O_2

ESG Report 2021

ESG Report 2021 Content

1. Message from CEO

Ladies and gentlemen, dear friends

At O2, we have been publishing a report on our non-financial activities since 2017. This is not just a regulatory obligation, it is about being as transparent as possible to our customers, investors, and the professional community, providing as much information as possible about the impact our business has on society and how we are continuing our long-term strategy of sustainable business.

Because we are always trying to move forward, the non-financial activities report you are reading now looks different for this year than before – it is more comprehensive, differently structured, and more detailed. We have upgraded its content according to recognized GRI 2021 reporting framework to match the standards of ESG reporting, as does our parent company, PPF Telecom Group.

In addition, in this report we would like to introduce our new ESG strategy for the coming years, which has been adopted by our entire telecommunications group. Among other things, this Report tells you what measures we are taking and will take to reduce our carbon footprint. Other news includes a detailed look at the structure of our workforce and the number of fellow citizens we have trained in internet security through our O2 Smart School Foundation programme.

As we entered 2021, we all hoped that this would be the year when the virus would subside, and we could breathe easy and return to our former ways.

We hoped that after a year of providing connectivity to distance learning for children from disadvantaged families and helping schools implement tools to enable it, we would be able to direct all of our help and support in the non-profit sector back into the area of online safety prevention and media literacy. However, the summer months and events at the end of the year have shown us that we could not have been more wrong. When Covid subsided, the tornado in South Moravia arrived. And when the shock of the possibility that such a disaster could befall us had worn off, the stage was set for a potentially far worse disaster - a tragic war in Ukraine. Both of these events moved us deeply, and both events, albeit one only at the beginning of the following year, raised a huge wave of solidarity among our employees, which we as a company supported - financially, in kind and with pro-bono services. I sincerely hope that similar help will never be needed again.

We have mapped our entire carbon footprint and are preparing strategies to reduce emissions across our operations – we have publicly committed to set near-term company-wide emission reductions in line with climate science with the Science Based Targets initiative (SBTi) through PPF Telecom Group. We will use the next 12–24 months to prepare a comprehensive programme for reducing our GHG emissions in line with climate science. To be more transparent about our efforts and to benchmark and track our progress, we have also started reporting through the CDP global disclosure system.

In addition to publishing this ESG Report and continuing its ongoing CSR activities, O2 will prepare a greenhouse gas (GHG) reduction plan during 2023 to subsequently sign up to the Science Based Targets (SBTi) initiative, which maps companies' approach to sustainable business globally and monitors compliance with the GHG reduction targets under the Paris Agreement to reduce global warming.

Dear friends, as much as I see our Company moving forward with great strides in sustainability, it is clear to me that we are only at the beginning of a very long journey, given the ever-emerging legislation and geopolitical situation that is fundamentally changing the way we look at energy, for example. However, it is an inspiring and instructive journey.

I wish you a pleasant reading.

Jindřich Fremuth

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2. About O2

Organisational Details

O2 is a leading telecommunications provider on the Czech market, providing voice, internet and data services to customers ranging from households to small and medium-sized businesses to large corporations. O2 is always striving to bring cutting-edge technologies: it is currently building a fifth-generation (5G) network and is the first provider on the Czech market to launch it into the real environment. O2 is at the same time the largest home and business internet provider, offering it to 99% of addresses and providing in-house developed O2 Smart Box modem for fixed connections. With its O2 TV service, it is the largest internet TV provider in the Czech Republic. O2 is also one important player in hosting and cloud services, as well as in managed services and ICT. As trends in the telecommunications industry are changing significantly, the Company is also focusing on developing and offering non-traditional telecommunications services, mostly of a financial nature such as device and mobile travel insurance.

O2 Czech Republic, a. s., is the parent company of several companies owned directly or through other members of the **O2 Group** (hereinafter **The Group**). The following companies are among the significant subsidiaries in which it directly holds a 100% stake and with which it forms a group within the meaning of Section 79 et seq. of the Business Corporations Act (O2 Czech Republic a.s., is the controlling entity):

Based in the Czech Republic (with HQ in Praha 4-Michle, Za Brumlovkou 266/2)

*   O2 Czech Republic a.s.[1]

*   O2 Family, s.r.o.

*   O2 TV s.r.o.

*   O2 IT Services s.r.o.

*   Bolt Start Up Development a.s.[2]

*   O2 Financial Services s.r.o.

*   mluvii.com s.r.o.

*   Smart home security s.r.o.[*]

*   INTENS Corporation s.r.o.

Based in Slovakia (with HQ in Bratislava, Einsteinova 24):

*   O2 Slovakia, s.r.o.[3]

*   O2 Business Services, a. s. – owned through its subsidiary O2 Slovakia, s.r.o.

The Group consists of O2 Czech Republic a.s., the above-mentioned subsidiaries belonging to the O2 Czech Republic Group, the subsidiary Emeldi Technologies, s. r. o., and subsidiaries owned through, Bolt Start Up Development a.s., namely mluvii.com, s. r. o., Smart home security s.r.o. and INTENS Corporation s.r.o.

O2 Czech Republic a.s., hereby issues an ESG Report for the calendar year 2021, covering non-financial data of all entities mentioned above. The consolidation of the quantitative indicators was performed for all entities unless otherwise specified at the particular indicator.

As we adopted a more accurate methodology on carbon footprint calculation that is more aligned with GRI Standards 2021 and GHG Protocol Corporate Standard, we restated the following type of information disclosed in 2020 to allow comparability with historic data:

*   2020 and 2019 Scope 1 and 2 emissions,

*   2020 waste data.

The details on recalculations are disclosed in the relevant sections.

[1] hereinafter referred as "O2 CZ"
[2] start-up fund, no employees
[*] Known as O2 CRM Services s.r.o. (since 1st November 2022)
[3] hereinafter referred as "O2 SK"

Our Mission:
**We bring technologies
that improve people's everyday lives.**

Business Model

Technology is changing rapidly, and we want to be able to offer our customers the latest and greatest. We believe this is the way to succeed in our dynamic competitive environment.

Our business model is based on benefiting individuals and society as a whole.

Together with the resources from our supply chain, infrastructure and energy, our employees following our 4 principles and cutting-edge technologies we bring solutions and enable the use of digital communication technologies to the entire population. Our customers range from the general public to small- and medium-sized businesses to large corporations and public administrations. We offer and sell terminal equipment and accessories, lease data centres, provide customised ICT solutions, and with our O₂ TV service we are also the largest operator of Internet TV broadcasting in the Czech Republic.

Details of our business activities, including information on products and services, financial and operating performance, can be found in our Annual Reports.

Our Value Chain:

Society
(bringing positive value)

Resources

O₂

Customers

Infrastructure
(CETIN)

Other business
partners

Hardware
& Software

Energy

Employees

Innovative and resilient
mindset

Achieve feedback,
effective communication

Economically
responsible behavior

Appreciation of success
& positive attitude

**Households
and businesses**

Fixed and mobile
network services

Internet
& TV services

Hosting, cloud,
managed services & ICT

Advanced
technologies

5G

Markets Served

Basic Operating Indicators:

99.7%
of population covered

4,038
employees

7.9 million
of active services

765
employees

99.3%
of population covered

O2 CZ

O2 SK*

167
brand stores

84
of sales points

2.2 million
customers
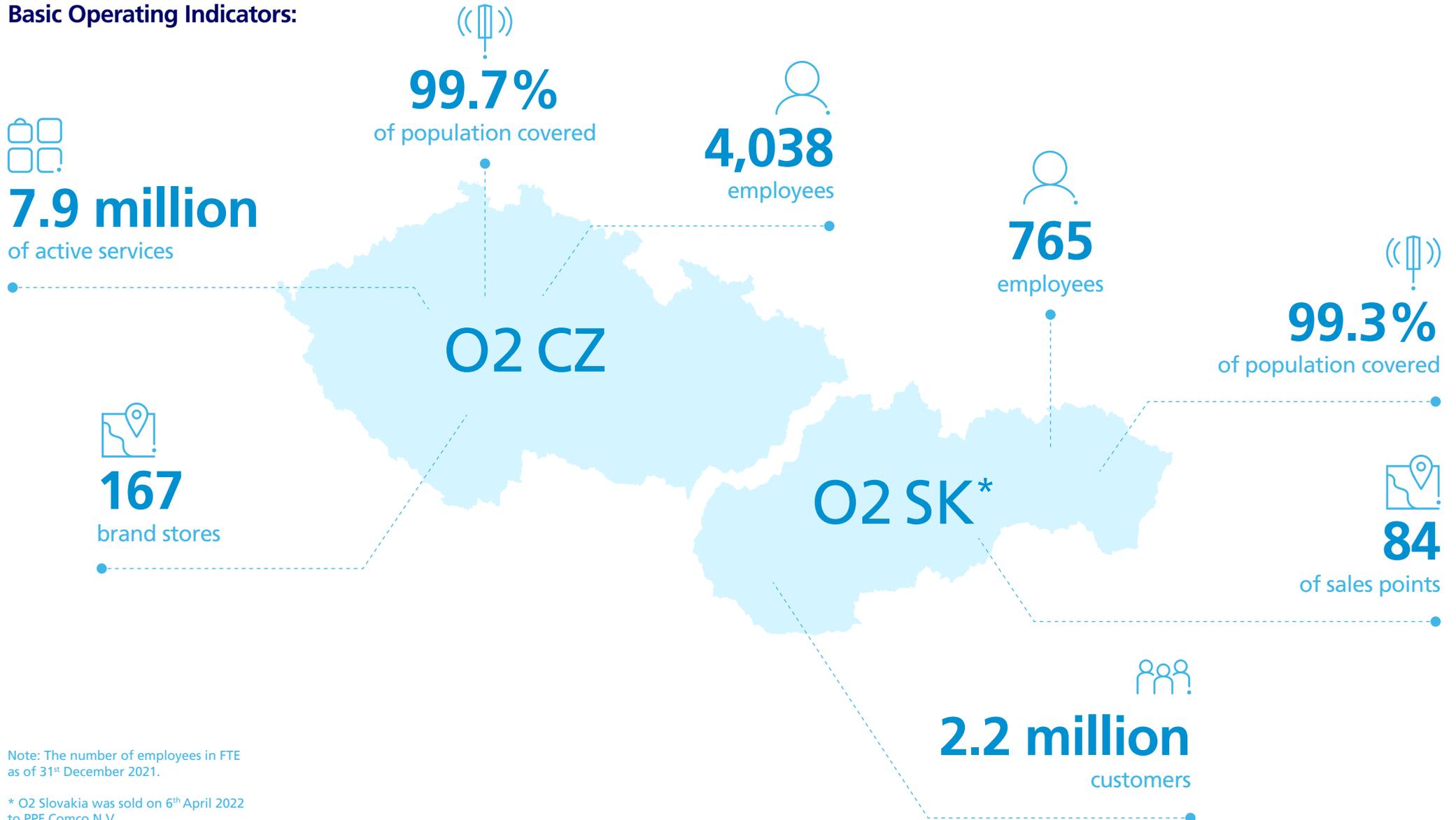
Note: The number of employees in FTE
as of 31st December 2021.

* O2 Slovakia was sold on 6th April 2022
to PPF Comco N.V.

Our Journey

1991

Company

- SPT Telecom is established
- Eurotel's first cellular mobile network
- 12. 9. 1991 – The first Czechoslovak telephone call in the mobile network took place on 12 September 1991 in a live transmission between Bratislava and Prague

Mobile Network

- 12. 9. 1991 – **The first mobile NMT network**
- The phone costs CZK 60,000
- Activation CZK 10,000
- Monthly flat rate CZK 8,290
- 1,000 free minutes
- Average salary at the time CZK 3,792 (gross)

1994

Mobile Network

- IBM's first smartphone named Simon weighed over a pound
- Eurotel Praha started using metering cars to check network quality and coverage

1995

We are helping

- We are the first company in the country to partner with a non-profit organisation. Thanks to this, the Safety Line is still able to help children in need

1996

We are helping

- The beginning of the use of SIM cards

Mobile Network

- 1. 6. 1996 – **The GSM network is coming – True mobility**
- (Pegas and Oskar come three and four months later, respectively)

Mobile

- Nokia's popular ringtone https://www.youtube.com/watch?v=QgjVxFcBO0c rings 20,000 times per second every day, all over the world

1997

We are helping

- Starting the GO pre-paid mobile service

Our Journey

1999

Mobile
- WAP Mobile internet

2001

Mobile
- Eurotel GSM banking

2002

Mobile
- First mobile phone with colour display – Ericsson T68
- MMS
- Wi-Fi
- The last analogue exchange was switched off in June 2002. It was the exchange at Bílá Hora

We are helping
- Establishment of the Eurotel Foundation

2003

We are helping
- We take it seriously – we joined the Donors Forum. We are still a member of the Association of Corporate Foundations and Endowments today

2004

Internet
- The first unlimited internet in the Czech Republic for CZK 1,000

We are helping
- We launch the very first DMS – Donor SMS. Thanks to them, you can simply contribute to a good cause by sending a single SMS

2005

Mobile Network
- **The era of mobile data begins with the arrival of 3G networks**
- The first MMS, images
- Video calls
- Mobile data

2006

Mobile Network
- ADSL fixed service platform – the end of dial-up https://www.youtube.com/watch?v=gsNaR6FRuO0
- Launch of O₂ TV

We are helping
- Our foundation with a new owner gets a new name – O₂ Foundation

2007

We are helping
- We're the first operator to offer cheaper landlines and mobile networks to people with disabilities

2008

We are helping
- ADSL 8 Mbit service gets a boost with previously unprovided speeds of 16 Mbit
- We are setting up a Blind and Deaf Line to help people with hearing and visual impairments stay connected to the world

2009

We are helping
- We connect the youngest and oldest generations. We support the Senior Line, where the elderly and their loved ones can call for free

