



Consolidated Non-Financial Report 2023

A1 Group

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Consolidated Non-Financial Report¹ of Telekom Austria Aktiengesellschaft in accordance with section 267a of the Austrian Company Code (UGB) on environmental, social and employee matters, human rights and combating corruption and bribery

Telekom Austria AG, listed on the Vienna Stock Exchange, is a leading provider of digital services and communications solutions in Central and Eastern Europe with around 29 million customers in seven countries: Austria, Belarus, Bulgaria, Croatia, North Macedonia, Serbia and Slovenia. All equity investments have operated under the A1 brand since 2021. Through A1 Digital International GmbH (hereinafter referred to as A1 Digital), Telekom Austria AG offers industry-specific solutions for business clients on its core markets and in Germany and Switzerland. In September 2023, Telekom Austria AG's cell tower business was spun off into its own company, EuroTeleSites AG. EuroTeleSites AG has been listed on the prime market of the Vienna Stock Exchange since September 22, 2023. The scope of consolidation according to the 2023 Consolidated Financial Statements was referenced for the non-financial reporting. Information on business operations and the companies included in consolidation can be found in the 2023 Consolidated Financial Statements.

Sustainability is crucial to the A1 Group's business operations. The company is aware of its social responsibility, and attaches great importance to sustainably increasing its enterprise value while taking the relevant economic, ecological and social aspects into account. This goal is supported by the Group's commitment to the Austrian Corporate Governance Code and the application of all the requirements of the internal control system, the Code of Conduct, the compliance

guidelines and Group-wide integrated sustainability management. Compliance with the principles of the UN Global Compact, support for the Sustainable Development Targets and respect for human rights ensure that these strategies and goals are sustainably implemented and achieved by all business units.

The Group ESG (Environmental, Social & Corporate Governance) unit is assigned directly to the deputy CEO of the A1 Group. Together with ESG leads at the subsidiaries, this unit is responsible for the sustainability agendas.

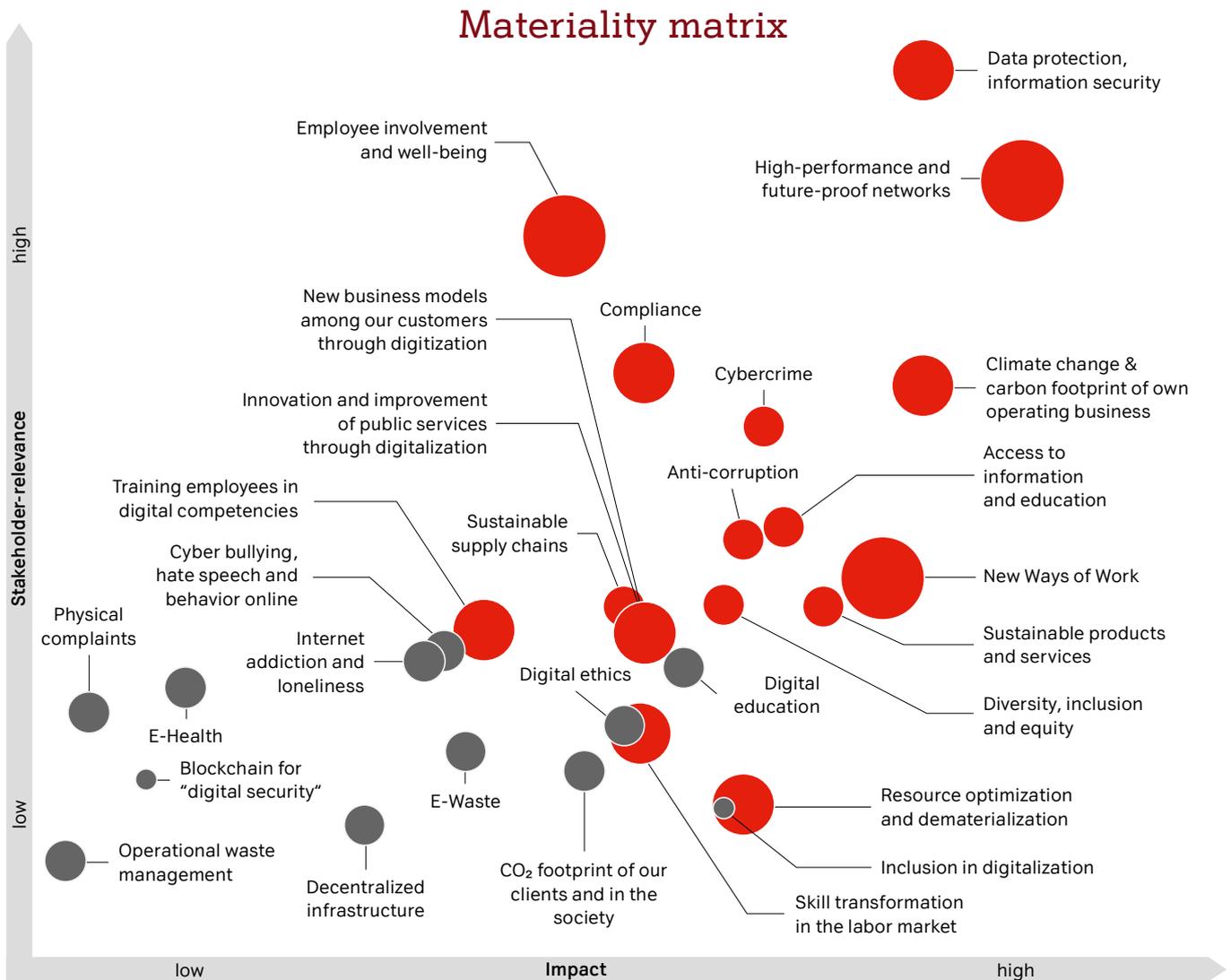
The Management Board defines the sustainability strategy in close coordination with Group ESG on the one hand and in an ongoing dialog with the Supervisory Board on the other. "Group ESG" sets Group-wide targets – in close collaboration with the ESG leads in the countries –, manages the implementation of the ESG strategy through regular reporting and initiates Group-wide guidelines and policies such as the Clean Energy Policy, the Human Rights Policy, the Media Ethics Policy, the Conflict Mineral Policy, the Diversity, Equity & Inclusion Policy, the Responsible Sourcing Policy and the Sustainable Packaging Policy.

ESG targets have been included in management remuneration since 2020. Steering meetings that discuss and report on the implementation of the Group-wide ESG strategy with local ESG leads are held at monthly intervals.

1) The German text of the signed statement, which refers to the German Version of the Report, is the only binding one. The English translation is not binding and shall not be used for the interpretation.

Rigor is ensured by close connections to corporate strategy. A materiality analysis was also conducted with the help of various interest groups to identify central sustainability issues and their material impact. The materiality analysis is performed regularly (every two to three years). The analysis used for this report was carried out in 2022. The issues covered in this report were determined based on the results of this materiality analysis.

Social, legal and regulatory changes are taken into account in ESG action areas as well, such as the impact of the COVID-19 pandemic on the world of work and the service portfolio, or the legal developments in the field of data privacy and the constant evolution of the Code of Conduct.



The red circles represent the issues relevant to the A1 Group, which are reported on in the consolidated non-financial report. The size of the circles reflects their relevance for the company. An issue's materiality is based on its impact on the environment, society and the economy, and on how relevant it is to the A1 Group's stakeholders. Thus, the issues most important to the A1 Group are those that have the biggest impact and those that are most relevant to stakeholders. As an additional dimension, the issues were assessed with regard to their business relevance for the A1 Group. This allows an integrated perspective that takes into account the issues' sustainability context and their economic significance for the company.

1. Information on the issues derived for the A1 Group from the 2022 materiality analysis

In order to identify the relevant issues, research was performed in 2022 into the potential impact and risks in terms of environmental, social and employee matters. These were also compared against those from the materiality analysis published in 2019 and an industry analysis was performed. These issues have been analyzed, condensed and ultimately compiled into the 28 most relevant issues over several rounds of internal discussion. They have continuously evolved over time and, besides pre-existing issues like data protection and information security, also include new areas such as sustainable products and services. This ongoing development not only reflects the constantly changing challenges stemming from risks to the environment, social issues and employees, but also gives all internal and external stakeholders who take part in the survey the chance to express their views.

An online survey was conducted for the first time in 2022 on all of the Group's markets – with the exception of Belarus. This includes internal and external stakeholder groups in Austria, Bulgaria, Croatia, Slovenia, Serbia and North Macedonia. The issues were assessed by internal and external stakeholders in an online survey. Stakeholders including customers and suppliers and from the fields of the media, politics and special interest groups, research, science and education, business, associations and NGOs as well as employees were invited to take part. A workshop was held with selected internal and external experts to evaluate the impact. The online survey was sent to the A1 Group's management to assess its business relevance. In total, more than 2,000 internal and external stakeholders and managers of the A1 Group took part in the online survey.

The highest rated topics were allocated to the Austrian Sustainability and Diversity Improvement Act (NaDiVeG) areas of social matters, employee matters, environmental matters, respect for human rights, combating corruption and bribery and, as an additional matter, business operations.

Some issues were combined given the overlap in content. The topics of "cybercrime" and "access to information and education" were combined in a single topic cluster that is discussed under social matters. "Training employees in digital competences" and "skill transformation in the labor market" were also merged. These can be found with the disclosures on "Diversity, inclusion and equity" as well as "New ways of work" and "Employee involvement and well-being" under "Employee matters".

Within "Environmental matters", the issues "Resource optimization and dematerialization" and "Sustainable products and services" were combined given their similarities, and supplemented by "Climate change and carbon footprint of own operating business".

"Compliance" was likewise identified as a material issue. The A1 Group has combined it with "Anti-corruption" to form the "Combating corruption and bribery" cluster.

The "Business activities" cluster, similarly formed because of overlaps, contains the key issues of "Data protection and information security", "High-performance and future-proof networks", "Sustainable supply chains", "Innovation and improvement of public services through digitalization" as well as "New business models for customers due to digitalization". These latter two issues were combined into one cluster.

Issues from the materiality analysis

- ▶ **Business activities:** Data protection and information security, high-performance and future-proof networks, new business models among customers through digitalization & innovation and improvement of public services through digitalization, sustainable supply chains
- ▶ **Environmental matters:** Climate change & carbon footprint of own operating business, resource optimization and dematerialization & sustainable products and services
- ▶ **Social matters:** Cybercrime + access to information and education
- ▶ **Employee matters:** New Ways of Work, Training employees in digital competences + skill transformation in the labor market, employee involvement and well-being, diversity, inclusion and equity
- ▶ **Respect for human rights**
- ▶ **Combating corruption and bribery:** Anti-corruption + compliance

In view of the new Corporate Sustainability Reporting Directive (CSRD) soon to be implemented, the materiality analysis will be extensively revised and updated in accordance with the European Sustainability Reporting Standards (ESRS) in 2023/2024 and published in the reporting for the reporting year 2024.

2. Material business operations matters

Data protection and information security

Concept

Data protection

Compliance with high data protection standards is a fundamental requirement for the A1 Group which serves to safeguard customers' trust in the Group. The A1 Group strictly adheres to the current legal framework in the field of data protection and information security. Personal data are processed in accordance with the EU General Data Protection Regulation (GDPR), national data protection laws and the specific provisions of national telecommunications legislation. In the event of a breach of personal data protection, the data protection authorities are notified in line with statutory requirements and the data subjects are informed.

The data of the A1 Group's customers, employees, shareholders, suppliers and sales partners are shared with third parties only if there is a legal basis. Any requests for the transmission of data received from the courts, public prosecutors, the police or other authorities are analyzed to ensure their legality. Data are shared only in compliance with legal and regulatory requirements in response to a lawful inquiry. Data subjects will be informed of this, if appropriate, in accordance with the statutory provisions.

In addition to the statutory requirements, all subsidiaries of the A1 Group are required to comply with the information security standards created for this purpose and other country-specific guidelines on data security. All A1 Group network operators already satisfy the ISO 27001 standard. The management systems are regularly evaluated. For example, ISO certification is reviewed annually. Adjustments are also made as necessary throughout the year.

The data privacy governance approved by the Management Board of the A1 Group provides for the harmonization of the obligations binding for the companies of the Group. This is based on an analysis of local data governance legislation.

The Management Board or management team of the individual subsidiaries is responsible for the processing of personal data in line with data protection requirements. At A1 Austria, the Data Privacy unit in the Legal department assists management in complying with its obligations under data protection law. Moreover, data protection officers have been appointed at all subsidiaries.

In Austria, both the Management Board and employees are advised and informed by the data protection officers of their duties in relation to data protection regulations and compliance with them. Every division must appoint a data protection coordinator to ensure the operational implementation of data protection requirements. This coordinator is the point of contact for all issues in connection with data protection and information security in the division and reports any vulnerabilities or breaches to the Data Privacy and Security units.

Data protection and information security are key principles in the Code of Conduct of the A1 Group. The protection of privacy, and thus respecting the human rights of customers, employees, shareholders, suppliers and sales partners are guiding principles enshrined in it. The Group's contractual partners are required to comply with the principles governed by the Code of Conduct and, thus, to comply with data protection. Furthermore, in their role under data protection law as contract processors, suppliers are contractually required to fulfill the A1 Group's requirements for data protection and information security in the processing of personal data.

Data protection and information security are essential within the company as well. All employees of the A1 Group are, amongst other things, required to preserve trade and business secrets. Such confidential information must be stored securely and can only be disclosed internally to persons who require such information for their professional work (need-to-know principle).

Information security

The network operators of the A1 Group form part of the critical infrastructure in all countries. The Group is aware of the special responsibility that this entails. The company is therefore involved in initiatives beyond the extent required by law to continuously improve security.

Since 2020, A1 in Austria is an operator of essential services within the meaning of the *Netz- und Informationssystem-sicherheitsgesetz* (Austrian Network and Information System Security Act - NIS). Since then, A1 in Austria has been subject to the obligation to report security incidents to the NIS authority and to comply with security precautions and their regulations of the telecommunications sector. In 2023, A1 provided complete proof of the implementation of these security requirements to the NIS authority and thus successfully completed the security audit.

In accordance with the NIS, companies subject to the act must carry out a risk assessment for their suppliers. A1's supplier audit is based on the standard Cyber Risk Rating procedure from Cyber Trust Austria. As A1 in Austria is also a supplier for other companies subject to the NIS, the company itself has committed to complying with Cyber Trust Austria's quality criteria. This is reinforced by being awarded the "Cyber Trust Austrian Gold Label", evidence that customers covered by the NIS can place their trust in A1 as an audited NIS supplier.

The network operators of the A1 Group work closely with the respective authorities to continuously improve cybersecurity. They share relevant security information through the A1- CERT (Computer Emergency Response Team), which is also a member of the national CERT association ATC (Austrian Trust Circle). Security expertise is shared within the A1 Group and at conferences domestically and abroad. In 2023, A1- CERT became a member of the global organization FIRST², confirming the professionalism and high level of maturity of A1-CERT.

