

	Proportion of Turnover / Total Turnover		Proportion of CAPEX / Total CAPEX		Proportion of OPEX / Total OPEX	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective	Taxonomy-aligned per objective	Taxonomy-eligible per objective	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	0.0%	1.7%	0.2%	5.2%	0.0%	3.0%
CCA	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
WTR	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
CE	0.0%	0.7%	0.0%	2.1%	0.0%	0.0%
PPC	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
BIO	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

E1 Climate change

Strategy

E1-1 — Transition plan for climate change mitigation

We are committed to counteracting climate change by integrating sustainability into our operations and business strategies. As one of the leading telecommunications companies, we recognize our role in reducing greenhouse gas (GHG) emissions and advancing towards a low-carbon economy.

Our Climate Transition Plan aligns with the best practices in the telecommunication industry, and it aims to support global efforts to limit temperature rise in line with the Paris Agreement, explicitly limiting global warming to 1.5°C. Our ambition is to be at the forefront of our industry in sustainability by continuously minimizing the carbon footprint in our operation and across the value chain. We prioritize energy efficiency and renewable energy use as key strategies for climate change mitigation. Our ambition is backed by science-based Net-Zero targets, validated by the Science Based Targets initiative (SBTi) in 2024. We aim to reduce emissions from our operations by at least 90% by 2030 and reach Net-Zero across our entire value chain by 2040. Net-Zero means that emissions are reduced in line with the 1.5-degree target of the Paris Agreement, and the impact of remaining emissions (after a reduction of 90–95%) is neutralized through the permanent removal of an equivalent amount of CO_2.

Our near-term targets are as follows: We are committed to reducing absolute Scope 1 and 2 GHG emissions by 90% by 2030, compared to a 2019 base year. Additionally, we are committed to reducing absolute Scope 3 GHG emissions from purchased goods and services, capital goods, fuel- and energy-related activities, and the use of sold products by 60% by 2030, also from a 2019 base year. The target boundary includes land-related emissions and removals from bioenergy feedstocks. Scope 2 emissions are calculated using the market-based approach (see E1-4). Our decarbonization pathway follows the latest sector-specific decarbonization trajectories[1)]. These pathways are aligned with the IPCC Special Report on 1.5°C and have been adopted as the sectoral target-setting approach by the Science Based Targets Initiative (SBTi), ensuring that our targets contribute to limiting global temperature rise in line with international climate goals. We are not excluded from the EU Paris-aligned Benchmarks.

However, we understand that setting ambitious goals alone is not enough. We need to carefully plan and take action to make them a reality while ensuring transparency regarding the impacts of these initiatives. Therefore, we are making significant adjustments across multiple areas to ensure our business model is compatible with these ambitious targets. Our decarbonization levers are increasing on-site renewable production and renewable energy procurement, transitioning our fleet to low-carbon vehicles, as well as modernizing networks, infrastructure and cooling and heating systems to improve energy efficiency (see E1-3). The investments in decarbonization based on our Climate Transition Plan are covered within the respective line items of the balance sheet and Profit & Loss of the consolidated financial statements. In accordance with ESRS 1 (7.7) no. 106 we use the right to omit disclosures of planned CAPEX/OPEX broken down to decarbonization levers as they contain sensitive information related to our strategy and business model.

The Climate Transition Plan was approved by the A1 Group Management Board, which holds ultimate responsibility for delivering our "Empowering Digital Life" strategy. Our Climate Transition Plan is acknowledged by the Supervisory Board. Execution of the Climate Transition Plan is integrated into our regular governance structures, with ongoing and regular progress reviews. The day-to-day management and execution of climate transition initiatives is decentralized across our operating companies and overseen by the unit Group ESG. Furthermore, the Climate Transition Plan execution is also integrated in the incentive schemes of the local and Group management.

The EU Taxonomy Regulation covers only a small portion of our core activities. Most of our business, primarily mobile telecommunications and broadband services, falls outside its current scope. As a result, significant infrastructure investments, such as 5G and fiber roll-out, are not Taxonomy-eligible, despite numerous studies highlighting the positive environmental contributions of telecommunications. Therefore the investments for the Climate Transition Plan may not be related to the low CAPEX KPI disclosed according to Article 8 of EU Taxonomy Regulation.

Success is measured by our progress in reducing GHG emissions toward our climate targets. As of today, compared to our 2019 baseline, we have reduced our Scope 1, 2, and 3 emissions by 35%, keeping us ahead of our Net-Zero reduction trajectory. Moving forward, as part of our climate transition plan implementation, we will continuously identify, monitor, and report on key success metrics. Simultaneously, we are enhancing our ESG data measurement, reporting, and disclosure processes. By adopting innovative technologies, we aim to strengthen our operational resilience and contribute positively to environmental sustainability, aligning our efforts with the expectations set forth by our stakeholders.

1) As outlined in Recommendation ITU-T L.1470, 'GHG Emissions Trajectories for the ICT Sector Compatible with the UNFCCC Paris Agreement.

Related to ESRS 2 SBM-3 — E1 Climate change

Physical climate risks

The following climate-related risks were identified as relevant risks for the A1 Group's sites in the course of the climate risk assessment:

- Temperature change and heat stress
- Heatwave
- Cold spell/frost
- Landslide
- Heavy precipitation
- Floods/coastal flooding

The top climate risks for the passive and active infrastructure of the radio towers and for the fixed line infrastructure are landslides, followed by heat stress/heatwaves. Other risks include flooding and cold spells/frost. Buildings (shops, offices, data centers, logistics centers) are also exposed to climate risks in the form of landslides, heavy precipitation, and flooding. The majority of climate risks are concentrated in shops and smaller office buildings. All headquarters and all relevant data centers such as warehouses are not affected by climate events across all periods under review.

While risks such as landslides and floods are more pronounced in Austria and Croatia, Bulgaria and North Macedonia are more affected by heatwaves. In terms of individual countries, Austria is exposed to the highest number of climate risks in absolute terms, as it has the most fixed line and mobile network sites.

Assessment of the exposure of the company's assets and business activities to these climate-related risks

The results of the 2024 climate risk assessment can be represented by the number of climate events over time (> 10% of the sites are potentially affected) and the assessment of the potential damage incurred compared to when adaptation measures are implemented.

Overall, the A1 Group's mobile and fixed line infrastructure is exposed to climate risks only to a minor extent in the short and medium term. As a short-term measure, new sites are already being examined prior to the construction of infrastructure with regard to future climate events so that sustainable use is guaranteed. In the long term, however, a significant increase in exposure has to be expected based on the scenarios. Additional adaptation solutions will therefore be required, ranging for example from the relocation of sites, flood protection, to heating elements or cooling of the systems.

Climate-related transition risks

Relevant transition events for the A1 Group include

- Policy and legal: higher pricing of greenhouse gas emissions; risk of legal disputes
- Technology: costs of the transition to lower-emission technologies
- Market: change in consumer behavior
- Reputation: change in consumer preferences

In the field of policy and legal, the A1 Group is already subject to carbon pricing, e.g. in Austria. For each scenario, the A1 Group models the energy price trends over the next 30 years, including the pro rata carbon pricing, which is reflected in the energy price, fuel costs, and cooling and heating costs. While the < 2°C scenario manages energy consumption and sustainable energy sources through increases in carbon pricing, the > 4°C scenario sees a further increase in demand for energy that is also provided by conventional, non-sustainable sources. Carbon taxes have no steering effects in this scenario.

The price trend in each scenario is linked to the trend in volume in order to assess the financial impacts of the two scenarios. While higher demand for data from end customers and increasing computing power in data centers increases energy consumption, energy-saving measures, new transmission technologies, and the switch to sustainable sources reduce energy consumption and thus emissions. Accordingly, the two scenarios result in significantly different, i.e. high or low, financial impacts of regulatory interventions. Regardless of the carbon pricing, the Climate Transition Plan is essential for the A1 Group to achieve its Net-Zero-target.

The risk of legal disputes for the A1 Group in connection with climate-related issues is currently assessed as low. The A1 Group assumes its responsibility in the form of the Climate Transition Plan, which demonstrates a scientifically proven way (SBTi) to achieve climate neutrality. Risks in connection with the sustainability reporting can be avoided through the use of internal controls. Risks in the value chain are prevented through the A1 Group's sustainable sourcing activities (see S2). We also work closely with our business customers to jointly reduce sustainability risks.

Costs of the transition to lower-emission technologies
The main risks in this context are legacy devices in the mobile network. While shutting down 2G and 3G is sensible from a technological point of view, as newer technologies such as 4G and 5G and packet-based data transmission also offer efficiency gains for voice services, it is not possible to replace all 2G and 3G terminal equipment in the network in the short term. This is causing a delay in the switch to more efficient technologies, which in turn poses a challenge for the transition plan for climate change mitigation. Ideally, the regulator will support this transition, as it should not create competitive advantages or disadvantages for the operators, but rather encourage concerted activity by all operators to help the sector combat climate change. Data transmission via the fiber network is a far more energy-efficient technology. Terminal equipment – from routers to set-top boxes for streaming – is also generating fewer emissions and may contribute to reducing energy consumption by end customers. The risk of technological transformation can be described as the delayed shutdown of legacy technologies such as 2G and 3G that temporarily causes higher costs for licenses, energy consumption, complexity, and maintenance.

Changes in consumer behavior and consumer preferences
The A1 Group faces the challenge of meeting growing demand for data using the most suitable technology. These are stationary/household fiber or hybrid networks. The challenge for the A1 Group lies in steering customers towards the appropriate technologies for their own consumption patterns. Consumer preferences in connection with access technology (mobile or fixed line) are currently driven less by the carbon impact and more by attractive offers and ease of installation and operation. The risk for the A1 Group lies in providing low-emission (fixed line) technology, which is facing low demand in the short term, and thus in higher production costs for data traffic in mobile communications with a partial lack of utilization of the energy-efficient fixed networks.

Assessment of the exposure of the company's assets and business activities to these climate-related transition risks
For most customers, telecommunications are a commodity, a part of daily life that cannot be replaced or compensated for by other services. Climate-related transition risks for the business model of telecommunications providers such as the A1 Group can therefore be regarded as non-critical. The risk related to an industry-standard return on investment in the case of fiber for example is partly reduced by government subsidies, while the speed of the roll-out is controlled by the regulation of supply and demand.

Resilience of the strategy and the business model in relation to climate change
Telecommunication networks are characterized by redundant architecture and regional nodes – as far as both wired and wireless infrastructure is concerned. This offers the advantage that regional (climate-related) events may have regional impacts, but may not produce any overall burden on the network. The more decentralized the network component is, the lower the impacts of possible disruptions are. This, combined with a constantly growing network and thus smaller cell units, helps create a certain basic resilience in the telecommunications infrastructure and thus of the A1 Group's products and services.

The infrastructure expansion and maintenance process also aims to minimize potential disruptions – including climate-related outages – through design, placement, regular maintenance, and predictive actions (e.g. through predictive analytics). Sites exposed to an elevated risk will be subject to special monitoring in the future in order to minimize the increasing risks through countermeasures.

A distinction is made between the following risk exposures, which are resolved accordingly by using management strategies:
- Risk avoidance involves making decisions and taking actions to prevent sources of risk and risk-generating factors.
- In the case of risk mitigation, measures are taken either to reduce the probability of occurrence or to reduce the possible extent of any damage.
- Through risk transfer, risks are partially or completely transferred to third parties.
- Another strategy involves risk acceptance. Risks are consciously entered into either because there is sufficient risk coverage potential or because the risk control measures are associated with disproportionately high costs. The decision whether to accept a risk is made by the responsible managers in the relevant departments or the Management Board, coordinated with Enterprise Risk Management, and are transparently documented.

In course of the climate risk assessment, we also evaluated the resilience of the business model with regard to the physical and transition risks.

Physical risks
Experience from climate disasters in the immediate past and their impacts on the provision of services suggests that the business model is resilient in the short to medium term. On the one hand, the impacts of climate change are not yet noticeable in terms of frequency and intensity, while, on the other hand, relevant physical risks are adequately covered by insurances. The risks that have been identified do not in any case affect our most relevant sites, such as data centers or major traffic hubs, headquarters or warehouses.

Transition risks
Transition risks relate on the one hand to rising costs in connection with the taxation of emissions (CO_2) and, on the other hand, risks such as consumer behavior and increasing demand for data volumes, which can also turn into an opportunity as consumers become more aware of energy consumption and the efficiency of technologies.

In summary, the A1 Group will proactively monitor the impacts of climate change on our business model to take preventive measures in good time.

Impact, risk and opportunity management

E1-2 — Policies related to climate change mitigation and adaptation

The policies outlined focus on climate change mitigation, energy efficiency, and renewable energy deployment, applying to the A1 Group and its subsidiaries. The Environmental Policy additionally covers the entire upstream and downstream value chain. They are published on the A1 Group website and are accessible to internal and external stakeholders at any time. The implementation of the policies is overseen by the Head of Group ESG.

Environmental Policy
- **Content:** Our Environmental Policy emphasizes our commitment to sustainability by minimizing environmental impact and aligning with global initiatives like the Paris Agreement. The policy outlines strategies for reducing emissions, enhancing energy efficiency, and responsible sourcing. It also focuses on transparency, stakeholder engagement, and continuous improvement across the supply chain. Our environmental policy is regularly monitored by the unit Group ESG, ensuring its alignment with any developments that may affect the policy. We report on a regular basis our energy efficiency indicators to track the progress of our initiatives. We also continuously monitor our value chain using a vendor risk assessment matrix based on ESG criteria. This includes self-assessments and external audits at vendor locations through our membership in the Joint Alliance for CSR (JAC).
- **Third party standards or initiative relevant for the A1 Group:** UN Sustainable Development Goals (SDGs), Science Based Targets Initiative (SBTI), GHG Corporate Accounting and Reporting Standard, JAC (Joint Alliance for CSR)

Clean Energy Strategy
- **Content:** Our Clean Energy Strategy provides an important framework for our decarbonization efforts. We aim to increase the energy efficiency, minimizing electricity consumption, purchasing clean energy, and raising the share of renewables in our electricity mix. The policy prioritizes renewable sources like wind, solar, and green hydrogen while excluding controversial options like new hydropower and grey hydrogen. New hydropower and gray hydrogen face criticism for not aligning with long-term environmental goals. New hydropower can harm ecosystems and release methane, while gray hydrogen, despite being a cleaner-burning fuel, generates significant CO_2 emissions. In line with this policy, we use various methods to procure renewable energy, including on-site production, Power Purchase Agreements (PPA), and Guarantees of Origin (GO). The strategy is flexible, adapting to local markets, and emphasizes transparent reporting and long-term positive climate impact. Our clean energy strategy is regularly monitored by the relevant departments, ensuring its relevance and alignment with any developments that may affect our strategic approach. We transparently report electricity consumption, emissions, and the share of renewable energy to ensure effective strategy implementation.

Sustainable Business Travel Guideline
- **Content:** Our Sustainable Business Travel Guideline aims to reduce Scope 3 GHG emissions by promoting sustainable travelling. Employees are encouraged to prioritize virtual meetings, minimize travel frequency, and use public transportation. Air travel is limited to distances over 500 km, with approval needed for domestic flights. The guideline is integrated into local travel policies and emphasizes continuous monitoring, reporting, and periodic reviews to ensure its effectiveness in minimizing environmental impact.

E1-3 — Actions and resources in relation to climate change policies

In line with our commitment to combat climate change, we have set a Net-Zero target, aiming to achieve a 90% reduction in greenhouse gas emissions across all three scopes by 2040 compared to our 2019 baseline. This ambitious goal reflects our dedication to mitigating climate risks and aligning with global sustainability standards. Our climate policies focus on reducing emissions throughout our entire value chain, covering Scope 1 (direct emissions), Scope 2 (indirect emissions from energy use), and Scope 3 (other indirect emissions across the value chain). Targeted actions and resource allocation underpin these efforts to transform our operations, improve energy efficiency, and foster stakeholder collaboration to drive sustainable outcomes. The described actions have been implemented and will be continued.

Emission reduction of our own operation
Our efforts to reduce Scope 1 and Scope 2 greenhouse gas emissions are guided by a comprehensive Climate Transition Plan, focusing on four key areas: energy efficiency, increasing the share of renewable energy, transitioning our fleet to low-carbon options, modernizing our network, and optimizing other energy-consuming assets. The resulting actions are implemented across the entire A1 Group.

Regarding our progress in 2024, we increased the share of renewable energy in our operations to 79%. We made significant strides in transitioning our fleet to low-carbon alternatives by increasing the share of non-ICE vehicles to 17%. Simultaneously, we invested in modernizing and expanding our mobile and fixed networks with cutting-edge technologies to enhance service quality, availability, and energy efficiency. Additionally, we are upgrading some of our older facilities with more energy-efficient Heating, Ventilation, and Air Conditioning (HVAC) systems. These initiatives will continue as part of our efforts to align with our Net-Zero targets. They are expected to significantly reduce our Scope 1 and Scope 2 emissions, contributing to our target of a 90% reduction by 2030 compared to the 2019 baseline. In 2024, we achieved a decrease of 58% compared to our 2019 baseline, putting us 17 percentage points ahead of the Net-Zero reduction trajectory.

Energy Efficiency
- **Content and timeframe:** We consume approximately 0.9 TWh of energy annually, with about 70% used to operate our fixed and mobile access networks. We aim to reduce Scope 1 and 2 emissions by improving energy efficiency and optimizing energy use across the network. This will also mitigate our risk to rising energy costs and future price volatility, enabling us to decouple growing data demand from energy consumption. We assess the outcome of our actions based on the Energy Efficiency Indicator (MWh/TB). Our actions include:
  - We will continue implementing our network modernization plans, including rolling out more energy-efficient 5G technology and fiber by 2030 and simultaneously phasing out legacy technologies.
  - Prioritizing energy efficiency when selecting network equipment to minimize electricity consumption during its operation
  - Optimizing energy use through network configuration improvements and deploying digital tools, AI, and smart energy-saving features, such as 5G sleep mode
  - Consolidating parts of our mobile and fixed network and data center assets, utilizing virtualization and cloud technologies to optimize energy consumption

On-site renewable energy production and renewable electricity purchasing
- **Content and timeframe:** Our objective focuses on two key areas. First, we aim to increase the number of mobile base station sites equipped with on-site renewable electricity generation and power storage, reducing our reliance on fossil fuel-powered stationary generators. Second, we plan to match more of our electricity use with renewable energy certificates and, where possible, with power purchase agreements (PPAs). However, we recognize challenges in procuring renewable energy as well. Namely, in some of our markets, where renewable energy mechanisms are less developed, procuring renewable electricity remains challenging. Nevertheless, the objective of our electricity procurement efforts is to support the transition from fossil fuels to renewables. As the renewable energy market evolves, we will continue exploring new ways to facilitate this transition through our procurement practices. We assess the outcome of our actions based on the Share of Renewables in Electricity (%). Our actions include:
  - We will continue executing our renewable energy procurement strategy to match the electricity we use with renewable sources, either through the grid or power purchase agreements (PPAs) where possible, to reach 100% renewable electricity.
  - We will continuously monitor renewable energy market trends and engage in relevant innovation projects to accelerate our energy transition through improved procurement practices.
  - We will continue installing photovoltaic systems and small wind turbines at sites, and where feasible, larger photovoltaic installations, to increase the share of self-produced renewable electricity.