Our Journey

2010

We are helping

- Together, we are raising an incredible CZK 2,540,216 for emergency aid for the victims of the earthquake in Haiti and the floods in the Czech Republic

2011

We are helping

- We are joining Telefónica's Think Big programme. Through it, young people across Europe are putting their ideas for a better and friendlier world into action right in their own communities

2012

Mobile Network

- 1. 6. 2012 – We are launching a revolutionary 4G LTE network
- O₂ Guru has been helping people in branded stores since April 2012, and online for a year longer

2013

Company

- PPF changes ownership

2015

Company

- 1. 6. 2015 – 2 worlds: the Company splits into O2 (operator) and CETIN (infrastructure) online for a year longer

We are helping

- SmartUp – a new separate programme of the O₂ Foundation for young people who have an original idea to change their environment for the better

2020

We are helping

- Launch of Dataclair.ai, a research and development centre for artificial intelligence
- Helping in the pandemic – offering free unlimited data to all our customers
- The RE:START package – we support business owners and self-employed people in getting off the ground after the crisis
- We are giving away to businesses advertising worth a million crowns (www.davamemilion.cz)
- We help schools with distance learning and children from disadvantaged backgrounds to get online
- A very successful feature-length documentary film CAUGHT IN THE NET, for which we were a catalyst, comes to cinemas

2021

We are helping

- We introduced HALF SIM cards that will reduce 3 tons of plastic waste per year (January)
- We launched a new O₂ Smart Box – Smart home internet centre (April)
- Roll out of a new 5G network based on Ericsson technologies (June)
- O2 unveils the bezpecnevsiti.cz website (Safe on the internet), helping families to protect their children online (October)

2017

We are helping

- We are starting an ongoing project which reminds all of us that freedom is not a given: (www.svobodanenisamozrejmost.cz)

2018

We are helping

- O₂ SOS (https://www.o2.cz/firmy-a-organizace/o2-sos) – a mobile application helping to save lives is already available free of charge in 7 regions of the Czech Republic

2019

We are helping

- Launching a 5G network in a real environment for the first time
- Unlimited data with new NEO tariffs
- We are launching the project O₂ Smart School: www.o2chytraskola.cz, a portal for teachers and parents and a grant scheme for elementary schools, all aimed to develop digital competences

Approach to Tax

Our tax processes are managed by the Tax department and are part of the tax system of the Czech Republic and Slovakia. Our relationship with tax authorities is based on the principles of mutual trust, understanding and transparency All our business activities are aligned with tax laws in the Czech and Slovak jurisdictions.

Direct Economic Value Generated and Distributed (CZK millions)

Direct economic value generated   **41,376**   **(in revenues)**

Direct economic value distributed   **-28,032**   **(operating costs)**

-3,412   **(employee wages and benefits)**

-6,621   **(payments to provider of capital)**

-3,303   **(payments to Government)**

-5   **(community investments)**

Economic value retained   **3**   **(direct economic value generated – direct economic value distributed)**

3. ESG in O2

esg

Technology is fundamentally changing the world. As stated in our mission, we bring technology that improves people's everyday lives, and we believe that sustainability and digital transformation go hand in hand.

We embrace the opportunities of sustainable digital transformation to bring prosperity to our communities and shape the future.

ESG Pillars

We strive to build our business activities on ESG pillars, that are based on our new O₂ Sustainability Strategy and reflect our material topics.

e s g
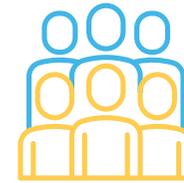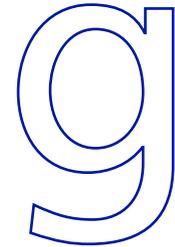
Social

Environment

Reducing our environmental impact

- Carbon footprint & energy
- Waste & circular economy

Putting people at the centre of everything we do – employees, customers, community

- Employment & working conditions
- Diversity and non-discrimination
- Health, safety and healthy lifestyle
- Employee training and education
- Helping society – charitable initiatives and social investment

&

Accelerating technology for a sustainable future

- Helping society – services and products
- Focus on social and environmental challenges

Governance

Acting with integrity and transparency

- Company governance and policies
- Ethics and compliance
- Supply chain management
- Customer privacy & cybersecurity
- Network deployment, product & service quality

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UN Sustainable Development Goals (SDGs) Overview

We identified the following SDGs as being relevant to our operations:

Goal 3: Good Health:
,,Ensure healthy lives and promote well-being at all ages"

Goal 4: Quality Education:
,,Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all"

Goal 5: Gender Equality:
,,Achieve gender equality and empower all women and girls"

Goal 7: Affordable and Clean Energy:
,,Ensure access to affordable, reliable, sustainable and modern energy for all"

Goal 8: Decent Work and Economic Growth:
,,Promote sustained, inclusive, and sustainable economic growth, full and productive employment, and decent work for all"

Goal 9: Industry Innovation and Infrastructure:
,,Innovation and technological progress as key to finding lasting solutions to both economic and environmental challenges"

Goal 10: Reduced Inequalities:
,,Reduce inequality within and among countries"

Goal 11: Sustainable Cities and Communities:
,,Sustainable cities and communities – Make cities and human settlements inclusive, safe, resilient and sustainable"

Goal 12: Responsible Consumption and Production:
,,Ensure sustainable consumption and production patterns"

Goal 13: Climate Action:
,,Take urgent actions to combat climate change and its impacts"

Goal 16: Peace and Justice:
,,Promote peaceful and inclusive societies for sustainable development, provide access to justice for all, and build effective, accountable, and inclusive institutions at all levels"

Goal 17: Partnership for the Goals:
"Strengthen the means of implementation and revitalise the global partnership for sustainable development"

Material topic name/ UN SDGs contribution	3 GOOD HEALTH AND WELL-BEING	4 QUALITY EDUCATION	5 GENDER EQUALITY	7 AFFORDABLE AND CLEAN ENERGY	8 DECENT WORK AND ECONOMIC GROWTH	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	10 REDUCED INEQUALITIES	11 SUSTAINABLE CITIES AND COMMUNITIES	12 RESPONSIBLE CONSUMPTION AND PRODUCTION	13 CLIMATE ACTION	15 LIFE ON LAND	16 PEACE, JUSTICE AND STRONG INSTITUTIONS	17 PARTNERSHIPS FOR THE GOALS
Carbon footprint and energy				✓						✓			
Waste and circular economy									✓				
Direct and indirect economic value					✓								
Technology helps	✓						✓						
Cybersecurity and customer privacy		✓											
Network deployment product & service quality						✓		✓					
Charitable initiatives and social investment	✓	✓									✓	✓	
Employment & working conditions			✓		✓		✓						
Employee training and development		✓											
Health, safety and healthy lifestyle	✓												
Diversity and non-discrimination			✓				✓						
Corporate governance, policies business ethics and compliance												✓	
Supply chain management					✓				✓				✓

ESG Strategy

We believe that we must strategically manage ESG issues that are relevant to our business and thereby make a significant contribution to creating a sustainable future for our stakeholders and society. During 2021 we combined our forces across the whole PPF Telecom Group to develop the robust ESG strategy for short-, middle-, and long-term horizons. The main strategic pillars are:

1.

Reduction of our environmental footprint

2.

Putting people at the centre of everything we do

3.

Acceleration of technology for a sustainable future

4.

Acting with integrity and transparency

The group strategy serves as a foundation for our O_2 Sustainability Strategy that is going to be adopted throughout all O2 operations.

We developed the scheme showing our aspirations, objectives, and planned actions within O_2 Sustainability Strategy:

O_2 Mission
We bring technologies that improve people's everyday lives.

O_2 Sustainability Strategy*
We act with an emphasis on sustainability, meaningfulness, personal responsibility and fairness.
In our work, we **THINK** about nature, people, communities and act ethically and transparently at all times.

We think of nature	We think of people	We think about technology for good	We think fair
OUR GOALS:	**OUR GOALS:**	**OUR GOALS:**	**OUR GOALS:**
Progressively reduce GHG emissions by 50% in 2030 and achieve carbon neutrality in 2050	Develop talents and educate employees	Ensure access to reliable internet for households	Establish proper ESG oversight, including transparent communication of progress towards our ESG strategy objectives
Reduce the amount of waste we generate	Improve employee satisfaction	Achieve 5G network coverage for 99.5% of the population by 2030	Continue our zero-tolerance approach to corruption and conflicts of interest
Promote a circular economy	Increase the representation of women in leadership positions	Deliver IoT solutions to better manage energies and waste	Purchase responsibly from verified suppliers who honor sustainability rules
ACTIVITIES:	Emphasize employee safety	Provide cybersecurity to customers	**ACTIVITIES:**
We will set the SBTi target (Scope 1, 2 and 3) by 2024 at the latest**	Increase customer satisfaction	Develop digital literacy	We set up ESG oversight, including an ESG committee
We reduce emissions in Scope 1 and 2	Support community activities and projects	**ACTIVITIES:**	We will train all management and at least half of all employees on ESG strategy by the end of 2023
We introduce environmentally friendly tariffs	**ACTIVITIES:**	We are deploying best in class 5G network and optical networks	We regularly train our employees on anti-corruption rules
We will continue to support projects that reduce carbon footprint – www.sazejstromy.cz	We will expand educational activities and work on talent development – „O_2 Heroes" program	We bring affordable 5G hardware	We will adhere to and actively communicate our Code of Conduct
We will recycle/reuse/collect e-waste	We conduct employee satisfaction surveys	We are developing commercial private 5G network solutions	We have a process for reporting suspected violations of the rules and code, called „whistleblowing"
We go digital – launch of a paperless project	We create an inclusive environment, promote diversity and ensure equal opportunities for all	We will deliver internet security solutions to at least 20% of tariff customers by 2025	We will develop new rules and processes for the supply chain
	We will continue to review and improve measures to reduce workplace accidents	We offer cyber security solutions to enterprise customers	
	We measure customer satisfaction and take feedback into account	We will continue to develop O_2 Foundation's projects O_2 Smart School and Safely in the Network	
	We support the O_2 Foundation's educational and awareness projects and helplines		

* ESG Strategy adopted in 2022

** PPF Telecom Group has publicly committed to setting GHG emission reduction targets aligned with the Science Based Targets initiative's target-setting criteria. The group will use the next 12–24 months to prepare a comprehensive programme to enable us to reduce GHG emissions.

On this basis, more detailed plans and activities will be progressively introduced. The planned high-level intention is captured on the following timeline and could be updated in the future based on the progress:

2022

- ESG Strategy
- Publicly committed to SBTi*

2023

- Planning period

2024

- SBTi target set*
- ESG Plan execution (ongoing)

2025–2029

- Execution of SBTi & Strategic Plans
- 1st Audited ESG Report

2030

- 50% CO_2 reduction

2050

- CO_2 Neutrality

* PPF Telecom Group has publicly committed to setting GHG emission reduction targets aligned with the Science Based Targets initiative's target-setting criteria. The group will use the next 12–24 months to prepare a comprehensive programme to enable us to reduce GHG emissions.

Stakeholder Engagement

We are fully aware that the priorities of our stakeholders are critical to successful sustainable development; therefore we attach great importance to regular engagement with our various stakeholders to help us identify material topics, which should be addressed appropriately with the aim of constantly improving our ESG performance.

Stakeholders	Type of Engagement	Engagement Frequency	Key Topics
Shareholders	General Meeting, website, annual reports	Regularly, at least once a year	Financial results, dividend, key decisions
Investors, analysts & capital providers	General Meeting, face-to-face meetings, website, annual reports, half-yearly reports, quarterly results, conference calls	Regularly, at least quarterly	Financial results, trends, strategy comments, ESG
Suppliers and partners	Websites, conferences, tenders, audits	Regularly	Transparent conditions and fair approach, payment ethics
Authorities and regulators	Participation in corporate and industry meetings, meetings with representatives of state administration, Government, ministries and regulators	Regularly, at least monthly	Compliance with legal obligations, product and service safety, ESG
Society and local communities	Through the support and services provided, collaboration on non-profit and philanthropic projects, partnerships through the O_2 Foundation, conferences, seminars	Daily	Promoting topical issues, long-term cooperation, awareness-raising, education
Business community	Associations, conferences	Regularly, monthly	Ethics and business standards, security, public affairs
Customers (B2B/B2C)	Stores, call centre consultants and salespeople, digital channels (website, social media My O_2 app, etc.)	Daily	Service and product quality, privacy, security
Management/ Employees	Regular management-employee meetings, intranet, electronic communication, employee evaluation process (360°)	Daily	Fair remuneration, benefits, training, working conditions, health protection

Materiality Analysis

To keep up with the fast-changing environment and to adapt to all relevant ESG requirements we conducted a new materiality analysis in 2021. Materiality themes were identified based on the needs and interests of external and internal stakeholders, industry best practices and benchmarking with peers, identified risks and impacts, current and upcoming reporting frameworks (GRIs, SDGs, GHG Protocol, CSRD) and defining the current availability of data indicators. The ESG themes identified were:

The analysis and its subsequent validation led to the identification of the five most significant themes, that are our focal points in this Report. In addition to them, we also addressed other material ESG topics identified as part of the analysis. The topics are grouped into 3 ESG pillars: Environment, Social and Employee issues (Social) and Governance (Governance). The following materiality matrix presents the results of this analysis.

Compared to the previous reporting period, we evaluated Water and wastewater, Marketing practises, Human rights at workplace, Business continuity and emergency preparedness as non-material topics. We added Circular economy as sub-topic to Waste, Product and service quality as a new sub-topic to Network deployment.