2) FIRST (Forum of Incident Response and Security Teams)

The A1 Austria's Security division has also handled the security governance for the A1 Group as a whole since 2021. Security requirements are being harmonized throughout the Group so that services, such as cloud services or new working models (working from home, remote working, agile teams, remote operation & support, etc.), can still be developed reliably and securely and can be used in live operations.

The function of Chief Security Officer (CISO) was created in the A1 Group to coordinate security policies and technologies within the A1 Group.

Key performance indicator

To raise awareness and provide training on data protection and information security, there are mandatory annual company-wide online training and more detailed sessions for the individual divisions and data protection coordinators. Moreover, internal communication media and events provide information on current developments. Throughout the Group, around 24,859 (2022: 15,000) e-learning modules in total were completed and additional 5,670 (2022: 2,239) participants were trained in workshops on the topics of data protection and information security in 2023.

Implementation/results in 2023

On the basis of the data protection management system, data protection maturity was increased and goals for the roadmap through to 2025 were defined.

International data transfer, which was a focus issue for the A1 Group last year, returned to the fore this year after the European Commission adopted an adequacy decision for data transfers to the US. The "EU-U.S. Data Privacy Framework" ("DPF") replaces its predecessor agreement, the Privacy Shield. Under this, no additional requirements apply to data transfers to US companies that are certified under the DPF. There are no changes to any other international data transfers. The A1 Group is continuing to assess the applicable requirements and suitable measures taken on a case-by-case basis. That is how the A1 Group ensures that data transfers outside the EU are in line with data protection requirements.

In 2023, the Group again experienced an increase in distributed denial of service (DDoS) attacks that aim to deliberately overload network servers. More than 200 DDoS attacks per day are registered in A1's backbone. Investment by the A1 Group in automatic DDoS defense allows nearly all of these DDoS attacks to be successfully counteracted. So that A1 business customers can successfully defend against DDoS attacks, A1 offers DDoS automatic protection in all countries of the A1 Group.

Cybercrime in Austria increased significantly compared to the previous year. More fraudulent SMS messages were sent. Those sending these messages use deception, for example saying that a package could not be delivered to persuade the recipient to click on links in the SMS. Anyone clicking on these fraudulent links and providing their data may become victims of identity theft or money scams or risk losing control of their credit cards or online accounts.

There are many products on the market to better protect customers from increasing cybercrime, some of which are being rolled out in the A1 Group as a whole. These include products such as A1 online protection, virus protection, identity protection and the safe surfing package etc.

Particular attention is also paid to supporting the next generation in the field of cybersecurity. Every year, vocational interns are given the opportunity to experience the challenges of running critical infrastructure in practice. Furthermore, in 2023 A1 Austria again sponsored the Austrian Cyber Security Challenge (Austria's largest hacker competition). The goal of these contests is to promote young cyber talent and encourage them to pursue a career in the data protection field.

High-performance and future-proof networks

Concept

Digitalization and the continuous growth in data volumes are increasing the pressure on the A1 Group's connectivity services infrastructure to provide secure and stable connectivity everywhere and at all times. In recent years, this infrastructure has undergone a strong, rapid expansion owing to the COVID-19 pandemic and ongoing changes in the world of work and our way of life. With its high-performance and future-proof networks, the A1 Group offers a dependable basis for increasingly digital working, learning and living environments. At the same time, the A1 Group takes its ecological and social responsibility seriously and promotes a more efficient and resource-friendly operation of its networks through innovative technologies that, in turn, support customers' sustainability and help with decarbonization.

The launch and roll-out of 5G mobile technology continues to play a central role and also supports the ongoing digitalization of the A1 Group. 5G licenses were granted in 2023 and in previous years to A1 companies in five countries: Austria, Bulgaria, Croatia, North Macedonia and Slovenia. The A1 Group is making massive progress in expanding 5G in these countries to offer customers a high-performance, modern network.

There was a material change to the A1 Group's mobile infrastructure in the reporting year: Active and passive infrastructure were separated. Passive infrastructure (the cell towers) was spun off into an independent company, EuroTeleSites AG, in September 2023. This strategic separation allows the A1 Group companies to increase their focus on developing and providing future-proof networks and state-of-the-art technologies. The clear separation between active and passive infrastructure also has a positive impact on the allocation of funds for investment in expanding broadband. The long-term use of the passive infrastructure is secured by a master lease agreement between the A1 Group and EuroTeleSites.

To offer its customers the highest quality, A1 companies in Austria, Bulgaria, Croatia and North Macedonia are regularly certified according to ISO 9001. This ensures that the companies also satisfy international quality standards in terms of their management systems.

Key performance indicators

Capital expenditure by the A1 Group in fiscal 2023 amounted to around EUR 1,090 million (2022: EUR 944.4 million) and focused on the expansion of 5G and fixed-line broadband services. Expanding digital infrastructure and the ongoing development of services for A1 customers in Austria accounted for around EUR 590 million of this.

Implementation/results in 2023

Broadband expansion in Austria

A1's focus in Austria in 2023 was both on expanding fiber to the premise (FTTP) connections and on 5G coverage. With its FTTP ambitions, A1 is continuously expanding Austria's biggest fiber network and, by the end of 2023, had reached more than 95 % of communities and a total length of 73,019 km. The fiber network is based on the fiber aggregation network of the mobile base stations, 84 % of which are already connected by fiber. This creates a fiber network for the requirements of the mobile and fixed-line network.

In October 2022, the Austrian regulatory authorities resolved to deregulate many areas of Austria's broadband fiber market. This led to a number of partnerships between A1 in Austria and other Austrian market participants to use the fiber infrastructure together and provide very high-capacity network services for their respective customers from 2023 onwards. This joint use improves the economic prospects of providing fiber-based services at new locations by further increasing the average utilization of these infrastructures and thus helping to further accelerate the roll-out of fiber in Austria. The deregulation was possible as A1 Austria and other providers were able to agree on joint guidelines for fiber usage. Three national and 45 regional operators have already signed up to this agreement. A1 in Austria launched XGS-PON as a new technology for FTTH subscribers to create a network for Gbit/s-enabled services.

In mobile communication, at the end of 2023 about 85 % of Austrians had 5G coverage, the fastest mobile technology. This gives A1 in Austria a leading position in 5G networks, as confirmed by numerous network benchmark tests published in Q4 2023 (FutureZone and Smartphone Magazine) as well as in Q1 2023 (SpeedChecker and CHIP). A1 in Austria is still pursuing its target to provide 5G coverage for more than 95 % of the entire Austrian population.

Broadband expansion in CEE

A1's strategy in Bulgaria in 2023 was again to be the highest-performance mobile network on the local market. The following measures were in place to achieve this:

1. Continual 5G expansion at 3,600 MHz with 1,473 macro locations and coverage in all residential areas with a population of over 3,000. At the same time, active mMIMO antennas are being redistributed at higher-traffic locations and passive antennas are being moved to rural areas.
2. RAN network update via software upgrades to the latest versions. Activation of new features to improve speed, coverage and latency. Process automation to guarantee stable and reliable performance.

3. Optimization of the strategy for the use of different carrier frequencies and frequency bands.
4. Migration of voice traffic to 4G by increasing the VoLTE share to 50 %.

In the third quarter, A1's mobile network in Bulgaria received the coveted Speedtest Award from Ookla and was named the fastest network in 2023. This leading position is confirmed by extensive crowdsourcing data from more than 250,000 users across all networks in Bulgaria between April and September. Not only is A1 in Bulgaria committed to providing a high-performance network for its customers, it also wants to stabilize its own energy consumption. Accordingly, the company continued its energy efficiency initiatives with functions and self-optimizing network (SON) modules. SON modules automate network operations by optimizing selected success parameters. Automatically turning off resources during off-peak times increased energy efficiency. This reduced power consumption in the radio access network by 7 %.

A1 in Bulgaria also continued to expand the fiber network in several cities. In addition, almost all old line terminations were migrated to new systems to enable symmetrical data transmission at up to 10 Gbit/s throughout almost the whole network. Particular focus was placed on WiFi mesh technology, a crucial factor in customer satisfaction. All new modems installed at customers facilities support this technology. If customers want better coverage, only the access points need to be added. All old fixed-line predecessor technologies are also being migrated to fiber and customer modems meet the new WiFi6 standard, which provides speeds of over 1,000 Mbit/s.

After acquiring 5G frequencies in 2021, A1 in Croatia is also continuing the rollout of its commercial 5G network. 1,050 macro 5G base stations were implemented by the end of 2023, 304 of which with 3.7-GHz configuration. The company also took part in a spectrum auction for existing LTE frequencies and acquired the same amount of spectrum as before, providing a solid basis for future network operations.

At the same time, A1 in Croatia is continuing to invest in upgrading its fixed-line infrastructure and accelerating the expansion of fiber. This increased the total number of "homes passed" with fiber (household is connected or fiber cable passes directly by the building) to 329,000 by the end of 2023 (2022: 190,000).

In 2023, A1 in North Macedonia focused on switching to a European vendor of mobile technology. This allowed the company to provide the most cutting-edge radio network in North Macedonia with 700 macro 5G locations, 96 of which with 3.7-GHz configuration.

In the year 2023, A1 in Slovenia continued the large-scale expansion of its mobile network that began in 2021. By the end of 2023, it provided 449 3,500 MHz and 641 700 MHz 5G mobile network locations. In July 2023, the company again took first place in the NetCheck benchmark and was named the best mobile 4G/5G network on the Slovenian market, improving the download speed three-fold compared to 2022.

A1 deactivated its 3G network in Slovenia in August 2023. The complexity of the radio system was reduced, and frequencies will be reused for the 4G expansion in the first phase. Energy efficiency was also improved in 2023: The entire 4G network now runs in dynamic power saving mode during low-capacity periods, and all important power saving functions are also activated in the 5G network. At the same time, work continued on expanding fixed fiber infrastructure. The result of this was that 9,262 households were supplied with fiber at the end of 2023. A total of 3,231 households were connected in the reporting year. Work also began on adding high-performance transmitter receiving modules to new line terminations to prepare for future end user speeds of over 1 Gbit/s.

A1 in Serbia expanded its own fiber network by 487 km to a total of 835 km in 2023, with 1,030 stations out of the total 2,590 stations of the mobile network being connected with fiber. The VoLTE voice share at the end of 2023 was 51%. The company also secured the top spot in the NetCheck benchmark, for Serbia's best data network and for the first time achieved best results for voice and data service in cities. To ensure automated network operations, A1 in Serbia developed several modules for self-optimizing network operations: traffic-related 3G network deactivation, intelligent control of carrier frequencies and frequency bands (mobility load balancing), several modules for checking the consistency of parameters and network health operation, which primarily involves preventative measures to increase success parameters.

Since 2023, A1 in Belarus has focused on accelerating the development of its fixed-line network and increased coverage by 100,000 to 1.3 million households by the end of 2023. In terms of the mobile network, the company is awaiting the decision of the regulator regarding a 5G license. A1 in Belarus successfully introduced the joint use of active 3G network components at 293 locations, together with another mobile communications operator. In addition, following a spectrum reorganization in the 900 MHz frequency band, part of the GSM network was replaced by a second UMTS 900 transmission frequency in some parts of the country. However, there are restrictions on launching an own 4G network. As a result, A1 in Belarus leases a 4G network from an infrastructure operator to provide its customers with the latest mobile technology.

Sustainable supply chains

Concept

The sustainability of business activities cannot be assessed merely by their direct ecological and social impact. It is necessary to consider the entire value chain in procuring globally produced goods and services.

Procurement focuses on the following three strategic areas:

- ▶ Create economic value added (e.g., by pooling demand, price negotiations, auctions etc.)
- ▶ Ensure reliable procurement (e.g., via alternative/redundant procurement channels, storage etc.)
- ▶ Contribute to achieving ESG targets (e.g., risk and opportunities management, supplier due diligence and audits of suppliers and production facilities, corresponding guidelines and implementation support for partners etc.)

Besides commercial criteria, ecological criteria, such as carbon footprint and energy efficiency, also play a role in the A1 Group's procurement strategy. Governance criteria such as employee rights, anti-corruption provisions and data protection aspects are also taken into account.

Although the A1 Group is not a hardware producer, it uses/ distributes electronic devices and sources components in conjunction with its business activities. Alongside implementing, operating and upgrading infrastructure components in the fixed-line and mobile network, devices and IT equipment account for the largest share of the procurement volume and so responsible procurement of minerals from conflict and high-risk areas plays a key role. A Conflict Mineral Policy was drawn up in connection with this. The ESG requirements of the A1 Group are communicated in the "Responsible Sourcing Policy", which sets out and describes guidelines and internal and external implementation processes.

It includes the following elements:

1. ESG strategy, general conditions and activities
2. Code of Conduct
3. Human Rights Policy
4. Diversity Equity & Inclusion Policy
5. Environmental Policy
6. Conflict Minerals Policy
7. Sustainable Packaging Guideline

and other documents such as:

8. Supplier Code of Conduct
9. Due Diligence Form

The A1 Group also works closely with the JAC (Joint Alliance for CSR (corporate social responsibility)), a voluntary association of telecom operators. Their shared aim is to assess, evaluate and improve suppliers' CSR and ensure sustainable supply chains for all telecom operators involved.

Implementation/results in 2023

The A1 Group has divided its ESG activities in supply chains into two key areas: supplier and procurement transaction. This approach is described in detail in the Responsible Sourcing Policy.

The supplier level comprises strategies such as guidelines in the ESG context. A comprehensive risk assessment of around 11,000 suppliers was carried out in 2023. This looked at various factors, including the industrial sector and its specific characteristics, the complexity of supply chains and relevance as measured by the prior year's revenue. The result is a risk matrix comprising the environmental, social and governance risks.

A due diligence survey was conducted for the highest-risk suppliers (all suppliers that cover 80 % of spending and have a medium to high risk). Implementation of the ESG strategy also involved audits of six supplier production and work locations. Through collaboration with other telecom operators in the JAC, a total of 137 audits of telecommunications production locations, branches and infrastructure projects were conducted in 2023. Mitigation measures were developed for the audit findings and are already being implemented.

The transactional dimension considers the impact of sourcing activities on ESG, e.g. energy efficiency is a relevant decision criterion in selecting suppliers.

A detailed roadmap for subsequent years was prepared in 2023 to plan and take further steps towards sustainable supply chains with the help of the digital e-procurement system.

All these measures already implemented by the A1 Group play a role, to a certain extent, in meeting the requirements of the future Supply Chain Governance Act. From 2024 on, this compliance is to be stepped up further and reporting is to be brought into line with the CSR.

New business models among customers through digitalization & innovation and improvement of public services through digitalization

Concept

The A1 Group's strategic focus covers two core areas: the further development of its core business to remain relevant to customers, and its ambition to make new discoveries in order to explore additional growth opportunities. In keeping with its vision of "Empowering digital life", the A1 Group aims to be the central point of contact and partner for digital transformation, and to cultivate new potential through innovation in digitalization, such as cloud, security and ICT solutions and in the field of the Internet of Things (IoT).