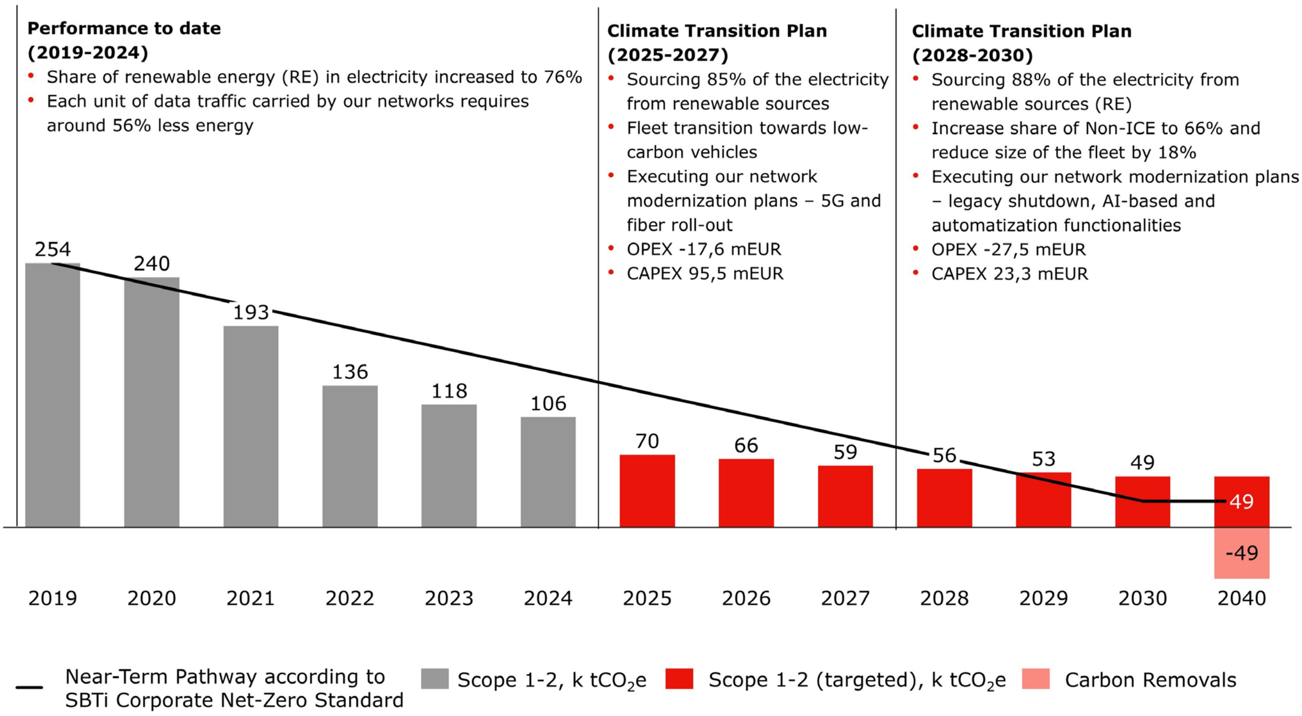
Increasing the share of low-carbon vehicles in the fleet

- **Content and timeframe:** We aim to transition from internal combustion engine vehicles (ICE) to electric vehicles (EVs) powered by renewable electricity, along with hybrid (HEV) and plug-in hybrid (PHEV) vehicles. This transition will consider non-ICE availability, government subsidies, tax incentives, and operational factors. We assess the outcome of our actions based on the Share of non-ICE vehicles (%). Our actions include:
  - Significantly reduce fleet emissions by decreasing the share of internal combustion engine (ICE) vehicles by 2030
  - Support the installation of EV infrastructure, such as charging stations, at our premises to encourage EV adoption
  - Raise awareness and provide training to employees on the benefits of low-carbon vehicles, promoting optimal driving styles
  - Improve our fleet operations to maximize the use of low-carbon vehicles and ensure their efficiency

Modernization of Heating, Ventilation, and Air Conditioning systems across our networks, data centers, and other assets

- **Content and timeframe:** We aim to modernize HVAC systems by upgrading to more energy-efficient models, implementing free cooling, optimizing hot and cold aisles in data centers, and enhancing heat recovery systems where technically and economically feasible. We assess the outcome of our actions based on the Electricity consumption Savings (MWh). Our actions include:
  - Gradually phase out outdated, energy-inefficient HVAC and fossil fuel heating systems, replacing them with modern, energy-efficient alternatives to reduce energy consumption and enhance operational sustainability
  - Maximize the use of free cooling techniques in locations with favorable climate conditions, leveraging natural airflow to reduce energy consumption in cooling operations
  - Deploy advanced cooling solutions in data centers, including optimizing hot and cold aisle containment and upgrading cooling infrastructure to reduce energy use and improve efficiency

A1 Climate Transition Pathway for Scope 1 and 2 emissions



Emission reduction of our value chain operation
We aim to reduce Scope 3[1] emissions by 90% by 2040 from our 2019 baseline. Regarding our progress in 2024, we took actions, such as collaborating with key suppliers to decarbonize their operations, significantly lowering our upstream emissions. Additionally, we are optimizing employee business travel by promoting environmentally friendly options. This includes stricter guidelines on when travel is necessary (principle of avoidance), exploring alternatives or improving travel efficiency (principle of reduction), and prioritizing public transport and trains over cars and planes (principle of lower carbon footprint). To address downstream emissions, we are refurbishing Customer Premises Equipment (CPEs), offering refurbished mobile phones, and gradually transitioning our services to a device-less model. These initiatives align with our policy objectives and targets, promoting sustainability throughout our value chain and are implemented across the entire A1 Group.

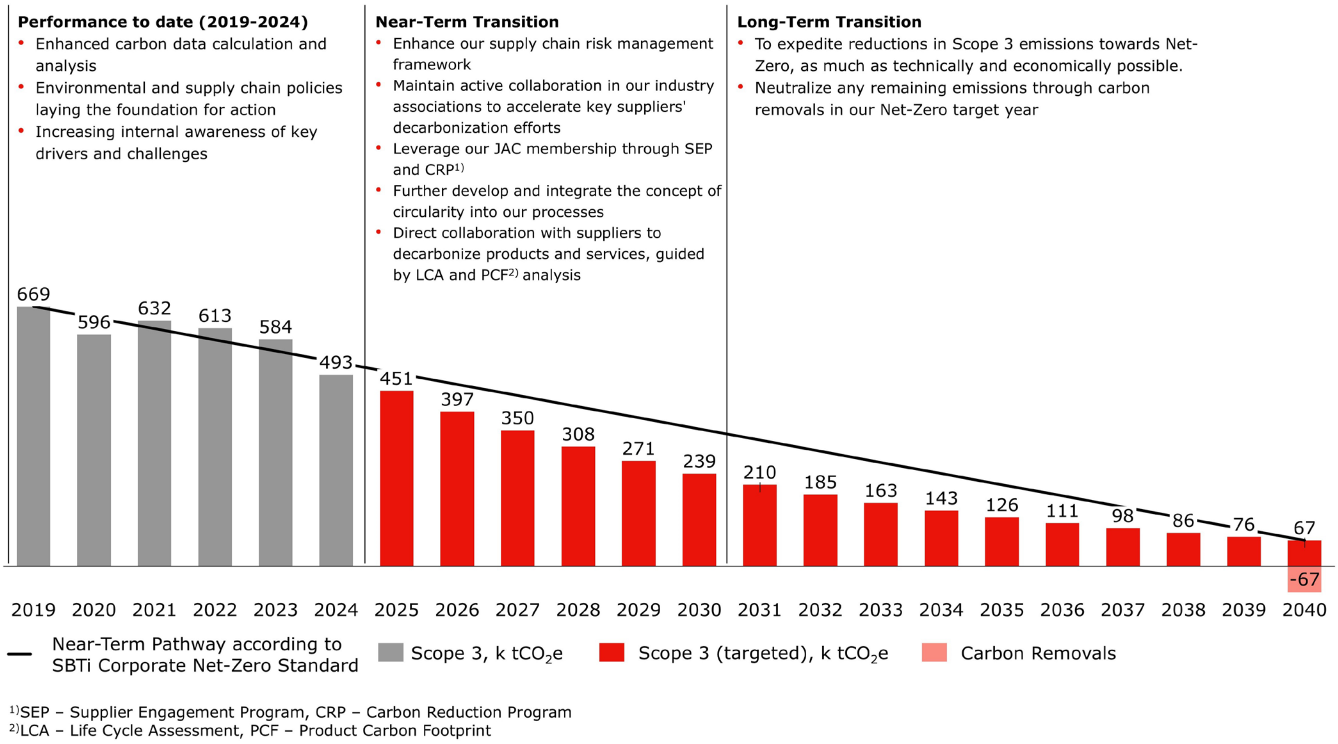
These key actions are expected to significantly reduce our Scope 3 emissions, contributing to our target of a 90% reduction by 2040 compared to the 2019 baseline. In 2024, we achieved a decrease of 26% compared to our 2019 baseline, putting us 5 percentage points ahead the Net-Zero reduction trajectory.

Key Supplier Engagement
- **Content and timeframe:** We aim to reduce upstream carbon emissions by working with key suppliers, including network equipment manufacturers, to align their climate goals with ours and accelerate decarbonization. One of our key levers is our membership in the Joint Alliance for CSR (JAC). We will also engage tier 2 and tier 3 suppliers to communicate our climate goals and encourage emissions reductions. Supplier climate ambitions and performance will continue to be key factors in procurement. We assess the outcome of our actions based on Scope 3 emissions from purchased goods and services, as well as capital goods (t CO_2e). Our actions include:
  - We will continue collaborating with industry peers and Joint Alliance for CSR (JAC) to engage key equipment and service suppliers in the telecommunications sector, aligning on climate ambitions and emissions reduction opportunities
  - Enhance our supplier engagement program to keep suppliers informed about our climate action plans and set clear expectations for climate action and disclosure and to defining those also through contracts
  - Continue improving tools, processes, and knowledge for procurement teams to integrate climate considerations into supplier selection and buying decisions
  - Explore the use of carbon data analytics, particularly Life Cycle Assessment (LCA) as the gold standard, Ecorating or an internal carbon price to inform procurement decisions

Other Supplier Engagement
- **Content and timeframe:** Our decarbonization efforts extend beyond our key suppliers to include others as well. We aim to collaborate in various areas to explore additional decarbonization opportunities, such as refurbishment and trade-in programs, partnerships that decouple business growth from network expansion, and more. We assess the outcome of our actions based on Scope 3 emissions from purchased goods and services, as well as capital goods (t CO_2e). Our actions include:
  - We strive to enhance our refurbishment programs to lower emissions by decreasing spending on new equipment procurement.
  - We will continue to explore potential emission reductions through active network sharing, which should help us partially decouple network growth from business growth.

[1] Scope 3 emissions include purchased goods and services, capital goods, fuel- and energy-related activities, and use of sold products.

A1 Group Climate Transition Pathway for Scope 3 emissions



Metrics and targets

E1-4 — Targets related to climate change mitigation and adaptation

The targets outlined focus on climate change mitigation and energy efficiency, applying to the A1 Group and its subsidiaries. None of the targets or the related metrics were adjusted during the reporting year.

Scope 1 and Scope 2 market-based greenhouse emissions reduction by 90% until 2030

- **Target definition and time horizon:** Scope 1 and Scope 2 greenhouse emissions reduction by 90% until 2030 compared to 2019 baseline. This target is part of our near-term Net-Zero goal, validated by the SBTi, and aligns with the GHG Protocol Corporate Accounting and Reporting Standard.
- **Target performance and review:** Target evaluation occurs twice a year. In 2024, we achieved a decrease of 58% compared to our 2019 baseline, putting us 17 percentage points ahead of the Net-Zero reduction trajectory.

Scope 3 greenhouse emissions reduction by 90% until 2040

- **Target definition and time horizon:** Scope 3 greenhouse emissions reduction by 90% until 2040 compared to 2019 baseline. This target is part of our Net-Zero goal, validated by the SBTi, and aligns with the GHG Protocol Corporate Accounting and Reporting Standard. The target covers 93% of our Scope 3 greenhouse gas inventory.
- **Target performance and review:** Target evaluation occurs annually. In 2024, we achieved a decrease of 26% compared to our 2019 baseline, putting us 5 percentage points ahead of the Net-Zero reduction trajectory.

Increase energy efficiency by 80% until 2030

- **Target definition and time horizon:** Recognizing the critical role of energy efficiency in the telecommunications industry, particularly in mobile and fixed networks, we have set an ambitious target to reduce the energy required to carry data and increase energy efficiency by 80% until 2030 compared to 2019 baseline. Our target encompasses the electricity consumed for data transmission in both mobile and fixed networks. It is expressed in MWh per terabyte (TB). As data traffic continues to rise, improving energy efficiency is not only essential for meeting our sustainability goals but also for ensuring long-term operational efficiency. Our target is aligned with industry best practices, focusing on reducing the energy intensity of data transmission while maintaining high network performance and reliability. Investments in network expansion and modernization — such as deploying 5G technology and upgrading to more efficient equipment — allow us to reduce power consumption, enhance service quality, and lower operational costs. These efforts reflect our commitment to minimizing environmental impact while supporting the growing demand for digital services.
- **Target performance and review:** Target evaluation occurs twice a year. In 2024, we achieved a increase of 60% compared to our 2019 baseline.

GHG emission reduction targets and decarbonization levers

	Base year		Target		
in t CO_2eq	2019	2027	2030	2035	up to 2040
Scope 1 and 2	254,092	59,479	49,295	25,409	25,409
Use of renewable energy	–	41,318	34,387	22,145	22,145
Energy efficiency and consumption reduction	–				
Fleet transformation	–	9,446	6,707	1,868	1,868
Other areas (e. g. Buildings)	–	8,715	8,200	1,396	1,396
Expected Scope 3 reduction	668,734	350,290	239,020	126,505	66,868
Total GHG emissions	**922,826**	**409,769**	**288,315**	**151,914**	**92,277**

E1-5 — Energy consumption and mix

Energy consumption and mix[1]

	2024	2023	Δ
Consumption from fossil sources (in MWh)	280,009	305,130	-8%
Consumption from renewable sources (in MWh)	696,493	655,434	6%
thereof fuel consumption for renewable sources including biomass, biofuels, biogas, hydrogen from renewable sources, etc. (in MWh)	3,652	3,874	-6%
thereof consumption of purchased or acquired electricity, heat, steam, and cooling from renewable sources (in MWh)	684,086	645,412	6%
thereof consumption of self-generated non-fuel renewable energy (in MWh)	8,755	6,148	42%
Total energy consumption (in MWh)	**976,502**	**960,564**	**2%**
thereof share of fossil sources (in %)	29	32	-3pp
thereof share of renewable sources (in %)	71	68	3pp

[1] A1 Group relies on direct energy consumption data from its energy suppliers' invoices whenever possible. If this data is unavailable, either due to different billing cycles or because A1 is not directly invoiced (e.g., as a tenant), estimates based on comparable historical periods and expert judgment are used. For energy billed in volume or mass units, a standard conversion factor for normalization, following guidelines from the International Energy Agency (IEA) and aligned with the IPCC AR5, is applied. In some of A1 Group's operating countries, diesel and petrol used in its internal combustion engine and hybrid-electric vehicles include a share of biofuels, as mandated by local regulations. The combustion of these fuels results in biogenic emissions, which, in line with the GHG Protocol, are disclosed separately alongside its Scope 1 emissions.

E1-6 — Gross Scopes 1, 2, 3 and Total GHG emissions

Direct and indirect GHG emissions[1)]

	Retrospective				Milestones and target years			
	2024	2023	Δ	Base year 2019	2027	2030	Target year 2040	Annual emission reduction % target / Base year[2)]
Scope 1								
Gross Scope 1 GHG emissions (in t CO_2eq)	18,807	20,964	-10%	27,114	18,161	2,711	2,711	8%
Share of Scope 1 GHG emissions from regulated emission trading schemes (in %)	-	-	-	-	-	-	-	
Biogenic emissions of CO_2 (in t CO_2eq)	935	1,022	-9%	1,189	-	-	-	-
Scope 2 (in t CO_2eq)								
Gross location-based Scope 2 GHG emissions	265,117	234,629	13%	248,559	-	-	-	
Gross market-based Scope 2 GHG emissions	87,260	97,006	-10%	226,979	41,318	22,698	22,698	8%
Significant Scope 3 emissions (in t CO_2eq)[3)]								
Gross Scope 3 GHG emissions	492,687	584,355	-16%	668,734	349,407	126,206	66,868	4%
1 Purchased goods and services	240,838	267,945	-10%	321,350	162,676	59,963	32,135	4%
2 Capital goods	104,645	136,838	-24%	152,652	81,668	29,089	15,259	4%
3 Fuel and energy-related activities	25,670	32,969	-22%	50,584	21,210	8,779	5,058	4%
11 Use of sold products	121,534	146,603	-17%	144,148	83,852	28,374	14,415	4%
Total GHG emissions (in t CO_2eq)								
Total GHG emissions (location-based)	776,611	839,948	-8%	944,406	367,568	128,917	69,579	4%
Total GHG emissions (market-based)	598,754	702,325	-15%	922,826	408,886	151,615	92,277	4%

1) We calculate our GHG emissions using the GHG Protocol, which provides a standardized framework to ensure consistency, accuracy, and alignment with international reporting standards. This approach applies across all emission scopes to ensure comparability and reliability. We define our reporting boundaries based on the operational control approach. This allows us to focus on the emissions we can directly influence. Whenever possible, we rely on primary data to increase the accuracy of our emissions calculations. For Scope 3 emissions, we gather direct data from our suppliers including LCA; where this is unavailable, we apply a spend-based method. Our emission calculations use emission factors sourced from the IEA, BEIS, and RE-DISS databases. These sources align with internationally recognized standards and offer the regional relevance needed to reflect our operational context accurately. We use a cloud-based solution from a reputable provider for calculating and managing our GHG data. This platform ensures high standards of security, access control, and workflow functionalities. Additionally, it is internationally recognized and certified for GHG Protocol compliance, which reinforces the reliability and integrity of our data.

2) For the calculation of the annual reduction of scope 1 and 2 market-based emissions, the year 2030 is used as the reference (see E1-4).

3) The scope 3 categories listed represent 90 % of the company's total scope 3 emissions. They thus represent the company's material scope 3 emissions and those that the company can directly influence. All scope 3 emissions are screened every two to three years, most recently in spring 2023. For the calculation of Scope 3 emissions, 31 % of the data was obtained from primary sources.

Direct and indirect GHG emissions per country

	Scope 1			Scope 2 location-based			Scope 2 market-based			Scope 3		
in tCO_2eq	2024	2023	Δ	2024	2023	Δ	2024	2023	Δ	2024	2023	Δ
Austria[1)]	8,765	10,510	-17%	49,305	52,362	-6%	2,504	3,037	-18%	173,234	200,739	-14%
Bulgaria	3,341	3,216	4%	77,813	57,129	36%	16,876	23,439	-28%	101,245	137,687	-26%
Croatia	2,170	2,566	-15%	15,375	12,675	21%	4,410	5,606	-21%	56,706	68,099	-17%
Belarus	1,691	1,680	1%	28,756	30,805	-7%	28,756	30,805	-7%	61,857	54,215	14%
Slovenia	375	409	-8%	9,670	9,728	-1%	55	54	2%	22,031	53,738	-59%
Serbia	1,377	1,412	-3%	60,538	54,156	12%	22,700	23,529	-4%	45,178	38,339	18%
North Macedonia	1,049	1,114	-6%	23,389	17,605	33%	11,963	10,531	14%	32,425	31,523	3%
A1 Digital[2)]	40	56	-29%	271	168	61%	1	5	-89%	11	16	-33%

1) Material scope 3 emissions produced by A1 Digital are reported in the Austria segment.