1. **Carbon footprint and energy**
2. **Waste and circular economy**
3. **Direct and indirect economic value**
4. **Technology helps – services and products addressing social and environmental challenges**
5. **Cybersecurity and customer privacy**
6. **Network deployment, product and service quality**
7. **Charitable initiatives and social investment**
8. **Employment and working conditions**
9. **Employee training and development**
10. **Health and safety at work**
11. **Diversity and non-discrimination**
12. **Corporate governance, policies business ethics and compliance**
13. **Supply chain management**

The ESG themes identified were:

1. Carbon footprint and energy

4. Technology helps – services and products addressing social and environmental challenges

5. Cybersecurity and customer privacy

8. Employment and working conditions

12. Corporate governance, business ethics policies and compliance

Influence on stakeholder evaluation and decision-making
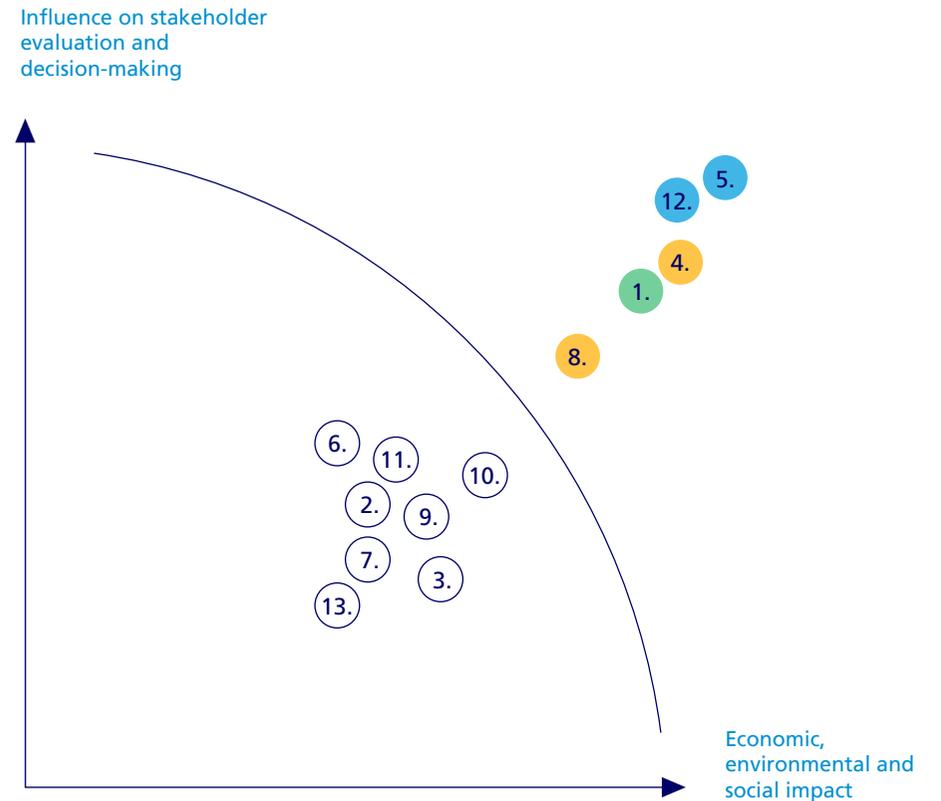
Economic, environmental and social impact

4. Environment

Because we consider ourselves a responsible company, we take environmental protection seriously.

We strive to conduct our business in an environmentally responsible manner in compliance with all relevant legislative requirements, regular analysis of the environmental impact of our activities including appropriate mitigation measures, together with use of environmentally friendly practice and technologies only. We respond immediately to any environmental incident in the workplace.

To manage and measure our efforts towards environmental protection effectively, we have implemented and certified an environmental management system according to the international standard **EN ISO 14001:2015**[4] and an energy management system according to **EN ISO 50001:2018**[5].

In our Environmental Policy, we express our commitments relating to the environmental protection and pollution prevention, continuous improvement, compliance with mandatory environmental obligations, employee education and engagement in relations with partners with respect to environmental matters.

Besides the Environmental policy, the following internal guidelines help us to perform our business with respect to the environment:

- **Waste management and Waste management for a brand shop guidelines**

- **Guideline for the management of chemical substances**

- **Guideline for the prevention of serious accidents**

- **Water protection and water management guideline**

- **Air protection guidelines**

As part of our Integrated Management System, we proactively identify and manage the environmental risks and impacts caused by our activities through regularly updated environmental and impact assessments. We also set, monitor and assess the environmental goals.

There is a permanently accessible course on environmental protection, environmental management system and energy management that is mandatory for all employees and also for external workers with influence on the Company's environmental impact (external workers are assigned and allocated to this course by the employees' supervisor).

[4] *Applies only for O2 CZ*
[5] *Applies only for O2 CZ*

Carbon Footprint and Energy

Energy

The Energy Management Policy defines our goal of taking full advantage of the potential for energy savings, where possible and efficient, in all the facilities used by the Company, in the operation of networks and the provision of products and services, including fleet operations and cooperation with external suppliers.

We are aware of the environmental impact of modern technologies because of their high energy demand. This also applies to our network facilities, data centres, stores, call centres and office buildings. This is the reason why we diligently monitor the annual development of energy consumption. Energy efficiency is considered in the planned revitalisation of servers and data centres, and detailed measures will be described in the forthcoming ESG strategy. Our Prague headquarters uses only electricity from renewable sources.

CERTIFIKÁT

EKO GOLD

Pražská energetika, a. s., potvrzuje společnosti

Atom Centrum, s.r.o.

IČ: 25735853

certifikát potvrzující dodávku ekologicky vyrobené elektřiny v rámci produktu Energie EKO Gold.

V období od 1. 1. 2021 do 31. 12. 2021 bude této společnosti dodáno 100 % elektřiny vyrobené z obnovitelných zdrojů.

Praha 1. 1. 2021

Alexander Sloboda, obchodní ředitel

PRE

Total Purchased Electricity (kWh):

● **22,363,177**

of renewable energy

● **173,054,536**

of non-renewable energy

Electricity consumption **increased** by 9% and heat consumption **increased** by 19% compared to 2020. The increase was largely driven by the economic recovery after the first year of the coronavirus pandemic, the return of employees from home office to the office, network building in Slovakia, additional installations of dual units (cooling and heating) in stores to improve the quality of the working environment. However, thanks to the utilisation of renewable electricity in our Prague headquarters, the share of renewable electricity **increased** significantly, representing 17% of our total electricity mix in 2021.

We will implement measures to reduce energy consumption by introducing new technologies in our data centres and by taking steps to increase energy efficiency and energy savings in our premises over the coming years.

2021   **2020**   **2019**

11,334,832   7,169,100

3,859,245

60,996,985

54,940,098   57,117,453
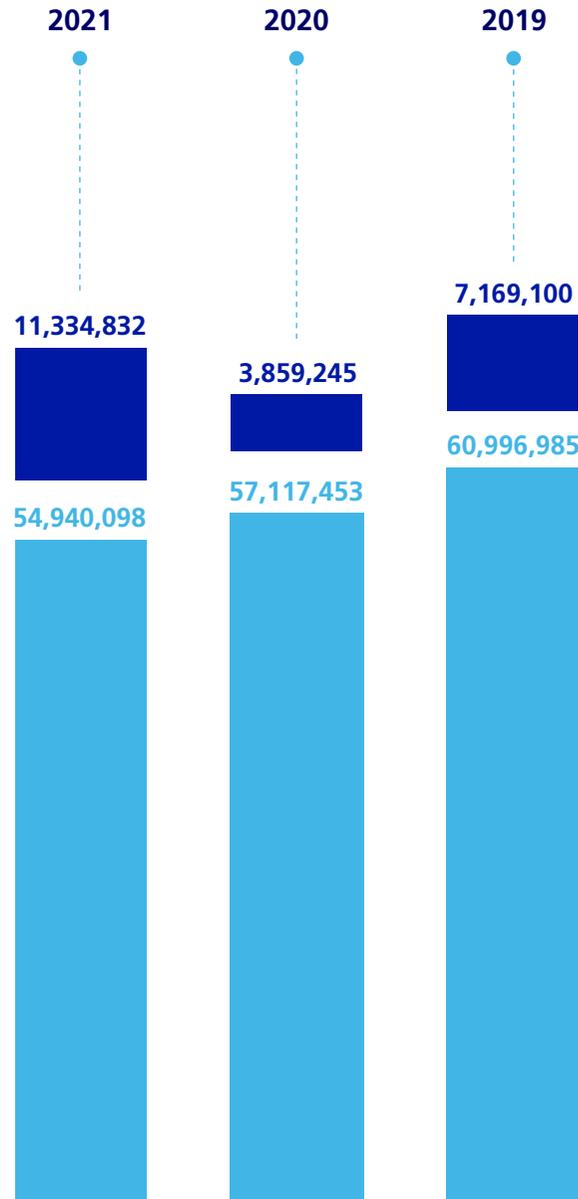
Note: Includes electricity consumption of O2 CZ, O2 SK, O2 Business Services, O2 IT Services, O2 Family, O2 TV and Emeldi Technologies.

Total Purchased Heat (kWh):

15,830,924

of heat in the past 3 years

2021   **2020**   **2019**

5,783,117   4,849,669   5,198,138
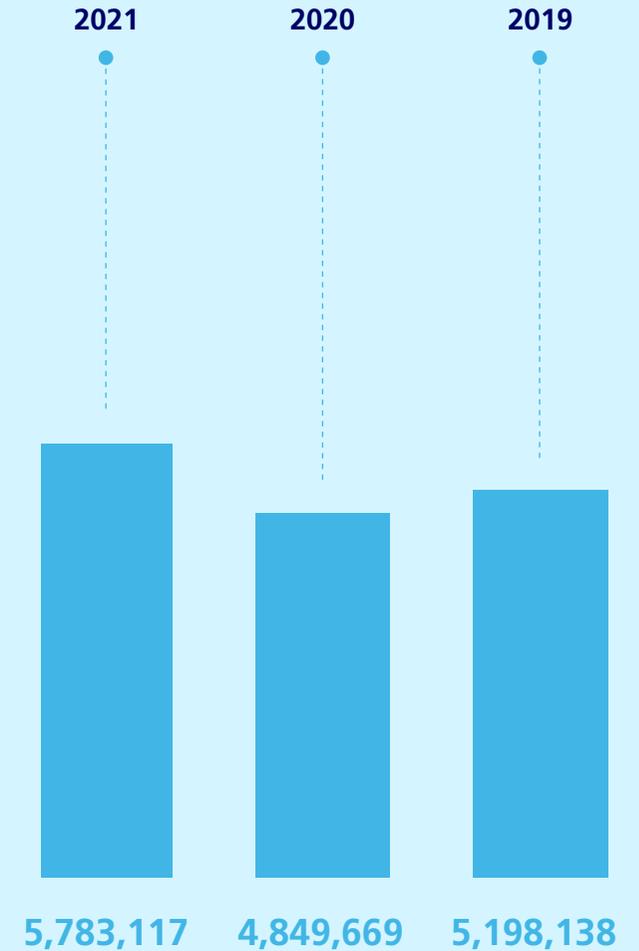
Note: Includes heat consumption of O2 CZ, O2 SK, O2 IT Services, O2 Family and Emeldi Technologies.

Fuel Consumption – Vehicles Combustion (litres):

We try to plan our business trips by passenger cars responsibly and use other means of transport or virtual meetings where possible. As a result, fuel consumption **decreased** by

6%

compared to 2020.

In grand total

2,468,125

litres of fuel in the past 3 years

2021   **2020**   **2019**

691,846   **734,030**   **1,042,249**
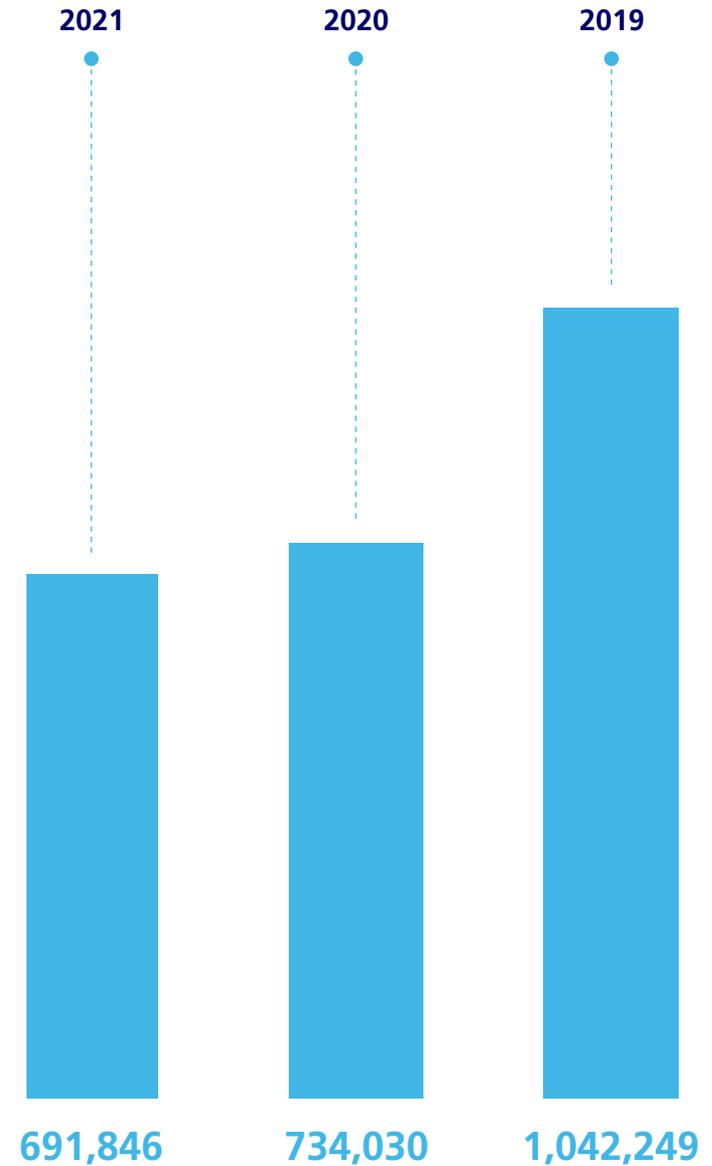
Note: Includes fuel consumption of company passenger fleet, diesel generators (252 litres in 2021, represented 0.04%) and forklift (110 litres in 2021, represented 0.02%). Includes the fuel consumption of O2 CZ, O2 SK, O2 TV, O2 Business Services and Emeldi Technologies and the fuel consumption of vehicles managed by O2 CZ and used by its subsidiaries (O2 IT Services and O2 Family). All fuel consumed is from non-renewable resources.