Innovation should enable as many people as possible to experience the benefits of digitalization - including marginalized communities and people with special needs. Moreover, the A1 Group is an important partner in time of crisis (e.g. the COVID-19 pandemic, natural disasters, etc.). Founded in 2017, the A1 Digital subsidiary makes important contributions to providing innovative business solutions. This focuses on the development of innovative, highly scalable platform and software-based B2B products in the areas of the cloud, IoT, machine learning and security products.

As part of the A1 Start Up Campus, A1 Austria also helps new companies to make innovations a reality by providing expertise and infrastructure, especially for start-ups with a focus on "digital services & technology", "environment & sustainability", "education" and "information security & data analysis".

Implementation/results in 2023

A1 Austria and Exoscale, a wholly-owned subsidiary of A1 Digital, opened a second public cloud zone at the A1 Next Generation data center in Vienna in 2023. This expansion represents a milestone in the development of a reliable and secure cloud that complies with European law for companies in and outside Europe. With Exoscale's innovative cloud infrastructure, A1 provides a European cloud solution that meets all requirements of the General Data Protection Regulation (GDPR) and

paves the way for the EU Directive NIS-2, the primary aim of which is to improve the protection of critical infrastructure. Companies have full sovereignty over their data and a redundant public cloud that is specifically tailored to their needs. The Exoscale cloud platform is based on in-house software (IP) as well as the latest technology from Intel. This forms the basis for cloud applications that meet current and future requirements.

The start-up "myResQ" also moved in at the "A1 Start Up Campus" in 2023. The company develops innovative, wearable prototypes of smart glasses that help the wearer respond quickly in an emergency. Through the smart glasses, first aiders receive instructions from the emergency call center so that they can take the right life-saving measures without delay. Employees at the emergency call center see exactly what the first aiders on the ground are seeing and can give specific instructions either verbally or using augmented reality. This is accelerating the digital transformation in the healthcare sector and helping improve medical emergency management.

Digitalization also makes it possible to offer new solutions and products for people with special needs or those in marginalized communities and to make a contribution to inclusivity. New information and communication technologies can, for example, help the blind or the severely visually impaired integrate into the general education system without having to use Braille. A1 Croatia also offers visually impaired people mobile phones with larger displays or simplified menu navigation. Deaf people benefit from SMS and chat messages. For example, A1 Austria provides an option to add an additional 10 GB of data to a mobile phone tariff so that deaf people can benefit from greater SMS and data volumes to communicate with their friends and families. A1 in Belarus offers a special reduced rate for people with disabilities, veterans and welfare recipients. Moreover, health naturally plays an essential role in a society where people are living longer. As a result of the COVID-19 pandemic in particular, the focus has shifted to innovations in the field of e-healthcare solutions - they are the future of the healthcare system in many areas. A1 Austria is already facilitating a medical data network and supplying the infrastructure for large parts of the Austrian e-card system.

Due to further development the promotion of new business models, network availability in outlying areas is increasingly important. However, network availability extends beyond day-to-day use and is especially essential in an emergency. Specially trained emergency teams are deployed in crisis situations. This was the case, for example, in summer 2023 when storms in Austria resulted in power cuts and caused the A1 network to go down. Infrastructure for the coverage areas was quickly restored thanks to the work of the A1 crisis management team and mobile emergency generators. This was crucial for smooth communication between the fire department, police, rescue services and, last but not least, those affected on the ground.

3. Environmental matters

Climate change & carbon footprint of own operating business

Concept

The carbon emissions resulting from the energy consumption of the network infrastructure continue to represent the A1 Group’s biggest impact in terms of climate change. There was increasingly focus on energy supply and consumption, not least because of the still strained energy policy situation in 2023. Companies like the A1 Group are being called on to take an even closer look at the security of their own energy supply and possibly to consider alternatives.

The A1 Group has two goals when it comes to energy supply: On the one hand, electricity consumption should be reduced or, at the very least, stabilized despite rising data volumes in order to maintain the most energy-efficient operation possible while at the same time avoiding carbon emissions. On the other, the electricity required should be produced or purchased, as far as possible, from sustainable sources in order to minimize the environmental impact of power consumption.

The great significance of energy efficiency and carbon reduction to the A1 Group has been highlighted by the inclusion of the energy efficiency indicator in the long-term incentives (LTI) for the members of the Management of the A1 Group and the CEOs of its subsidiaries. The achievement of this environmental goal therefore has a direct influence on management remuneration.

The environmental and energy management systems are a central component in the strategic handling of environmental matters at the A1 Group and its subsidiaries. The environmental management systems are certified according to ISO 14001 in all operating countries of the A1 Group. Furthermore, EMAS (eco management and audit scheme) requirements are complied with in Austria and Slovenia. Energy management in Austria is also certified according to ISO 50001.

Management systems are evaluated regularly. For example, the ISO certifications are evaluated annually and were successfully carried out again for 2023. Adjustments are made as necessary throughout the year.

Key performance indicator

The A1 Group’s goal is to reduce its carbon emissions (scope 1 and 2) to net zero by 2030 and to cut electricity consumption per terabyte transferred (in MWh/terabyte) by 80 % over the same period, thereby increasing its energy efficiency. It plans to do so by reducing its own carbon footprint and by gradually making the transition to energy from renewable sources.

As a result of all the measures taken to date, scope 1 and 2 emissions (market-based) were further reduced at Group level as against 2022 in 2023. The A1 Group’s scope 1 emissions, which include carbon emissions from the combustion of fossil fuels for heating and mobility, were reduced by 10 %. Scope 2 emissions are emissions (market-based), which are generated by energy consumption and district heating, declined by 14 %. The total scope 1 and scope 2 carbon reduction (market-based) therefore amounts to 13 %. The carbon emissions caused by the A1 Group’s fleet decreased by 3 % in 2023 compared to 2022. The distance driven was reduced by around 2 % and fuel consumption fell by 1 %. Purchased electricity increased by 2 % over from 2022 to 2023, while the data volume transported rose by 26 %. The energy efficiency indicator (electricity required per terabyte transferred) was 0.08 MWh/terabyte in 2023 (2022: 0.10 MWh/terabyte). It has thus been possible to separate power consumption from rising data consumption.

The scope 3 categories listed represent 85 % 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.

Implementation/results in 2023

Several years ago, the A1 Group launched a long-term program of company-wide measures to boost energy efficiency. Measures were added to the program in 2023 that affect carbon emissions. Thereby, the program provides a way to draw up a roadmap for measures and to evaluate these measures. The program is managed by the Group and implemented by the subsidiaries. At the end of 2023, the program included 73 measures and initiatives with a positive environmental impact. 56 of these measures were successfully implemented or in the process of being implemented in 2023. Another 17 measures are in the evaluation phase.

Targets for 2030 ¹	Status in 2023
Reduction of CO ₂ emissions to net zero ² by reducing our own CO ₂ footprint and by gradually making the transition to energy from renewable sources	-54 % in scope 1 and scope 2- (market-based) emissions
Increase energy efficiency by 80 % ³	Improvement of 56 %

- 1) Base year 2019; on September 22, 2023, A1 Group’s tower business was spun off into its own company, EuroTeleSites AG. An independent third-party-verified internal assessment confirmed that EuroTeleSites AG’s GHG emissions account for 0.8 % of the total A1 Group’s GHG emissions. Hence, according to the GHG Protocol and SBTi Net Zero Guidelines, the divestment is immaterial. Consequently, no base year recalculation was required.
- 2) Reduce Scope 1 and Scope 2 CO₂ emissions by 90 %. In 2023, the A1 Group signed up to a science-based net zero target (in accordance with the Science Based Target initiative, SBTi). It wants to officially submit the target to the Science Based Target Initiative in the fiscal year 2024.
- 3) Measured as electricity required per terabyte transferred (in MWh/ terabyte)

As well as the long-term program described above, the A1 Group introduced an innovative, cloud-based solution in 2023 to gather the environmental indicators. This enables improved monitoring and management of the environmental impact. Data are also collected and managed more efficiently.

The Group-wide "Climate Transition Plan" project was also initiated in 2023. The main aim of the Climate Transition Plan is to reduce the A1 Group's impact on climate change and cut carbon emissions to net zero in line with the A1 Group's carbon goals. Further measures and initiatives are also developed under the Climate Transition Plan to close the gap between the current status and the net zero target. The Climate Transition Plan will be published in 2024 reporting.

Throughout the Group, the share of renewable energy in total energy consumption and in electricity consumption increased to 68 % (2022: 62 %) and 76 % (2022: 71 %) respectively. The Clean Energy Policy which was introduced in 2021 was revised and further implemented in 2023 in order to define the right measures with corresponding standards of quality for purchasing electricity. In line with this policy, the A1 Group has identified four key instruments for implementing its green electricity strategy: certificates of origin, on-site electricity production, green tariffs and power purchasing agreements (PPAs). In 2023, A1 Group subsidiaries generated a total of 6,148 MWh of their own electricity through wind and solar power – this represents an increase of 190% in self-produced electricity from renewables.

Direct and indirect energy (in MWh)

	Total on-site stationary combustion	Energy consumption through owned vehicles	Consumption of purchased electricity	Consumption of purchased heat energy	Total energy consumption ¹
2023					
Austria	11,944	33,156	371,145	24,104	441,682
Bulgaria	49	12,904	139,165	87	154,707
Croatia	2,219	7,340	81,540	2,609	94,257
Belarus	2,159	4,167	94,661	2,859	103,883
Slovenia	2	1,669	42,730	300	44,713
Serbia	2,439	3,357	76,362	174	83,824
North Macedonia	943	2,947	31,170	0	35,282
A1 Digital	0	245	1,949	23	2,217
A1 Group	19,754	65,785	838,722	30,156	960,564
2022					
Austria	15,436	36,006	363,742	27,562	443,755
Bulgaria	1,491	11,238	133,216	190	146,937
Croatia	2,729	6,825	88,179	3,098	101,088
Belarus	2,470	4,662	91,679	3,233	102,044
Slovenia	0	1,578	41,337	298	43,226
Serbia	2,282	3,610	74,142	225	80,266
North Macedonia	1,229	2,482	28,168	0	31,911
A1 Digital	0	191	1,248	22	1,462
A1 Group	25,635	66,591	821,711	34,630	950,689
Change (in %)					
Austria	-23	-8	2	-13	0
Bulgaria	-97	15	4	-54	5
Croatia	-19	8	-8	-16	-7
Belarus	-13	-11	3	-12	2
Slovenia	267	6	3	0	3
Serbia	7	-7	3	-22	4
North Macedonia	-23	19	11	n.m.	11
A1 Digital	n.m.	28	56	1	52
A1 Group	-23	-1	2	-13	1

In 2023, A1 Group synchronized the environmental reporting timeline to align with the financial reporting (January-December). During the implementation of a new cloud-based reporting solution, A1 Group further enhanced the methodology of conversion factors. The methodology was applied to 2022 and 2023 figures. These changes led to an adjustment of the previously reported figures. Moreover, on September 22, 2023, A1 Group's tower business was spun off into its own company, EuroTeleSites AG. As a result, energy consumption from EuroTeleSites AG is proportionately excluded without retrospective changes.

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). Tables may be subject to rounding differences. If no direct primary data was available for the reporting period, an indirect method is used.

1) Including self-produced electricity from renewables

A decision was also made on vehicle purchases in Austria in 2023. In the future, the company will purchase exclusively electric vehicles, with exceptions made only in exceptional cases, for example for trucks where the technology is not yet fully developed. Electric vehicles currently account for 5% of the total fleet.

A training program – particularly for senior managers and directors – was successfully launched in 2023. It began with a live kick-off session setting out the principles of sustainable management. The target group then completed specific e-learning sessions on environmental issues relevant to the

company, such as the carbon footprint, the circular economy and other relevant topics. The aim of the program is to raise awareness of the importance of sustainability and provide participants with the knowledge necessary to encourage sustainable practices in their areas of responsibility. 417 people took part in this training program. This training program received silver in the HR Awards in the “Strategy, Leadership & People Development” category in 2023. The HR Award recognizes the most innovative and inspiring project ideas in the DACH region.

Direct and indirect greenhouse gas emissions (in t CO₂ equivalents) – scope 1 and scope 2

	Direct (Scope 1)	Indirect (Scope 2)		Total (Scope 1+2)	
		location- based	market- based	location- based	market- based
2023					
Austria	10,510	52,362	3,037	62,873	13,547
Bulgaria	3,216	57,129	23,439	60,345	26,654
Croatia	2,566	12,675	5,606	15,242	8,173
Belarus	1,680	30,805	30,805	32,485	32,485
Slovenia	409	9,728	54	10,137	462
Serbia	1,412	54,156	23,529	55,569	24,941
North Macedonia	1,114	17,605	10,531	18,719	11,645
A1 Digital	56	168	5	224	61
A1 Group	20,964	234,629	97,006	255,593	117,970
2022					
Austria	11,823	47,535	3,886	59,358	15,709
Bulgaria	3,411	49,988	26,257	53,400	29,668
Croatia	2,961	15,317	7,449	18,277	10,409
Belarus	2,090	33,923	33,923	36,013	36,013
Slovenia	422	9,517	2,632	9,940	3,054
Serbia	1,441	56,927	25,420	58,368	26,860
North Macedonia	1,061	17,935	13,457	18,995	14,518
A1 Digital	45	134	5	178	50
A1 Group	23,254	231,276	113,028	254,530	136,281
Change (in %)					
Austria	-11	10	-22	6	-14
Bulgaria	-6	14	-11	13	-10
Croatia	-13	-17	-25	-17	-21
Belarus	-20	-9	-9	-10	-10
Slovenia	-3	2	-98	2	-85
Serbia	-2	-5	-7	-5	-7
North Macedonia	5	-2	-22	-1	-20
A1 Digital	25	26	10	26	24
A1 Group	-10	1	-14	0	-13

In 2023, A1 Group synchronized the environmental reporting timeline to align with the financial reporting (January-December). During the implementation of a new cloud-based environmental reporting solution, A1 Group further enhanced the methodology of emission factors. The methodology was applied to 2022 and 2023 figures. These changes led to an adjustment of the previously reported figures. Moreover, on September 22, A1 Group's tower business was spun off into its own company, EuroTeleSites AG. As a result, GHG emissions from EuroTeleSites AG are proportionately excluded without retrospective changes. Direct Scope 1 includes direct emissions from combustion of fossil fuels. Scope 2 includes indirect emissions from electric energy, district heating and refrigerants. According to the GHG Protocol, “location-based scope 2” figures refer to the average emissions factors in the area in which the energy consumption takes place. The average value at national grid level is used. According to the GHG Protocol, “market-based scope 2” figures refer to energy suppliers’ emissions factors, insofar as these are available, or an individual energy product. 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). Tables may be subject to rounding differences.

Tables may be subject to rounding differences.