2) A1 Digital includes the German and Swiss part of the activities of A1 Digital (Austrian and Bulgarian parts are already reported in their respective segments).

THG intensity per net revenue

in t CO_2eq/EUR	2024	2023	Δ
Total GHG emissions (location-based) per net revenue	0.000146	0.000163	-10%
Total GHG emissions (market-based) per net revenue	0.000113	0.000136	-17%

Connectivity of GHG intensity based on revenue with financial reporting information

in TEUR	2024
Net revenue used to calculate GHG intensity	5,315,033
Net revenue (other)	-
Total net revenue	**5,315,033**

E1-7 — GHG removals and GHG mitigation projects financed through carbon credits

As part of A1 Group's commitment to addressing climate change, our primary focus is on reducing greenhouse gas (GHG) emissions directly within our operations (Scope 1 and Scope 2 GHG emissions) or in cooperation and collaboration with relevant stakeholders in our value chain (Scope 3 GHG emissions). While we acknowledge the potential role of GHG removals and GHG mitigation projects financed through carbon credits in achieving net-zero targets, these are not currently part of our strategy. We consider these measures to be supplementary to our direct emission reduction efforts and view them as a last resort to achieve Net-Zero once substantial emission reductions have been achieved.

A1 Group does not currently engage in GHG removals or finance GHG mitigation projects through carbon credits. Our strategy emphasizes reducing our operational GHG emissions by focusing on energy efficiency, transitioning to renewable energy sources, and optimizing our network operations. We believe that direct emission reductions are the most effective and credible way to contribute to climate change mitigation.

A1 Group recognizes that achieving Net-Zero GHG emissions may eventually require GHG removal solutions. Our approach to GHG removals would be defined by the following principles:
- **Principle 1** – Emission Reduction First: Our priority is to achieve a 90% reduction in GHG emissions from our baseline before considering any form of GHG removal. This focus ensures that we are tackling the root causes of emissions within our operations and supply chain.
- **Principle 2** – Technological Maturity and Credibility: We will only consider GHG removal technologies when they have matured to a point where they meet high standards of credibility, effectiveness, and verification. A1 Group is committed to ensuring that any future GHG removal efforts are based on scientifically sound, transparent, and verifiable methods. This approach will help us maintain integrity and trust in our climate action strategies.
- **Principle 3** – Alignment with Net-Zero Goals: Any future and potential GHG removal initiatives will be aligned with our long-term Net-Zero targets. We will ensure that these initiatives contribute meaningfully to our overall climate strategy and are not used as substitutes for direct emission reduction efforts.

A1 Group is committed to transparency and accountability in our climate-related activities. Although we are not currently engaged in GHG removals or carbon credit projects, we will continue to:
- Regularly review the landscape of GHG removal technologies and carbon credit projects to assess their potential role in our future strategy.
- Monitor developments in standards and best practices for GHG removals and ensure alignment with international frameworks and guidelines.
- Report on our progress and position regarding GHG removals in our reports, providing stakeholders with clear and transparent information about our approach.

E1-8 — Internal carbon pricing

A1 Group is committed to reducing its greenhouse gas (GHG) emissions through direct actions. While we recognize the value of internal carbon pricing as a tool to drive emission reductions and support sustainable decision-making, we currently do not have an internal carbon pricing mechanism in place, but are open to adapt our position and would introduce internal carbon pricing if we determine that it could effectively support our GHG emissions reduction efforts.

Our decision is based on the current effectiveness of our existing sustainability strategies and our focus on direct measures to reduce emissions. We believe these approaches are currently the most impactful for achieving our climate goals.

However, we acknowledge the potential benefits internal carbon pricing could offer in the future. Our approach to internal carbon pricing would be guided by the following considerations.

- **Consideration 1** – Monitoring and Evaluation: A1 Group will continue to monitor global best practices and emerging trends related to internal carbon pricing. We will evaluate its potential benefits and challenges within the context of our operations, considering factors such as industry standards, regulatory developments, and our own sustainability performance.
- **Consideration 2** – Alignment with Emission Reduction Goals: Should we decide to implement internal carbon pricing in the future, it will be aligned with our overarching emission reduction goals. We will consider this tool if it becomes clear that it could provide additional incentives for reducing emissions, support cost-effective sustainability initiatives, or improve risk management related to carbon regulation and pricing.
- **Consideration 3** – Flexibility and Responsiveness: Our stance on internal carbon pricing is flexible. We are prepared to revisit and potentially integrate internal carbon pricing into our sustainability strategy if it becomes a beneficial and necessary tool for driving further GHG reductions. This could be in response to changing market conditions, regulatory pressures, or as part of our commitment to continuous improvement in our environmental performance.
- **Consideration 4** – Transparency: Although we do not currently use internal carbon pricing, we remain committed to transparency and accountability in our sustainability practices. We will keep stakeholders informed about our position on internal carbon pricing, provide clear and transparent information on our emissions reduction strategies and any considerations for future use of internal carbon pricing and continue to assess the potential role of internal carbon pricing in our overall climate strategy and ensure that any future decisions are made in alignment with our sustainability commitments and business objectives.

E5 Resource use and circular economy

Digital communication solutions are often environmentally friendly, as many activities can be carried out more quickly and in a way that conserves physical resources. However, this is based on increasingly powerful devices and components that are being replaced at ever shorter intervals due to constant technical progress and customer behavior. The production of devices, infrastructure, and packaging materials make intensive use of resources and raw materials, which results in negative impacts on the environment and the ecosystem. Although the A1 Group is not a producer of hardware, it uses and sells electronic equipment and purchases components.

The A1 Group wants to promote the transformation from a linear to a circular economy. We are guided here by the 9R model: Refuse, Reduce, Reuse, Repair, Refurbish, Recycle, Recover, Rethink, Redistribute.

The topics relating to resource inflows and outflows were assessed as material in the course of the double materiality assessment, as they have negative impacts on the environment. Based on our business model, we have identified mobile devices, fixed devices, infrastructure equipment, network equipment, and packaging material as material resource inflows. As we are not active in the manufacturing sector, the packaging material we purchase and place on the market is the only material resource outflow.

Impact, risk and opportunity management

E5-1 — Policies related to resource use and circular economy

The guidelines and policies apply to all subsidiaries. They are published on the A1 Group website.

Environmental Policy
- **Content:** Our environmental policy focuses on climate change and energy, water, biodiversity, sustainable procurement, the supply chain, the promotion of the circular economy, and the reduction of waste. The aim of our environmental policy is to minimize the environmental impact that our company has. To this end, we are committed to keeping materials, components, and products in circulation for as long as possible.
- **Responsibility:** Head of Group ESG

Policy on Responsible Sourcing
- **Content:** The policy on responsible sourcing is based on our Code of Conduct. Within the scope of this policy, suppliers are required to comply with our ESG standards. These include environmental standards in particular: our suppliers are called on to take action to promote the circular economy and reduce waste (see S2-1).
- **Responsibility:** Director of Group Technology and Transformation
- **Third party standards or initiative relevant for the A1 Group:** US Dodd-Frank Act (compliance with the principles of responsible and ethical sourcing of minerals), EU regulation on conflict minerals

Sustainable Packaging Policy
- **Content:** The purchase and use of packaging plays a significant part in the negative environmental impacts we cause. The Sustainable Packaging Policy therefore has the aim of minimizing these impacts. The focus here is the use of reusable or recyclable packaging material in order to minimize the use of raw materials. Particular emphasis is placed on paper and cardboard packaging, while the use of plastic is to be largely avoided. The policy sets out specific quality criteria that packaging must meet in order to be classified as sustainable. These criteria include the origin of the fibers, the absence of coatings, the use of mineral oil-free printing ink, the minimization of adhesives, and the avoidance of decorative elements such as stickers.
- **Responsibility:** Head of Group ESG
- **Third party standards or initiative relevant for the A1 Group:** Recommendations of the EuPIA (European Printing Ink Association)

E5-2 — Actions and resources related to resource use and circular economy

Actions taken

Change of transport packaging in logistics
- **Content and time horizon:** A measure to avoid the use of plastic filling material was implemented at our logistics center in Austria in 2024. Previously, fixed standard sizes were used for shipping cartons. It was necessary to use filling material (such as air cushions) in order to ensure that shipped devices such as mobile phones, modems, and TV boxes do not slip and become damaged in the shipping carton. The new transport packaging can be variably adapted to the size of the devices being shipped so that plastic filling material is no longer required. We have also switched to paper bags with a wax coating for delivery note pockets, which are attached to the outside of the cartons when deliveries are shipped to A1 shops or sales partners.
- **Expected result and progress:** The action has been fully implemented so that plastic filling material and plastic delivery note pockets are no longer used in Austria.
- **Scope:** A1 Austria

Refurbishment of Customer Premises Equipment (CPEs)
- **Content and time horizon:** We started operating a refurbishment center in Bulgaria in 2016. CPEs such as modems and media boxes that have been used but are still functional undergo a comprehensive refurbishment process. The refurbished devices come from the markets in Austria and Bulgaria. In addition, devices from A1 Austria are refurbished directly at the logistics center in Hagenbrunn (Austria) or by a partner company in Lower Austria in order to be put back into circulation. This action will be continued.
- **Expected result and progress:** By refurbishing CPEs, the service life of the devices is extended, which reduces resource inflows on the one hand and the demand for primary raw materials on the other.
- **Scope:** A1 Austria, A1 Bulgaria

Recycling and refurbishment of mobile phones
- **Content and time horizon:** All of our subsidiaries offer various options for collecting mobile phones, which are then sent for recycling or refurbishment. This action will be continued.
- **Expected result and progress:** By recycling mobile phones, primary raw materials are kept in circulation for longer. Refurbishment extends the service life of the devices, which in turn reduces the demand for primary raw materials.
- **Scope:** All subsidiaries of the A1 Group

Planned action

Internal marketplace for network equipment
- **Content and time horizon:** We are considering introducing an internal marketplace in order to utilize unused network equipment from our subsidiaries more efficiently and over the long term. The aim is to exchange unused equipment with each other. For the moment, the timing of any possible implementation is still to be defined.
- **Expected result and progress:** The reuse of existing resources can reduce the need for new network equipment and thus the resource inflows in this area.
- **Scope:** All subsidiaries of the A1 Group

Metrics and targets

E5-3 — Targets related to resource use and circular economy

With its voluntary recycling and refurbishment target, the A1 Group has set itself the target of keeping mobile devices, CPEs (customer premises equipment), and their raw materials in circulation for as long as possible in order to minimize the use of primary raw materials. According to the waste hierarchy of the 9R model, this target addresses the Reuse, Refurbish and Recycle stages.

Circular economy
- **Target definition and time horizon:** Increase the percentage of recycled and refurbished devices to 20% of all devices put into circulation by 2025.
- **Target measurement and review:** The target is measured twice a year. In 2024, around 28% of devices were recycled or refurbished.
- **Scope:** All subsidiaries of the A1 Group

E5-4 — Resource inflows

Based on the A1 Group's business model, the product groups involving mobile devices, fixed devices, infrastructure equipment, network equipment, and packaging material were identified as material resource inflows. The first three product groups may contain critical raw materials such as rare earths. The A1 Group obtains these from external suppliers and is therefore dependent on the information they provide when it discloses the product composition. Because of the currently limited availability of data, only the weight of the product groups involving mobile devices and packaging material can be published for the 2024 financial year. The weight of the packaging material is determined locally by the subsidiaries. Eco-ratings (life cycle assessments (LCA) for mobile phones) are used to extrapolate weights in the mobile devices product group (see table Total weight of resource inflows).

As only a limited number of LCAs providing information on the composition of the products are currently available for fixed devices, infrastructure equipment, and network equipment, a valid extrapolation is currently not possible. However, the A1 Group is working closely with the JAC (Joint Alliance for Corporate Social Responsibility), a voluntary association of telecommunications companies, to increase the number of LCAs. Weights for the infrastructure equipment and network equipment product clusters will be published on this basis in the future.

Total weight of resource inflows

in t	2024
Mobile devices[1)]	353
Packaging material	513

1) The mobile devices product group includes the weight of mobile phones. For mobile phones for which a life cycle assessment (LCA) is available, the weight was taken directly from this assessment. For devices without an LCA, the average weight was taken from existing LCAs.

E5-5 — Resource outflows

As the A1 Group is not active in the manufacturing sector, the packaging material purchased and placed on the market represents the only material resource outflow. The Sustainable Packaging Policy was implemented in order to make this resource outflow as sustainable as possible (see E5-1). In addition, all subsidiaries are certified in accordance with ISO 14001 (certification for environmental management systems). This ensures that every subsidiary has implemented an operational waste management system.

The weight and proportion of recyclable materials in the packaging material has been determined locally by the subsidiaries based on the quantities purchased. Packaging material made of paper and wood was classified as recyclable, while plastic packaging was divided into non-recyclable and recyclable materials. Packaging materials consisting of several components were classified based on the majority principle in the category from which the majority of the material originated.

In 2024, 513 tons of packaging material were put into circulation by the A1 Group, of which 99% of the packaging was made from recyclable materials.

Social information

S1 Own workforce

Our market environment and our business field are constantly changing. Technologies are developing at an enormous pace. The needs and wishes of customers are changing dynamically. This change and the high speed of development with a concomitant increase in complexity are noticeable on many levels every day. Realizing our vision of Empowering Digital Life therefore also requires a change in corporate culture, skills, and working methods.

Human@Center

Because every development starts not with technology, but with people, we place them at the heart of our strategy. As a core element of our corporate strategy, Human@Center defines behaviors that are important for achieving our strategic targets. We promote these behaviors in dialog with our workforce and expect them to follow them. At the same time, we see it as our responsibility to set and support suitable framework conditions through selected initiatives that enable the desired behaviors to be implemented and put into practice. Human@Center comprises the following four dimensions:

- **Take Ownership:** Increased speed and complexity require more independent action and decision-making on the one hand, while on the other managers must provide the transparency and the freedom needed for individuals to take ownership. We therefore regularly discuss Human@Center and the corporate strategy with our workforce and take action to develop the organization with (virtual) events, team workshops, and one-to-one conversations.
- **Learn & Innovate:** As technologies and business fields continue to evolve, new demands are placed on the skills and abilities of our workforce. Learn & Innovate describes this attitude of continuous development: leaving one's comfort zone, being and remaining curious, lifelong learning, and further training. To this end, we provide a comprehensive range of learning opportunities on various learning platforms and an individual learning budget for employees who change jobs within A1.
- **Team Up Beyond Limits:** As an international company, cross-border cooperation is crucial to our success. Team Up Beyond Limits stands for collaboration across divisional and national borders in virtual teams and competence centers on the one hand and for the promotion of diverse teams on the other. This requires suitable tools for digital collaboration, but also a framework that promotes flexibility and supports personal interaction. We promote diversity because we are convinced that diverse teams increase the quality of decisions and find better solutions. We therefore take action to enhance diversity, for example by increasing the proportion of women overall and the number of women in management positions or in STEM fields.
- **Consciously Care:** The fast pace and complexity of working life are both mentally and physically demanding, which is why we place a special emphasis on our workforce's health and the well-being of others, brought together in Consciously Care. We expect our workforce to take responsibility, look after themselves, and show consideration for others. As an employer, we set the framework conditions and provide a variety of health measures, such as the Employee Assistance Program (see S1-4), while our job architecture ensures fair and adequate wages.

Strategy

Related to ESRS 2 SBM-3 — S1 Own workforce

As a leading provider of digital services and communication solutions, we operate in a dynamic market environment in which technological progress and changing customer needs constantly present us with new challenges. To successfully master this change, we have put Human@Center at the heart of our corporate strategy. Building on this, we create working conditions and a working environment that have a positive impact on our employees.

On the one hand, this includes aspects of the working conditions to which we attach great importance, including long-term employment relationships, the promotion of work-life balance through flexible working time models, the representation of employee rights, adequate wages, and the protection of physical and mental health.

Human@Center, however, also covers other material aspects: the promotion of equal treatment and opportunities for all and equal pay for work of equal value are central pillars of our strategy. In addition, continuous further training and development in a dynamic market environment are prerequisites for success.

This is the basis for the strategic focus on further training and skills development, which contributes to personal and professional development through a wide variety of actions. The material topics gender equality and equal pay for work of equal value, working time and work-life balance have a positive impact on our workforce, especially women: We are already implementing numerous initiatives to prevent discrimination and inadequate wages and to promote greater flexibility and work-life balance for women, who often bear the brunt of unpaid work in addition to paid work. Further training programs have a positive effect on employees and non-employees.

We have set ourselves comprehensive, ambitious sustainability targets. Particularly for the implementation of the transition plan for climate change mitigation, a profound understanding of the content and interrelationships is necessary. In training sessions for managers and employees in the relevant departments of the A1 Group, we build target-group-appropriate foundational knowledge and expertise on the topic of sustainability. Additionally, new skill profiles and roles are being developed to meet the diverse new demands.

The interaction between these factors leads overall to significant positive impacts on our workforce in terms of health, well-being, personal development, perceived equal opportunities, security, and increased job satisfaction, which are visible in all the countries in which our Group operates. Data privacy is of great importance to us and represents a financial risk due to high fines, but it can also potentially lead to a loss of trust from customers and our workforce (see G1 Data privacy).

Many of the material positive impacts mentioned above also represent opportunities: diversity, training and skills development, gender equality and equal pay for work of equal value, and flexible working time models are essential for the successful implementation of our corporate strategy. They play a part in strengthening the A1 Group's market position, securing our innovative strength and competitiveness, retaining qualified and well-trained employees in the company, and attracting new talents.

Impacts, risks and opportunities management

S1-1 — Policies related to own workforce

The policies apply to the workforce of the A1 Group, including all subsidiaries. The Diversity, Equity & Inclusion Policy, the Health, Safety and Well-Being Policy, and the Human Rights Policy also apply to all persons associated with the A1 Group. The Group HR Director is responsible for their implementation. The policies are published on the A1 Group website.

Diversity, Equity & Inclusion Policy
The policy addresses the material topics of diversity, gender equality and equal pay for work of equal value as well as training and skills development.

- **Content:** The Diversity, Equity & Inclusion Policy underlines our commitment to a working environment that enables our own workforce to grow personally and professionally. We endeavor to offer equal employment and development opportunities regardless of age, disability, gender, sexual orientation, family or career status, ethnic origin, nationality, skin color, culture, religion, working hours or contract status. In addition, political rights can be exercised freely (see G1-1 Code of Conduct). We are convinced that a diverse workplace increases the potential and satisfaction of the workforce as well as the company's attractiveness as an employer. We focus on:
  - creating a diverse and fair work culture that is also characterized by acceptance
  - offering equal professional opportunities based on skills and abilities
  - increasing the proportion of women overall and among managers
  - offering equal pay for work of equal value
  - providing inclusion regarding personnel processes and language

Fair Pay Principles
The policy addresses the material topics of adequate wages, gender equality and equal pay for work of equal value as well as secure employment.