Natural Gas Consumption
(kWh – GCV):

Natural gas consumption **increased** by

34%

compared to 2020.

This is due to the fact that the buildings were not fully used in 2020 because of the pandemic situation. In 2021, the staff returned to the workplace. As part of our Environmental management system according to **ISO 14001**, we developed a plan to reduce energy consumption on an annual basis.

In grand total

2,699,280

of kWh – GCV in the past 3 years

2021	2020	2019
1,053,745	784,035	861,500
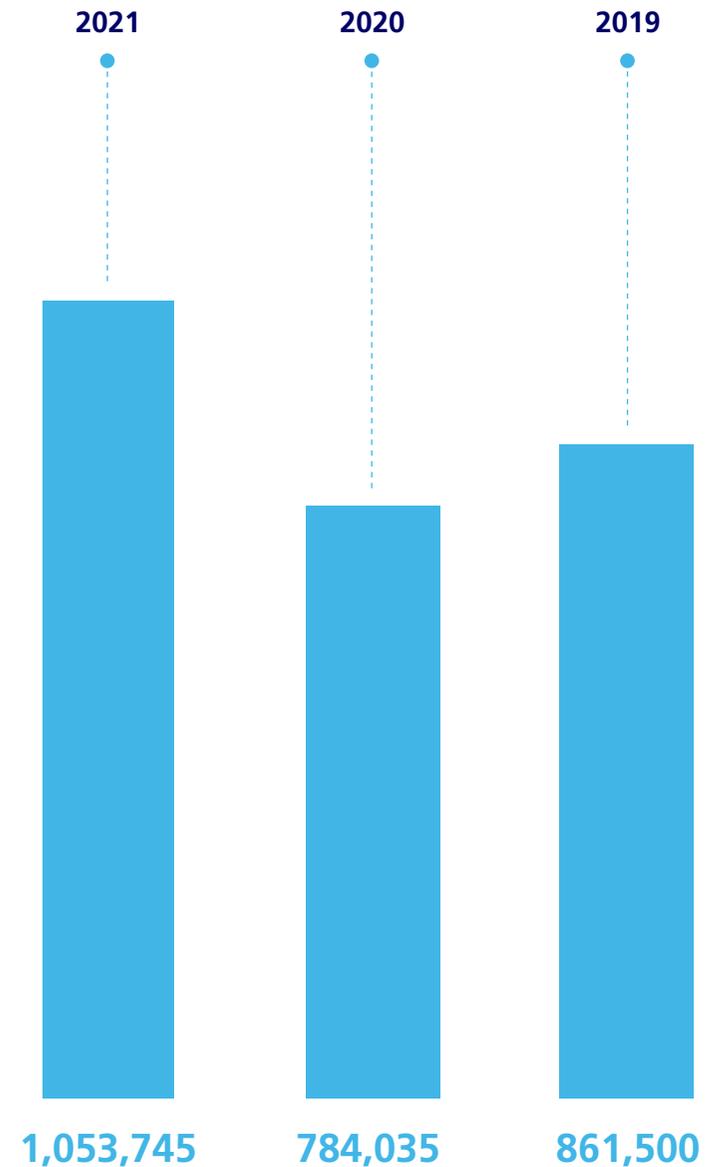
Note: Natural gas is purchased in substantive quantities only by O2 CZ, including data for O2 SK, O2 IT Services and Emeldi. Natural gas is considered as fuel from non-renewable resources.

Total Energy Consumption (GJ):

● **703,503.77**
Purchased electricity

● **94,204.27**
Vehicles combustion

● **56,991.33**
Purchased heat

● **9,717.41**
Stationary combustion
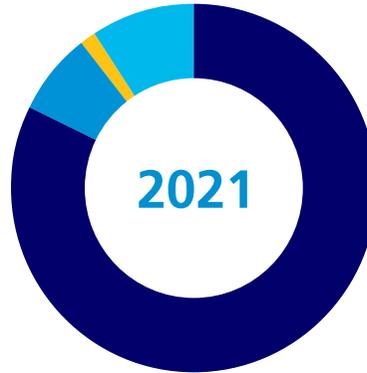
2021

● 238,589.75
● 20,819.22
● 26,411.58
● 3,793.48
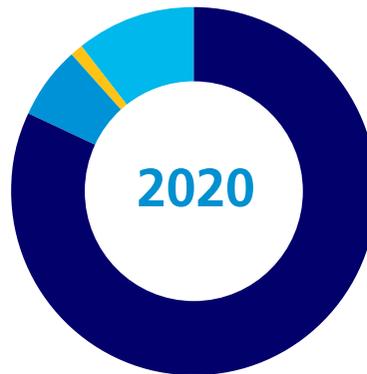
2020

● 219,516.11
● 17,458.81
● 28,013.68
● 2,822.53
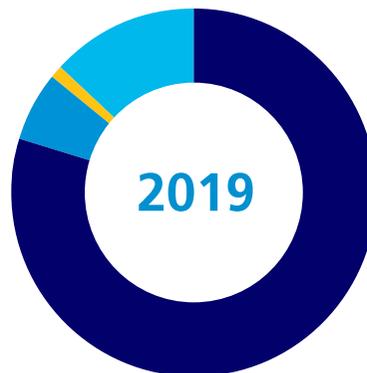
2019

● 245,397.91
● 18,713.30
● 39,779.01
● 3,101.40

Total Energy Intensity (GJ/employee):

2021   **60,299**

2020   **53,637**

2019   **60,006**

Note: Employees in FTE. Energy intensity is based on purchased electricity, purchased heat, natural gas consumption and fuel consumption.

We have been continuously developing our carbon footprint calculation methodology. As part of that, we decided to expand our calculation to also include part of our Scope 3 emissions for the first time in 2021.

Carbon Footprint

As Scope 3 emissions are considered the most challenging part of carbon footprint in general, we decided to start progressively. For 2021, we disclose emissions associated with waste generation, WTT emissions (emissions related to the production, processing, and delivery of a fuel) and T&D emissions (emissions related with electricity transmission and distribution losses).

We also started to use internationally-recognised emissions factors for our carbon footprint calculations, namely EIB factors (European Investment Bank) for location-based electricity, AIB (Association of Issuing Bodies) residual mixes emission factors for market-based electricity (counting 0 tCO_2e for consumption of renewable electricity in Scope 2), and DEFRA – UK Government GHG Conversion Factors for Company Reporting (2019, 2020 and 2021) emission factors for the rest of emission data. Another change is that we also started to calculate our emission intensity using the number of employees in FTE as a denominator.

Because of all these changes in our calculation methodology, we decided to recalculate our carbon footprint for the previous two years (2020 and 2019) to be able to compare this year with historic data. The detailed carbon footprint data is available under the link.

GHG Emissions (tCO_2e):

Source of Emissions	2021	2020	2019
Scope 1	1,931	2,012	2,860
Scope 2	18,980	22,102	28,815
Total Scope 1+2	**20,911**	**24,113**	**31,675**
Scope 3	5,704	3,823	5,026
Total Scope 1+2+3	**26,615**	**27,937**	**36,701**
Scope 1+2+3 Intensity (tCO_2e per employee)	**5.541**	**5.595**	**7.174**

Note: Scope 2 emissions calculated using the market-based method. Number of employees in FTE. Scope 3 emissions does not include emissions associated with waste generation in 2019.

Carbon Footprint (tCO$_2$e):

We are also disclosing emission intensity metrics for the first time to provide our stakeholders with a better understanding of the evolution of our carbon footprint, taking into account the expansions and divestments over the time.

- ● Sum of tCO$_2$e – Scope 1
- ● Sum of tCO$_2$e – Scope 2
- ● Sum of tCO$_2$e – Scope 3
- ● Total Emission Intensity

2021

5.541

5,704.42

18,980.16

1,930.59

26,615.17

2020

5.595

3,823.25

22,101.87

2,011.50

27,936.62

2019

7.174

5,026.36

28,814.70

2,860.13

36,701.20
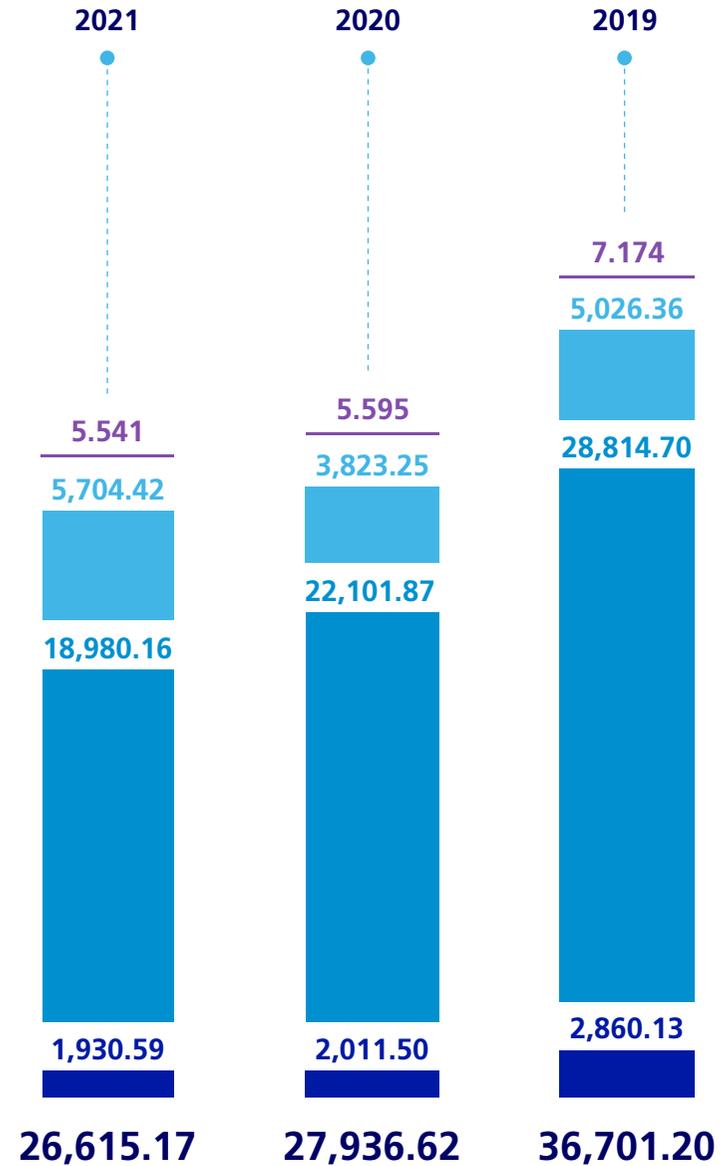
Note: Scope 2 emissions calculated using the market-based method. The emission intensity is indicated in tCO$_2$e / employee (number of employees in FTE). Scope 3 emissions does not include emissions associated with waste generation in 2019.

## GHG Emissions – Scope 1 by Activity (tCO$_2$e):

Vehicle combustion represents the majority of our Scope 1 emissions. As described in the Energy subsection, we successfully **decreased** our number of business travels performed by cars so that is why we were able to **decrease** our Scope 1 emissions by

4%.

As part of our Integrated Management System objectives, we have set an objective for 2021 to reduce average CO$_2$ emissions per km of company vehicles by gradually replacing existing vehicles with an emphasis on lower CO$_2$ g/km emissions as stated by the vehicle manufacturer.

We have successfully reduced the original average value of 109 g/km to 92 g CO$_2$/km.

🟡 Stationary combustion – heating
🔵 Vehicle combustion

	2021	2020	2019
Stationary combustion – heating	193	144	158
Vehicle combustion	1,738	1,867	2,702
Total	**1,931**	**2,012**	**2,860**
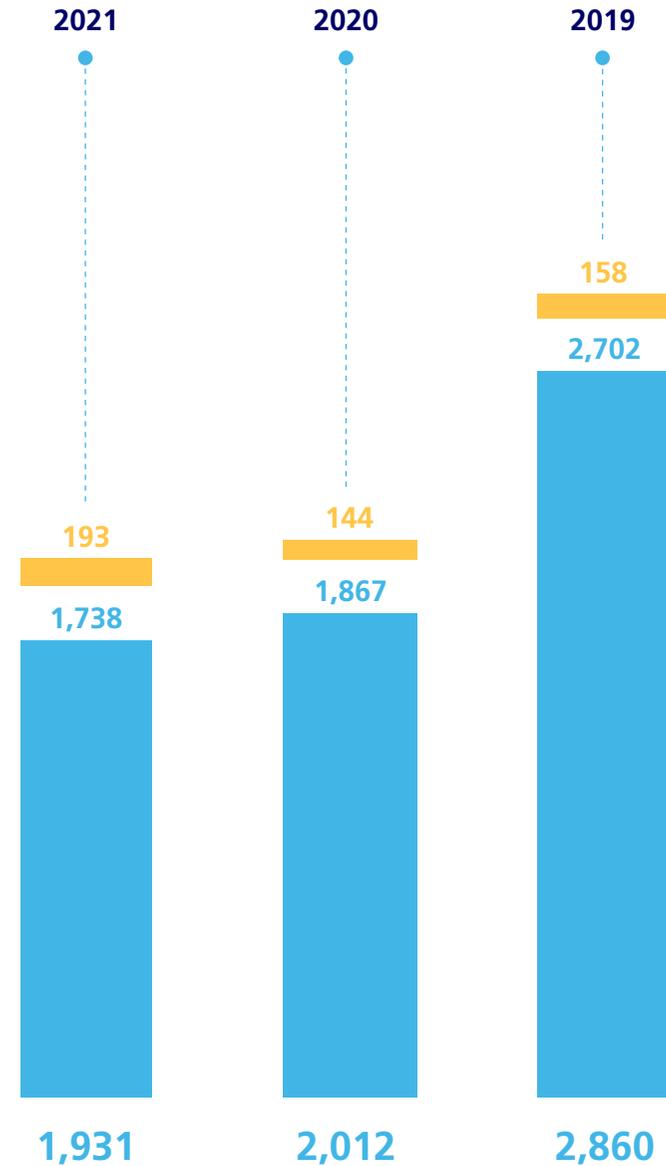
Note: Vehicles combustion includes fuel consumption of the passenger fleet, as well as diesel generators (252 litres in 2021, representing 0.04%) and forklift (110 litres in 2021, representing 0.02%) that were considered as non-material, thus a separate category has not been created.