Scope 3 (in t CO₂-equivalents)¹

Category 1 – Purchased goods and services ²	2023	2022	Change (in %)
Austria	166,794	204,768	-19
Bulgaria	66,500	54,572	22
Croatia	44,215	40,357	10
Belarus	42,775	45,700	-6
Slovenia	28,074	23,386	20
Serbia	44,009	39,437	12
North Macedonia	12,414	14,824	-16
A1 Group	404,781	423,043	-4
Category 3 – Fuel- and energy related activities	2023	2022	Change (in %)
Austria	3,655	5,259	-30
Bulgaria	7,820	11,164	-30
Croatia	1,398	1,813	-23
Belarus	12,225	12,172	0
Slovenia	114	483	-76
Serbia	4,743	6,463	-27
North Macedonia	3,012	4,263	-29
A1 Group	32,969	41,617	-21
Category 6 – Business travel	2023	2022	Change (in %)
Austria	508	382	33
Bulgaria	208	104	100
Croatia	77	58	32
Belarus	41	26	56
Slovenia	20	19	1
Serbia	133	267	-50
North Macedonia	34	24	41
A1 Group	1,020	880	16
Category 11 – Use of sold products	2023	2022	Change (in %)
Austria	26,277	24,722	6
Bulgaria	46,468	39,585	17
Croatia	22,896	12,869	78
Belarus	21,837	34,538	-37
Slovenia	13,891	14,594	-5
Serbia	5,940	6,468	-8
North Macedonia	7,706	15,387	-50
A1 Group	145,015	148,163	-2

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

2) Category 2 – capital goods are included in category 1.

Resource optimization and dematerialization as well as sustainable products and service

Concept

Digitalization offers huge potential for environmental protection in terms of resource conservation. Digital communication solutions, such as videoconferencing, smart Internet of Things applications, like Smart City, are making communication more efficient and more environmentally friendly in a number of areas of work and life, as many work processes

and activities can be done more quickly and using fewer physical resources. Hand in hand with this transformation, new technologies and devices/components are continuously being developed and used to optimize efficiency and potential. Consequently, mobile devices are also being replaced at shorter and shorter intervals. The A1 Group makes fundamental ecological principles such as continuous lifecycle management a top priority and is attempting to counteract this trend.

Thereby, the Group works on the basis of the “9R model”: Refuse, Rethink, Repair, Refurbish, Remanufacture³, Reuse, Repurpose. The aim is to prioritize strategies with higher circulation levels in this model to make a meaningful contribution to conserving resources and promoting the circular economy.

For example, mobile phones, modems and media boxes that are used but still intact are refurbished and put back on sale. As a result, these devices get a second lifecycle and raw materials remain in use for longer, which in turn reduces demand for primary raw materials and makes a positive contribution for the environment. A1 in Bulgaria has operated a refurbish and recycling center for this purpose since 2016. The refurbished devices come from A1 customers on other markets.

The A1 Group also contributes to conserving resources by recycling mobile phones – even though the Group itself does not manufacture mobile devices. Most of its subsidiaries offer their customers the opportunity to return old devices free of charge, and some subsidiaries have even been doing this since 2004.

Key performance indicator

An ambitious new target was set as part of the ESG strategy and target update in 2023: The A1 Group will aim to recycle or refurbish 20 % of all devices and equipment in circulation by 2025. 29 % of devices and equipment were recycled or refurbished in 2023.

Implementation/results in 2023

A project was launched in 2023 to utilize unused network equipment at subsidiaries more efficiently and for longer. An internal marketplace was set up where subsidiaries can exchange equipment in storage with other subsidiaries. This encourages the sustainable practice of reusing existing resources as opposed to buying new.

Three measures were introduced in the reporting year to help customers conserve resources: the “eco-rating”, “trade-in vouchers” and the “eco phone”.

The eco-rating established at the Serbian and Austrian subsidiary is used to evaluate the environmental impact of a mobile phone’s entire life cycle, from production to transport and use to disposal. This measure aims to help customers make sustainable purchase decisions by opting for more environmentally friendly devices. It also creates an incentive for mobile phone manufacturers to reduce the environmental impact of their products.

3) Refurbish is when products are superficially reconditioned, whereas remanufacturing involves a thorough, high-quality restoration.

The eco-rating assesses various environmental indicators for the devices, such as resource consumption, their carbon footprint and material efficiency criteria. Based on this assessment, an overall score is issued between 1 and 100. A score close to 100 indicates a sustainable device. The innovative evaluation system is gradually being implemented at all A1 Group subsidiaries. In doing so, the company is playing a key role in promoting sustainable products and raising awareness among customers of environmental issues in relation to cell phones.

“Trade-in vouchers” for private customers were introduced in Croatia in 2022 with the aim of keeping old devices in circulation for as long as possible. The initiative was expanded to Austria, Bulgaria, Slovenia and Belarus in 2023. Customers can return old mobile phones that still have commercial value and in return receive vouchers with which to buy a new device.

As another step in the interests of a circular economy, A1 Slovenia, Serbia, Croatia, North Macedonia, Bulgaria and Belarus added the “ECO phone” to their portfolios. With an eco-rating of 82 points, the “ECO phone” is the highest-rated mobile phone in its segment, with only A1 Austria’s Fairphone scoring higher at 85 points.

4. Social matters

Access to information and education and cybercrime

Concept

Advancing digitalization in all areas is fundamentally changing people’s everyday lives. Whether working, training, official duties or day-to-day shopping – analog activities are being replaced by digital and virtual processes. Access to information and education is becoming more and more important in order to keep up with the latest changes. As an infrastructure provider and digitalization facilitator, the A1 Group helps improve digital literacy and provide information on risks such as cybercrime.

The media literacy initiative “A1 Internet for All” was launched in Austria back in 2011 and has gone by the name “A1 digital campus” since 2021. Similar projects and initiatives were rolled out throughout the Group in the following years. In free workshops, webinars and learning videos, participants – which include children, educators, parents and senior citizens – actively enter the digital world and learn how to effectively protect themselves against potential risks. While the focus in 2011 was on media literacy, the initiative has now shifted towards robotics, coding and design & media labs, primarily targeting children and young people.

Target for 2025	Status 2023
Increase the percentage of recycled and refurbished devices to 20 % of the total amount of devices and equipment distributed by 2025	29 % of devices and equipment were recycled or refurbished

Key performance indicator

The number of online workshops was further increased in 2023, but there was also a growing number of events held in person again. In total, 142,520 participants throughout the Group attended workshops. The initiatives have already been attended 495,812 times in total since 2011. The A1 Group is committed to reaching 100,000 people between 2020 and 2023 as part of its digital education initiative. This target was achieved with 277,073 participants. The A1 Group has set an even more ambitious target for the period from 2021 to 2030: To reach 500,000 participants through the Group-wide digital training initiatives.

Implementation/results in 2023

A key area for "A1 digital.campus" in Austria in 2023 was the "cody 21" project together with the programming school "academy". In cooperation with the Vienna Board of Education, an interactive video series was created for elementary school classes that helps teachers to teach digital skills without the additional work of preparation. Given the high level of interest at elementary schools in Vienna in 2022, "cody21" was rolled out throughout Austria in 2023.

Elementary school teachers are increasingly asked to teach digital skills in a meaningful and fun way in their lessons. In part because of this, the online summer workshop series "Digitally fit for the new school year" gave teachers the opportunity to focus on the areas of "Basic digital education in elementary schools" and "Digital world and school". This allows teachers to fully adapt to the new demands and prepare their pupils for the digital future as best they can.

Digital literacy in everyday school life was also a key issue in Slovenia and Croatia: To mark the international Safer Internet Day, the online quiz "Spletne brihte" (English: online wizz) was

published for elementary school pupils to boost their digital know-how. The quiz was taken by more than 15,000 children on a single day, a new world record. In Croatia, the "click safety" initiative workshops were set up for young influencers entitled "School of responsible influencers".

Initiatives were also provided for the older generations. In Bulgaria, the "Internet for all 55+" initiative, which focuses on older people, was continued and provides workshops on issues such as "online shopping", "Facebook" and "fake news".

The "A1 Seniors Academy" training initiative in Austria also aims to increase internet usage among the over 60s in the long term and equip them to use the internet. It includes in-person training sessions at fixed locations and on the go in smaller communities, supplemented by a varied online course program. Together with experienced trainers, participants gradually explore the online world.

5. Employee matters

The issues of remote and flexible working environments ("New ways of work"), the skill transformation in the labor market, training employees in digital competences as well as employee involvement and well-being are central elements in the area of employee matters. Diversity, equity and inclusion are continuously being pushed.

The A1 Group had 17,508 employees/full-time equivalents (FTE) as of the end of 2023 (2022: 17,906). The headcount in the Austria segment was reduced by around 5% to 6,473 employees as a result of the ongoing restructuring. 28% of those in the Austria segment have civil servant status (2022: 32%).

Target for 2023

Reaching 100,000 people - with a particular focus on children and young people as part of the digital education focus. Give them confidence and skills needed to shape digital worlds.

Target attainment

277,073 participants

Target for 2030

Achieving 500,000 participations in our digital education initiatives between 2021 and 2030

Status in 2023

266,144 participants

Number of participants in digital training sessions

	2023	2022	Change (in %)
Austria	90,417	49,375	45
Bulgaria	13,216	13,940	-5
Croatia	5,706	2,140	62
Belarus	502	337	33
Slovenia	20,983	10,303	51
Serbia	9,757	8,990	8
North Macedonia	1,939	1,030	47
A1 Group	142,520	86,115	40

Employees¹ as of 31 December 2023

	2023	2022	Change (in %)
Austria	6,473	6,826	-5.2
Bulgaria	3,646	3,602	1.2
Croatia	1,854	1,800	3.0
Belarus	2,182	2,351	-7.2
Slovenia	629	631	-0.4
Serbia	1,551	1,544	0.5
North Macedonia	776	756	2.6
Corporate incl. A1 Digital	396	397	-0.1
A1 Group	17,508	17,906	-2.2

1) Full-time employees

The A1 Group strategy focuses on people, with its “Human@Center” initiative. To achieve this, the A1 Group has committed to appropriate conditions. These include: “Transparency and autonomy”. “Purpose and well-being”. “Growth and inspiration”. “Connection and flexibility”. Awareness must be created on the employee side. This includes taking responsibility for their own actions and outcomes, as well as autonomy and clear goals. Learning and development remain clear priorities. It also requires precise and coherent communication from the management level to advance the change process clearly and comprehensibly.

New Ways of Work

Concept

The world of work for A1 employees and the A1 Group has transformed over the last few years. The A1 Group concept making a commitment to flexibility in the time and location of work, developed for all countries in 2021, was further reinforced. A1 regards a balance of remote and office-based working as important to employees well-being.

For example, A1 Austria offers employees three different models (flex-office models): An “office-based” model with four days in the office on average, an “office mix” model with two to three days of attendance and a “home-based” model with one day in the office per week. The physical office can be used for creative collaboration, team meetings and social or personal interaction. Remote working is particularly suitable for focused, individual work or routine activities such as status meetings or administrative duties. This new working culture provides fresh momentum and allows A1 Group employees to design their work in a way that benefits both their efficiency and their personal well-being.

Key performance indicator

5,249 employees (HC) in Austria have a remote working agreement. 5,230 of these employees (HC) in Austria have opted for one of the three flex-office models.

Implementation/results in 2023

All in all, the A1 Group’s “Human@Center” strategy shows how remote and flexible working can be successfully integrated into corporate culture. Members of the Management Board established communication in January through the internal “Workplace” collaboration platform. Regular posts addressed four key issues: “Take Ownership”, “Learn & Innovate”, “Team Up Beyond Limits” and “Consciously Care”. Specific examples from the individual countries were used to illustrate these issues. A1 Croatia and A1 Macedonia launched a project called “Team Connect” that recognizes and celebrates international team successes and collaboration. This initiative creates an environment that further encourages knowledge sharing and teamwork remotely or in person within the A1 Group (Team Up Beyond Limits).

To support the “Consciously Care” issue, employees across the Group can take a working day off to volunteer as part of “Corporate Volunteering”. Each country runs local initiatives and employees can decide for themselves whether they want to take part and take on responsibility.

This emphasis on teamwork, innovation and social responsibility helps to create a dynamic and forward-looking working environment at the A1 Group.

Training employees in digital competences and skill transformation in the labor market

Concept

It is important for the A1 Group to be an attractive employer for talented people. It offers existing employees the chance to develop and expand their skills. In line with the Human@Center strategy with the sub-target “Learn & Innovate”, the focus is on further developing the learning culture and creating a framework for customized and self-managed learning.

Target for 2024

40 hours of training per year per full-time equivalent (FTE)

Status in 2023

approx. 44

Key performance indicator

The A1 Group's goal is for each full-time equivalent to complete 40 hours of training per year by 2024. 44 hours of training per full-time equivalent were used in 2023. 132,688 digital "eCampus" courses were completed in 2023 (2022: 108,681).

Implementation/results 2023

In addition to specific expert training, relevant learning content is offered for all employees of the Group. The basics and more advanced information on strategic future issues such as data and advanced analytics, the cloud, cyber security, marketing automation and agility have been taught since 2019. This learning content can be accessed on the Group-wide eCampus learning platform at any time. Further platforms from various learning providers, such as "LinkedIn Learning", "Udemy" and "getAbstract", were provided for specific target groups and experts.

"Data" and "Cloud" were again key focal areas for experts in 2023. Two programs relating to data were initiated for the whole of the A1 Group. "Data4Business" for experts and its counterpart "Data4Leaders" for managers. The focus in "Cloud" was on MS Azure training (a public cloud platform). Training sessions were also carried out for A1's own cloud provider "Exoscale".

"Learning journeys" were arranged with international business schools for top managers to introduce them to new perspectives and practical examples from other companies.

Employees can use a platform to create a personal skills profile and compare this to target profiles, such as internal vacancies, and find suitable learning opportunities at the same time. All these process steps are supported by artificial intelligence. At international level, an "individual learning budget" was launched. This benefits anyone who wants to receive further training on specific topics when changing jobs. Therefore, employees have access to their own personal learning budget of EUR 1,000.

Since fall 2020, A1 Austria has also offered eCommerce business administration apprenticeships. The apprenticeship focuses on online presence, online stores, customer purchasing behavior on the internet, usability, social media and much more. The first apprentices completed this program in 2023.

The Group Young Potential Program (GYPP) was run again in 2023. GYPP is intended for talented young employees with less than five years' professional experience who have been with the A1 Group for at least one year. The aim of this program is for participants to network across national and functional boundaries and aid them in their development just as their careers are beginning. In the GYPP program running until June 2023, 29 participants worked in teams on projects relevant to business, including ESG issues, and learned and worked using self-managed methods with the guidance of coaches and project sponsors throughout the six-month process.

4) Excluding Belarus

Employee involvement and well-being

Concept

In accordance with our strategic "Human@Center" focus with the sub-target "Purpose and well-being", it is important to the company to facilitate participation and establish feedback processes to further develop as an organization. When people go to work, they take with them their values, expectations and desires, but also their needs and fears. The A1 Group has established such processes at various levels and continues to evolve these. These extend from the company level - with regular employee surveys - to individual feedback talks. In the "ROAD" performance management process, dialog with direct managers is used to establish goals and discuss development and career issues. Regular 360° feedback for managers and their involvement in specific issues or change processes are other elements of feedback.