- **Content:** With the Fair Pay Principles, we are committed to an equitable working environment in which our workforce receives competitive remuneration and equal pay for equal work within each market. These are:
  - Equal pay for work of equal value: we review salaries annually to understand and eliminate potential differences.
  - Competitive remuneration: the salary bands are based on a Group-wide job architecture and are regularly adjusted to market data.
  - Remuneration practices: remuneration is based on skills, roles and performance, and standardized salary bands.
  - Benefits: we offer benefits such as pension and insurance models.
  - Basic principles: we act in accordance with labor law and internal policies.
  - Review: we regularly review our remuneration practices.

Human Rights Policy
The policy addresses the material topics of secure employment, working time, adequate wages, freedom of association, the existence of works councils and the information, consultation and participation rights of workers, health and safety, gender equality and equal pay for work of equal value as well as diversity.

- **Content:** The Human Rights Policy aims to promote and safeguard human rights, including compliance with and the implementation of international standards. We focus on:
  - our responsibility and role in the digitalization of society
  - data privacy and information security
  - the obligations to respect human rights
  - The policy describes our commitment against child and forced labor, against ideological and political affiliation as well as for safety and health standards and appropriate remuneration. Incidents of non-compliance with the policy must be reported (see G1-1).
- **Third party standards or initiative relevant for the A1 Group:** International Bill of Human Rights, ILO Declaration on Fundamental Principles and Rights at Work, UN Global Compact, Guiding Principles on Business and Human Rights

Health, Safety and Well-Being Policy
This policy addresses the material topics of health and safety, working time, work-life balance, equal treatment and opportunities for all, training and skills development, and diversity.

- **Content:** the aim of the Health, Safety and Well-Being Policy is to promote and safeguard the health, safety, and well-being of the workforce. The policy enables the occupational health and safety management systems in the subsidiaries to deal with all risks in accordance with local laws and regulations. We have ISO 45001 certificates (occupational health and safety certification) in all our subsidiaries. To ensure optimum risk prevention, our workforce is informed about and receives training in health, safety, and well-being. They can also contact health and safety experts.

S1-2 — Processes for engaging with own workers and workers' representatives about impacts

To fulfill our duty of care regarding material actual and potential impacts on our workforce and to actively consider their perspectives in company decisions, we involve them both directly and through workers' representatives.

Works Councils
Austria, Bulgaria, Slovenia, Croatia, Belarus, and North Macedonia each have a local Works Council. The type and frequency of their involvement depends on the national legal regulations. The Works Councils provide information about their activities through internal communication channels. This takes place at both the organizational and the operational level, including individual divisions. The financial and human resources are provided in accordance with the national legal framework.

A European Works Council (EWC) was also established in 2015. This consists of the Works Council of the subsidiaries in EU member states. The number of Works Council is regulated in the EWC agreement. The Works Council from North Macedonia is invited to EWC meetings as a guest but is not an official member. The EWC provides the workforce with information via the local Works Council and involves them in decision-making processes that affect business performance and employee matters. It is also assuming responsibility if an issue affects more than two subsidiaries. It has the right to meet with the Group Management Board at least once a year. Engagement is more frequent in practice: the Group HR Director and the EWC are in regular contact with each other. The operational responsibility for involving the EWC and integrating the results into the corporate context lies with the Group management. The Group HR Director represents the Group management in the relationship with the EWC.

Direct involvement
We have developed an Employee Listening Strategy where the opinions and needs of the workforce are recorded at regular intervals. The surveys are conducted anonymously using a variety of tools. A Group-wide survey is conducted at least every one to two years. The last comprehensive survey took place as part of the Great Place To Work certification in November 2023, while the next one is planned for the second quarter of 2025. In addition, A1 Austria conducted a survey on mental health and a Group-wide survey on employee retention in 2024. Operational responsibility for the surveys lies with the Group HR Director. The managers of the respective departments are responsible for deriving actions. The company invests in the use of the survey platform and provides the human resources for conducting, analyzing, and deriving actions. We evaluate the effectiveness of the cooperation with the workforce through regular surveys and systematic analyses. The actions derived from this are distributed via internal communication channels.

The Group-wide Memorandum of Understanding on employee rights and working conditions was concluded with the Works Council to respect human rights. In Austria, a works agreement regulates the procedure relating to employee surveys.

S1-3 — Processes to remediate negative impacts and channels for own workers to raise concerns

Our workforce has various channels at their disposal to express their concerns. Managers act as the first point of contact here and are trained to handle reports confidentially. In addition, concerns can be addressed to Group Compliance or local compliance officers. Our tell.me whistleblower portal additionally allows our workforce to report misconduct and violations anonymously – if they so wish. tell.me can be accessed at any time via the website (see G1-1 for more information on tell.me and whistleblower protection).

We ensure that our workforce is informed about the reporting channels in mandatory e-learning and trainings. In addition to that, we provide information on the intranet and in the Code of Conduct. A systematic process is launched as soon as a report is received. The first step involves qualifying, categorizing, and reviewing the facts of the case. Persons suspected of a violation are given the opportunity to respond. Confidential processing is guaranteed by Group Compliance and Internal Audit. The person who submits the report will be informed of the progress of the case. If we as the A1 Group cause or contribute to negative impacts on our workforce, we will conduct a comprehensive review of the matter. We identify the causes and take immediate action to rectify the grievances identified. We continuously monitor the progress being made. If the initiated actions are not sufficient, we implement further steps depending on the nature of the incident and the results of our review. The same applies if misconduct or a violation that has been reported is confirmed. The actions taken vary from training courses to disciplinary or criminal law consequences.

Regular reports and surveys ensure the continuous improvement of the reporting channels. The Supervisory Board receives annual reports, the management and the Works Council receive quarterly reports on the number and categories of reports. We regularly evaluate whether our workforce is familiar with and trust the reporting channels. An integrity survey is conducted every two years among approximately 10% of the workforce to measure trust in the channels and the perception of how effective they are. Trainings and statistics on reports that have been received and actions that have been taken also strengthen confidence in our processes.

S1-4 — Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities, and effectiveness of those actions

The resources for implementing actions are provided by Group HR and the HR departments of the subsidiaries. All the actions described have been implemented and will be continued.

Equal treatment and equal opportunities for all
The actions address the material topics of gender equality and equal pay for work of equal value, training and skills development, and diversity.

Female Empowerment Program
- **Content and time horizon:** The Austrian Female Empowerment Program (FEP) is aimed exclusively at female employees and provides them with targeted support on their path to a management position. The FEP is run once a year. Participants qualify by applying themselves or by being nominated by colleagues. The FEP comprises three training days and accompanying individual coaching sessions.
- **Expected result and progress:** The aim of the FEP is to increase the proportion of women in management positions. The program contributes to the Group-wide target of increasing the proportion of women in management positions to 40% by 2025 (see S1-5). A total of 85 women have already successfully completed the FEP since 2021. 19 participants took part in the program in 2024.
- **Scope:** All female employees of A1 Austria

ESG live update: gender pay gap and female empowerment
- **Content and time horizon:** An ESG live update on the gender pay gap and female empowerment takes place regularly as part of the communication of the strategy. Our Deputy CEO and our Group HR Director participated in the 2024 event, which was broadcast live throughout the Group. Comprehensive information was provided on the gender pay gap, including the calculation method, the interpretation of the results, and the connection between the gender pay gap and female empowerment.
- **Expected result and progress:** The aim is to provide comprehensive information on the gender pay gap and the actions that are being taken to close it. The update additionally sets out to debunk myths surrounding the issue and to answer any questions. A total of 1,244 employees took part in the live broadcast, while a further 1,775 watched the recording later.
- **Scope:** All subsidiaries of the A1 Group

Learning opportunities

- **Content and time horizon:** Our Learning Hub has offered our employees a comprehensive and continuous learning program since 2018. The Learning Hub offers learning opportunities addressed to target groups in a variety of formats. These are based on our future skills (cloud, data & AI, cyber security, network). The A1 Learning Hub additionally includes the use of external digital learning platforms. Special programs for managers are also provided. Examples include training on change management, how to lead international teams, and essential topics such as ESG.
- **Expected result and progress:** One focus of the Learning Hub is to promote relevant future skills through targeted training and qualification.
- **Scope:** All subsidiaries of the A1 Group

Actions to promote diversity and equal opportunities

- **Content and time horizon:** We take a variety of actions to promote diversity and equal opportunities. Here are a few examples: Since 2020, A1 Belarus has been supporting diversity through inclusive coffee, which is offered in shops that are geared towards the needs of persons with disabilities. At A1 Austria, the plan for promoting women was extended for a further five years up to 2029. In addition, the topic of diversity was comprehensively analyzed in the Diversity Annual Report, while a month was dedicated to diversity. We announced our commitment to the UN Women's Empowerment Principles in 2024.
- **Expected result and progress:** Our aim is to anchor diversity and equal opportunities as central elements of our corporate culture. We promote an inclusive working environment where everyone is respected, valued, and supported. Different perspectives enrich the quality of our results.
- **Scope:** The scope of actions varies and ranges from country-specific to Group-wide actions.

Unconscious Bias Initiative

- **Content and time horizon:** We have pursued the Unconscious Bias Initiative since 2020. Unconscious bias refers to prejudices or preferences that influence our decisions and perceptions without us being aware of them. The first step involved identifying and training diversity and inclusion allies in their respective countries to promote awareness of the topic. An e-learning course on unconscious bias was then developed in German and English, which was subsequently translated into all national languages of the A1 subsidiaries in the years that followed and is still available today.
- **Expected result and progress:** Unconscious bias training aims to raise awareness of unconscious biases and minimize their influence, particularly on recruitment and salary increase processes. In 2024, 2,865 of these trainings were successfully completed.
- **Scope:** All subsidiaries of the A1 Group. The scope varies from country to country.

Working conditions

The actions address the material topics of secure employment, working time, adequate wages, freedom of association, the existence of works councils and the information, consultation and participation rights of workers, work-life balance, and health and safety.

Employee Assistance Program

- **Content and time horizon:** The Employee Assistance Program (EAP) has been provided by an external provider since 2023 as a comprehensive support program for our workforce. The EAP provides support with work, life, health, family, and financial issues through confidential counseling and resources as well as links to community agencies and support services. Consultations can take place remotely or in person. The program can be contacted any number of times about a wide variety of questions. The advisers are available around the clock. The services can be used anonymously and confidentially; the A1 Group does not receive any information about who has contacted the EAP.
- **Expected result and progress:** The EAP promotes the well-being of the workforce and increases satisfaction and productivity in the company. In 2024, the EAP was contacted 147 times.
- **Scope:** All subsidiaries of the A1 Group except for Belarus. The EAP can be used by our workforce as well as their spouses and partners, their immediate family (children and parents) and household members.

Actions to promote health and safety
- **Content and time horizon:** We constantly take actions to protect and promote the health and safety of our workforce. Our commitment is anchored in our Health, Safety and Well-Being Policy (see S1-1). In addition to the Group-wide Employee Assistance Program, local webinars and training courses, for example in Croatia, North Macedonia, Bulgaria, and Serbia, provide targeted support on topics such as stress management, change, resilience, and work-life balance. Additional health insurance is also available in Belarus, Bulgaria, Serbia, and Croatia. The occupational health department in Austria offers comprehensive medical examinations and vaccinations. In addition, training programs improve safety in high-risk areas, while sports initiatives promote a healthy lifestyle.
- **Expected result and progress:** The aim of our health services is to support our workforce in terms of their health, safety, and well-being, increase satisfaction, and reduce sick leave and accidents.
- **Scope:** The scope of actions varies. There are Group-wide and country-specific actions.

Strategy communication
- **Content and time horizon:** Various activities and formats are used to communicate the corporate strategy, strategy updates, and detailed information on individual matters. The CEO and Deputy CEO presented the corporate strategy at the strategy kick-off at the Vienna headquarters in February 2024. The event was broadcast live for the workforce. The six pillars of the corporate strategy were discussed together with experts on six Strategy Tuesdays. In addition, the CEO and/or Deputy CEO hold regular live updates to discuss topics such as ESG, the pay gap, telco trends, and learning. Our Strategy Escape Room also employs gamification to refresh the strategy content.
- **Expected result and progress:** The aim of the strategy communication is to ensure that our workforce understands the content and importance of the corporate strategy and knows how they can contribute to it individually.
- **Scope:** All subsidiaries of the A1 Group

Internal job market
- **Content and time horizon:** The internal job market has been organized transparently for our workforce since 2023. All advertised positions are visible in the Group-wide HR system. Applications are submitted directly in the system. Job advertisements are additionally communicated throughout the Group via our internal social media platform.
- **Expected result and progress:** The internal job market promotes the further development, international mobility, and motivation of our workforce. It supports the acquisition of new abilities and the visibility of existing skills to make targeted use of resources. Because we are an international company, cross-border cooperation is essential and therefore anchored in Human@Center (see S1 Introduction).
- **Scope:** All subsidiaries of the A1 Group

Flexible working
- **Content and time horizon:** Our workforce can work flexibly at the times and locations that suit them, provided this is compatible with the activity they are engaged on. This working time flexibility makes it possible to organize working hours independently, while mobile working allows tasks also to be completed away from the company site. This model is implemented within the framework of the legal requirements and local requirements of each subsidiary and was reconfirmed in 2023 through its integration in the Group-wide Human@Center corporate strategy.
- **Expected result and progress:** Flexible working increases satisfaction and performance quality and strengthens the relationship of trust between employer and employees. The aim is to create a balance between mobile working and presence at the company site and to improve the work-life balance.
- **Scope:** All subsidiaries of the A1 Group

Job architecture
- **Content and time horizon:** A Group-wide job architecture has been used as a framework for personnel organization and administration since 2012. It offers a systematic approach to classifying job roles and career paths. Jobs are grouped for this purpose based on similar functions and specialist areas as well as job levels. This creates a clear differentiation and understanding of the path from entry-level positions to more senior roles. The job architecture forms the basis for remuneration structures and salary bands. These are reviewed annually by comparing the internal salary structure with external data from comparable sectors and adjusted if necessary.
- **Expected result and progress:** The job architecture creates a structured and transparent framework with clear criteria for the job classification and salary bands to ensure fair and competitive remuneration.
- **Scope:** All subsidiaries of the A1 Group

Childcare
- **Content and time horizon:** We offer a variety of different childcare programs. These include vacation camps, workshops, online courses, and kindergartens. The initiatives vary depending on the subsidiary: in Austria, the A1 Digital Campus puts on additional educational and leisure activities especially during vacation periods; in Croatia and Macedonia, the Flying

Nannies program provides childcare during the vacations. Kindergartens are available close to the workplace in Serbia, Croatia, and Bulgaria. In Belarus, children and youths can take part in online courses that introduce them to artificial intelligence, among other things.
- **Expected result and progress:** The programs aim to guarantee out of school hours care in close vicinity to the workplace. At the same time, they are intended to raise children's awareness of their parents' work and offer them valuable educational and leisure opportunities.
- **Scope:** The scope of actions varies. There are Group-wide and country-specific actions.

The Karenz@A1 program in Austria
- **Content and time horizon:** The Karenz@A1 parental leave program has promoted the balance between family, work, and career planning as well as the return to work for parents since 2019. It includes coaching sessions, virtual events, and other services that parents can use as and when they need them. In addition, parents receive financial support of EUR 400 for the birth of a child. Parents receive support and advice from A1 parental leave mentors before, during, and after their leave. A family-friendly working environment is promoted through part-time options and a co-leadership model that allows management positions to be shared.
- **Expected result and progress:** The Karenz@A1 program is designed to offer all employees on parental leave equal opportunities and to make the best possible use of this time for their professional development. It promotes job satisfaction when they return to work as well as their professional development.
- **Scope:** All subsidiaries of the A1 Group

Metrics and targets

S1-5 — Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

The targets apply to the A1 Group and were jointly defined by Group HR and Group ESG, proposed to the Management Board, and agreed with the Supervisory Board, which also includes Works Council among its members. Targets are measured regularly and at least twice a year. Interpreting data and developing actions are the responsibility of Group HR. Employees, including Works Council, are informed about this by means of internal communication formats and channels (see S1-4 Strategy communication).

Diversity, equity and inclusion
The diversity, equity and inclusion (DEI) target addresses the material topic of diversity and gender equality.
- **Target definition and time horizon:** In our efforts to achieve greater diversity and equality, we have set ourselves the target of increasing both the overall proportion of women and the proportion of female managers to 40%. This is particularly essential in the telecommunications and IT sector, which traditionally has a lower proportion of women. The targets are based on the DEI policy published in 2022 and correlate with other targets such as reducing the gender pay gap.
- **Target measurement and review:** The targets are measured twice a year. In 2024, the overall proportion of women was 40% and the proportion of female managers was 35%.

Gender pay gap and equal pay gap
The gender pay gap target relates to the material topic of Gender equality and equal pay for work of equal value. Reducing the gender pay gap (difference in the average income of men and women) and closing the equal pay gap (the difference in the income for work of equal value) is therefore included as part of the Management Board remuneration:
- **Target definition and time horizon:**
  - LTI 2023 (2023-2025): reduce the gender pay gap by 15% compared to 2022 and the equal pay gap by 80% by the end of 2025 compared to 2022.
  - LTI 2024 (2024-2026): reduce the gender pay gap by 20% compared to 2022.
- **Target measurement and review:** We implemented standardized Group-wide metrics for measuring salary differences. The gender pay gap is defined in accordance with the CSRD. The survey is conducted every six months (see S1-16). In 2024, the gender pay gap was 16%.

Training hours

The target addresses the material topic of training and skills development.

- **Target definition and time horizon:** Our target is to increase the number of training hours and achieve an average of 40 training hours per employee by the end of 2030. The target forms part of the Management Board remuneration for 2024. This targeted promotion of individual potential contributes to employee satisfaction. Both employee satisfaction and the development of their potential are crucial to the success of our business.
- **Target measurement and review:** Targets are measured once per quarter. In 2024, the average number of training hours per employee (in full-time equivalents) was 42 hours.

Corporate volunteering

The target addresses the material topic of health and safety.

- **Target definition and time horizon:** Our target is to enable our workforce to volunteer at least once a quarter. Our workforce can use one working day for this. The corporate volunteering opportunities are determined individually by the subsidiaries. Volunteering and altruistic behavior have a positive effect on the physical and mental health of our workforce.
- **Target measurement and review:** Progress is reviewed at least once a year. In 2024, 1,406 participants used a total of 8,128 hours for corporate volunteering.
- **Target adjustment:** Compared to the 2023 target, the opportunity for corporate volunteering was increased from once a year to four times a year in 2024.

S1-6 — Characteristics of the undertaking's employees

The employees are shown in headcount (HC). Everyone who is actively employed by the A1 Group as of December 31, 2024 is taken into account. The gender information is based on the self-declaration of the employees. The total number of employees in headcount (17,975) corresponds to 17,298 full-time equivalents (FTE).