GHG Emissions – Scope 2 by Activity (tCO₂e):

Thanks to the utilisation of renewable energy in our Prague headquarters, we were able to successfully **decrease** our Scope 2 emissions by

14%

in 2021 compared to 2020.

● Purchased heat
● Purchased electricity

2021

987

17,993

18,980

2020

837

21,265

22,102

2019

915

27,900

28,815
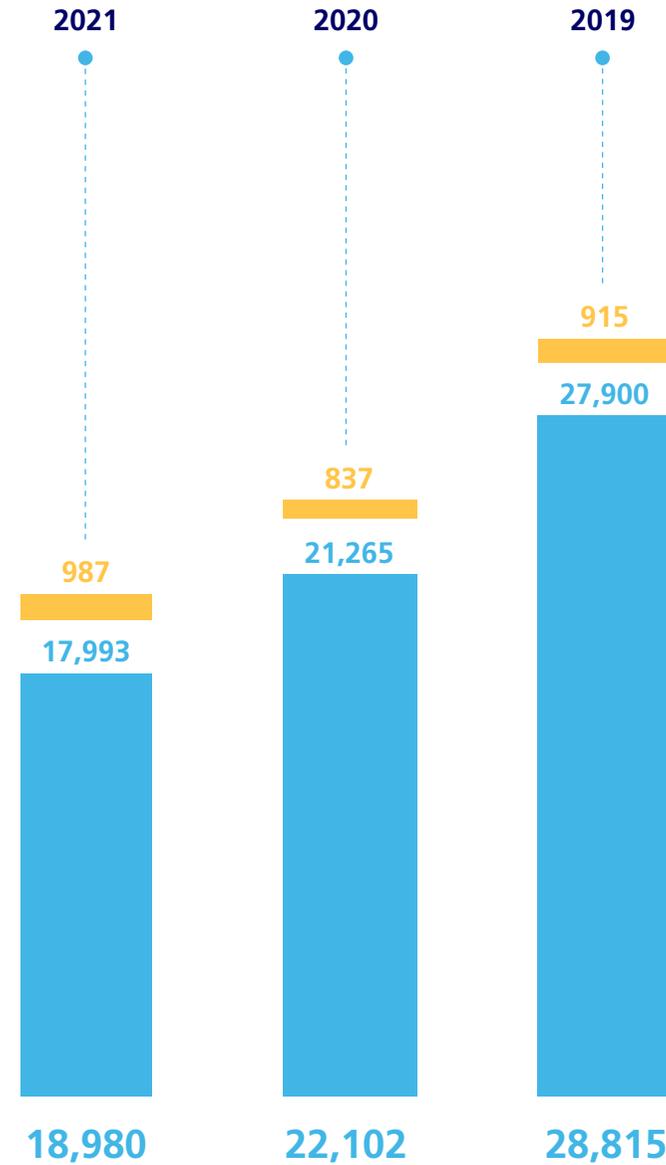
Note: Scope 2 emissions calculated using the market-based method. See detailed carbon footprint data for Scope 2 market vs. location-based comparison.

GHG Emissions – Scope 3 by Activity (tCO₂e):

As the amount of waste generated in 2021 has **decreased**, the emissions associated with waste generation have **decreased** accordingly. In contrast, WTT and T&D emissions have **increased** significantly. These are partly based on our energy consumption but they are significantly related to the efficiency of the grid and the technologies used for global fuel production.

● Waste
● WTT and T&D emissions

2021

66
5,638

2020

95
3,728

2019

N/A
5,026

5,704   3,823   5,026
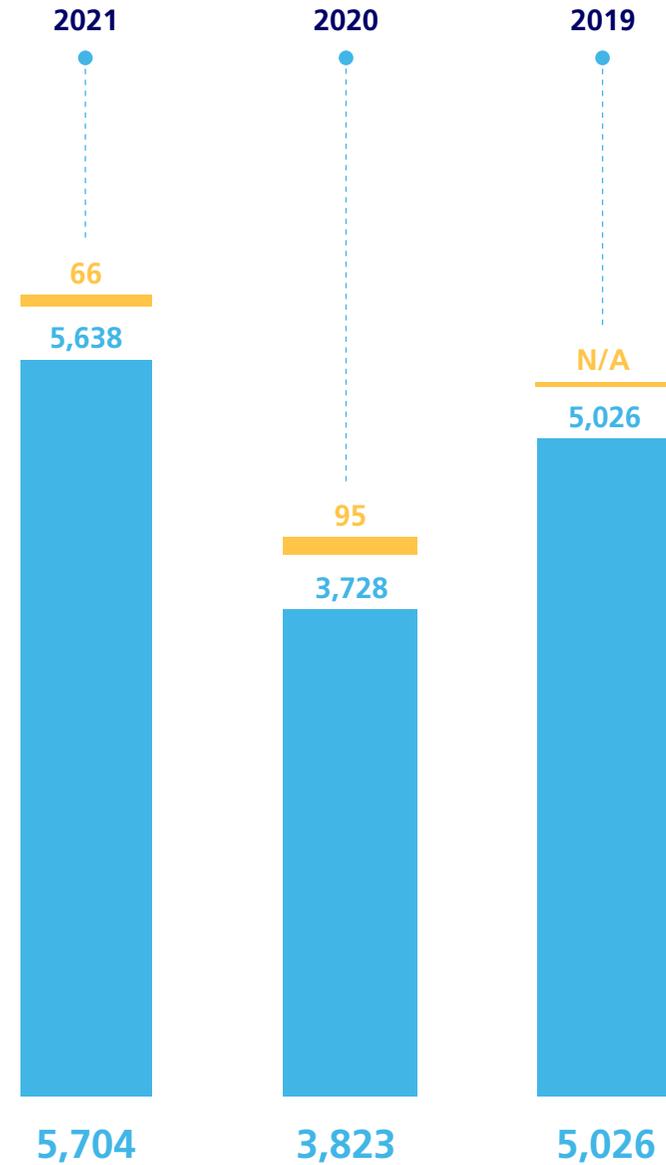
Note: Due to low quality of historical data, Scope 3 emissions does not include emissions associated with waste generation in 2019.

Climate Risks Assessment

We recognise that climate-related risks affect our business, which is why we have started to work on climate risk management in 2021. As part of this initial phase, we are identifying current and potential risks, classifying them, developing outline of mitigation measures, and anticipating future trends. In the coming years, we will continue to update and analyse our risks in more detail as well as develop plans and necessary methodologies that allow us to calculate the financial implications of the identified risks. Besides risks we analogically work with the opportunities associated with climate change and the implications of the transition of the industry and society towards a low carbon economy.
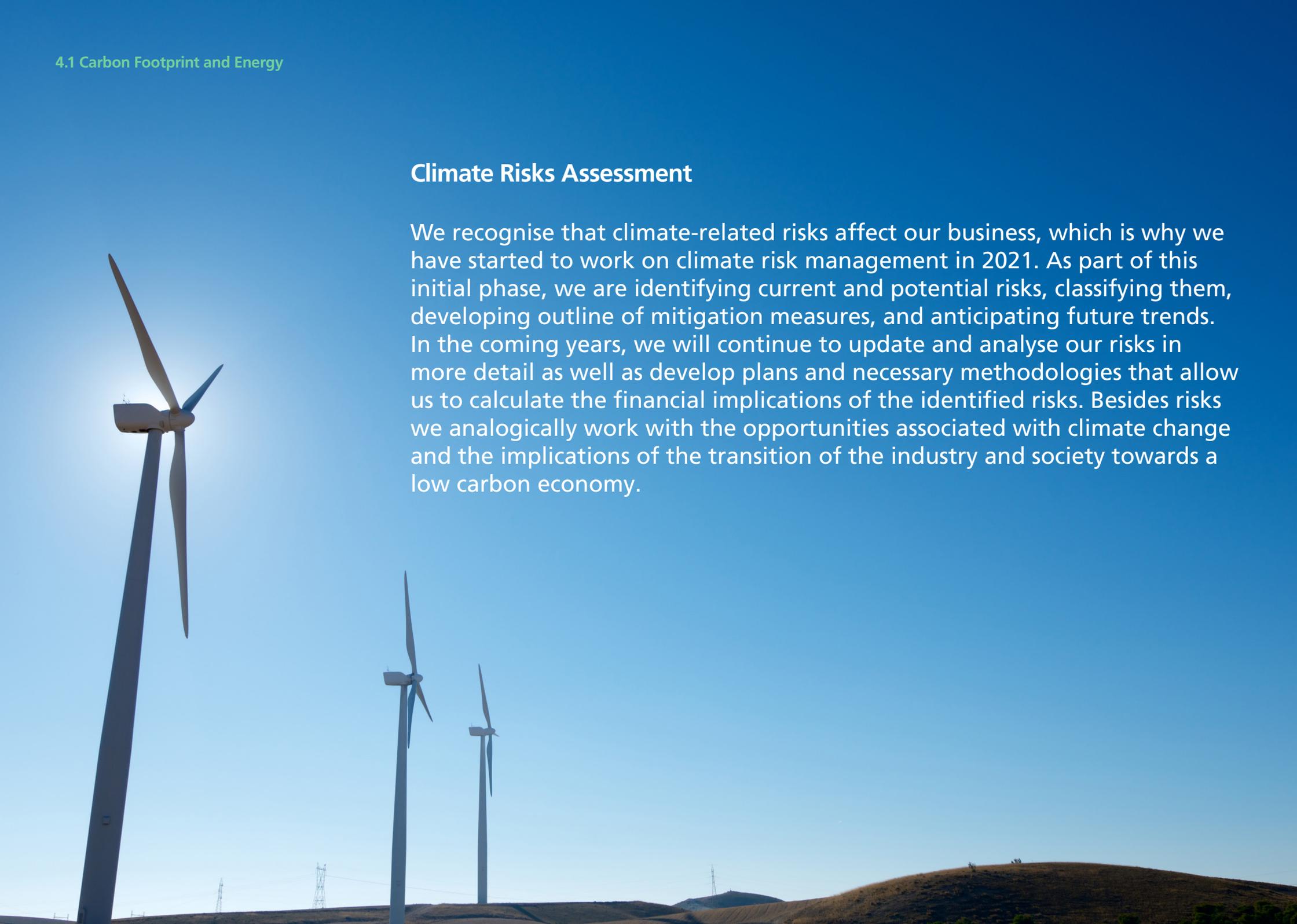
Waste and Circular Economy

Waste Management

Our Waste management guideline ensures that obligations set out in the statutory regulations are met in relation to the management of waste, packaging and end-of-life products. It sets the internal rules for roles and responsibilities within waste management, the basic duties of employees, the details of waste sorting, collection, disposal, waste transport, management of selected waste streams and packaging management. There is also a special guideline for brand stores and transfer points.

Based on the guidelines, all employees must prevent waste in their work, sort, and collect the waste generated separately by type and category (hazardous and other).

Employees:

- **sort municipal waste according to the system in place at the facility, i.e., separate paper disposal, plastics, or glass, metal, or other residual mixed waste;**

- **sort, and place used products for take-back (portable batteries, small electrical equipment, data carriers for which they do not need a handover certificate, or toner cartridges and cartridges for printers); small electrical equipment and portable batteries brought in from households can also be handed in for take-back in this way;**

- **handle hazardous waste in an appropriate manner;**

- **in particular, segregate and collect waste from operations (e.g., technology, warehouses and garages, shops, etc.) if their activities generate such waste.**

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Second Hand: Sustainability Not Only in Fashion

(Uklidme Česko, Bazárek & Spolujízda events in 2021)

In 2021, we chose the theme of Second Hand: Sustainability not only in fashion as an awareness-raising campaign for employees, which was supported by the publication of various articles, internal competitions and activities related to recycling, such as promotion of the National Clean-up Event (Uklidme Česko), our internal applications Second-hand (Bazárek) and Carpooling (Spolujízda) or the O₂ Family Day inspired by the UN Sustainable Development Goals.

We also ran a campaign to encourage our customers and employees to recycle their old phones to help not only the environment but also the Safety Line by donating CZK 25 for every phone handed in through our O₂ Foundation. REMA Systém, a.s., the company that provides the take-back service for O2, recovers important raw materials from old phones for further production – not only plastics and iron, which are mainly used for the production of phones, but also copper, tin and various precious metals. In addition, old devices usually contain harmful and toxic substances, so it is not advisable to store them at home, but to dispose of them in an environmentally friendly and professional way.

Total Waste Generated (t):

● **83.81**
Hazardous

● **825.48**
Non-hazardous

We developed our methodology for records pertaining to waste generation and disposal to be more aligned with the GRI reporting framework and GHG Protocol. As part of that, we started with estimations of tonnage of waste generated in the locations where we are not considered waste producers according to the Czech legislation. To be able to compare with historic data, we also recalculated 2020 waste data.

In 2021, we **decreased** the waste production by

32%

compared to 2020.