Key performance indicator

Performance of employee survey "Great Place to Work". 51 %⁴ of employees took part in the survey in 2023.

Implementation/results 2023

The A1 Group focused on several levels in 2023. Active employee communication and participation were included in the strategy. As well as the strategy kickoff by the Management Board team, "Strategy Tuesdays" were organized for each core issue.

The "Great Place to Work" survey was also conducted in fall 2023. The aim of this survey, which was carried out in Austria, Bulgaria, Croatia, Slovenia, Serbia, North Macedonia and other countries of the A1 Group majority owner América Móvil, was to be certified as an outstanding employer.

The new "Employee Assistance Program", EAP, in place since November 2023 ensures that employees going through a difficult time in their personal lives can access support quickly and easily. This workplace health program is available to A1 Group employees and their family members. The EAP provides confidential support and advice on all aspects of well-being (physical and mental health, counseling on everyday financial and practical issues) as well as preventative measures. A1 Austria holds interactive talks as part of the "Women's Mental Health" series with a focus on "Self-care strategies for everyday life" and "Career", but make it healthy". In these talks, women are invited to develop strategies to foster authenticity in their working lives.

Diversity, inclusion and equity

Concept

Diversity, inclusion and equity are key components of the A1 Group's ESG strategy. Different skills, perspectives and experiences are the basis of learning from each other, and thereby arriving at better forward-looking solutions for customers, for employees and for the company. The A1 Group's ESG strategy sets clear and relevant goals relating to diversity, inclusion and equity. These continue to be met systematically. People take center stage. The A1 Group places particular emphasis on increasing the share of women in the workforce

and in leadership positions. In addition, A1 is actively working on its equality commitment, which includes salaries and the gender pay gap, in order to close this gap in the medium term. The company also demonstrated its commitment to fair pay by including the reduction of the equal and gender pay gap⁵ by 2025 as a criterion for variable management remuneration.

Key performance indicator

The A1 Group has set itself the goal of increasing the share of women in management positions to 40 % by 2023, while also further raising and keeping the overall share of women in the company at above 40 %. In 2023, the share of women in management positions was 35 % (2022: 36 %), with women accounting for 40 % (2022: 40 %) of the company’s workforce. Since equal opportunity remains a core value within the A1 Group, both targets will be maintained until 2025 under the ESG strategy.

In 2023, the A1 Group maintained a constant share of women in the company of 40 %. With this achievement, the A1 Group reached its goal and sustained a stable share of women within its organization. This outcome was made possible through a variety of initiatives. For instance, these measures led to significant progress in Austria in increasing the proportion of women in management positions. In A1 Bulgaria, comprehensive restructuring took place in 2023, resulting in flatter and more agile hierarchies. Consequently, the share of women in management positions in A1 Bulgaria decreased. In Slovenia, a realignment and new appointments also had the effect of reducing the share of women in the company. Due to the small number of employees in Slovenia, even minor changes in the female workforce have a significant impact percentagewise.

5) In accordance with CSRD definition

Implementation/results 2023

In the A1 Group, the principles of diversity, inclusion and equity are not only embedded in the “A1 Group Code of Conduct”, but also in the Group-wide “DE & I Policy” (Diversity, Equity and Inclusion) and in our “Human Rights Policy”. In addition, the A1 Group published the “A1 Group Health and Safety Policy” and the “Fair Pay Principles” in 2023. All policies have been signed by the Management Board.

For the A1 Group, equity also means reducing the income gap between men and women. Work began within the company in 2021 to ascertain the gender pay gap at Group level and analyze the results. This analysis will be used as the basis of future measures to be implemented in the years ahead. It is apparent that existing income differences are mainly caused by structural factors, such as fewer women in technical and management functions. In 2023, A1 Austria conducted a pilot project on the gender pay gap analysis in cooperation with a prestigious academic from the Vienna University of Economics and Business. To further improve transparency and information about this wide-ranging issue, A1 Austria organized a “Fair Pay Event” in June 2023.

The A1 Group published the “Fair Pay Principles” in 2023, which include principles such as equal pay for equal work, transparency and regular evaluations and market remuneration for all employees. Affirmative action for women and increasing the share of women remains on the agenda at A1 Austria. The Female Empowerment Program empowers female employees at A1 to take on leadership positions and expands and strengthens networking among female colleagues. The program has been running once a year since 2021. 85 women have completed the program. Two sessions were run simultaneously for the first time in fall 2023 in view of the high demand.

Targets for 2023 ¹	Target attainment
Increasing the share of women in management positions to 40 %	35 %
Raising and maintaining the share of women in the company at 40 %	40 %

1) Base year 2019

**Share of women in the company and share of women in management positions
31 December 2023**

in %	Share of women in the company		Share of women in management positions ¹	
	2023	2022	2023	2022
Austria	27	27	22	18
Bulgaria	42	43	34	45
Croatia	43	45	46	44
Belarus	53	52	42	44
Slovenia	45	45	34	40
Serbia	60	64	49	50
North Macedonia	48	50	49	48
A1 Group²	40	40	35	36

1) Managers include all persons with staff responsibility for at least one employee.
2) Including Corporate and A1 Digital

In 2023, women at A1 Austria received support in their professional development from experienced internal female mentors. All female colleagues at A1 Austria can also take advantage of free coaching sessions to further accelerate female empowerment.

As in previous years, management was again invited to take part in unconscious bias workshops. This was supplemented by preparatory unconscious bias e-learning. To ensure that as many employees as possible can access this e-learning content, it has now been translated into eight languages of the A1 Group. In 2023, an unconscious bias workshop was also held in Serbia in addition to the e-learning at the request of employees. In Slovenia, two additional workshops were put on specifically for new managers. All employees at A1 in Austria are required to complete a mandatory e-learning session on the prevention of sexual harassment. The A1 Group tolerates neither discrimination nor insulting or demeaning behaviors.

A1 Belarus's diversity, equity and inclusion (DEI) initiatives focus on promoting a diverse workforce, supporting the concept of social equality and harnessing the potential of people with disabilities. In 2023, A1 Belarus continued its work on the "Inclusive Coffee Shops" project, which helps people with disabilities and baristas who use a wheelchair reach their full potential. More than 12 employees with disabilities have already taken part in this unique project. The plans to expand in the future demonstrate A1 Belarus' commitment to social inclusion.

6. Human rights

Having joined the UN Global Compact, the A1 Group is committed to implementing fundamental requirements in the areas of human rights, labor, the environment and combating corruption. This commitment has been acknowledged by integrating the requirements into the Austrian subsidiary's Terms and Conditions, for example.

In some countries in which the A1 Group operates, national laws can make it difficult to ensure that human rights are fully respected. Where national law diverges from the A1 Group's commitment to human rights and sets a lower standard, the Group always endeavors to achieve the higher standard, though the wellbeing of employees is the top priority. In the event of a conflict, the A1 Group applies national law, at the same time attempting to respect human rights as much as possible.

In order to assess the respective national situation, a steering committee was initiated as a management instrument for the event that human rights violations are suspected in the respective countries. This steering committee consists of one member each from the A1 Group Management Board, the national Management Board and the Public Affairs Officers of the A1 Group and the respective country. This committee's job is to evaluate the respective situation from the perspective of employees, customers and civil society, and to make corresponding decisions on business policy.

The A1 Group Code of Conduct contains a clear commitment on the part of the A1 Group to protecting and upholding human rights. With the Group-wide Human Rights Policy published in spring 2022, the company reaffirms and specifies its commitment and endeavours to protect human rights. The policy is not just about the human rights of employees of the A1 Group, but also broadens responsibility to customers and business partners in all countries in which the Group operates and its entire supply chain.

The policy was revised in 2023 and the following aspects added: Initiatives for a sustainable supply chain (see chapter "Sustainable supply chains") and the implementation of human rights due diligence in connection with mergers and acquisitions. In addition, descriptions were provided of existing processes and standards in place at the A1 Group to ensure respect for human rights, compliance with labor standards and employees' physical and mental health.

Human rights complaints can be submitted throughout the Group on the compliance whistleblowing platform "tell.me" – even anonymously if so desired – and are carefully processed as part of the compliance processes. Every reported incident is investigated and countermeasures are initiated with the aim of preventing further incidents in the future. Seven complaints were submitted and processed in the 2023 reporting year (2022: 10).

Focus: A1's commitment in Belarus

The A1 Group is highly aware of the political circumstances and human rights problems in Belarus especially. At the same time, the Group is paying particular attention to providing stable and high-quality services to all people in the country so that they can have access to information in any situation. A1 Belarus is the biggest alternative telecommunications company and makes an important contribution to supplying the country's Internet, making it a pathfinder for digitalization. A1 Belarus is highly valued as an employer. As a company, the A1 Group does not get involved in political affairs, but it supports the constitutional rights of its employees, including the right to freedom of speech or the right to peaceful demonstration.

The A1 Group's commitment in Belarus makes a vital contribution to social development, and it offers employees an international career path. As in every country in which the A1 Group operates, as a company it must comply with local legal and regulatory requirements.

7. Combating corruption and bribery

Anti-corruption and compliance

Concept

Acting with honesty, fairness and transparency is an essential component of the A1 Group's corporate culture and is embedded in its governance and corporate strategy. In order to achieve its standard of integrity, the company has a comprehensive compliance management system (CMS). The appropriateness and effectiveness of the A1 Group's compliance management system was already audited and confirmed several times by the external auditors PwC Wirtschaftsprüfung GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft in 2012/2013, by KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft in 2018/2019 and again by BDO Assurance GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft in 2022/2023 with a clean audit opinion.

The CMS principles applied by the A1 Group are based on international legislation such as the US Foreign Corrupt Practices Act (FCPA) and the UK Bribery Act 2010 as well as international CMS standards such as ISO 37301 (Compliance management systems), ISO 37001 (Anti-bribery management systems), ISO 37002 (Whistleblowing management systems), the UN Global Compact and the OECD Guidelines for Multinational Enterprises.

BDO issued an unqualified audit opinion regarding anti-corruption and integrity, antitrust law, capital market compliance and sanctions throughout the A1 Group for the design, implementation and effectiveness of the CMS in accordance with IDW PS 980 (Audit Standard of the Institute of Public Auditors in Germany for Compliance Management Systems as amended 9/2022) in accordance with the CMS principles applied.

In its Code of Conduct, the A1 Group has determined clear rules for acting in a manner consistent with the law and with integrity in all business relationships. Group-wide guidelines also provide detailed assistance on issues such as anti-corruption, conflicts of interest, data protection, antitrust law, capital market compliance, human rights, diversity, inclusion and equity, environment and responsible supplier relationship.

The Anti-Corruption and Conflict of Interest Policy contains a strict ban on all forms of bribery and corruption as well as detailed regulations on conflicts of interest, gifts and invitations, lobbying, sponsorship and donations. The prohibition of donations to political parties and organizations with close ties to political parties, the prohibition on the placement of advertisements in political media and the commitment to responsible advertising are clearly regulated.

However, to prevent potential misconduct, the A1 Group has not only established clear rules, but also integrated suitable controls into its business processes. Group Compliance is supported by local compliance officers based at the subsidiaries in its mission to implement the risk mitigating measures resulting from the annual compliance risk assessments within all the business units.

The "tell.me" whistleblowing platform can be used by employees and third parties as well to report observed or suspected misconduct, and can be used absolutely anonymously if so desired. The whistleblowing process, which is actively communicated to employees, takes into account all the requirements of the EU Whistleblowing Directive and local laws and regulates in detail the protection of whistleblowers, the confidential and professional processing of all reports, communication with whistleblowers, and appropriate sanctions for misconduct that is actually identified. The A1 Group responds immediately with appropriate measures and sanctions in the event that misconduct is identified. The possible consequences range from investigation and training activities or process improvements to reprimands, dismissals, police reports or the termination of business relationships. The professional and confidential handling of all information by Internal Audit ensures that those concerned are protected as long as no actual misconduct is found to have taken place.

Furthermore, training on all areas of compliance (anti-corruption, conflicts of interest, antitrust law, data protection, capital market compliance, sanctions and human rights), which is optimized for the respective target group, is held each year to lastingly embed the concept of integrity in the A1 Group. Group-wide training explains compliance issues in a practical way and provides tangible case studies.

Key performance indicators

In 2023, information on 31 material issues (thereof 5 related to corruption, 1 related to antitrust law, 4 related to data privacy, 7 related to human rights and 14 related to integrity) was received on the "tell.me" whistleblowing platform and other reporting channels, which was handled with the utmost care and confidentiality. Action was taken 37 times as a result of information received and confirmed in this way in 2023.

More than 41,800 compliance e-learning courses were completed by employees and managers in the reporting year (2022: approximately 29,780). Also, more than 7,000 employees and managers took part in special instructor-led compliance training in 2023 (2022: around 7,900). Employees at the A1 Group can contact the compliance helpdesk "ask.me" if they would like to have any outstanding questions resolved, and in 2023 the helpdesk responded to approximately 560 questions (2022: 590).

Implementation/results in 2023

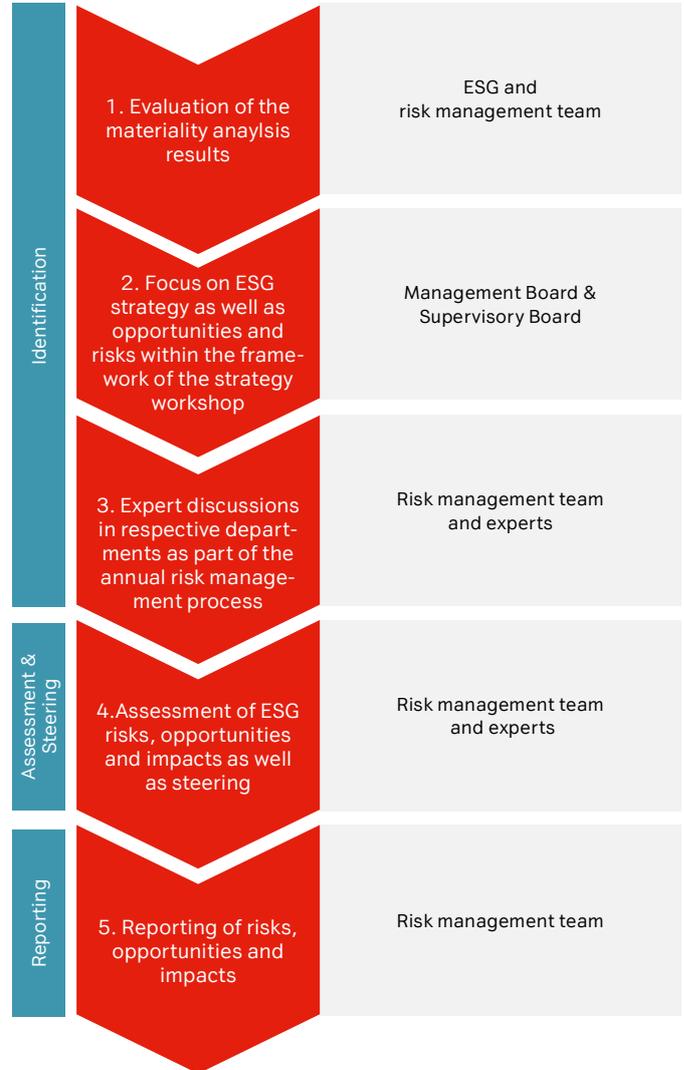
The A1 Group's compliance management system was revised in 2023 to ensure that international compliance standards continue to be met. The A1 Group's Compliance Policy, which also serves as its Anti-Corruption and Whistleblower Policy, set out the general principles of the A1 Group CMS, such as the organization's firm commitment to compliance. Updates were also made to the Code of Conduct, with an even stronger focus on ESG, and the Anti-Corruption & Conflicts of Interest compliance policies, Antitrust Law and Capital Market Compliance. A Code of Conduct for suppliers and extensive business partner checks take account of the increased requirements in supplier due diligence obligations.