Employees by gender as of December 31

in HC	2024
Male	10,873
Female	7,102
Other	-
Not reported	-
Total employees	**17,975**

Employees by country as of December 31

in HC	2024
Austria	6,910
Bulgaria	3,905
Croatia	1,934
Belarus	2,180
Slovenia	611
Serbia	1,591
North Macedonia	770
Germany	29
Switzerland	45

Employees per contract and gender as of December 31

in HC	Permanent employees 2024	Temporary employees 2024	Full-time employees 2024	Part-time employees 2024
Male	10,418	455	10,426	447
Female	6,665	437	6,414	688
Other	-	-	-	-
Not reported	-	-	-	-

Employees per contract and country as of December 31[1)]

in HC	Permanent employees 2024	Temporary employees 2024	Full-time employees 2024	Part-time employees 2024
Austria	6,643	267	5,940	970
Bulgaria	3,858	47	3,768	137
Croatia	1,661	273	1,933	1
Belarus	2,180	0	2,180	0
Slovenia	582	29	590	21
Serbia	1,386	205	1,591	0
North Macedonia	700	70	770	0
Germany	28	1	28	1
Switzerland	45	0	40	5

1) Temporary employees include employment relationships that are still in the probation period or with people filling in for employees who are temporarily absent, for example due to parental leave or illness, and contracts to cover a short-term increase in the workload. Part-time contracts are entered into to ensure flexibility and promote work-life balance.

Employee turnover[1)]

	2024
Employee turnover (in HC)	2,619
Employee turnover (in %)	14

1) All departures divided by the average number of employees (= number of employees at the end of the previous period plus number of employees at the end of the reporting period divided by 2).

S1-7 — Characteristics of non-employee workers in the undertaking’s own workforce

Non-employees are shown as full-time equivalents (FTE). One FTE corresponds to the number of contractually agreed hours in relation to the agreed hours of full-time employees. Everyone working for the A1 Group as of December 31, 2024 is taken into account. The gender information is based on the self-declaration of the non-employee.

Non-employee workers as of December 31

in FTE	2024
Number of self-employed people	57
Number of external workforce (=EWF)[1)]	1,450
Total number of non-employees in own workforce	**1,506**

1) Provided by companies s primarily engaged in employment activities.

S1-9 — Diversity metrics

Gender distribution at the top management level[1] as of December 31

	Gender distribution (in HC)	Gender distribution (in %)
	2024	2024
Male	35	74
Female	12	26
Other	-	-
Not reported	-	-

[1] Definition of the top management level pursuant to the ESRS: The A1 Group Management Board and managers reporting directly to it, CEOs of the A1 subsidiaries and their Leadership Team members (corresponds to the level below the CEO)

Age distribution of employees as of December 31

	Age distribution (in HC)	Age distribution (in %)
	2024	2024
below 30	2,992	17
30-50	10,853	60
above 50	4,130	23

S1-10 — Adequate wages

All A1 Group employees are paid an adequate wage.

S1-11 — Social protection

All A1 Group employees are insured against loss of income resulting from major life events.

S1-13 — Training and skills development metrics

Regular performance reviews[1] by gender as of December 31

in %	2024
Male	61
Female	39
Other	-
Not reported	-

[1] All employees who have participated in at least one regular performance and career development reviews during the reporting period.

Average training hours by gender per person

	2024
Male	31
Female	37
Other	-
Not reported	-

S1-14 — Health and safety metrics

Workforce protected by health and safety management systems as of December 31

in %	2024
Employees	100
Non-employees	98

Health and safety information

	2024
Number of fatalities	
Employees	1
Non-employees	0
Other workers	0
Number of work-related accidents	
Employees	59
Non-employees	2
Rate of work-related accidents [1]	
Employees	1.69
Non-employees	0.58
Work-related ill health and injuries	
Number of work related, recordable ill health of employees	18
Days lost due to work-related injuries and ill health of employees	555

[1] Calculation based on contractually agreed working hours, taking into account intra-year changes in working hours.

S1-15 — Work-life balance metrics

Entitlement to family-related leave

in %	2024
Employees entitlement to take family-related leave	100
Employees that took family-related leave per gender	
Male	33
Female	67
Other	-
Not reported	-

S1-16 — Compensation metrics (pay gap and total compensation)

Gender pay gap among employees as of December 31

in %	2024
Gender Pay Gap [1]	16

[1] Calculation based on contractually agreed working hours and contractually agreed target salary.

Total remuneration ratio

	2024
Ratio	1:36

The ratio of the annual total remuneration of the highest paid individual to the median annual total remuneration for all employees (excluding the highest-paid individual). The ratio by country is calculated in accordance with the ESRS definition. The total value is calculated from the weighted average of all country ratios. The weighting is based on the head count per country.

S1-17 — Incidents, complaints and severe human rights impacts

Incidents of discrimination[1]

	2024
Number of discrimination incidents	1
Number of complaints filed through channels for own workforce	11
Number of complaints filed through national contact points for multinational enterprises of the OECD	0

[1] Incl. harassment and mobbing

Human rights incidents

	2024
Total number of human rights incidents	**0**
thereof cases of non respect of UN Guiding Principles, ILO Declaration on Fundamental Principles and OECD Guidelines for Multinational Enterprises	0

Payments related to incidents of discrimination and human rights incidents

in TEUR	2024
Payments as result of human rights incidents	0
Payments as result of incidents of discrimination[1)]	0

1) Incl. harassment and mobbing

S2 Workers in the value chain

Strategy

Related to ESRS 2 SBM-3 — S2 Workers in the value chain

As a leading telecommunications company in the CEE region, we attach the greatest importance to social responsibility along our global value chain. Cooperating with numerous partners in different regions of the world presents particular challenges. Transparency is crucial here: ensuring the availability of data on social standards and creating a comprehensive overview of our value chain are key tasks.

Our approach to a socially fair and sustainable value chain aims, among other things, to ensure positive impacts such as regulated working hours, adequate wages, health and safety standards, and the offer of stable employment relationships. Our focus in preventing negative impacts on the workers in the value chain is directed at the upstream value chain. Most of our production partners in the field of telecommunications equipment and devices are located in Asia, where the requirements we set for working conditions are not always fully met. Aspects such as health and safety, regulated working hours, fair pay, equality, and diversity are therefore especially important to us. Continuous monitoring of these criteria is essential to ensure compliance with our standards. Furthermore, we source key raw materials for telecommunications equipment, such as rare earths, mainly from Africa. This procurement of raw materials is often associated with an increased risk of human rights violations, such as child labor. We are taking comprehensive action to address the impacts and challenges along our value chain (see S2-4).

This includes, among others:
- Supplier assessment and selection: we conduct rigorous due diligence to ensure that our suppliers meet our high requirements in relation to social and environmental standards.
- Contractual requirements: our contracts with suppliers include unambiguous clauses on compliance with human rights and environmental standards.
- Continuous monitoring and audits: we continuously monitor our supply chain and carry out regular audits to ensure that our standards are met.
- Complaints procedure: our tell.me whistleblower portal

With these actions and our constant commitment to monitoring and improving our value chain, we want to make a positive contribution for the workers in our value chain and at the same time tackle the challenges involved.

Impact, risk and opportunity management

S2-1 — Policies related to value chain workers

The policies described apply to all partners in our value chain and, therefore, to all workers in the value chain, regardless of the country or subsidiary. They are published on the A1 Group website. The Director of Group Technology and Transformation, who is also responsible for Group Purchasing, is in charge of implementing the policies.

Our policies are based on our Human Rights Policy (see S1-1), which is based on the United Nations Universal Declaration of Human Rights, the United Nations International Covenant on Civil and Political Rights (CCPR), the United Nations International Covenant on Economic, Social and Cultural Rights (CESCR), the Declaration on Fundamental Principles and Rights at Work of the International Labor Organization (ILO), the United Nations Guiding Principles on Business and Human Rights (UNGP), the UN Global Compact and the OECD Guidelines for Multinational Enterprises.

Supplier Code of Conduct

The Supplier Code of Conduct addresses the material topics secure employment, working time, adequate wages, Freedom of association, including the existence of work councils, health and safety, Gender equality and equal pay for work of equal value, measures against violence and harassment in the workplace, diversity, and child and forced labor.

- **Content:** Our Supplier Code of Conduct sets out ethical, environmental, and social standards. We are committed to acting responsibly and sustainably and regard suppliers as key partners in achieving these goals. Suppliers must comply with all environmental laws, minimize their environmental footprint, and promote sustainable practices. Labor and human rights laws are also a focus here, including the ban on child and forced labor and human trafficking. They shall offer safe working conditions, pay fair wages, and eliminate conflict minerals. Additionally, it specifies that laws and regulations concerning bribery, corruption, conflicts of interest, ethical business practices, and the confidentiality and security of data must be followed. We carry out risk assessments and audits (see S1-4) to check compliance. If they are non-compliant, suppliers must take corrective action to maintain the business relationship.
- **Third party standards or initiative relevant for the A1 Group:** Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises, the labor and social standards of the International Labor Organization (ILO).

Responsible Sourcing Policy

The Responsible Sourcing Policy addresses the following material topics: adequate wages, health and safety, gender equality and equal pay for equal work, diversity, child and forced labor.

- **Content:** The policy is based on our Code of Conduct (see G1-1) and the commitments it contains on human rights, labor standards, environmental protection, and anti-corruption. The suppliers are required to comply with our ESG standards. These include, in particular, social standards on human rights, child labor, forced labor, human trafficking, health and safety, fair pay, diversity, inclusion, and equality. The responsible procurement of minerals is also included. In addition to strengthening economic performance and ensuring the resilience of the supply chain, the aim of the policy is in particular to promote our sustainability commitments. We integrate responsibility into supplier management on two levels: in the supplier dimension, this includes governance as well as compliance and risk assessments to ensure that ESG standards and guidelines are adhered to. This is supplemented by suppliers' self-declarations and external ESG assessments. At the transactional level, our General Terms and Conditions of Purchase require suppliers to comply with the Code of Conduct. ESG criteria are incorporated in the selection and award process where applicable. We monitor our suppliers using internal and external screening processes and expect our suppliers to do the same in their own supply chain. Any deviations that are identified during our audits are recorded in the corrective action plan (CAP) and processed in collaboration with the supplier until they are rectified. We expect the supplier to notify us and to comply with the specified corrective measures.
- **Third party standards or initiative relevant for the A1 Group:** US Dodd-Frank Act (compliance with the principles of responsible and ethical sourcing of minerals), EU regulation on conflict minerals

Conflict Minerals Policy

The Conflict Minerals Policy addresses the material topics of working hours, adequate wages, health and safety, measures against violence and harassment in the workplace, and child and forced labor.

- **Content:** Our policy aims to prevent the sourcing of minerals and rare earths from conflict and high-risk areas. We are aware of our responsibility in the value chain, even if there is no direct link to conflict minerals. We recognize the risks of financial crimes and human rights abuses that can occur in the extraction, transportation or trade of minerals, as well as their association with torture, forced labor, child labor, and other serious crimes. Our suppliers and partners must comply with the principles of responsible mineral sourcing set out in the US Dodd-Frank Act and the EU regulation on conflict minerals. We are committed to implementing due diligence processes to eliminate the sourcing of such minerals and to report transparently on the results. We do not work with suppliers who tolerate abuses in connection with conflict minerals and we terminate any cooperation with suppliers who pose a risk of serious abuses.
- **Third party standards or initiative relevant for the A1 Group:** US Dodd-Frank Act (compliance with the principles of responsible and ethical mineral sourcing), EU regulation on conflict minerals

In addition to the policies described, the Code of Conduct (see G1-1), the Diversity, Equity & Inclusion Policy, the Health, Safety and Well-Being Policy, and the Human Rights Policy (see S1-1) address the material impacts on the workers in the value chain. These apply to the A1 Group and its partners and customers. Our policies and guidelines also describe our commitment to combating child and forced labor and human trafficking.

S2-2 — Processes for engaging with value chain workers about impacts

We attach great importance to directly engaging the worker in the value chain and their legal representatives in order to address their concerns in a targeted manner and include them in our decisions. This is ensured by a structured audit procedure in accordance with the specifications of the Joint Alliance for CSR (JAC). Each member of the JAC carries out at least five audits per year. With currently around 30 member companies, this results in an annual total of approximately 150 audits. The audit comprises several steps: in the opening meeting, important aspects of the audit are discussed, and a business review is presented. The aim is to understand the supplier's labor and health and safety standards and ethical and environmental practices. Production processes and working conditions are examined during a site tour. This is followed by a document review to ensure conformity with the JAC principles. A central component is the interviews with the supplier's employees, which are conducted in a confidential setting. These provide the audit team with insights into the actual working conditions and cover different groups of workers. A final meeting is held in which the results of the audit are presented and feedback is given. This comprehensive procedure ensures that the interests and concerns of the workers in the value chain are taken into account and that actions to improve working conditions are continuously implemented.

The interviews are conducted by the external JAC audit manager. Any deviations that are identified during audits are recorded in corrective action plans (CAP). The A1 Group JAC officer maintains regular contact with the audited company in order to review the progress in implementing the action plans. The results are reported to the Director of Group Technology and Transformation.

S2-3 — Processes to remediate negative impacts and channels for value chain workers to raise concerns

Workers in the value chain can communicate their concerns and complaints directly to us via the tell.me whistleblower system. tell.me is available in all the national languages of our subsidiaries and in English and can be accessed at any time via our website. Our suppliers are informed about the whistleblower system via the Code of Conduct. It is not currently mandatory for suppliers to communicate the procedure to their employees or provide relevant training, so knowledge of the system cannot be verified. The procedure for dealing with reported concerns and complaints is explained in S1-3 and applies both to our own workforce and to workers in the value chain. No incidents were reported from the value chain in 2024. Our suppliers' employees additionally have the opportunity to communicate their concerns and complaints during the audit interviews (see S2-2).

S2-4 — Taking action on material impacts, and approaches to managing material risks and pursuing material opportunities, and effectiveness of those action

The actions address the material topics secure employment, working time, adequate wages, freedom of association, including the existence of work councils, health and safety, Gender equality and equal pay for work of equal value, as well as child and forced labor. Similarly, the topics of employment and inclusion of people with disabilities, measures against violence and harassment in the workplace, and diversity are also covered. The resources for the implementation of the actions are provided by Group Purchasing and Supplier Relationship Management. All the actions described have been implemented and will be continued.

Due Diligence Form (DDF)

- **Content and time horizon:** As part of our commitment to social responsibility and to ensuring fair working conditions along our value chain, we have developed a comprehensive due diligence form for our suppliers. This was introduced in 2022 and is expanded every year. The form consists of four parts:
  - General company information
  - EcoVadis: EcoVadis assesses the sustainability performance of companies. It is determined whether a scorecard is available, including the score and medal.
  - Main section: subdivided into compliance, social responsibility, data protection, quality management, environmental responsibility, due diligence, and financial responsibility.
  - Authorization to use data: clarification of whether the data applies to other companies affiliated with the supplier and may be shared with our companies.

  The questionnaire must be completed every 3 years. Suppliers receive the main section only if an EcoVadis scorecard is not available or if they have not been awarded the bronze medal as a minimum. The bronze medal is awarded to the best 35% of the companies that have been assessed. An escalation procedure is initiated if a supplier does not complete the form. If reference is made to the supplier's own policies, our team checks these to ensure that they meet our requirements.

- **Expected result and progress:** The aim of our due diligence form is to check and ensure that our suppliers comply with basic labor law and ethical standards. This systematic approach guarantees transparency and responsibility and ensures that our suppliers meet our standards. Around 350 suppliers have completed the form in total. As of the end of 2024, all suppliers accounting for 80% of expenditure and demonstrating a medium to high risk potential are covered by the DDF.
- **Scope:** The A1 Group's highest risk suppliers (all A1 Group suppliers accounting for 80% of expenditure and demonstrating a medium to high risk potential).

JAC (Joint Alliance for CSR)

- **Content and time horizon:** We are a member of the Joint Alliance for CSR (JAC), an association of telecommunications providers that has the aim of reviewing, evaluating, and further developing the implementation of corporate social responsibility (CSR) at major multinational suppliers in the information and communications technology (ICT) industry. The JAC pursues the mission of viewing sustainability as a shared responsibility that extends beyond competition and of promoting awareness of sustainability as a driving force along the supply chain. This can be achieved only through close collaboration and cooperation between the member companies.
- **Expected result and progress:** The aim of our membership of the JAC is to review and develop sustainability standards and proven processes by for example sharing practices. This helps to ensure compliance with internationally recognized standards and promotes respect for human rights as well as social, labor, and environmental standards. Compliance with these standards is assessed through joint audits and assessments of suppliers. Our cooperation with other telecommunications companies strengthens the effective implementation of sustainability principles in the industry and underlines our commitment to responsible corporate governance. Every member of the JAC is required to audit no less than five suppliers per year in accordance with the specifications. 29 companies are currently members.
- **Scope:** Suppliers of the A1 Group

An audit in 2023 revealed that the weekly working hours and overtime of the employees surveyed at one supplier breached the legal requirements and the SA8000 standards (certification standard for social responsibility in the workplace). An action plan to address these issues included revising the relevant policy for the use of the workforce, increasing production efficiency, hiring additional workers, and reducing overtime with the aim of gradually reducing the weekly working hours to a maximum of 60 hours. These actions were successfully implemented in 2024 and the infringements identified were rectified.

Metrics and targets

S2-5 — Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities

Due Diligence Form (DDF)

- **Target definition and time horizon:** Our current practice is to subject 100% of all suppliers to an annual risk assessment in the areas of environment, social, and governance. Our aim is to conduct a survey of suppliers accounting for 80% of all expenditure and assessed as medium to high risk using the due diligence form at least every three years. The survey sets out to identify critical areas of the supply chain (e.g. origin of metals and rare earths, compliance with human rights, carbon reduction, etc.) through self-disclosures and to determine and increase the maturity level of the suppliers.
- **Target measurement and review:** Progress towards meeting the annual target is communicated in a report and is also included as part of an annual audit, as this constitutes an STI (short-term incentive) for our management. The target was achieved in 2024.
- **Scope:** The A1 Group's highest risk suppliers (all A1 Group suppliers accounting for 80% of expenditure and demonstrating a medium to high-risk potential).

JAC (Joint Alliance for CSR)

- **Target definition and time horizon:** We plan to carry out five on-site audits at our suppliers every year by 2030 in order to ensure high standards along our supply chain.
- **Target measurement and review:** Five on-site audits were carried out at our suppliers this year. This target is also tracked by the JAC and documented by entries on the audit platform.
- **Scope:** Suppliers of the A1 Group

S4 Consumers and end-users

Information security

As we are an operator of critical infrastructure, information security is a key element of our value proposition and therefore also of our business strategy. Customers, employees, and society count on the availability and confidentiality of our services. In addition, companies such as the A1 Group are increasingly the target of cybercrime. This demands a high level of security awareness among our employees as well as a high level of security in our technology and business processes. Our stakeholders' trust in our brand is closely linked to our perception as a secure company.

Impact, risk and opportunity management

Policies related to information security

Information security policy

- **Content:** We implemented a Group-wide information security management system (ISMS) in 2024. Individual subsidiaries have already had an ISMS in place since 2005. The Group-wide ISMS defines the Information Security Policy as a central element of information security management. The target defined in this policy is to minimize the security risk in line with our risk tolerance. In doing so, we create a secure corporate environment and promote a security culture that has a positive impact on our products, our brand, and our image. Fewer security incidents result in the company being perceived as trustworthy by customers, for example. The most important aspects of our information security are:
  - Confidentiality: Access to information and data must be restricted exclusively to authorized persons and strictly regulated according to the need-to-know and need-to-have principles, so that access to data is granted only when it is necessary for work purposes.
  - Integrity: Data must be complete and correct. All systems, IT components, and networks must function perfectly in accordance with the specifications. Changes to data may only be possible with appropriate authorization. All changes to business-critical data records must be traceable at all times.
  - Availability: Data must be available at all times and delivered to the authorized workforce, customers, third parties or the right system at the time they are needed.
  - Compliance: The entire workforce or third parties must know and comply with the relevant internal or external specifications, guidelines, standards, and/or laws.
- **Scope:** All subsidiaries of the A1 Group
- **Responsibility:** Chief Information Security Officer in the subsidiaries
- **Availability for stakeholders:** The policy is published on the A1 Group website.