We also **decreased** the tonnage of hazardous waste by

39%

compared to 2020.

(For us, batteries and electronic waste are considered hazardous waste)
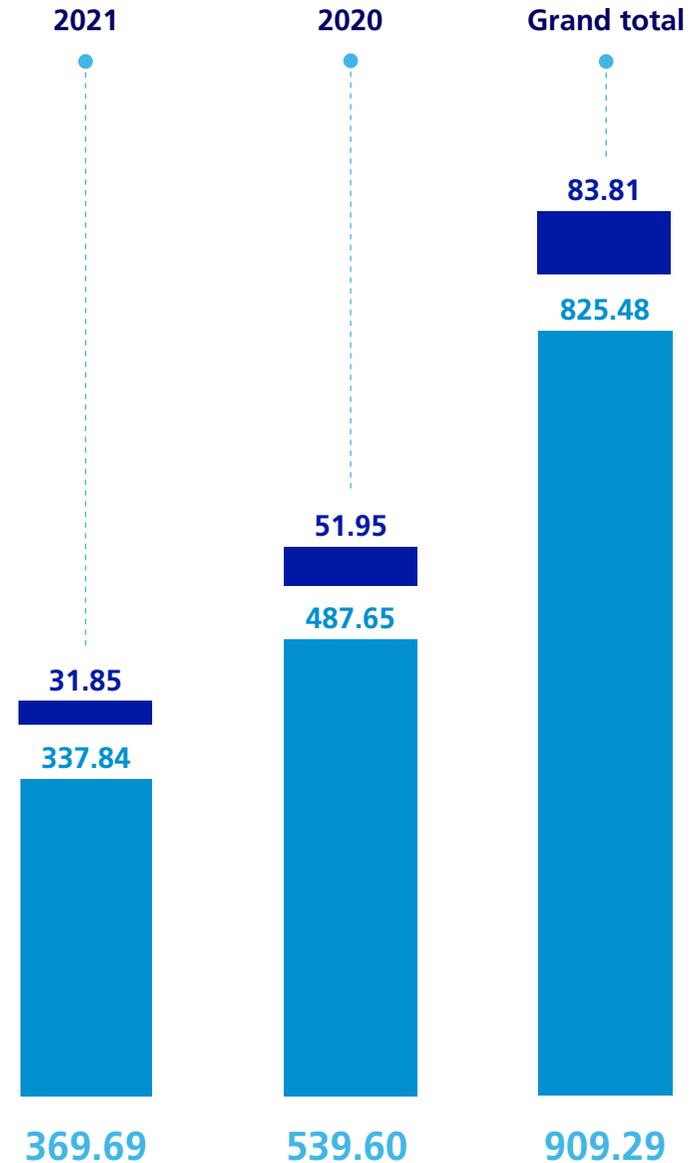
2021 **2020** **Grand total**

83.81

825.48

51.95

487.65

31.85

337.84

369.69 539.60 909.29

Note: Includes waste generated by O2 CZ, O2 IT Solution a Emeldi a O2 Family. For locations where we are not considered as waste producers, the data was estimated based on group average. The estimated data represented 17% of 2020 total and 27% of 2021 total.

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Hazardous Waste Generated (t):

2021

2020

31.77
of electronic waste

51.42
of electronic waste

0.09
of batteries

0.54
of batteries

Note: Includes waste generated by O2 CZ, O2 IT Solution a Emeldi a O2 Family. For locations where we are not considered as waste producers, the data was estimated based on group average. The estimated data represented 17% of 2020 total and 27% of 2021 total.

Total Non-hazardous Waste Generated (t):

● **485.33**
Commercial and industrial waste

● **208.17**
Paper and board

● **60.24**
Metal

● **46.10**
Plastics

● **19.24**
Organic waste

● **4.27**
Glass

○ **1.90**
Wood

● **0.23**
Other waste
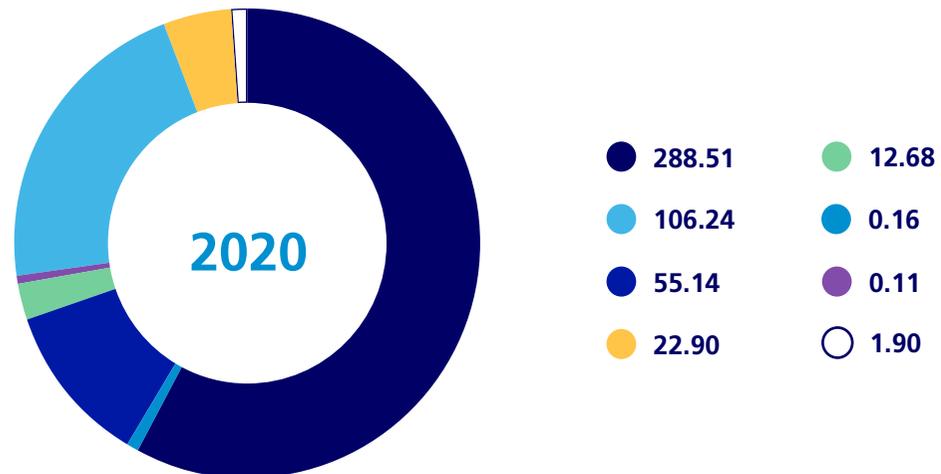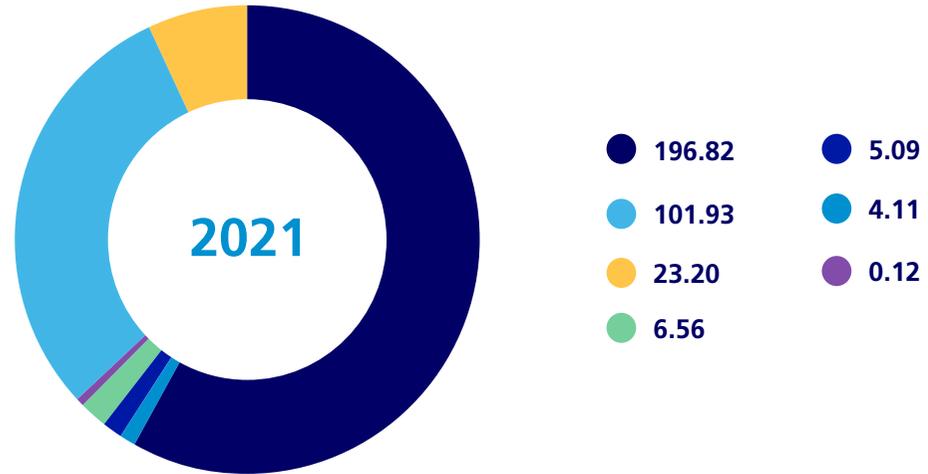
2021

● 196.82   ● 5.09
● 101.93   ● 4.11
● 23.20   ● 0.12
● 6.56

2020

● 288.51   ● 12.68
● 106.24   ● 0.16
● 55.14   ● 0.11
● 22.90   ○ 1.90

Note: Includes waste generated by O2 CZ, O2 IT Solution a Emeldi a O2 Family. For locations where we are not considered as waste producers, the data was estimated based on group average. The estimated data represented 17% of 2020 total and 27% of 2021 total.

Waste Disposal (t):

We have also managed to maintain a high proportion of waste diverted from disposal (recycling and other recovery), specifically

41%

of waste was recycled and 4% of waste was treated by other recovery operations.
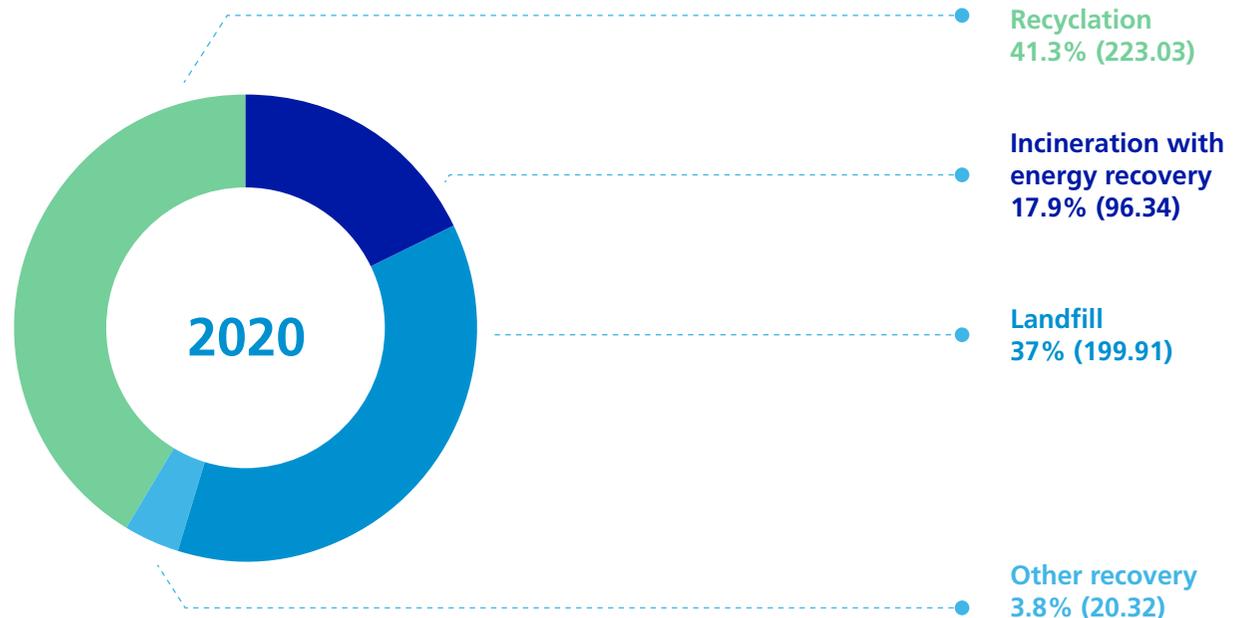
Note: Includes waste generated by O2 CZ, O2 IT Solution a Emeldi a O2 Family. For locations where we are not considered as waste producers, the data was estimated based on group average. The estimated data represented 17% of 2020 total and 27% of 2021 total. Paper, glass, metal, wood, batteries and electronic waste were considered recycled. In terms of plastic waste, 1/3 was considered recycled, 1/3 landfilled and 1/3 diverted from disposal by other recovery operations. For commercial and industrial waste (municipal waste), 1/3 was considered incinerated with energy recovery and 2/3 landfilled. Organic waste was considered as diverted from disposal by other recovery operations.Tetra Packs were considered as incinerated with energy recovery.

Recyclation
40.8% (150.72)

Incineration with energy recovery
17.8% (65.80)

Landfill
37.6% (138.88)

2021

Other recovery
3.9% (14.29)

Recyclation
41.3% (223.03)

Incineration with energy recovery
17.9% (96.34)

2020

Landfill
37% (199.91)

Other recovery
3.8% (20.32)

Circular Economy

We seek to adopt a circular mindset to maximise the value of our resources. For O2, the most important aspects of the circular economy and waste prevention are those related to improving the circularity of packaging materials, mobile phones, modems and other connected end-user devices, as well as network equipment at base stations.

We strive to adopt a circular mindset to maximise the value of our resources and shift to a restorative and regenerative economy. For O2, the most material aspects of circular economy and waste prevention are those related to improving circularity of packaging material, mobile phones, modems, and other connected end-user devices, as well as network equipment at base stations.

In 2021, we have redesigned packaging of O₂ Smart Box modem:

- **six tons of foam were saved thanks to replacing of boxes filled from foam to full paper boxes,**

- **25% reduction in box volume,**

- **Environmentally friendly brown material replaced white printing with colour printing.**
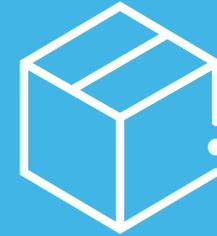
We continue to optimise packaging for other hardware products (modems, 4G/5G routers, smartboosters, etc.). The next design upgrades are going to be implemented in 2022.

We have been using only paper carrier bags made from recycled material in our stores.

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3 Tons
of Plastic

In January 2021, we introduced so-called Half SIMs, which have half the size of the plastic carrier than the original SIM cards. Thanks to that we saved **three tons of plastics** in 2021.
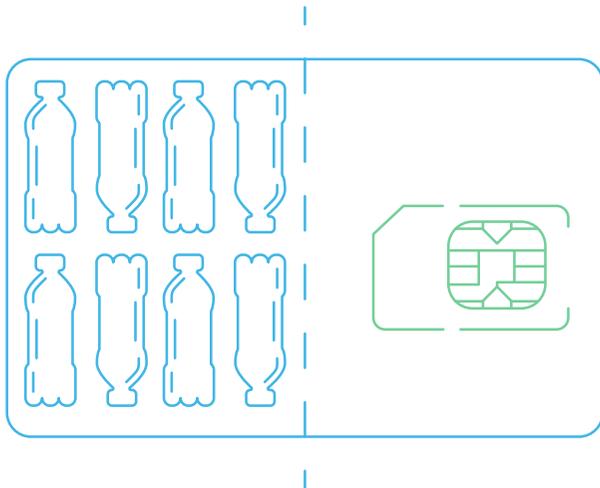
Returned and Reused Cups and Food Boxes

We also focus on adopting circular principles internally. For example, we have been using returnable and reusable cups and food boxes at our canteen.

We are also constantly working on raising awareness of this topic among our people by organising swaps or trashmade workshops.
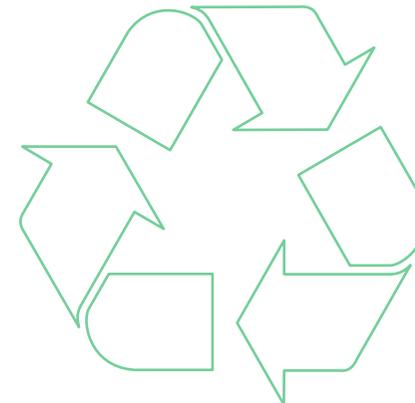
Packaging Related to the Sale of Products:

5,680.59 GJ of energy saved and reduced greenhouse gases by 235 tCO₂e

We have thus succeeded in reducing the production of greenhouse gases by **235 tCO₂e** in 2021 and saved 5,680.59 GJ of energy[6].