As well as compliance policies in the narrower sense, ESG policies were also revised or new policies adopted in 2023, such as the Human Rights Policy, the Diversity, Equity & Inclusion Policy, the Fair Pay Principles, the Environmental Policy, the Clean Energy Policy, the Responsible Sourcing Policy and the Tax Policy.

The A1 Group has established a process to check sanctions lists published by the EU, USA/OFAC (Office of Foreign Assets Control) and the United Kingdom to ensure that sanction regulations are upheld.

8. Risks and opportunities and impact of business activities

Risk and opportunity management is a key part of responsible corporate governance. Risk categories are updated and reassessed at least once per year in the Group enterprise risk management. In addition to strategic, financial and operational risks, the A1 Group’s risk landscape also includes the category of ESG risks.



ESG risks, opportunities and the impact of business activities were updated in 2023 based on the 2022 materiality analysis. This process incorporates input from key stakeholders such as the Management Board, the Supervisory Board, employees, experts from the respective departments and the ESG and risk management team. The process of identifying, assessing, steering and reporting risks, opportunities and impact is briefly presented below, followed by notes on material issues. The process consists of five steps:

1. Analysis of the results of the materiality analysis

As a first step the collection of topics was analyzed in 2022 by the Group ESG and Risk Management Team which led to risks and opportunities being derived. This forms the basis for further steps.

2. Focusing of ESG strategy as well as risks and opportunities in conjunction with the strategy workshop

As part of the annual strategy discussion between the A1 Group's Management Board and the Supervisory Board, relevant environmental and market developments are addressed and, above all, opportunities and also measures for mitigating existing risks as well as initiatives to exploit opportunities and minimize pending risks are presented. The latest developments (not yet shown in the materiality analysis), their impact and the necessary steps are also added. The following topics were added in addition to the main issues:

- ▶ Labor shortage
- ▶ Instability in the value chain due to extreme weather events

3. Expert discussions in departments as part of the annual risk management process

As part of the annual Group enterprise risk management process, strategic, financial, operational risks as well as ESG risks and mitigating measures were identified or updated. Discussions were held with experts from the respective departments based on the material matters and the greatest risks identified in the materiality analysis.

Further risks identified as relevant in the discussions were also included. The following topics were added in addition to the main issues:

- ▶ Social effects of Internet use/media consumption as an overarching framework for the issues of online bullying, hate speech and online behavior and internet dependency and isolation
- ▶ Sanctions

4. Assessment of ESG risks, opportunities, impact and steering

The relevance of identified risks, opportunities and the impact of business activities was then assessed and evaluated together with the experts, taking account of existing mitigation measures. While the discussion and assessment comprise all identified risks and opportunities, Group enterprise risk management includes risks with a medium to high risk score after mitigation measures in the risk atlas. The assessment of risks and opportunities internally and the impact of business activities externally on matters under the Austrian Sustainability and Diversity Improvement Act (NaDiVeG), was carried out on a quantitative and qualitative basis using two scales:

(1) Quantified net damage, measured on the basis of free cash flow	
>50 Mio. EUR	severe
10-50 Mio. EUR	major
1-10 Mio. EUR	moderate
0-1 Mio. EUR	minor
(2) Likelihood of occurrence	
>50 %	likely
10-50 %	possible
4-10 %	unlikely
<4 %	very rare

Using a risk matrix, the combination of both criteria results in a risk classification of either low, medium, or high.

5. Reporting of risks, opportunities and impacts

After the identification and assessment, the ESG risks, opportunities and impact are reported internally to the Management Board and Supervisory Board together with the strategic, operational and financial risks as well as externally in the consolidated non-financial report.

Overview

The following table, including a heatmap, provides an overview of the impacts of business activities externally and of risks and opportunities internally.

Matter	Issues	Impact of business activities		Impact on A1 Group	
		negative	positive	Risk	Opportunity
Topics related to business activities	Data protection and information security	●	●	●	●
	High-performance and future-proof networks	●	●	●	●
	New business models among customers through digitalization & innovation and improvement of public services through digitalization	●	●	●	●
	Sustainable supply chains	●	●	●	●
Environmental matters	Climate change & carbon footprint of own operating business	●	●	●	●
	Resource optimization and dematerialization as well as sustainable products and services	●	●	●	●
Social matters	Access to information and education	●	●	-	●
	cybercrime	●	●	-	●
Social matters	Social effects of Internet use/ media consumption	●	●	-	●
Employee matters	Employee involvement and well-being	●	●	●	●
	Training employees in digital competences and skill transformation in the labor market	●	●	●	●
	New Ways of Work	●	●	●	●
	Diversity, inclusion and equity	●	●	●	●
	Labor shortage	●	-	●	-
Human rights	Human rights	●	●	●	●
Combating corruption & bribery & compliance	Anti-corruption and compliance	●	●	●	-
	Sanctions	-	-	●	-

negative / Risk ● medium ● low positive / Opportunity ● high ● medium

The impacts, risks and opportunities are described below. Details on the measures for the matters in question that help reduce risks and negative impact can be found in the relevant sections.

Topics related to business activities

Data protection and information security

One of the risks in relation to data protection is the unlawful use of data. This would affect both the A1 Group as a company and its customers, suppliers and employees. An example of a potential repercussion includes the threat to the privacy and assets of the persons affected. In turn, this would negatively impact the trust in the A1 Group and its reputation. Claims for damages or fines could also be issued, resulting in financial losses for the A1 Group.

Cyber attacks and unauthorized access to systems represent another risk. These could jeopardize the data of customers,

suppliers and employees and pose a threat to the data and operations of the A1 Group. The A1 Group is aware of the importance of data protection and information security and the danger posed by risks in these areas and so continually invests in data privacy and security measures to keep risks to a minimum. In addition to the implementation of guidelines that ensure compliance with legal requirements, certifications as well as regular training and courses are carried out in the area of data protection. Work is also continuing on achieving the targets of the data protection maturity model.

Work is also constantly underway to further improve information security, for example by harmonizing security requirements and internal policies throughout the group and through mandatory e-learning sessions. Information security ensures the provision of stable services and thus a digital life. As a result, it has a positive impact on society and is an opportunity to bolster the reputation of the A1 Group.

Due to rising cybercrime and the increasing importance of information security, the company believes the sale of security products, such as A1 online protection and security services for companies, represents an opportunity.

High-performance and future-proof networks

Stable internet access and availability of products and services is crucial to customer satisfaction. The material risks here include a network outage, which can have many different causes including unauthorized access, physical damage, technical problems and human error. (Temporary) network unavailability would have a negative impact on those affected, which in turn could result in claims for damages, damage to the company's reputation or even the loss of customers.

The A1 Group also sees an opportunity in meeting rising requirements for speed and data volumes by expanding the fiber network and continuing the 5G roll-out. These new technologies also have the potential to reduce energy consumption as they are more energy efficient. In the future, they could also replace less efficient technologies such as 2G or – as is already happening – 3G and the copper network. Finally, the A1 Group believes providing reliability by operating high-performance networks represents another opportunity and a positive impact on society.

Continual coverage and continuous improvement of communication infrastructure and supply services are a major quality advantage and boost the company's image and reputation. Given this – and to minimize risks –, the A1 Group uses measures such as (geo) redundancy of networks and services, certified service and update processes, function virtualization, testing and documentation and a close control system, ensuring uninterrupted product and service performance.

New business models among customers through digitalization and innovation & improvement of public services through digitalization

There is a risk of failure to meet customer demand in the event of insufficient offering of products and services in connection with digitalization and innovation. This would adversely affect revenue and the customer base and the society would not receive all the advantages of digitalization. The risk is currently considered minimal, as the A1 Group is already heavily engaged in the area, for example with the Start-Up Campus at A1 in Austria. A1 Digital in particular plays a key role in the offering of innovative business solutions, for example in a project with A1 in Austria and RailCargo where about 14,000 IoT devices have been equipped in freight trains.

The A1 Group believes that providing new or, through digitalization, improved products and services represents an opportunity, as it makes the company more attractive to customers. In turn, this can create a larger and/or longer-term customer basis and a competitive advantage. Innovation is also seen as an opportunity / driver of corporate development and strategic target attainment. At the same time, the A1 Group also makes a substantial contribution to society by providing improved and new, relevant solutions, helping everyone experience the advantages of digitalization.

Sustainable supply chains

The impact of suppliers' business activities on the environment and on society is not easy to ascertain at many business partners. There is a risk of direct business partners or their suppliers not complying with environmental and social standards. With its Responsible Sourcing Policy, the A1 Group already meets some of the requirements of the future EU Corporate Sustainability Due Diligence Directive. This increases transparency regarding compliance with environmental and social standards. If a business partner does not meet these standards, the Group works with them to try and find a solution. If this proves impossible, the collaboration is terminated. However, this has never been necessary to date. In addition, the A1 Group's measures already in place minimize the risk of non-compliance with legal requirements and, in turn, the risk of potential penalties.

As a large company with considerable reach, the A1 Group sees the role model effect and the influence it has on promoting positive sustainability and human rights developments as a positive impact. Its efforts also help ensure a positive image of the A1 Group, which can bolster business relationships in the long term.

Environmental matters

Climate change & carbon footprint of own operating business

Climate change was identified as one of the major global challenges. Therefore, the A1 Group has analyzed climate scenarios that are presented in more detail in this chapter. In 2021, for the first time a qualitative analysis of physical and transition risks was performed for the A1 Group. This analysis is updated at least once a year as part of the risk management process. Two climate scenarios were considered in 2023: IEA NZE 2050⁶, which assumes warming in line with the Paris Agreement, and IPCC RCP 8.5⁷, in which there is neither regulation nor any ambition to reduce carbon emissions. While the former anticipates a maximum warming of 1.5° Celsius, the latter is seen as a business-as-usual or worst-case scenario with warming of more than 4° Celsius.

Transition risks

► Rising electricity consumption

In view of rising data traffic and the resulting increase in demand for network capacity, higher electricity consumption is expected for the coming years. Based on 2022 electricity prices, the 1.5° scenario anticipates that the price of electricity would rise by around 70% by 2050. Due to potential index adjustments in end-customer contracts and electricity saving measures, however, this effect has little impact on our future cash flows.

Increased consumption is kept in check by upgrading cooling units / devices that have to be cooled separately, or by replacing the latter with self-cooling devices. Further electricity-saving measures include shifting data traffic to more efficient technologies (e.g. from 4G to 5G), deactivating network elements (e.g. 3G as an entire network layer or existing network resources outside peak times using the Group-

6) Net Zero by 2050 by the International Energy Agency

7) Representative Concentration Pathway 8.5 by the Intergovernmental Panel on Climate Change

wide cloud-based network analysis platform) and the use of low-consumption systems and cloud solutions that store and process data more efficiently.

► **Rising carbon prices**

Austria and Slovenia introduced a carbon tax in 2023. The 1.5° scenario assumes that carbon taxes in Slovenia and, after they are introduced, in Croatia will quickly rise to a similar level as in Austria, whereas Bulgaria, Serbia and North Macedonia will remain just below this level. Belarus will also price carbon in this scenario, albeit at a far lower price than the other countries. The carbon price is expected to increase steadily in the 1.5° scenario, whereas the 4° scenario anticipates stagnation in Austria and Slovenia and does not expect a carbon tax to be introduced in the other countries.

The A1 Group is working on implementing the climate strategy. This aims to reduce carbon emissions (Scope 1 and Scope 2 market-based) to net zero by 2030, whereby future cash flows will only be affected by carbon prices to a minor extent. In addition to energy-efficient networks, most of the electricity should be sourced from renewable energies, in turn reducing costs by removing the carbon tax.

Physical risks

► **Rising frequency and severity of flood events**

In the A1 Group's climate scenarios, all critical locations were analyzed for shorter frequencies of a once-in-a-century flood. In total, eight central and critical locations were identified as moderately exposed in the analysis. The consequences of a flood event include a possible disruption of service and thus an inconvenience for customers, lost revenue, penalties and cost-intensive damage to the infrastructure. A majority of mitigation activities (flood protection, relocation of equipment, redundant data centers) have already been completed, hence the assessment of the physical risks can be considered low in both climate scenarios. The risk of flooding is still being monitored and, if the risk increases, further steps such as moving equipment to other locations will be considered.

► **Instability in the value chain due to extreme weather events**

Although the A1 Group is only minimally directly affected by extreme weather events, there is a risk of disruptions in the supply chain due to extreme weather events in suppliers' regions. This would result in longer waiting times and thus a potential loss of revenue or higher costs for alternatives. As far as possible, mitigation of this risk consists of a multi-vendor strategy and geo-redundant sourcing.

The A1 Group's business activities have a negative impact on the climate. Carbon emissions have a negative impact on the carbon footprint, although the telecommunications sector emits far less than other industries in relative terms. Nonetheless, the A1 Group is aware of its responsibility and puts its climate strategy into practice with the assistance of the Group-wide Climate Transition Plan, currently under development, in order to minimize its environmental impact and reduce carbon emissions to net zero. This plan is intended to minimize the risk of not achieving the A1 Group's climate goals. The A1 Group believes potential cost savings represent

an opportunity, for example as a result of producing its own electricity, avoiding carbon taxes and positioning and reputation as a sustainable company, which could also produce financing advantages.

Resource optimization and dematerialization as well as sustainable products and services

By its nature, the A1 Group's business model requires the use of products and infrastructure. This results in an increased consumption of resources, which in turn has a negative impact on the environment. Higher recycling and refurbishment targets and related activities contribute to the resource cycle while at the same time reducing the risk of not meeting recycling requirements and, in turn, potential penalties such as those that have long since been in place in Belarus. Active commitment to refurbishment, the quality-assured overhaul and repair of products, also reduces the company's own investments in equipment and mitigates the negative impact on the environment by re-using resources. This is already successfully practiced for cell phones, modems and set-top boxes.

With more and more end customers becoming aware of resource conservation, it is increasingly important for the company to play a pioneering role on the market. Furthermore, demand for refurbished devices is rising, which also makes it more affordable to enter the premium segment. Finally, the A1 Group believes that offering sustainable products, such as the ECO Phone, represents an opportunity to boost revenue. These measures have a positive impact on the environment as fewer resource-intensive devices are produced and disposed.