Actions related to information security

We implement a large number of actions to maintain and enhance the level of security. The following four actions have an especially positive effect on the opportunities that have been defined as material (perception as a safe company, positive impacts on brand, image, and products). All of the actions described have been implemented and will be continued.

ISO 27001 certification

- **Content and time horizon:** We implement and operate an ISMS in accordance with ISO 27001 in every subsidiary and consider the result to be a Group-wide SMS. The ISMS is designed as a permanent measure and is subject to an external monitoring audit every year. A recertification audit is carried out every three years. The ISMSs are certified and define a large number of security controls that are subject to a monitored and continuous improvement cycle.
- **Expected result and progress:** Targets include maintaining the certification, implementing possible measures for improvement, and eliminating weaknesses that have been identified as part of the audit results. All subsidiaries currently have valid certification.
- **Scope:** All subsidiaries of the A1 Group

Simulated hacker attacks

- **Content and time horizon:** We continuously carry out simulated hacker attacks (e.g. penetration testing, red teaming) against our company in order to test the actual effectiveness of our technical infrastructure and the security awareness of our employees. A total of 59 simulated hacker attacks were carried out in 2024.
- **Expected result and progress:** The results of the tests are communicated to the responsible officers and measures to eliminate any vulnerabilities and introduce improvements are initiated. The aim of the action is to continuously improve our level of security and thereby further strengthen our customers' trust in our products and brand.
- **Scope:** All subsidiaries of the A1 Group

Information security trainings

- **Content and time horizon:** We have implemented a comprehensive information security training and education concept. Annual mandatory e-learning courses and ongoing training programs are conducted in order to raise the awareness of our workforce regarding information security. Moreover, internal communication media and events provide information on current developments. This measure is implemented on an ongoing basis.
- **Expected result and progress:** The aim is to reduce the risk of successful attacks and incidents by training our workforce and raising their awareness of attacks and fraud patterns.
- **Scope:** All subsidiaries of the A1 Group

Information security escape room

- **Content and time horizon:** To raise public awareness, A1 Serbia has opened the first escape room with a focus on information security. The escape room is an interactive experience in which a group of people work together to solve a series of puzzles and tasks. Participants are guided through a scenario that simulates various security challenges that we encounter almost every day – often without realizing it.
- **Expected result and progress:** The importance of information security is promoted through a combination of entertainment and education.
- **Scope:** A1 Serbia

Metrics and targets

Targets related to information security

We monitor the effectiveness of security measures by implementing a Group-wide information security management system (ISMS). The overall ISMS consists of individual ISO 27001-certified ISMSs in each subsidiary. The inherent PDCA (plan-do-check-act) cycle ensures that their design and implementation is effective. Verification is ensured by the certification and recertification process. The level of ambition is defined by successful certification.

Metrics for information security

We use the following metric (according to the definition of América Móvil) to check the effectiveness of our information security: total number of security incidents incurring a penalty or fine of more than USD 100,000 (equivalent to EUR 103,890 reporting date December 31, 2024). There were no security incidents of this kind in 2024.

(Critical) Infrastructure and resilience

Critical infrastructure is the infrastructure that is essential for maintaining important societal functions. The disruption or destruction of this infrastructure can have serious impacts on the health, safety, and economic and social well-being of large sections of the population or the effective functioning of government institutions.

They form the foundation of modern societies and support essential services such as communications, transportation, energy, and health care. Of these, the telecommunications network stands out as a component that enables real-time data exchange and coordination between different sectors. The A1 Group operates critical infrastructure that supports not only telecommunications, but also other industries that depend on reliable connectivity for their operations and security.

Our infrastructure spans several countries and includes mobile, fixed-line, and fiber networks, data centers, and cloud platforms. In the face of increasing cyber threats, natural disasters, and technical failures, protecting this critical infrastructure is of paramount importance. Our networks are therefore designed with redundancy, resilience, and security as key priorities to ensure continuous operation even in the most challenging scenarios. Maintaining the integrity of this infrastructure is critical to the stability and security of the nations it serves.

Impact, risk and opportunity management

Policies related to (critical) Infrastructure and resilience

Business Continuity Management Policy (BCM)

- **Content:** The main focus of the Business Continuity Management Policy is on improving our resilience. This requires developing the necessary skills to recognize, prevent, minimize the impact of and, if necessary, manage incidents that cause damage. BCM activities are prioritized as follows:
  - Protecting life and limb
  - Continuing or rapidly restarting critical services
  - Ensuring compliance with legal regulations
  - Protecting the reputation of the A1 Group
  - Making improvements in stability by conducting root cause analyses and implementing suitable actions
- **Scope:** A1 Austria (formal implementation planned in all subsidiaries)
- **Responsibility:** CEOs of the subsidiaries (implementation)
- **Third party standards or initiative relevant for the A1 Group:** BSI Standard 200-4, ISO 22301
- **Availability for stakeholders:** The policy is available internally for the entire workforce.

Actions related to (critical) Infrastructure and resilience

The measures to maintain critical infrastructure have been implemented and will be continued. They are derived from the Business Continuity Management Policy and comprise two major disjunct areas:

- Prevention: preventive planning of resilience, redundancy, and reserves
- Reaction: reactive handling of outages, emergencies, and crises

Preventive planning of resilience, redundancy, and reserves

- **Content and time horizon:** The critical infrastructure shall be provided continuously, apart from during necessary, minimal maintenance windows, by implementing preventive actions,. The redundancies (e.g. hot standby systems) and reserves (e.g. battery back-up, emergency power generators) are designed accordingly.
- **Expected result and progress:** Permanent provision of the critical infrastructure and prevention of outages.
- **Scope:** All subsidiaries of the A1 Group

Reactive handling of outages, emergencies, and crises

- **Content and time horizon:** Unexpected events cannot be completely ruled out by prevention, so how we handle outages, emergencies, and crises is clearly defined, e.g. by deploying emergency and crisis management teams.
- **Expected result and progress:** The aim is to restore the availability of the critical infrastructure as quickly as possible.
- **Scope:** All subsidiaries of the A1 Group

Metrics and targets

Targets related to (critical) infrastructure and resilience

The strategic target is to maintain the availability of the critical network and service infrastructure at all times and thus ensure the continuous support of business processes. Outages, emergencies, and crises must be handled in accordance with the stipulated activities. The target definition is adjusted annually.

Measurable, results-oriented, and scheduled target
- **Target definition and time horizon:** The target for the reporting year was to keep the number of outages in connection with the critical infrastructure to zero. In response to unforeseeable outages, their average duration and the average duration of any interruption for customers should both be kept as short as possible.
- **Target measurement and review:** The achievement of the target is reviewed annually.
- **Scope:** All subsidiaries of the A1 Group

Metrics for (critical) infrastructure and resilience

Key metrics include recording the total number of outages affecting critical infrastructure components, the duration of the outages, and the number of customers affected. In the event of disruptions to critical infrastructure, the subsidiaries concerned inform both the local regulatory authorities and, where affected, specific customer groups and the public. These metrics additionally serve as an important basis for internal management and decision-making. The metrics are currently used internally.

Digital competences

Digital competences are increasingly seen as central to equal opportunities, social participation, and economic development. The ability to use digital technologies safely, effectively, and competently plays a decisive role here.

A lack of these skills can make people more vulnerable to abuse, such as cyberbullying. This can lead to health problems or adverse effects on mental health, among other things. In addition, financial losses can be incurred if the people affected fall victim to fraud or data misuse.

As a telecommunications company, we are not only a provider of infrastructure and an enabler of digitalization, but are also committed to providing digital education and media literacy. Our vision is to improve digital competences in the target groups of children and young people, educators, parents, and senior citizens and to enable them to make the best possible use of the opportunities in the digital world. This includes partnerships with other organizations and associations, interest groups, school partnerships, digital learning platforms, training courses, and special learning apps and tools that teach digital skills.

Impact, risk and opportunity management

Policies related to digital competences

Digital competences as part of the ESG strategy

- **Content:** The ESG strategy includes targets for E (environment), S (social), and G (governance). Digital competences fall under S. With our Group-wide initiative, we offer free workshops and webinars for the target groups of children and young people, educators, parents, and senior citizens, among others. The focus of our ESG strategy relating to digital competences is children and young people. Our aim is to give them the self-confidence and skills they need to shape digital worlds.
- **Scope:** All subsidiaries of the A1 Group
- **Responsibility:** Head of Group ESG
- **Third party standards or initiative relevant for the A1 Group:** Sustainable Development Goals, etc. (ESG strategy), UNESCO for media and information literacy, the European Digital Competence Framework, and the guidelines of the Alliance for Digital Skills and Education of the European Union (digital competences)
- **Stakeholder involvement:** Local communities – especially children, young people, educators, and teachers, women, and senior citizens – but also NGOs, government representatives, and authorities were involved as stakeholder groups.
- **Availability for stakeholders:** The ESG strategy is published on the A1 Group website.

Actions related to digital competences

Our most relevant actions in relation to digital competences are presented below. The actions described have been implemented and will be continued.

Action for the target groups of children and young people

- **Content and time horizon:** Our diverse, free, and innovative program of workshops and courses offers children and young people the opportunity to actively immerse themselves in the digital world and help shape it. The workshops are held all year round – both on site at A1 locations, in schools, and online. The workshops cover a wide range of subjects and a variety of skills, such as coding, robotics, artificial intelligence, and media literacy. Several workshops can be attended in succession in order to gain a comprehensive understanding of the subjects and skills. The workshops are designed above all to encourage people to engage with the topic of digital education and media skills independently also after they have completed the course. Additional material is available for this purpose.
- **Expected result and progress:** Our aim is to expand the digital skills of the target groups mentioned in order to protect them from disinformation and fake news and also to promote equal opportunities, critical thinking, and responsible behavior online.
- **Scope:** All subsidiaries of the A1 Group

Action for the target group of parents and teachers

- **Content and time horizon:** Parents, educators, and kindergarten teachers play a key role in motivating and supporting children and young people in the learning process. If teachers and parents can understand and use digital tools and platforms, they are better able to support students' learning progress, identify problems early on, and provide targeted help. That is why we focus the contents of the courses for teachers on tips and tricks suitable for everyday school life that can be integrated in lessons and thus support teachers. Apps and websites are presented that can be used free of charge and are even suitable for the school subject involving basic digital education in Austria. We offer special info evenings for the target group of parents, sometimes directly at the schools with the help of the parents' associations. The main focus is on raising the awareness of the challenges that many children face in the digital world and how parents can best support their children.
- **Expected result and progress:** Our goal is to make everyday school life easier for educators and to break down prejudices against digital education and the generation gap in digital education. The aim is also to increase adults' understanding of the digital lives of children and young people. The involvement of teachers and parents in digital education is crucial for being able to take full advantage of digital tools and for supporting children and young people in their development.
- **Scope:** All subsidiaries of the A1 Group

Action for the target group of senior citizens/generation 60+

- **Content and time horizon:** Our courses are aimed specifically at the 60+ generation to enable them to actively use the Internet and participate in digital life. True to the motto "We learn for life", our free courses cover topics such as safe online shopping, video telephony, e-mail phishing, and Internet scams. This is intended to allay the participants' fears of getting started and give them the confidence to navigate the Internet independently.
- **Expected result and progress:** Our aim is to promote inclusion and enable older people to safely participate in digital life.
- **Scope:** A1 Austria and A1 Belarus

Metrics and targets

Targets related to digital competences

Measurable, results-oriented, and scheduled target

- **Target definition and time horizon:** Our goal is to reach a total of 500,000 participations to our digital education initiatives from 2021 to 2030
- **Target measurement and review:** The target is reviewed twice a year. A total of 437,526 participations registered in the period from 2021 up to 2024.
- **Scope:** All subsidiaries of the A1 Group

Metrics for digital competences

The number of participants per country and target group is listed below.

Participations in digital competence trainings

	2024	2023	Δ
Austria	131,637	90,417	46%
Bulgaria	13,057	13,216	-1%
Croatia	14,199	5,706	149%
Belarus	1,369	502	173%
Slovenia	5,033	20,983	-76%
Serbia	4,420	9,757	-55%
North Macedonia	1,667	1,939	-14%
Total number	**171,382**	**142,520**	**20%**

Participations per target group

	2024	2023	Δ
Children and young adults	155,731	129,291	20%
Educationalists [1]	6,131	1,935	217%
Parents	2,752	2,046	35%
Senior Citizens	6,768	9,248	-27%
Total number	**171,382**	**142,520**	**20%**

[1] Incl. kindergarten, primary and secondary school educationalists

Governance

G1 Business Conduct

Impact, risk and opportunity management

G1-1 — Corporate culture and business conduct policies and corporate culture

Compliance shapes the attitude and behavior of all managers and employees through clear, practiced values and actions to promote correct conduct. Maintaining and further developing an externally audited Compliance Management System (CMS) in line with best practice is a key element of the A1 Group's corporate governance and ESG strategy. By acting ethically and in compliance with the law, we help to ensure that employees, customers, and other stakeholders trust the A1 Group. This trust is an important prerequisite for protecting our company from reputational damage, liability risks, and financial risks in the future.

The A1 Group's strategy places people at the center and thus shapes the corporate culture (see S1 for more information on Human@Center). The results of the regular employee surveys (A1 Voices, compliance and integrity surveys) form the basis for specific actions aimed at developing and promoting the corporate culture.

In order to ensure absolutely correct ethical and legally compliant conduct, the A1 Group relies on managers at all levels to act as role models, on the values that the A1 Group puts into practice, and on the recognition and implementation of actions to promote correct conduct. This requires the Management Board, the Leadership Teams, and the management of the A1 Group to make an active, visible commitment to shared standards of conduct.

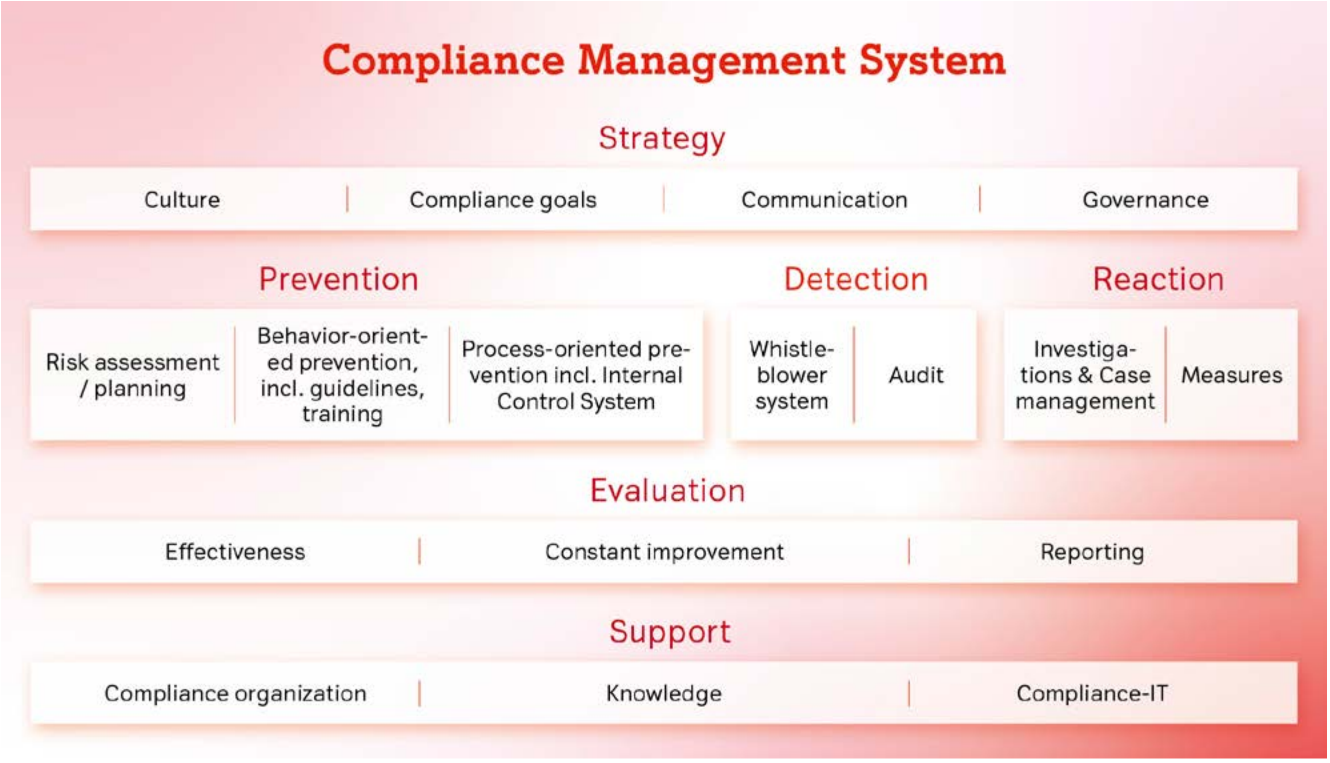
Moreover, treating each other with respect and appreciation is also an important part of our corporate culture. Teamwork, trust, and agility are the A1 Group's values that guide the company as it implements its vision of Empowering Digital Life. The A1 Group's corporate culture promotes diversity, equity, and inclusion. In addition, psychological safety and an open feedback culture in the workplace are important aspects in supporting compliance.

The policies and guidelines described below apply to all members of the Management Board, Leadership Team members, managers, and the workforce of the A1 Group, i.e. employees and non-employees in all Group companies. They are published on the A1 Group website.

Compliance Management System (CMS)

- **Content:** Compliance is especially important for successful business management and is firmly anchored in our corporate governance and in our corporate culture and strategy. As part of the CMS, the compliance policy and compliance strategy form the governance and the basis for operational compliance management. Together with our commitment to human rights, due diligence in the supply chain, and the data protection management system, the A1 Group's CMS is an essential part of the governance pillar of our ESG strategy.

The compliance management system comprises the following elements:



Acting with integrity is a prerequisite for sustainable business success and the reputation of the A1 Group. It is managers who are responsible in the first instance for ensuring integrity by setting an appropriate tone from the top/middle and by setting an example themselves. All members of the Leadership Team sign an annual compliance commitment, which describes their role and responsibility within the CMS. In the course of the annual compliance risk assessment risks are identified and evaluated, followed by the definition and prioritization of suitable actions in order to prevent improper business conduct by managers and employees. The areas of anti-corruption/integrity, antitrust law, data protection, capital market compliance, and export compliance/sanctions are discussed and the risk reduction measures and their implementation are reported to the Management Board and Supervisory Board as well as to all leadership teams of the Group companies as part of the risk assessment process. A strong culture of integrity is the key to successful compliance management. For this reason, the A1 Group relies on target group specific communication and training. The A1 Group uses all internal communication channels, in particular the Workplace platform, to convey important compliance messages, e.g. our Code of Conduct or our tell.me whistleblower portal. Important information about the CMS is available on the company website.