221 tons of packaging

We placed 221 tons of packaging (198 tons of paper and 20 tons of plastic) on the market in connection with the sale of products (mobile phones, modems, set-top boxes, etc.) to our customers.

4% Lower packaging volume

We **decreased** the volume of packaging by 4% compared to 2020. O2 CZ is involved in the system of the combined fulfilment of obligations for the take-back and recovery of packaging waste.

ÚSPORA EMISÍ ZA ROK 2021

O2 Czech Republic a.s.

IČO: 60193336
EKO-KOM ID: F00027677

Svou účastí v systému sdruženého plnění povinností zpětného odběru a využití odpadů z obalů, který zajišťuje autorizovaná obalová společnost EKO-KOM, a.s., jste přispěli ke zlepšení životního prostředí a snížení „uhlíkové stopy".

Váš podíl na celkovém snížení produkce skleníkových plynů činí 235,00 tun CO₂ ekv. a tak bylo ušpořeno 5 680,59 GJ energie.

V Praze dne 14. června 2022

Ing. Zbyněk Kozel
generální ředitel EKO-KOM, a.s.

EKO KOM
AUTORIZOVANÁ OBALOVÁ SPOLEČNOST

[6] *Certificate issued as part of Zelená firma project – operator REMA Systém, a.s.*

Packaging Related to the Sale of Products (t):

- ● Paper
- ● Plastics
- ● Other
- ● Undifferentiated

	2021	2020	2019	2018
Other	3	4		
Plastics	20	20		
Paper	198	207		
Undifferentiated			199	178
Total	**221**	**231**	**199**	**178**
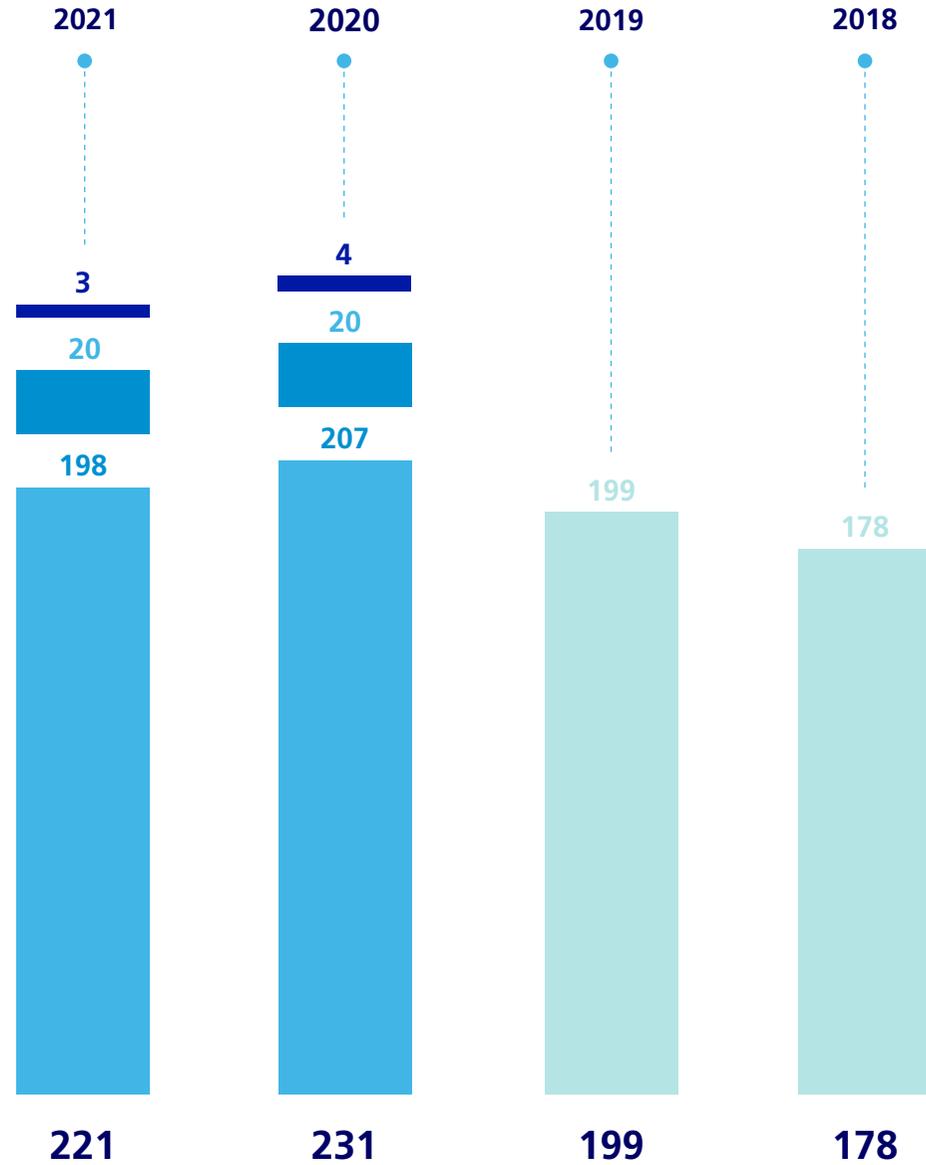
Note: Includes data for O2 CZ, O2 SK and O2 Business Services and includes other materials (e.g. wood) in addition to plastic and paper packaging.

5. Social

Employment and Working Conditions

We are fully aware that satisfied, motivated, competent, and growth-oriented employees are the heart of our business that drives our growth and successes. We are dedicated to building a company culture that is fair, safe, appreciative, dialogue-oriented and that embraces diversity.

Where possible, we provide our employees with flexible working hours and part-time work, so that employees can better balance their work and private life. Home office is enabled with the approval of the supervisor, in a flexible schedule and provided that the employee's work performance is not adversely affected. The Human Resources Division regularly organises various employee satisfaction surveys.

Workforce Statistics
(Total number of employees by The Group entities)

Entity	Number of Employees	
	FTE	HC
O2 Czech Republic	3,686	3,885
O2 Family	74	75
O2 TV	15	16
O2 IT Services	180	183
O2 Financial Services		21
Bolt Start Up Development		0
mluvii.com		18
Smart home security	83	0
INTENS Corporation		29
Asake HW		0
Emeldi Technologies		27
Sub-total Czech Republic	**4,038**	**4,254**
O2 Slovakia	724	731
O2 Business Services	41	41
Sub-total Slovakia	**765**	**772**
Total	**4,803**	**5,026**

Note: Number of employees as of 31st December 2021. HC includes part-time and agreements.

The Group – Total Number of Employees by Entity:

2021   **4,803**

2020   **4,993**

O2 Czech Republic
O2 Family
O2 TV
O2 IT Services
Other Companies
O2 Slovakia
O2 Business Services

2021

3,686	74	
724	41	
180	15	
83		

2020

3,922	60	
695	40	
179	14	
83		
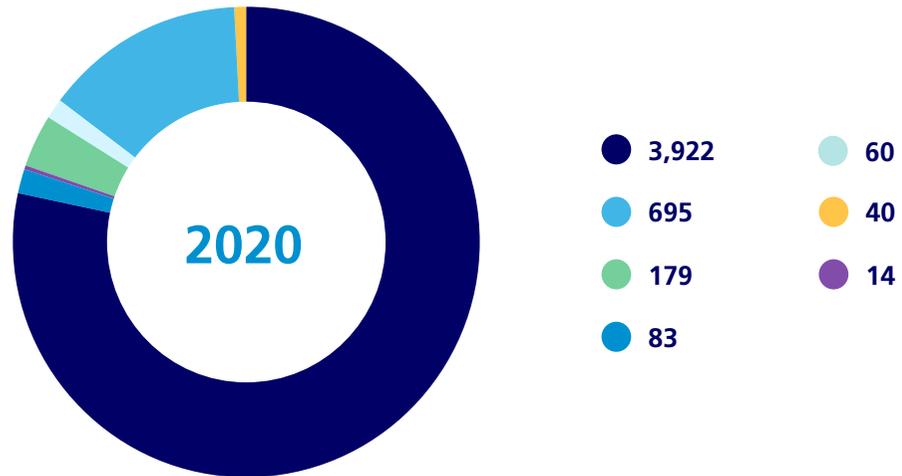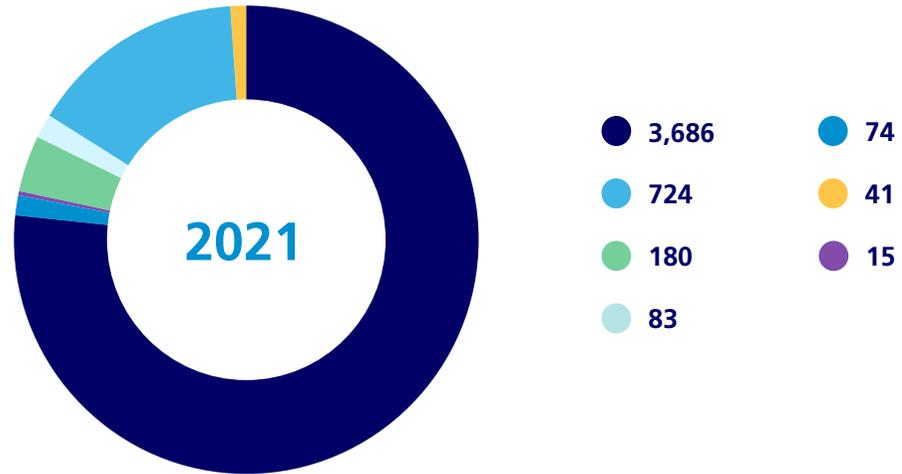
Note: Numbers in FTE as of the end of a particular year. Other companies include: O2 Financial Services, Bolt Start Up Development, mluvii.com, Smart home security, INTENS Corporation, Asake HW, Emeldi Technologies.

The following detailed social statistics are available only for O2 CZ (the only region considered in detailed social figures is the Czech Republic). Statistics are based on headcount at the year-end, unless otherwise specified.

Employee Structure by Gender:

42%

(1,616)

3,885

58%

**(2,269)**

Workers Who Are Not Employees

In total, 856 external workers (496 men and 360 women), which are not considered employees, worked for O2 CZ in 2021. These workers worked in Call Centre, Small Medium Businesses, Direct Sale units. The relationship is governed by well-defined contractual terms and conditions, which are specified in contracts either with agencies and other third parties or individual entities. There are clearly defined deliverables to be met by each entity. These are predominantly for the provision of IT services.

Note: Includes data for O2 CZ, includes full-time employees and part-time employees including agreement for the performance of work, employment agreement and part time.

Number of Full-time and Part-time Employees by Gender:

3,885 in total

	Full-time	Part-time	Temporary
(light blue)	1,351	181	84
(dark blue)	2,182	41	46
Total	3,533	222	130
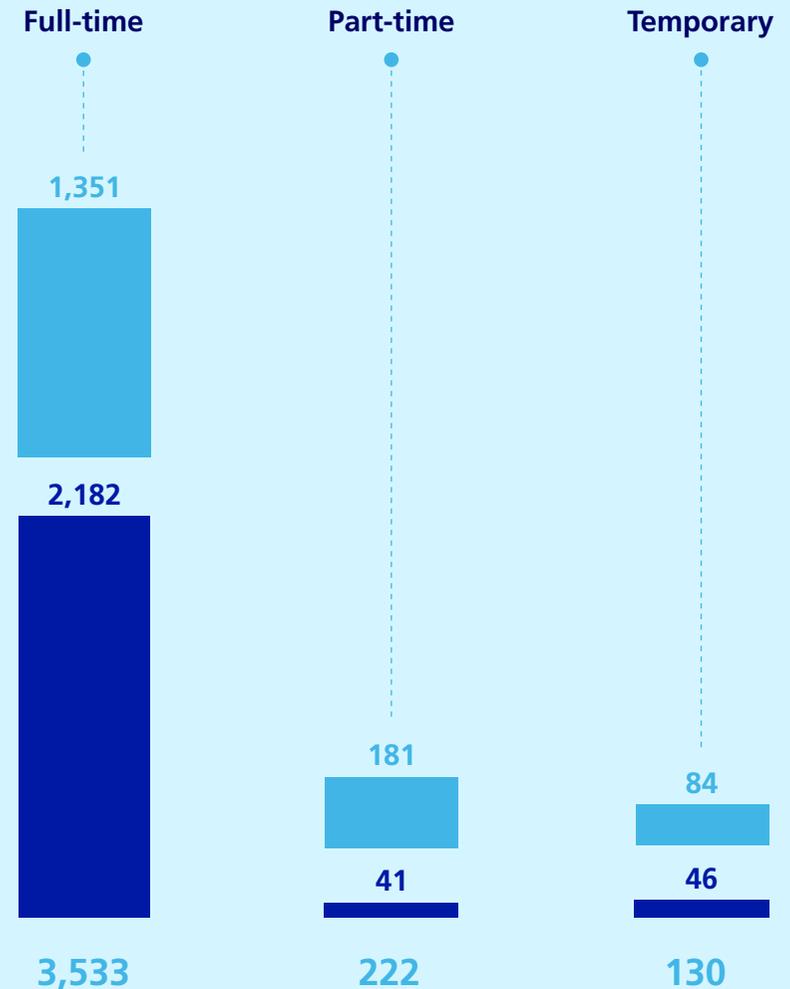
Note: Includes data for O2 CZ, Temporary employees includes agreement for the performance of work, employment agreement and part time.