Social matters

Access to information and education as well as promoting the use of digital media is assessed to have a positive impact on society, as the safe and proficient use of new media now permeates all areas of our lives, from education to work to leisure. As a network and internet provider, the A1 Group plays a key role here and has a social responsibility to its customers to help teach digital literacy.

Increasing digitalization not only bring advantages for society, but also poses risks such as excessive use, isolation, online bullying and cybercrime. Particularly children, young people and seniors are affected by this due to a lack of experience or education. Accordingly, the A1 Group believes it has an obligation to take measures such as education and training for vulnerable groups to reduce or prevent these risks. At the same time, the A1 Group believes this represents an opportunity to further improve its reputation.

Employee matters

The labor shortage was identified as a material risk within the employee matters category. While the A1 Group does not believe there is any acute risk thanks to the numerous measures in place, a potential labor shortage could present a challenge in the long term and result in increased costs and revenue losses. On the other hand, employees' workload could increase, which could lead to a decline in employee well-being, satisfaction and commitment.

The A1 Group is aware of its responsibility as an employer and pays attention to maintaining a high level of satisfaction, which can be ensured and increased sustainably through aspects such as flexible working hours, remote working, employee surveys as well as inclusion, diversity and equity.

All of these topics are actively practiced and implemented within the A1 Group to minimize the risk of these aspects not being addressed or adequately implemented. If not, this risk could result in greater dissatisfaction, low employee engagement, a poorer employer reputation, higher turnover and unused potential due to a lack of diversity. The A1 Group considers this risk low as these principles are consistently pursued.

In addition, the A1 Group places high value on training and further education, which encourages employees' personal and professional development while also countering the risk of insufficient expertise at the company in connection with the skill transformation in the labor market. The A1 Group believes that these many measures, which are reflected in the "Human@Center" strategy, represent an opportunity to increase satisfaction and thus improve its employer reputation, improved employee loyalty, higher productivity and more sustainable decisions through diverse teams with a wide range of skills.

Human rights

Respect for human rights throughout the entire value chain is an important issue for the A1 Group. As an international company with a high employee headcount, the company believes it has an obligation to safeguard them. With its measures and initiatives, the A1 Group considers itself a role model and, given its reach, an enabler of compliance with human rights in other companies and in society.

In connection to human rights, the A1 Group sees no risk from the direct operational area due to its numerous measures in place. Risks and impacts in connection with suppliers are described in the Sustainable supply chains section.

The A1 Group believes respect for human rights is in principle a foundation of its business activities. The A1 Group considers improving its reputation as a company that enforces compliance with human rights, both internally and externally with partners, an opportunity.

Combating corruption and bribery & compliance

Anti-corruption and compliance

Compliance risks comprise legal, financial and reputational risks for the A1 Group that arise in connection with potential violations of the law, regulations or internal policies by a manager, employee or representative of the company. As part of the annual compliance risk assessment process – a key element of the A1 Group's compliance management system –, relevant compliance risks are identified and risk mitigation measures defined on the basis of structured management interviews and workshops.

Group enterprise risk management quantifies and aggregates the risk that remains after measures are taken in the areas of anti-corruption, antitrust law, sanctions, data privacy and the capital market. Despite the low likelihood of occurrences, penalties and reputational damage can be high and that is why a medium risk exists.

Compliance ensures that customers, business partners and other stakeholders can place their trust in the A1 Group and the A1 team. After all, trust is the basis of all business relationships, it is a valuable asset and can be quickly destroyed through carelessness.

Sanctions

Non-compliance poses a risk in connection to sanctions. This may lead to financial penalties, a threat to contracts with suppliers, customers and banks and reputational damage. Compliance is ensured by the processes established at the A1 Group to check sanctions in accordance with a risk-based approach, minimizing the probability that this risk will materialize. Given the very low probability of occurrence and moderate damage impact, this constitutes a low risk for the A1 Group.

9. EU Taxonomy Reporting in Accordance with Article 8

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 Regulation⁸, which came into force in June 2020, the Climate Delegated Act⁹ for the environmental objectives of climate change mitigation and adaptation, the associated Annexes I¹⁰ and II¹¹, and the supplementary Disclosures Delegated Act¹², which sets out the disclosure requirements in accordance with Article 8 of the EU Taxonomy Regulation.

In June 2023 another Delegated Act (Environmental Delegated Act)¹³ 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 supplemented the disclosure requirements under Article 8.

In June 2023, existing regulations for the two climate objectives (Climate Delegated Act) were supplemented by a further Delegated Regulation¹⁴, which established additional taxonomy criteria.

In addition, the EU Commission published additional communications/FAQs¹⁵ that provide guidance on the correct application and interpretation of the Regulation/Delegated Acts, most recently two Commission Notices on Article 8/disclosure requirements and the technical screening criteria.

For the current financial year, it is the first time that all six environmental objectives are relevant for disclosures. For climate change mitigation and climate change adaptation objectives, shares of CAPEX, OPEX and turnover of taxonomy-eligible, non-taxonomy-eligible and taxonomy-aligned activities need to be reported.

For the other four 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), only key figures for taxonomy eligibility are to be reported for the current financial year, while reporting of KPIs on taxonomy alignment is mandatory from the financial year 2024.

Approach 2023

Requirements of the EU Taxonomy, which were expanded again this year, were implemented as part of a cross-border project team of the A1 Group. Economic activities were reviewed at Group level in regard to their taxonomy eligibility for 2023. The procedure was adapted to meet different requirements for the respective environmental objectives:

Climate change mitigation and adaptation

- ▶ For the first two environmental objectives, climate change mitigation and adaptation, a review was performed whether the economic activities of A1 Group changed in financial year 2023. It was concluded that the catalogue of taxonomy-eligible economic activities for A1 Group is unchanged compared to the reporting year 2022.
- ▶ Subsequently, economic activities were assessed with regards to Taxonomy alignment. To this point, it was analyzed if the degree of compliance with the technical screening criteria changed compared to the previous year.

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

- ▶ For the four additional environmental objectives, the catalogue of economic activities was screened and potential activities applicable for A1 Group were selected.
- ▶ These activities were analyzed by experts in the subsidiaries. They identified which activities are relevant in the respective country, and A1 Group specific activities were described.

Finally, the KPIs of the subsidiaries were determined and verified, reviewed, consolidated, and reconciliated with the financial indicators at Group level.

Any questions raised by the subsidiaries regarding the requirements of the Taxonomy Regulation, definitions and any options for interpretation were discussed and answered in coordination meetings on an ongoing basis. To ensure that the information was correct and complete, a documentation was produced with the key content of the EU Taxonomy and shared with the project team.

Furthermore, an A1-specific e-learning program was developed to provide users in A1 Group with a knowledge base that is available at all times.

8) [EU Taxonomy Regulation \(EU\) 2020/852](#)

9) [Delegated Regulation \(EU\) 2021/2139](#)

10) [Annex I \(EU\) 2021/2800](#)

11) [Annex II \(EU\) 2021/2800](#)

12) [Delegated Regulation \(EU\) 2021/2178](#)

13) [Delegated Regulation \(EU\) 2023/2486](#)

14) [Delegated Regulation \(EU\) 2023/2485](#)

15) [FAQ July 2021](#), [FAQ January 2022](#), [FAQ February 2022](#), [Commission Notice C/2023/305](#), [Commission Notice C/2023/267](#)

Taxonomy-eligible activities

The list of economic activities described in the EU Taxonomy Regulation only covers the core activities of the A1 Group to a small extent. Most of A1 Group business activities, which mainly involve products and services for mobile telecommunications, fixed line and broadband internet, are currently not covered under the scope of the EU Taxonomy Regulation. Thus, the significant investments in infrastructure, such as 5G and fiber roll-out, are also not Taxonomy-eligible. Numerous studies show the contribution of telecommunications to the achievement of environmental objectives, so it is to be hoped that the EU will include telecommunication services in the catalogue of eligible activities in the next few years as the EU taxonomy continues to expand.

EU Taxonomy defines that an “economic activity” is characterized by input of resources, a production process and an output of goods or services (see FAQ¹⁶ of the EU Commission). This means that primarily revenue-generating activities are taxonomy-eligible. The definition of “turnover” is based on the Delegated Regulation.

Revenue-generating activities for the two climate-related environmental objectives remain unchanged compared to previous year. Due to the expansion of the EU taxonomy, a screening was carried out based on the Environmental Delegated Act¹⁷ to determine which additional activities shall be identified as taxonomy-eligible.

Based on A1 Group’s business model, additional revenue-generating economic activities were identified that contribute to the environmental objective of “Transition to a Circular Economy” (in accordance with Annex II Environmental Delegated Act).

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	<ul style="list-style-type: none"> ▶ 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	<ul style="list-style-type: none"> ▶ 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	<ul style="list-style-type: none"> ▶ IoT Solutions for Remote Monitoring and Predictive Maintenance (Activity 4.1/a) 	Transition to a circular economy
5.4. Sale of second-hand goods	<ul style="list-style-type: none"> ▶ 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	<ul style="list-style-type: none"> ▶ 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 lists three taxonomy-eligible types of CAPEX:

- ▶ CAPEX (a) refers to investments that are directly related to taxonomy-eligible economic activities.
- ▶ CAPEX (b) refers to investments that are part of a plan to expand taxonomy-aligned economic activities or to turn taxonomy-eligible into taxonomy-aligned economic activities („CAPEX plan“).
- ▶ CAPEX (c) refers to investments through the purchase of output (products/services) from taxonomy-aligned economic activities and individual measures through which the economic activities are carried out in a low-carbon manner or the emission of greenhouse gases is reduced.

16) [FAQ February 2022](#)

17) [Delegierted Regulation \(EU\) 2023/2486](#)

Based on the above definition, following CAPEX c) is also taxonomy-eligible in 2023:

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

All taxonomy-eligible activities of A1 Group contribute to only one environmental objective, either “Climate change mitigation” or “Transition to a circular economy”. Thus, double counting is excluded.

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 2023 consolidated financial statements.

Assessment of Taxonomy alignment

For the reporting year 2023, Taxonomy alignment is to be reported only for the two climate objectives. Therefore, respective taxonomy-eligible activities were reviewed again regarding their taxonomy alignment. It was concluded that none of the taxonomy-eligible activities of A1 Group met the criteria for taxonomy alignment in the 2023 reporting year.

In 2023, A1 Austria registered one of the large data centers for the Code of Conduct on Data Center Energy Efficiency, which is relevant as substantial contribution criteria for Activity 8.1 (Data processing, hosting and related activities), thus taking a major step towards taxonomy alignment.

Materiality

The Delegated Act of the EU Taxonomy in general does not allow the application of materiality. An exception is the application of

materiality for OPEX, provided that they are “not significant” to the company’s business model. In this regard, the FAQ/ Commission Notice¹⁸ provided further clarification. Accordingly, all OPEX that is not material to 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.

In 2023, A1 Group followed this approach, resulting in changes compared to the approach applied in previous year: While in 2022 a value of 3 % of the total OPEX was set as materiality threshold on individual activity level, in 2023 OPEX KPI will be reported only for those taxonomy-eligible economic activities that are significant (material) for the A1 Group business model.

As a result, only OPEX of revenue-generating activities is determined as material. All other activities are not taken into account in the numerator, i.e. the OPEX KPI is disclosed as being equal to zero. In the denominator, entire OPEX as defined by the Delegated Act is still included.

18) [Commission Notice C/2023/305](#)

The following table illustrates the 2023 approach:

Economic activity of the EU Taxonomy Regulation	Materiality OPEX 2023
6.5. Transport by motorbikes, passenger cars and light commercial vehicles	
7.2. Renovation of existing buildings	
7.3. Installation, maintenance and repair of energy-efficiency equipment	
7.4. Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	<ul style="list-style-type: none"> ▸ Not a revenue-generating economic activity; not material to A1 Group business model ▸ OPEX of these activities are disclosed as being equal to zero in the numerator
7.5. Installation, maintenance and repair of instruments and devices for measuring, regulating and controlling energy performance of buildings	
7.6. Installation, maintenance and repair of renewable energy technologies	
8.1. Data processing, hosting and related activities	<ul style="list-style-type: none"> ▸ Revenue-generating economic activity; material to A1 Group business model ▸ OPEX of these activities is taken into account in the numerator and reported (if OPEX occurred in connection these activities)
8.2. Data-driven solutions for GHG emissions reductions	
4.1. Provision of data-driven IT/OT Solutions	
5.4. Sale of second-hand goods	
5.5. Product-as-a-service and other circular use- and result-oriented service models	

EU Taxonomy Regulation KPIs

Revenue, CAPEX and OPEX KPIs for the financial year 2023 were calculated in accordance with the requirements and definitions in Annex I of Delegated Regulation 2021/2178¹⁹ and the Environmental Delegated Act²⁰, which includes amendments to the disclosure requirements.

Each eligible business activity of the A1 Group is allocated to the corresponding economic activity of the EU 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, relevant CAPEX and OPEX were allocated only to the predominant activity ("Majority Principle").

To prepare 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 eliminated with the help of the SAP SEM-BCS consolidation tool. This assured that double counting was avoided

19) [Delegated Regulation \(EU\) 2021/2178](#)

20) [Delegated Regulation \(EU\) 2023/2486](#)

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 mEUR	2023	2022
Service revenues	4,347.8	4,163.8
Total equipment revenues	811.5	752.2
Total revenue	5,159.2	4,916.0

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 for the reporting year 2023. The figures for the previous year are adjusted accordingly.

Capital expenditures in mEUR	2023	2022
Intangibles (Note 16)	305.2	178.8
Property, plant, and equipment including asset retirement obligations (Note 15)	806.6	773.7
Right-of-use assets in accordance with IFRS 16 (Note 30)	415.8	128.3
Total additions	1,527.6	1,080.8

OPEX KPI: Total OPEX (denominator) as defined by EU Taxonomy includes only very limited share of operating expenditures. These include expenses related to research and development, building renovation, short-term leases, and maintenance and repair. Since the A1 Group does not engage in any significant research and development projects and almost all 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 OPEX KPI.

Respective KPIs of the taxonomy-eligible, taxonomy-aligned and non-taxonomy-eligible economic activities of A1 Group, shown as share of A1 Group total turnover, CAPEX and OPEX, are presented in the following templates in the updated version (see Annex II of Delegated Regulation 2023/2486²¹).