With the aim of preventing and detecting compliance violations within the A1 Group and in our value chain, our workforce, but also external persons may use the tell.me whistleblower platform – anonymously if they wish – to report information about possible misconduct or suspected violations of legal regulations, the Code of Conduct, and internal guidelines. This includes the actions of our workforce in the Group companies' own business areas as well as those of our suppliers and business partners.

A link to the whistleblower portal is provided for employees in an easy-to-find location, e.g. on the homepage of the intranet and in internal apps. External stakeholders are informed about the whistleblowing portal via the company website. Information on the reporting channels and on whistleblower protection can also be found in the Code of Conduct, which is an integral part of the A1 Group's General Terms and Conditions of Purchase. Information on the whistleblowing procedure is included as part of regular training activities and communication measures. An electronic mailbox in the whistleblower portal guarantees the anonymity of the whistleblowers from a technical perspective if they decide to remain completely anonymous, even to the Compliance department.

Information from employees can also be passed on to their immediate supervisor or the responsible compliance officer on site. Reports from whistleblowers are treated confidentially and investigated and reviewed by persons subject to confidentiality requirements.

The whistleblowing process actively communicated to our own workforce takes into account all requirements of the EU Whistleblowing Directive 2019/1937 as well as local laws and regulates in detail the protection of whistleblowers, the confidential and professional processing of all reports, communication with whistleblowers, and the appropriate sanctions for any misconduct that is actually identified. A special process is provided if a member of the Management Board, a member of the Supervisory Board or a head of Internal Audit or Compliance is the subject of a report of potential misconduct.

The channels for reporting misconduct, the comprehensive whistleblower protection, and the actions that are taken in response to any misconduct that is identified are discussed in particular in all compliance training courses. Employees who are involved in handling reports receive special training. The A1 Group responds immediately with appropriate actions and sanctions if misconduct is detected. The possible consequences range from awareness-raising and training activities or process improvements to reprimands, dismissal, reports to the police or the termination of business relationships. The professional and confidential handling of all reports by Compliance and Internal Audit ensures that not only the people submitting a report, but also the people that are subject of a report are protected as long as no actual misconduct is identified.

In 2024, reports on 33 material issues (of which 4 related to corruption, 2 to antitrust law, 2 to data privacy, 7 to human rights, and 18 to integrity) were received through the tell.me whistleblowing platform and other reporting channels, which were handled with the utmost care and confidentiality. Action was taken a total of 34 times as a result of reports that were received and confirmed in 2024. In accordance with EU Directive 2019/1937 on the protection of whistleblowers, the A1 Group prohibits any form of retaliation against whistleblowers. Any actions or omissions in a professional context that result in a whistleblower who raises concerns in good faith receiving disadvantageous treatment are prohibited. The protection of whistleblowers is expressly not limited to the topics covered by statutory protection, provided that the whistleblower acts in good faith. If discrimination is suspected on account of information that has been submitted, the responsible Compliance Officer will investigate the case with the support of Internal Audit. Any whistleblower who feels being subject of retaliation can contact Compliance. In cases of proven disadvantage to the whistleblower, the A1 Group shall compensate the damage incurred and the costs in an appropriate manner.

In addition, annual training courses are held for the relevant target group on all areas of compliance (anti-corruption, conflicts of interest, antitrust law, data protection, capital market compliance, sanctions, and human rights) in order to anchor the concept of integrity in the A1 Group. Group-wide training programs explain compliance issues in a practical way and provide real-world case studies. Compliance training focuses on the individuals whose activities are particularly susceptible to the risk of corruption and bribery, such as managers, sales and purchasing staff.

The appropriateness and effectiveness of the A1 Group's Compliance Management System (CMS) has already been audited several times by external auditors and confirmed without qualification, most recently in 2022/2023 by BDO Assurance GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft. In addition to the audit of a company's compliance culture, the underlying auditing standard IDW PS 980 of the Institut der Wirtschaftsprüfer in Deutschland (Institute of Public Auditors in Germany) for compliance management systems as amended in September 2022, also provides for the audit of the targets, risks, program, organization, communication, monitoring, and improvement measures of the CMS. BDO certified that the A1 Group's Compliance Management System has a high level of maturity.

- **Responsibility:** The Supervisory Board supervises the Management Board in its operation and further development of the compliance management system. Both bodies are responsible for defining a compliance policy. Within the A1 Group, the compliance organization, headed by the Group Compliance Director, ensures that the necessary procedures and processes are maintained and further developed. Group Compliance ensures that the risk mitigation measures resulting from the annual compliance risk assessments are implemented in all business units with the support of responsible officers in the subsidiaries. Management is responsible for ensuring compliance.
- **Third party standards or initiative relevant for the A1 Group:** The Austrian Code of Corporate Governance (ÖCGK) pursues the goal of responsible corporate management and control geared towards sustainable and long-term value creation. The A1 Group has been committed to voluntary compliance with the ÖCGK since 2003. The A1 Group also makes an important contribution to achieving the UN Sustainable Development Goals (SDGs) in the area of governance. This is reflected in our membership of the UN Global Compact since 2013. In its declaration of commitment, the A1 Group has pledged to integrate the UN Global Compact, which includes the SDGs, in its strategy, culture, and operating activities. The following international standards form the framework for the A1 Group's compliance management system: ISO 37301 Compliance management systems, ISO 37001 Anti-bribery management systems, ISO 37002 Whistleblowing management systems, the UN Global Compact, OECD Guidelines for Multinational Enterprises.

Code of Conduct

- **Content:** The A1 Group has laid down clear rules for legally compliant and ethical conduct in all business relationships in its Code of Conduct. The code regulates the A1 Group's responsibility for people, society, and the environment, the A1 Way of Working, and the importance of human rights, diversity and inclusion, the requirements for conduct in the business relationships with customers, competitors and suppliers, the handling of gifts, invitations and personal benefits, the protection of company assets, the correct handling of confidential and personal data, the prevention and handling of conflicts of interest, and the options for reporting misconduct. It also stipulates that the A1 Group has no political affiliation and that its workforce is free to exercise their political rights.
- **Responsibility:** The Code of Conduct is the responsibility of the Management Board of the A1 Group and is adopted by all Management Boards in the Group companies.
- **Third party standards or initiative relevant for the A1 Group:** The A1 Group has joined the UN Global Compact. We have thus undertaken to implement fundamental requirements in the areas of human rights, labor, the environment, and combating corruption. The Group aligns its activities with the SDGs and is committed to the OECD Guidelines for Multinational Enterprises. The Human Rights Policy is based on the United Nations Universal Declaration of Human Rights, the United Nations International Covenant on Civil and Political Rights (CCPR), the United Nations International Covenant on Economic, Social and Cultural Rights (CESCR), the Declaration on Fundamental Principles and Rights at Work of the International Labor Organization (ILO), and the United Nations Guiding Principles on Business and Human Rights (UNGP).

Further guidelines related to compliance

In addition, Group-wide guidelines regulate topics such as anti-corruption, conflicts of interest, data protection, antitrust law, capital market compliance, respect for human rights, diversity, inclusion and equal treatment, the environment, and responsible supplier relationships in detail.

G1-2 — Management of relationships with suppliers

The basis for the management of relationships with suppliers is their relevance measured by the extent to which they can positively or, in terms of risk, negatively influence the A1 Group's business success. The A1 Group strives to enter into long-term business relationships and to work with suppliers in several business areas.

We see the resulting larger and more diversified footprint as a lever for gaining commercial advantages, securing the supply chain, and obtaining more open access to innovations. We make use of economies of scale with our majority shareholder América Móvil in the purchasing categories that are suitable for this (e.g. IT standard software).

The Purchasing Guidelines of the A1 Group and its subsidiaries describe our two procurement processes, the strategic Source2 Contract process and the operational Purchase2Pay process. It specifies in particular how supplier selection is to be carried out and documented in order to ensure a transparent and traceable process. Defined thresholds have been set, above which management, right up to the Management Board, has to be involved, thus going far beyond the formal requirements of the signatory rules.

By agreeing to our General Terms and Conditions for Purchasing (GTC), suppliers (and the A1 Group) undertake to comply with our Code of Conduct (see G1-1), which demands integrity as the basis of our business. The A1 Group puts this concept of fairness into practice in its relationships with suppliers not only when selecting a supplier: Terms and conditions of payment are negotiated by product (hardware and software) and service and further differentiated based on purchasing categories. The A1 Group's practice is to adhere to contractually agreed payment terms without exception.

The A1 Group depends for its supplies on global supply chains, which are hedged by measures such as alternative sources of supply, contractual agreements, and stock management. In addition to the prevention of outages, there are ESG risks that need to be addressed especially when sourcing globally. The Responsible Sourcing Policy (see S2-1) defines our ESG standards in detail, and we demand compliance with these standards without exception throughout the entire supply chain. This policy describes our approach to the risk assessment of each supplier, to the review of our requirements in the form of self-assessments, and to external on-site audits. As part of our membership, we make use of the network of the Joint Alliance for CSR (see S2-4) for these audits.

Where relevant for the business case in question, ESG criteria are integrated in the procurement process itself. This relates to the energy requirements of a solution as part of the total cost of ownership as well as to privacy and security requirements. In addition, the Supplier Code of Conduct (see S2-1) is explicitly addressed to our suppliers: It clearly describes our requirements for their social and environmental performance and the possible consequences of non-compliance.

G1-3 — Prevention and detection of corruption and bribery

The prevention and detection of corruption and bribery forms part of the compliance management system that is described under G1-1. The A1 Group management system for the prevention of corruption and bribery and the guidelines and policies that are described apply to all A1 Group Management Board members, Leadership Team members, managers, and the A1 Group workforce, i.e. employees and non-employees in all Group companies. They are published on the A1 Group website.

Employees but also externals can use the tell.me whistleblower platform on the A1 Group website to report any misconduct they have observed or suspect. Communication and training measures as well as the implementation of the annual risk assessment and the actions derived from it help to raise awareness around the prevention of corruption risks.

Management system for the prevention of corruption and bribery

- **Content:** When dealing with business partners, customers, and suppliers as well as authorities and other public officials, employees, non-employees and managers are prohibited without exception from directly or indirectly offering, promising, granting or authorizing financial or other advantages if the intention is to cause the recipient to act or refrain from acting in breach of their duty. In addition, the company's employees are prohibited from granting financial or other benefits to a business partner, consultant, agent, intermediary or other third party or from authorizing such a benefit if circumstances indicate that it will be passed on in whole or in part, directly or indirectly, to a public official or a person in the private sector in order to obtain an act or omission by the recipient in breach of their duty or to influence the public official in any other unauthorized way. Employees make business decisions exclusively in the interest of the A1 Group and put private interests aside. They must not allow themselves to be influenced in their business decisions as a result of being offered or promised unfair advantages by suppliers or other business partners or as a result of accepting such advantages. Nor may they demand that they be granted unfair advantages. No one who reports corrupt practices at A1 or refuses to participate in such practices will suffer any disadvantages.
  - Description of the management system: The A1 Group anti-corruption policy, the roles and responsibilities involved in implementing the measures and processes in the area of the prevention and detection of corruption and in further developing the anti-corruption management system correspond to those of the CMS principles described in more detail in G1-1 and are published on the A1 Group website.
  - Description of the policy: In addition to the local criminal provisions on corruption, the A1 Group is also subject to the US Foreign Corrupt Practices Act (FCPA) as the main shareholder América Móvil is listed in the US, and subject to the UK Bribery Act because the A1 Group has a subsidiary in the UK. All legal requirements are taken into account in the A1 Group Anti-Corruption and Conflicts of Interest Policy. It serves the purpose of prevention and contains a strict ban on bribery and corruption as well as detailed rules on conflicts of interest, gifts and invitations, lobbying, sponsorship, and donations. The ban on donations to political parties and affiliated organizations, the ban on placing advertisements in political media, and the commitment to responsible advertising are clearly regulated.
  - Training courses on anti-corruption and bribery: As described under G1-1, training courses that are tailored to the relevant target group and that cover all areas of compliance, thus including anti-corruption and bribery, are held annually. Special training is given to people at an increased risk of corruption, such as managers, sales and purchasing employees. With regard to the mandatory annual compliance e-learning and the special training courses that are conducted, the training rate for functions at risk in the reporting year 2024 is 86%. Management and supervisory bodies receive training in the reporting obligations and information concerning the compliance risk assessment. The Code of Conduct and the Anti-Corruption and Conflicts of Interest Policy are available for external stakeholders on the A1 Group website.
  - Disclosure of corruption and bribery: The tell.me whistleblower platform described under G1-1 is available to our workforce and external persons so that they can disclose any misconduct they have observed or suspect. Regular training and communication measures as well as activities based on the compliance risk assessment are carried out to prevent corruption. Compliance audits, the internal control system, and tip-offs play their part in bringing incidents of corruption to light. Reported incidents are investigated confidentially and independently by Internal Audit. The Management Board and the Supervisory Board are informed of the results of the investigations and the implementation of the risk mitigation actions.

- **Responsibility:** The Supervisory Board supervises the Management Board with regard to the operation and further development of the management system for the prevention of corruption and bribery. Both bodies are responsible for defining an anti-corruption policy. Within the A1 Group, the Compliance Organization, headed by the Group Compliance Director, ensures that the necessary procedures and processes for preventing corruption are maintained and further developed. Management is responsible for ensuring compliance.
- **Third party standards or initiative relevant for the A1 Group:** The following international standards form the framework for the A1 Group management system for the prevention of corruption and bribery: ISO 37001 Anti-bribery management systems, UN Global Compact, OECD Guidelines for Multinational Enterprises. A1 Belarus and A1 Bulgaria are certified to ISO 37001.

Data privacy

We believe that enabling a positive and people-centered digital future requires constructive collaboration between stakeholders. Governments, industry and international organizations all have a stake in the digital future. We are committed to ensure the privacy of citizens is respected and their data is handled in responsible, secure, and transparent ways by all participants. This includes providing consumers with opportunities to exercise choice and control over their data, whilst enabling innovation and other societal benefits. By ensuring data privacy, we not only avoid penalties but also safeguard the fundamental human right to privacy. Additionally, we strengthen the trust of our customers and our workforce in our company.

Impact, risk and opportunity management

Policies related to data privacy

The policies are applicable to all subsidiaries of A1 Group.

Group Data Privacy Governance Policy
- **Content:** The objective of our policy is to ensure a standardized approach to the implementation needs regarding the General Data Protection Regulation (GDPR), as well as various other regulations dealing with data protection. As a group of subsidiaries operating internationally, it is of particular importance to meet the expectations of customers, business partners and our workforce in the confident, safe, and sensitive handling of their personal data.
- **Responsibility:** Director of Group Technology and Transformation
- **Involvement of stakeholder:** 2019 GSMA Declaration on the Digital Future (Stakeholder group: Competitive landscape).
- **Availability for stakeholder:** The policy is publicly available on the A1 Group website.

Group Data Privacy Governance Handbook
- **Content:** The objective of the handbook consists in providing us with a self-regulating mechanism of measures in compliance when we act as either controller or processor, especially as regards the identification of the risk related to the processing, their assessment in terms of origin, nature, likelihood and severity, and the identification of best practices to mitigate the risk of non-compliance. The handbook is aimed at placing privacy in internal project execution, where personal data is being processed. Among the main privacy controls, it seeks to implement is to determine the lawful basis as well as the fulfillment of privacy principles for the processing of personal data. Each of our subsidiaries has the responsibility to comply with their own data protection regulations, as well as to meet the requirements set forth by the corresponding authorities.
- **Responsibility:** Corresponding management board member of subsidiaries
- **Availability for stakeholders:** The handbook is internally available.

Data Governance Guideline in the procurement process
- **Content:** The objective of the guideline is to determine controls and risk mitigations related to data privacy in our procurement sourcing. The application of the rules, documentation and steps described here is mandatory when such Group Project involves engagement of a vendor which, during the provision of services, will engage in processing personal data on behalf of two or more subsidiaries. The rules, documentations and steps as described are also advised to be applied in projects that are not considered as Group Projects (i.e. projects concerning only one subsidiary).
- **Responsibility:** Director of Group Technology and Transformation
- **Availability for stakeholders:** The guideline is internally available.

Actions related to data privacy

ISO 27701 Certification

- **Content and timeframe:** In several operations we have ISO certifications on privacy – A1 Bulgaria and A1 Digital are certified according to ISO/IEC 27701:2019. Such certifications require a Privacy Information Management System and are subject to annual external audit for validation of effective controls. This measure is ongoing.
- **Expected outcome and progress:** Maintaining certifications under ISO 27701 ensures the continued existence of robust data protection management systems that meets internal requirements as well as the demands of the GDPR and other data protection laws.
- **Scope:** A1 Bulgaria, A1 Digital

General and specific training

- **Content and timeframe:** We have detailed training on privacy compliance in all our subsidiaries. Additionally, we implement specific privacy training for managers, marketing teams, procurement and other relevant units handling personal data. The topics covered range from direct marketing communication, cookies and websites to privacy controls in the procurement process as well as main obligations which managers need to adhere to. Lastly, based on recent regulatory developments, as well as on the additional controls we want to implement for data analytics, advanced analytics and AI, we are developing specific training and awareness for the data science and data engineer communities. This measure is ongoing.
- **Expected outcome and progress:** The expected outcome is a higher awareness of the risks and internal requirements associated with non-compliance and privacy obligations in key areas such as marketing, procurement and big data and AI for the corresponding stakeholders.
- **Scope:** All subsidiaries of A1 Group

Compliance Risk Assessment

- **Content and timeframe:** The compliance risk assessment is used to identify and assess compliance risks and potential non-compliant situations and to define and prioritize appropriate measures to prevent non-compliant business conduct by managers, our workforce and representatives of A1 Group to reduce legal, financial and reputational risks. This measure is ongoing.
- **Expected outcome and progress:** The privacy segment of the compliance risk assessment of 2024 includes questions related to the AI Act which will start to have its implementation starting on 2025. The outcomes of the compliance risk assessments will be checked on plausibility and consolidated on group level by Group Compliance.
- **Scope:** All subsidiaries of A1 Group

Data Protection Officer

- **Content and timeframe:** Data privacy controls cannot be implemented without the expertise of data protection officers and the privacy community overall. Therefore, each subsidiary has a governance structure in place for privacy management and for handling data protection matters. Each subsidiary has appointed a Data protection Officer who serves as the key contact and source of expertise for privacy compliance across the business lines.
- **Expected outcome and progress:** Comply and monitor internal and external data protection policies and regulation. Our Data Protection Officers serve as a point of contact for authorities and other concerned parties in the countries.
- **Scope:** All subsidiaries of A1 Group

Metrics and targets

Targets related to data privacy

No substantiated complaints over USD 100,000 received concerning breaches of customer privacy in the financial year (according to the definition of América Móvil).

- **Target definition and time horizon:** The target includes all incidents regarding breaches of customer privacy that had a final court decision and that individually had a cost over USD 100,000 paid during the financial year.
- **Target performance and review:** The target is reviewed twice a year.
- **Scope:** All subsidiaries of A1 Group

Metrics for data privacy

The A1 Group defined the total number of substantiated complaints received concerning breaches of customer privacy in the financial year, categorized into complaints received from regulatory bodies and those from other outside parties.

The A1 Group provides the number of incidents that had a final court decision and that individually had a cost of over USD 100,000 (equivalent to 103,890 EUR, as of December 31, 2024) paid during the financial year. In 2024, no complaints from regulatory bodies and no complaints from other outside parties were received.

Appendix

Datapoints that derive from other EU legislations

Disclosure Requirement and related Datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation Reference	EU Climate Law Reference	Material/ Not material	Page
GOV-1 Board's gender diversity, paragraph 21 (d)	Indicator number 13 of Table #1 of Annex 1		Commission Delegated Regulation (EU) 2020/1816, Annex II		Material	4-5
GOV-1 Percentage of board members who are independent, paragraph 21 (e)			Delegated Regulation (EU) 2020/1816, Annex II		Material	5
GOV-4 Statement on due diligence, paragraph 30	Indicator number 10 Table #3 of Annex 1				Material	8
SBM-1 Involvement in activities related to fossil fuel activities, paragraph 40 (d) i	Indicators number 4 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013: Commission Implementing Regulation (EU) 2022/2453 Table 1: Qualitative information on Environmental risk and Table 2: Qualitative information on Social risk	Delegated Regulation (EU) 2020/1816, Annex II		Not material	
SBM-1 Involvement in activities related to chemical production, paragraph 40 (d) ii	Indicator number 9 Table #2 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II		Not material	
SBM-1 Involvement in activities related to controversial weapons, paragraph 40 (d) iii	Indicator number 14 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		Not material	
SBM-1 Involvement in activities related to cultivation and production of tobacco, paragraph 40 (d) iv			Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		Not material	
E1-1 Transition plan to reach climate neutrality by 2050, paragraph 14				Regulation (EU) 2021/1119, Article 2(1)	Material	31
E1-1 Undertakings excluded from Paris-aligned Benchmarks, paragraph 16 (g)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 12.1 (d) to (g), and Article 12.2		Material	31
E1-4 GHG emission reduction targets, paragraph 34	Indicator number 4 Table #2 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 6		Material	38
E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors), paragraph 38	Indicator number 5 Table #1 and Indicator n. 5 Table #2 of Annex 1				Not Material	

Disclosure Requirement and related Datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation Reference	EU Climate Law Reference	Material/ Not material	Page
E1-5 Energy consumption and mix, paragraph 37	Indicator number 5 Table #1 of Annex 1				Material	39
E1-5 total energy consumption from nuclear sources, paragraph 37 (b)					Not material	
E1-5 Energy intensity associated with activities in high climate impact sectors, paragraph 40-43	Indicator number 6 Table #1 of Annex 1				Not material	
E1-6 Gross Scope 1, 2, 3 and Total GHG emissions, paragraph 44	Indicators number 1 and 2 Table #1 of Annex 1	Article 449a; Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 5(1), 6 and 8(1)		Material	40
E1-6 Gross GHG emissions intensity, paragraph 53-55	Indicators number 3 Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 8(1)		Material	41
E1-7 GHG removals and carbon credits, paragraph 56				Regulation (EU) 2021/1119, Article 2(1)	Not material	
E1-9 Exposure of the benchmark portfolio to climate-related physical risks, paragraph 66			Delegated Regulation (EU) 2020/1818, Annex II Delegated Regulation (EU) 2020/1816, Annex II		Not material	
E1-9 Disaggregation of monetary amounts by acute and chronic physical risk; Location of significant assets at material physical risk, paragraph 66 (a); 66 (c)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraphs 46 and 47; Template 5: Banking book - Climate change physical risk: Exposures subject to physical risk.			Not material	
E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes, paragraph 67 (c)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraph 34; Template 2: Banking book -Climate change transition risk: Loans collateralised by immovable property - Energy efficiency of the collateral			Not material	
E1-9 Degree of exposure of the portfolio to climate-related opportunities, paragraph 69			Delegated Regulation (EU) 2020/1818, Annex II		Not material	
E2-4 Amount of each pollutant listed in Annex II of the E-PRTR Regulation emitted to air, water and soil, paragraph 28	Indicator number 8 Table #1 of Annex 1 Indicator number 2 Table #2 of Annex 1 Indicator number 1 Table #2 of Annex 1 Indicator number 3 Table #2 of Annex 1				Not material	

Disclosure Requirement and related Datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation Reference	EU Climate Law Reference	Material/ Not material	Page
E3-1 Water and marine resources, paragraph 9	Indicator number 7 Table #2 of Annex 1				Not material	
E3-1 Dedicated policy, paragraph 13	Indicator number 8 Table 2 of Annex 1				Not material	
E3-1 Sustainable oceans and seas, paragraph 14	Indicator number 12 Table #2 of Annex 1				Not material	
E3-4 Total water recycled and reused, paragraph 28 (c)	Indicator number 6.2 Table #2 of Annex 1				Not material	
E3-4 Total water consumption in m3 per net revenue on own operations, paragraph 29	Indicator number 6.1 Table #2 of Annex 1				Not material	
SBM-3 - E4, paragraph 16 (a) i	Indicator number 7 Table #1 of Annex 1				Not material	
SBM-3 - E4, paragraph 16 (b)	Indicator number 10 Table #2 of Annex 1				Not material	
SBM-3 - E4, paragraph 16 (c)	Indicator number 14 Table #2 of Annex 1				Not material	
E4-2 Sustainable land / agriculture practices or policies, paragraph 24 (b)	Indicator number 11 Table #2 of Annex 1				Not material	
E4-2 Sustainable oceans / seas practices or policies, paragraph 24 (c)	Indicator number 12 Table #2 of Annex 1				Not material	
E4-2 Policies to address deforestation, paragraph 24 (d)	Indicator number 15 Table #2 of Annex 1				Not material	
E5-5 Non-recycled waste, paragraph 37 (d)	Indicator number 13 Table #2 of Annex 1				Not material	
E5-5 Hazardous waste and radioactive waste, paragraph 39	Indicator number 9 Table #1 of Annex 1				Not material	
SBM-3 - S1 Risk of incidents of forced labour, paragraph 14 (f)	Indicator number 13 Table #3 of Annex I				Not material	
SBM-3 - S1 Risk of incidents of child labour, paragraph 14 (g)	Indicator number 12 Table #3 of Annex I				Not material	
S1-1 Human rights policy commitments, paragraph 20	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex I				Material	48
S1-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 21			Delegated Regulation (EU) 2020/1816, Annex II		Material	48

Disclosure Requirement and related Datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation Reference	EU Climate Law Reference	Material/ Not material	Page
S1-1 Processes and measures for preventing trafficking in human beings, paragraph 22	Indicator number 11 Table #3 of Annex I				Material	48
S1-1 Workplace accident prevention policy or management system, paragraph 23	Indicator number 1 Table #3 of Annex I				Material	48
S1-3 Grievance/complaints handling mechanisms, paragraph 32 (c)	Indicator number 5 Table #3 of Annex I				Material	49
S1-14 Number of fatalities and number and rate of work-related accidents, paragraph 88 (b) and (c)	Indicator number 2 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		Material	56
S1-14 Number of days lost to injuries, accidents, fatalities or illness, paragraph 88 (e)	Indicator number 3 Table #3 of Annex I				Material	56
S1-16 Unadjusted gender pay gap, paragraph 97 (a)	Indicator number 12 Table #1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		Material	56
S1-16 Excessive CEO pay ratio, paragraph 97 (b)	Indicator number 8 Table #3 of Annex I				Material	56
S1-17 Incidents of discrimination, paragraph 103 (a)	Indicator number 7 Table #3 of Annex I				Material	56
S1-17 Non-respect of UNGPs on Business and Human Rights and OECD, paragraph 104 (a)	Indicator number 10 Table #1 and Indicator n. 14 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818 Art 12 (1)		Material	57
SBM-3 – S2 Significant risk of child labour or forced labour in the value chain, paragraph 11 (b)	Indicators number 12 and n. 13 Table #3 of Annex I				Not material	
S2-1 Human rights policy commitments, paragraph 17	Indicator number 9 Table #3 and Indicator n. 11 Table #1 of Annex 1				Material	58-59
S2-1 Policies related to value chain workers, paragraph 18	Indicator number 11 and n. 4 Table #3 of Annex 1				Material	58-59
S2-1 Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines, paragraph 19	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		Material	61
S2-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 19			Delegated Regulation (EU) 2020/1816, Annex II		Material	58-59
S2-4 Human rights issues and incidents connected to its upstream and downstream value chain, paragraph 36	Indicator number 14 Table #3 of Annex 1				Material	61

Disclosure Requirement and related Datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation Reference	EU Climate Law Reference	Material/ Not material	Page
S3-1 Human rights policy commitments, paragraph 16	Indicator number 9 Table #3 of Annex 1 and Indicator number 11 Table #1 of Annex 1				Not material	
S3-1 Non-respect of UNGPs on Business and Human Rights, ILO principles or and OECD guidelines, paragraph 17	Indicator number 10 Table #1 Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		Not material	
S3-4 Human rights issues and incidents, paragraph 36	Indicator number 14 Table #3 of Annex 1				Not material	
S4-1 Policies related to consumers and end-users, paragraph 16	Indicator number 9 Table #3 and Indicator number 11 Table #1 of Annex 1				Not material	
S4-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines, paragraph 17	Indicator number 10 Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)		Not material	
S4-4 Human rights issues and incidents, paragraph 35	Indicator number 14 Table #3 of Annex 1				Not material	
G1-1 United Nations Convention against Corruption, paragraph §10 (b)	Indicator number 15 Table #3 of Annex 1				Not material	
G1-1 Protection of whistleblowers, paragraph §10 (d)	Indicator number 6 Table #3 of Annex 1				Not material	
G1-4 Fines for violation of anti-corruption and anti-bribery laws, paragraph §24 (a)	Indicator number 17 Table #3 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II)		Not material	
G1-4 Standards of anti-corruption and anti-bribery, paragraph §24 (b)	Indicator number 16 Table #3 of Annex 1				Not material	

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Vienna, February 10, 2025

CEO Alejandro Plater m.p.

Deputy CEO Thomas Arnoldner m.p.

Glossary

CAPEX (Capital Expenditures)	Total additions to intangible assets + total additions to property, plant and equipment (excluding right of use additions according to IFRS 16
CO_2e (CO_2equivalents)	Unit of measurement that compares the emissions of different greenhouse gases based on their warming potential. It expresses the amount of a greenhouse gas that has the same impact on global warming as a certain amount of CO_2.
CSRD (Corporate Sustainability Reporting Directive)	EU directive[1] that requires companies to disclose detailed information on environmental, social, and governance (ESG) aspects. It has been in force since the beginning of 2023 and expands the requirements of the previous Non-Financial Reporting Directive (NFRD) in order to increase the transparency and comparability of sustainability reporting.
ESRS (European Sustainability Reporting Standards)	Reporting standards that specify which sustainability information must be disclosed within the context of the CSRD. They provide clear guidelines for the reporting and contain detailed requirements for environmental, social, and governance issues.
Gender pay gap and equal pay gap	The gender pay gap describes the difference in the average income of men and women. The equal pay gap refers to the difference in income for work of equal value.
GHG (greenhouse gas emissions)	Gases such as carbon dioxide (CO_2), methane (CH_4), and nitrous oxide (N_2O) store heat in the atmosphere and thus contribute to global warming. The emissions result from both natural processes and human activities.
GO (guarantees of origin)	Proof that electricity was produced from renewable sources.
LCA (Life Cycle Assessment)	Method for assessing the environmental impact of a product over its entire life cycle.
NaBeG (Nachhaltigkeitsberichtsgesetz, Sustainability Reporting Act)	Austrian law that will transpose the EU Corporate Sustainability Reporting Directive (CSRD) into national law.[2]
NaDiVeG (Nachhaltigkeits- und Diversitätsverbesserungsgesetz, Sustainability and Diversity Improvement Act)	Austrian law that transposes the EU Non-Financial Reporting Directive (NFI Directive) into national law. It has been in force since 2017 and will be replaced in the future by the Sustainability Reporting Act (NaBeG).
Net-Zero target	The goal of reducing greenhouse gas emissions to zero. This will be achieved by reducing emissions in line with the 1.5-degree target set out in the Paris Agreement and neutralizing the impacts of remaining emissions (after a reduction of 90-95%) by permanently removing an equivalent amount of CO_2.
Head Count (HC) and full-time equivalents (FTE)	The actual number of employees is recorded as Head Count (HC), regardless of their working hours. Each employee is counted as one unit. The working hours of part-time and full-time employees are standardized in full-time equivalents (FTE), where 1.0 corresponds to a full-time job.
OPEX (Operating Expenses)	Revenues — EBITDA

[1] Directive (eu) 2022/2464 of the european parliament and of the council
[2] The NaBeG is not yet in force as of December 31, 2024.

Own workforce	People who are in an employment relationship with the company (employees) and non-employees who are either people with contracts with the company to supply labor (self-employed people) or people provided by companies primarily engaged in "employment activities".
PPA (power purchase agreements)	Long-term contracts under which a company purchases electricity directly from a renewable energy producer to secure the supply of renewable energy and price stability.
RCPs (representative concentration pathways)	Climate scenarios produced by the Intergovernmental Panel on Climate Change (IPCC) that describe possible developments in greenhouse gas concentrations up to 2100. There are four main scenarios: • RCP2.6: sharp drop and negative emissions, warming to around 1.5 °C to 2 °C. • RCP4.5: moderate increase in emissions, warming to around 2.5°C to 3°C. • RCP6.0: higher increase in emissions, warming to around 3°C to 3.5°C. • RCP8.5: unchecked increase, warming to around 4°C to 5°C.
SBTi (Science Based Targets initiative)	Global initiative that defines and promotes methods and standards for reducing emissions and achieving net zero targets in line with climate science. Companies can use these to set scientifically sound climate targets. The SBTi evaluates and validates the targets.

Independent auditor's limited assurance report on non-financial disclosures

To the members of the Management Board and Supervisory Board of Telekom Austria AG

Independent auditor's limited assurance report on non-financial disclosures for Fiscal Year 2024 of the Telekom Austria AG ("A1 Group")

Attention: This letter has been translated from German to English for referencing purposes only. Please refer to the officially legally binding version as written and signed in German. Only the German version is the legally binding version.

We have performed a limited assurance engagement on following selected non-financial disclosures included in the Sustainability Statement section of the Group Management Report of Telekom Austria AG for the fiscal year ended 31 December 2024, as follows:

- ESRS E1-1 – E1-4: Climate Transition Plan and related disclosures
- ESRS E1-5: Energy consumption and mix
- ESRS E1-6: Scope 1 – 3 emissions

Limited assurance conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the following selected non-financial disclosures included in the Sustainability Statement section of the Group Management Report report is not prepared, in all material respects, in accordance with the European Sustainability Reporting Standards Standards (hereinafter referred to as 'ESRS'), as follows:

- ESRS E1-1 – E1-4: Climate Transition Plan and related disclosures
- ESRS E1-5 Energy consumption and mix
- ESRS E1-6: Scope 1 – 3 emissions

Basis for conclusion

We conducted our limited assurance engagement in accordance with the legal provisions, the generally accepted standards for other assurance engagements as applied in Austria and supplementary opinions as well as with International Standard on Assurance Engagements (ISAE) 3000 (Revised), which is applicable to such engagements. The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Our responsibilities under these requirements and standards are further described in the "Responsibilities of the auditor of the selected non-financial disclosures" section of our assurance report.

We are independent of the Telekom Austria AG in accordance with the requirements of Austrian commercial and professional law, and we have fulfilled our other professional responsibilities in accordance with these requirements

Our audit firm operates a comprehensive system of quality management, including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We believe that the evidence we obtained by the date of our assurance report is sufficient and appropriate to provide a basis for our conclusion on this date.

Other information

Management is responsible for the other information. The other information comprises all the information included in the financial statements and in the Group Management Report but does not include the selected non-financial disclosures included in the Sustainability Statement and our assurance report thereon.

Our conclusion on the selected non-financial disclosures included in the Sustainability Statement does not cover this other information and we do not express any form of assurance conclusion thereon. In connection with our assurance engagement on the selected non-financial disclosures included in the Sustainability Statement, our responsibility is to read this other information and, in doing so, consider whether the other information is materially inconsistent with the selected non-financial disclosures included in the Sustainability Statement or our knowledge obtained in the assurance engagement, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Inherent limitations in preparing the selected non-financial disclosures included in the Sustainability Statement

When reporting on forward-looking information, the Company is required to prepare such forward-looking information on the basis of disclosed assumptions about events that could occur in the future and possible future actions by the Company. The actual outcome is likely to differ, as expected events often do not occur as assumed.

Responsibilities of the auditor of the selected non-financial disclosures

Our objectives are to plan and perform an assurance engagement to obtain limited assurance about whether the selected non-financial disclosures included in the Sustainability Statement in accordance with the requirements of the ESRS are free from material misstatement, whether due to fraud or error, and to issue an assurance report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken based on the selected non-financial disclosures included in the Sustainability Statement.

We exercise professional judgment and maintain professional skepticism throughout the engagement.

Our responsibility for the assurance engagement on the selected non-financial disclosures included in the Sustainability Statement with regard to the materiality assessment process encompasses:
- Performing risk-based procedures, including obtaining an understanding of internal control relevant to the engagement, to identify representations that are more likely to be materially misstated, whether due to fraud or error, but not for the purpose of providing a conclusion on the effectiveness of the Company's internal control; and
- Designing and performing procedures responsive to disclosures where material misstatements are more likely. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Summary of work performed

A limited assurance engagement involves performing procedures to obtain evidence about the selected non-financial disclosures included in the Sustainability Statement.

The nature, timing and extent of procedures selected depend on professional judgment, including the identification of disclosures in the selected non-financial disclosures included in the Sustainability Statement that could be materially misstated, whether due to fraud or error.

In conducting our limited assurance engagement on the selected non-financial disclosures included in the Sustainability Statement,
- We conduct interviews at group level and for Austria and Bulgaria on site level to identify and understand relevant systems, processes and internal controls related to the non-financial disclosures that support the collection of information for reporting;
- We conduct sample data reviews at Austria and Bulgaria site level to ensure completeness, reliability, accuracy and timeliness of disclosures;
- We assess of whether the requirements under ESRS E1 are adequately addressed.

Limitation of liability and publication

The limited assurance engagement on the selected non-financial disclosures included in the Sustainability Statement is a voluntary assurance engagement.

We issue this assurance report on the basis of the engagement agreement signed with the client, which is governed, also in relation to third parties, by the attached General Conditions of Contract for the Public Accounting Professions ["Allgemeine Auftragsbedingungen für Wirtschaftstreuhandberufe": AAB 2018].

With regard to our responsibility and liability arising from the engagement, Item 7 of the AAB 2018 applies. We shall only be liable in cases of willful intent and gross negligence. In cases of gross negligence, our maximum liability for-damages shall be tenfold the minimum insurance sum of the professional liability insurance according to Sec. 11 WTBG ["Wirtschaftstreuhandberufsgesetz": Austrian Public Accounting Professions Act] 2017, i.e., a total of EUR 726,730. The limitation period shall be determined in accordance with Item 7 (4) of the AAB 2018.

As our report is prepared exclusively on behalf of and in the interests of the company, it does not form the basis for any reliance by third parties on its content. Claims by third parties can therefore not be derived from it.

Our report on the assurance engagement may only be distributed to third parties in complete and unabridged form together with the Information on the selected non-financial disclosures included in the Sustainability Statement section of the Group Management Report.

Vienna, 10 February 2025

Ernst & Young
Wirtschaftsprüfungsgesellschaftm.b.H.

Mag. Severin Eisl
Austrian Public Auditor

Susanna Gross, MA
Austrian Public Auditor