21) [Delegated Regulation \(EU\) 2023/2486](#)

Template 1: Proportion of Turnover from products or services associated with Taxonomy-aligned economic activities – disclosure covering year 2023

Financial year 2023	Year 2023	Substantial contribution criteria										Proportion of Turnover year 2023 % (4)	Year 2023 Turnover mEUR (3)	CODE(s) (2)	Economic activities (1)	Category enabling activity (19) E	Category transitional activity (20) T		
		Climate Change Mitigation (5) (a)(b)	Climate Change Adaptation (6) (a)(b)	Water (7) (a)(b)	Pollution (8) (a)(b)	Circular Economy (9) (a)(b)	Biodiversity (10) (a)(b)	Climate Change Mitigation (11) Y/N	Climate Change Adaptation (12) Y/N	Water (13) Y/N	Pollution (14) Y/N							Circular Economy (15) Y/N	Biodiversity (16) Y/N
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%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-	-
	0.0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	E	-
	0.0	0.0%	0.0%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	-	-
A.2. Taxonomy-eligible, but not environmentally sustainable activities (not Taxonomy-aligned)																			
	CCM 8.1 / CCA 8.1	64.8	1.3%	EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL		1.1%
	CCM 8.2	38.0	0.7%	EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL		0.7%
	CE 4.1	1.7	0.0%	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL		n/a
	CE 5.4	1.7	0.0%	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL		n/a
	CE 5.5	31.8	0.6%	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL		n/a
	Turnover of Taxonomy-eligible, but not environmentally sustainable activities (not taxonomy-aligned) (A.2.)	138.0	2.7%	74.5%	0.0%	0.0%	0.0%	0.0%	25.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		1.9%
	Turnover of Taxonomy-eligible activities (A.1. + A.2.)	138.0	2.7%	74.5%	0.0%	0.0%	0.0%	0.0%	25.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%		1.9%
B. Taxonomy-non-eligible activities																			
	Turnover of Taxonomy non-eligible activities (B)	5,021.2	97.3%																
	TOTAL Turnover	5,159.2	100.0%																

(*) 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;
 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 2023

Financial year 2023	Year 2023		Substantial contribution criteria							DNSH criteria („Does Not Significantly Harm“)							Minimum safeguards	Proportion of Taxonomy-aligned (A.1.) or -eligible (A.2.) CAPEX, year 2022	Category enabling activity (19) E	Category transitional activity (20) T
	CODE (s)	CAPEX mEUR (3)	Proportion of CAPEX % (4)	Climate Change Mitigation (5) (a) (b)	Climate Change Adaptation (6) (a) (b)	Water (7) (a) (b)	Pollution (8) (a) (b)	Circular Economy (9) (a) (b)	Biodiversity (10) (a) (b)	Climate Change Mitigation (11) Y/N	Climate Change Adaptation (12) Y/N	Water (13) Y/N	Pollution (14) Y/N	Circular Economy (15) Y/N	Biodiversity (16) Y/N	(17) Y/N				
A. Taxonomy-eligible activities																				
A.1. Environmentally sustainable activities (Taxonomy-aligned)																				
CAPEX of environmentally sustainable activities (taxonomy-aligned) (A.1.)																				
		0.0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	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%	N	N	N	N	N	N	0.0%	E	-	
	Of which Transitional	0.0	0.0%	0.0%	n/a	n/a	n/a	n/a	n/a	n/a	N	N	N	N	N	N	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	CCM 6.5 / CCA 6.5	12.9	0.8%	EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	0.9%			
7.2.	Renovation of existing buildings	CCM 7.2 / CCA 7.2 / CE3.2	2.0	0.1%	EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	0.2%			
7.3.	Installation, maintenance and repair of energy efficiency equipment	CCM 7.3 / CCA 7.3	11.5	0.8%	EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	0.5%			
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	0.5	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/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	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	0.0%			
7.6.	Installation, maintenance and repair of renewable energy technologies	CCM 7.6 / CCA 7.6	7.0	0.5%	EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	0.7%			
8.1.	Data processing, hosting and related activities	CCM 8.1 / CCA 8.1	26.3	1.7%	EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	3.4%			
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	N/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	CE5.5	16.3	1.1%	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	n/a			
CAPEX of Taxonomy-eligible, but not environmentally sustainable activities (not Taxonomy-aligned) (A.2.)			76.6	5.0%	78.8%	0.0%	0.0%	0.0%	0.0%	0.0%	21.2%	0.0%	0.0%	0.0%	0.0%	0.0%	5.7%			
CAPEX of Taxonomy-eligible activities (A.1. + A.2.)			76.6	5.0%	78.8%	0.0%	0.0%	0.0%	0.0%	0.0%	21.2%	0.0%	0.0%	0.0%	0.0%	0.0%	5.7%			
B. Taxonomy-non-eligible activities																				
CAPEX of Taxonomy non-eligible activities (B)			1,451.0	95.0%																
TOTAL CAPEX			1,527.6	100.0%																

(*) 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;
Section A.2.:
EL – Taxonomy-eligible activity for the relevant objective;
N/EL – Taxonomy-non-eligible activity for the relevant objective

Template 3: Proportion of OPEX from products or services associated with Taxonomy-aligned economic activities – disclosure covering year 2023

Financial year 2023	Year 2023	Substantial contribution criteria										Proportion of OPEX, year 2023 %	DNSH criteria („Does Not Significantly Harm“)					Proportion of Taxonomy-aligned (A.1.) OPEX, year 2022 %	Category enabling activity (19) E	Category transitional activity (20) T	
		Climate Change Mitigation (5) (e) (f)	Climate Change Adaptation (6) (e) (f)	Water (7) (e) (f)	Pollution (8) (e) (f)	Circular Economy (9) (e) (f)	Biodiversity (10) (e) (f)	Climate Change Mitigation (11) Y/N	Climate Change Adaptation (12) Y/N	Water (13) Y/N	Pollution (14) Y/N		Circular Economy (15) Y/N	Biodiversity (16) Y/N	Minimum safeguards (17) Y/N						
Code(s)	OPEX mEUR	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)		
A. Taxonomy-eligible activities																					
A.1. Environmentally sustainable activities (Taxonomy-aligned)																					
OPEX of environmentally sustainable activities (Taxonomy-aligned) (A.1.)																					
	Of which Enabling	0.0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	N	N	N	0.0%	-	-
	Of which Transitional	0.0	0.0%	0.0%	0.0%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	N	N	N	0.0%	E	-
		0.0	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	N	N	N	0.0%	-	T

A.2. Taxonomy-eligible, but not environmentally sustainable activities (not Taxonomy-aligned)

6.5. Transport by motorcycles, passenger cars and light commercial vehicles (e)	CCM 6.5 / CCA 6.5	0.0	0.0%	EL	N/EL	N	N	N	0.0%	0.0%	0.0%										
7.2. Renovation of existing buildings (e)	CCM 7.2 / CCA 7.2 / CE 3.2	0.0	0.0%	EL	N/EL	N	N	N	0.0%	0.0%	0.0%										
7.3. Installation, maintenance and repair of energy efficiency equipment (e)	CCM 7.3 / CCA 7.3	0.0	0.0%	EL	N/EL	N	N	N	0.0%	0.0%	0.0%										
7.4. Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings) (e)	CCM 7.4 / CCA 7.4	0.0	0.0%	EL	N/EL	N	N	N	0.0%	0.0%	0.0%										
7.5. Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings (e)	CCM 7.5 / CCA 7.5	0.0	0.0%	EL	N/EL	N	N	N	0.0%	0.0%	0.0%										
7.6. Installation, maintenance and repair of renewable energy technologies (e)	CCM 7.6 / CCA 7.6	0.0	0.0%	EL	N/EL	N	N	N	n/a	n/a	n/a										
8.1. Data processing, hosting and related activities	CCM 8.1 / CCA 8.1	5.8	3.1%	EL	N/EL	N	N	N	5.5%	5.5%	5.5%										
8.2. Data-driven solutions for GHG emissions reductions	CCM 8.2	0.3	0.2%	EL	N/EL	N	N	N	0.0%	0.0%	0.0%										
5.5. Product-as-a-service and other circular use- and result-oriented service models (e)	CE 5.5	0.0	0.0%	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL	N	N	N	n/a	n/a	n/a
OPEX of Taxonomy-eligible, but not environmentally sustainable activities (not Taxonomy-aligned) (A.2.)		6.1	3.3%	99.8%	0.0%	N	N	N	8.9%	8.9%	8.9%										
OPEX of Taxonomy-eligible activities (A.1. + A.2.)		6.1	3.3%	99.8%	0.0%	0.2%	0.0%	N	N	N	8.9%	8.9%	8.9%								

B. Taxonomy-non-eligible activities

OPEX of Taxonomy non-eligible activities (B)		179.7	96.7%																		
TOTAL OPEX		185.8	100.0%																		

(e) 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;
 Section A.2.:
 EL – Taxonomy-eligible activity for the relevant objective;
 N/EL – Taxonomy-non-eligible activity for the relevant objective
 (f) Based on materiality approach, OPEX determined as not-material for A1 Group business model is disclosed as zero in the template
 (g) Values of 0.0 shown in the table result from amounts lower than 50,000 EUR

Following tables, corresponding to Annex II of Delegated Regulation 2023/2486, show the taxonomy-eligible and taxonomy-aligned share of turnover/CAPEX/OPEX 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	0.00%	74.50%	CCM	0.00%	78.80%	CCM	0.00%	99.80%
CCA	0.00%	0.00%	CCA	0.00%	0.00%	CCA	0.00%	0.00%
WTR	0.00%	0.00%	WTR	0.00%	0.00%	WTR	0.00%	0.00%
CE	0.00%	25.50%	CE	0.00%	21.20%	CE	0.00%	0.20%
PPC	0.00%	0.00%	PPC	0.00%	0.00%	PPC	0.00%	0.00%
BIO	0.00%	0.00%	BIO	0.00%	0.00%	BIO	0.00%	0.00%

Report about the Independent Assurance of Telekom Austria AG's "Consolidated non-financial Report" 2023

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

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 the consolidated non-financial Report 2023 of Telekom Austria Aktiengesellschaft (hereafter "Telekom").

The limited assurance engagement covers the consolidated non-financial Report 2023 in accordance with § 267a of the Austrian Commercial Code (NaDiVeG) and the requirements of Article 8 of the EU-Taxonomy Regulation and of the GHG emissions 2023 in accordance with the GHG Protocol of A1 Group.

Responsibilities of the Legal Representatives

Telekom Austria AG's legal representatives are responsible for the proper compilation of the "Consolidated non-financial Report" 2023 in accordance with the requirements of the § 267a¹ UGB, the information according to the EU Taxonomy regulation² and of the published GHG emissions in accordance with the requirements of the GHG Protocol³.

The legal representatives have signed the Letter of Representation, which we have added to our files.

1) <https://www.ris.bka.gv.at/Dokumente/Bundesnormen/NOR40189009/NOR40189009.pdf>

2) <https://eur-lex.europa.eu/eli/reg/2020/852/>

3) <https://ghgprotocol.org/>

Responsibilities of the Assurance Providers

Based on our assurance procedures deemed necessary and our evidence we have obtained, it is our responsibility to assess whether any matters have come to our attention that cause us to believe, that in all material matters the "Consolidated non-financial Report" 2023 according to the defined scope of our assurance is not in accordance with the requirements of the § 267a UGB and the EU Taxonomy regulation.

Furthermore, based on our assurance procedures deemed necessary and our evidence we have obtained, it is our responsibility to assess whether any matters have come to our attention that cause us to believe, that in all material matters the published GHG emissions 2023 according to the defined scope of our assurance are not in accordance with the requirements of the GHG Protocol.

Our assurance engagement has been conducted in accordance with the "International Federation of Accountants' ISAE 3000 (Revised)" Standards.

Our professional duties include requirements in relation to our independence as well as planning our assurance engagement based on the materiality considerations in order to allow us to obtain a limited level of assurance.

According to the "General Conditions of Contract for the Public Accounting Professions" our liability is limited. An accountant is only liable for violating intentionally or by gross negligence the contractual duties and obligations entered. In cases of gross negligence, the maximum liability towards the client and any third party together is EUR 726,730 in the aggregate.

Our procedures have been designed to obtain a limited level of assurance on which to base our conclusions. The extent of evidence gathering procedures performed is less than for that of a reasonable assurance engagement (such as a financial audit) and therefore a lower level of assurance is provided.

We have performed all the procedures deemed necessary to obtain the evidence that is sufficient and appropriate to provide a basis for our conclusions. Our main procedures were:

- ▶ Obtain an overview over the industry as well as the operational and organizational structure of the organization;
- ▶ Interview a selection of senior managers and executives to understand systems, processes and internal control procedures related to the content of the Sustainability Reporting assured, which support the data collection;
- ▶ Review relevant group level, board and executive documents to assess awareness and priority of issues in the Sustainability Reporting and to understand how progress is tracked and internal controls are implemented;
- ▶ Examine risk management and governance processes related to sustainability and critical evaluation of the disclosure in the Sustainability Reporting;
- ▶ Perform analytical procedures at group level;
- ▶ Review data and processes on a sample basis according to the defined scope of our assurance to assess whether they have been collected, consolidated and reported appropriately at group level. This included obtaining an opinion whether the data had been reported in an accurate, reliable and complete manner;
- ▶ Review the coverage of material issues which have been raised in stakeholder dialogues, in media reports and environmental and social reports of peers;
- ▶ Sample-based review of Scope 1, Scope 2 and Scope 3 GHG emissions, recycling of units and employee training hours. This includes an assessment of whether the data is reported in an accurate, reliable and complete manner;
- ▶ At site level, only statements and data for Austria were assessed. No assessment of the data and statements was carried out for other sites abroad – except for the assessment of the information published in the "Consolidated non-financial report" 2023 in accordance with the EU Taxonomy Regulation, Scope 1, Scope 2 and Scope 3 GHG emissions, recycling of units, employee training hours and the key figures in accordance with Article 8 of the EU Taxonomy Regulation. The assurance engagement for these key figures covered the entire A1 Group;
- ▶ Evaluate the materiality assessment, including sector specific megatrends;
- ▶ Assessment whether the Requirements according to § 267a UGB have been adequately addressed,
- ▶ Assessment whether the Requirements according to the EU Taxonomy regulation have been adequately addressed.

The objective of our engagement was neither a financial audit nor a financial audit review of past-oriented financial information. We did not perform any further assurance procedures on data, which were subject of the annual financial audit, the corporate governance report and the risk reporting. We merely checked this data was presented in accordance with the Standards. Neither the detection and investigation of criminal offenses, such as embezzlement or other fraudulent actions, nor the assessment of effectiveness and efficiency of management were subject to our engagement. We did not test data derived from external surveys.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Conclusion

Based on our assurance procedures and our evidence we have obtained no matters have come to our attention that cause us to believe that in all material matters the "Consolidated non-financial Report" 2023 according to the defined scope of our assurance is not in accordance with the requirements of the § 267a UGB (NaDiVeG) and the EU Taxonomy regulation.

Furthermore, based on our assurance procedures and our evidence we have obtained no matters have come to our attention that cause us to believe that in all material matters the published GHG emissions 2023 according to the defined scope of our assurance are not in accordance with the requirements of the GHG Protocol.

Restriction on use

As our report is prepared exclusively on behalf of and in the interests of the client, 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. Accordingly, this report may not be passed on to third parties, either in whole or in part, without our express consent.

Terms of Engagement

We submit this report based on our assurance engagement for which, also regarding third parties, the "General Conditions of Contract for the Public Accounting Professions", are binding.

Vienna, 2. February 2024
Ernst & Young Wirtschaftsprüfungsgesellschaft m.b.H.

Severin Eisl

ppa. Susanna Gross



www.A1.group