Employee Recruitment and Turnover

Total new hires rate:

17%

When it comes to recruiting and attracting talent, we maintain active collaboration with schools and universities, organising two-week internships at O2 for secondary schools and universities students, excursions at O2 and giving lectures in schools. There is an Internship programme in place for university students in their final year of studies who are enabled to work in the form of an employment agreement on more specialised activities. The interns have some adjusted conditions (in terms of benefits and education) compared to standard temporary workers, and the main goal of the programme is to prepare them for subsequent employment.

If our employees feel that they need a change or development, the consultation of a career counsellor is available aimed at internal job mobility. If there is a match found between the enquirer's professional aspirations and a suitable position, we actively offer it to the employee.

Note: Includes data for O2 CZ, includes employees hired in 2021 and still employed in the Company at the end of the year. Included full-time and part-time employees, excluded temporary employees – agreement for the performance of work and employment agreement.

New Employees by Gender and Age Structure:

Up to 30 years

431
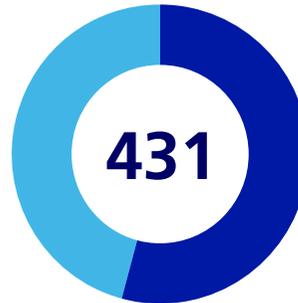
Men
54% (234)

Women
46% (197)

30–50 years

195
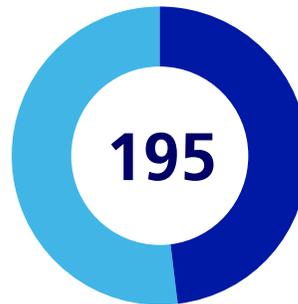
Men
48% (94)

Women
52% (101)

Above 50 years

19
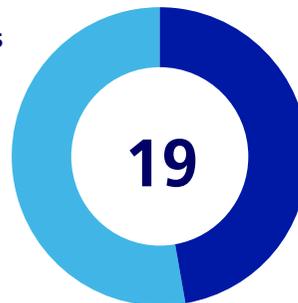
Men
47% (9)

Women
53% (10)

Turnover Rate:

25%

35%

Total   29%

We are aware that high turnover is not rare in the telco industry. Based on our research of telco companies across Europe, it varied from 2 to 25% in 2021. We put the focus on employee retention, not only by offering various benefits but also by supporting our employees in their career growth. We plan to develop a Talent programme focused on the TOP 25 up-and-coming talents across the Company, whom we specifically provide consistent professional development in line with their career visions and company needs. See more on career development initiatives in Employee training and education section.

Note: Includes data for O2 CZ. Included full-time and part-time employees, excluded temporary employees – agreement for the performance of work and employment agreement. Women include "Maternity leave".

Parental Leave

We strive to support our employees on parental leave and after returning from parental leave by providing them with the opportunity to work part-time (if the nature of the work allows) and thus helping them to balance work and family life. On an ongoing basis, if we have positions suitable for parents on parental leave, HR team contacts them and offers the positions.

We are in close contact with employees on parental leave. They can contact their HR Business Partner at any time if they need to, and the HR team sends them regular HR information. In the coming year, we plan to start sending regular company updates such as company news, a list of vacancies (including part-time positions), invitations to company events, etc.

Three months before returning from parental leave, we send a questionnaire where the employee indicates whether he/she plans to return to the Company. Subsequently, the HR team actively addresses return options according to the possibilities and opportunities in the Company. For parents who return immediately after maternity leave or up until the first year of their child's age, we give a financial allowance of CZK 8,000 or CZK 6,000 per month.

We also organise various activities for our employees' families such as Family Day and St. Nicholas Day. In 2021, parents received either a magazine subscription or a voucher for an escape game as part of family events.

Number of Employees on Parental Leave and Returned from Parental Leave in 2021:

Employees currently on parental leave	Employees returned from parental leave
396	43
3	1
399	**43**

● Men   ● Women
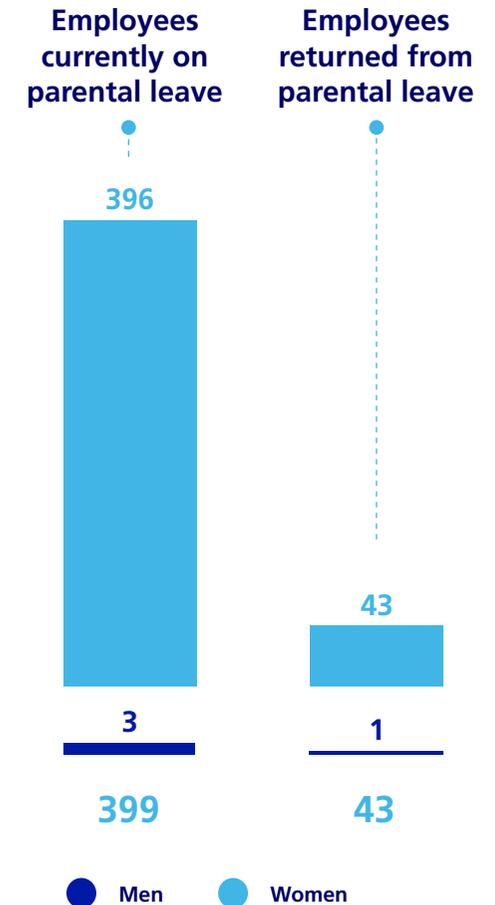
Note: Includes data for O2 CZ. Includes the total number of employees in 2021 who returned from parental leave for at least 1 day in that year, not counting the cooperation of the employee on the agreement, only returns from off-registration status, i.e. the actual end of the parental leave.

Remuneration

The basis of the employee remuneration system in O2 CZ is subject to the Company Collective Agreement. The remuneration rules are specified in the internal remuneration directive. The basis for employee remuneration is in the form of the basic salary. In addition to the basic salary, employees (in accordance with the rules and conditions set) are provided mainly with incentive remuneration in the form of bonuses or commissions.

In addition to the salary, O2 CZ employees are motivated by benefits[7] such as:

Discounts on O2 CZ products and services

A wide range of benefits in the value determined by the collective agreement, which they draw on according to their own choice (Multisport card, education and language courses, additional health care, financial products, culture events, etc.)

O2 CZ operating lease

Five weeks of vacation, three sick days

Discount card for fuel

Meal allowance & Canteen subvention

Benefits

The full offer can be viewed online in the Incentive Benefits Guide.

The trade union plays an important role in protecting employees and their rights at O2 CZ, negotiating collective terms and conditions for employees regarding remuneration, benefits and working conditions. 100% of full-time employees are covered by the Company Collective Agreement as it is applicable to all employees regardless their membership in trade union.

[7] *Benefits provided only to full-time employees, not to part-time employees*

As we are convinced that diversity drives innovation, we are committed to building a diverse and inclusive culture to encourage and enable everyone to truly be themselves. To also demonstrate our commitment externally, we became a founding signatory of the European Diversity Charter in the Czech Republic. By signing the European Diversity Charter, we commit to maintaining a workplace environment that is open to all, irrespective of their gender, race, skin colour, nationality, ethnic origin, religion, world views, disability, age, or sexual orientation.

Diversity and Non-discrimination

Anti-discrimination measures are part of the obligatory internal documents. The Labour Code directly obliges the employer not to allow any conduct in the employment relationship that could lead to discrimination of any kind – not only directly, but also in its consequences. We base our approach to employee selection, employment contracts, training, and promotion on clear criteria such as skills, experience, and performance. In line with Our Business Principles, we promote and create equal opportunities in the workplace. We build on mutual trust and respect among employees.

We have set a clear grievance mechanism to enable employees speak up in case of discrimination. Read more in Processes to Remediate Negative Impacts section. No discrimination incidents have been reported in 2021.
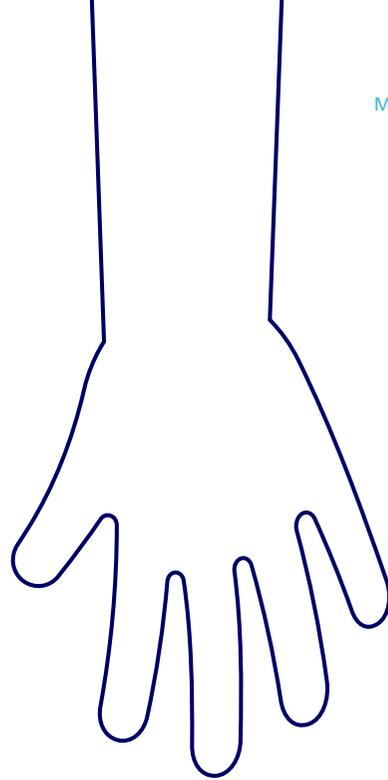
We encourage employing people with disabilities and have a strategy, which allows us to better identify these persons within the Company, to obtain potential suitable candidates from this group on the labour market, ensure their fast adaptation and inclusion, prepare other employees for their arrival, and thus improve cooperation. We offer an allowance in the form of Relax Points worth 12,500 points/year that can be used on various relax activities for employees with disabilities who are recognised as fully or partially disabled.

There were 53[8] employees with disabilities, who have worked in O2 in 2021.

[8] Reported in FTE to align with internal reporting processes in accordance with Czech legal regulation.

Employee Diversity Statistics

Employee Structure by Age Group and Diversity:
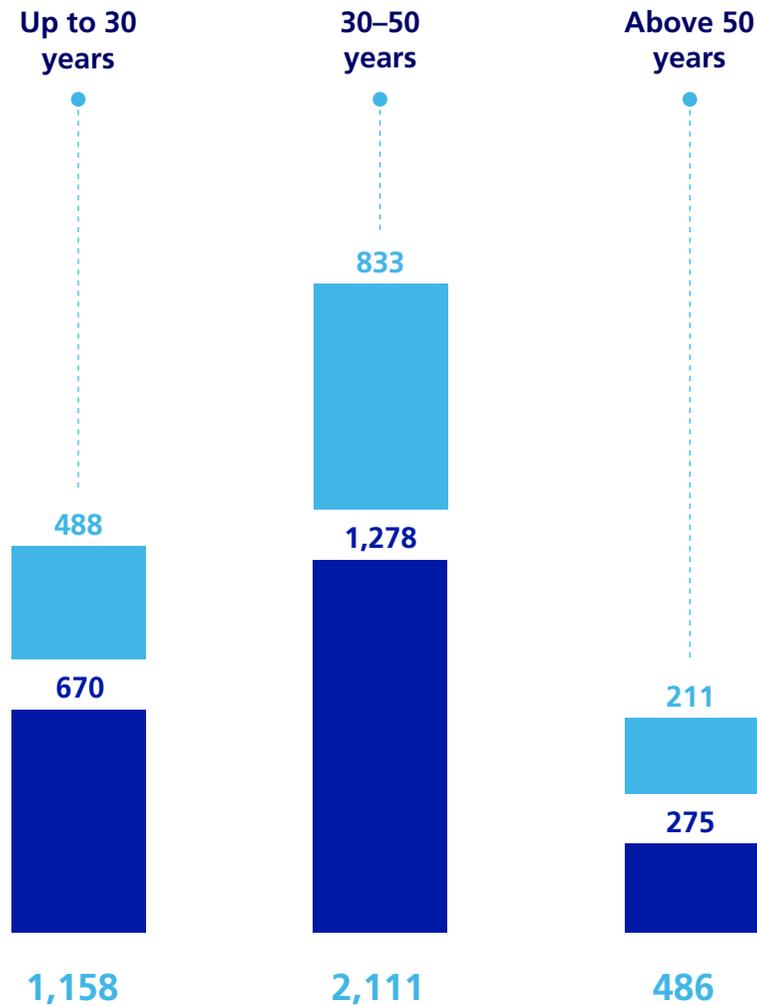
Up to 30 years

30–50 years

Above 50 years

833

488

1,278

670

211

275

1,158

2,111

486

Note: Includes data for O2 CZ. Included full-time and part-time employees, excluded temporary employees – agreement for the performance of work and employment agreement.

Employee Structure by Employee Category:

Employee Category	Men	Women	Total
Commercial	964	943	1,907
Management	345	151	496
Senior management	4	0	4
Specialist	910	438	1,348
Total	**2,223**	**1,532**	**3,755**

Note: Includes data for O2 CZ. Included full-time and part-time employees, excluded temporary employees – agreement for the performance of work and employment agreement.

Diversity of the Highest Governance Body:

Gender Diversity of the Highest Governance Body:

Gender	Board of Directors	Percentage	ExComm	Percentage	Supervisory Board	Percentage
Men	3	100%	7	100%	2	67%
Women	0	0%	0	0%	1	33%
Total	**3**	**100%**	**7**	**100%**	**3**	**100%**

Age Diversity of the Highest Governance Body:

Age Group	Board Members	Percentage	ExComm	Percentage	Supervisory Board	Percentage
Up to 30 years	0	0%	0	0%	0	0%
30–50 years	3	100%	7	100%	2	67%
Above 50 years	0	0%	0	0%	1	33%
Total	**3**	**100%**	**7**	**100%**	**3**	**100%**

Health, Safety and Healthy Lifestyle

Health and Safety

As an employer, we make every effort to ensure health and safety in the workplace. Our goal is to minimise accidents, illness, and risks as far as possible and to promote the health of our employees. However, we also greatly value the lives and health of all stakeholders affected by our activities or of those who use our products and services. Therefore, we strive to achieve the highest standards of health and safety in all areas of our business. To formalise our commitments, we have implemented and certified our health & safety management system according to **ISO 45001:2018**[9].

All employees must undergo mandatory health & safety training upon joining the Company and every two years thereafter.

In 2021, nine work accidents were recorded, including two cases with incapacity for work (26 days in total). In terms of cause, there were five accidents when walking and four cases of tool handling. No work-related illness was recorded in 2021.

Recordable work-related injuries

9

Total hours worked

6,698,336

## Recordable work-related injuries rate

0.269 / 200,000

hours worked

[9] *Applies only for O2 CZ*

Note: Includes data for all The Group entities as defined in Organisational details section.

COVID-19 Pandemic
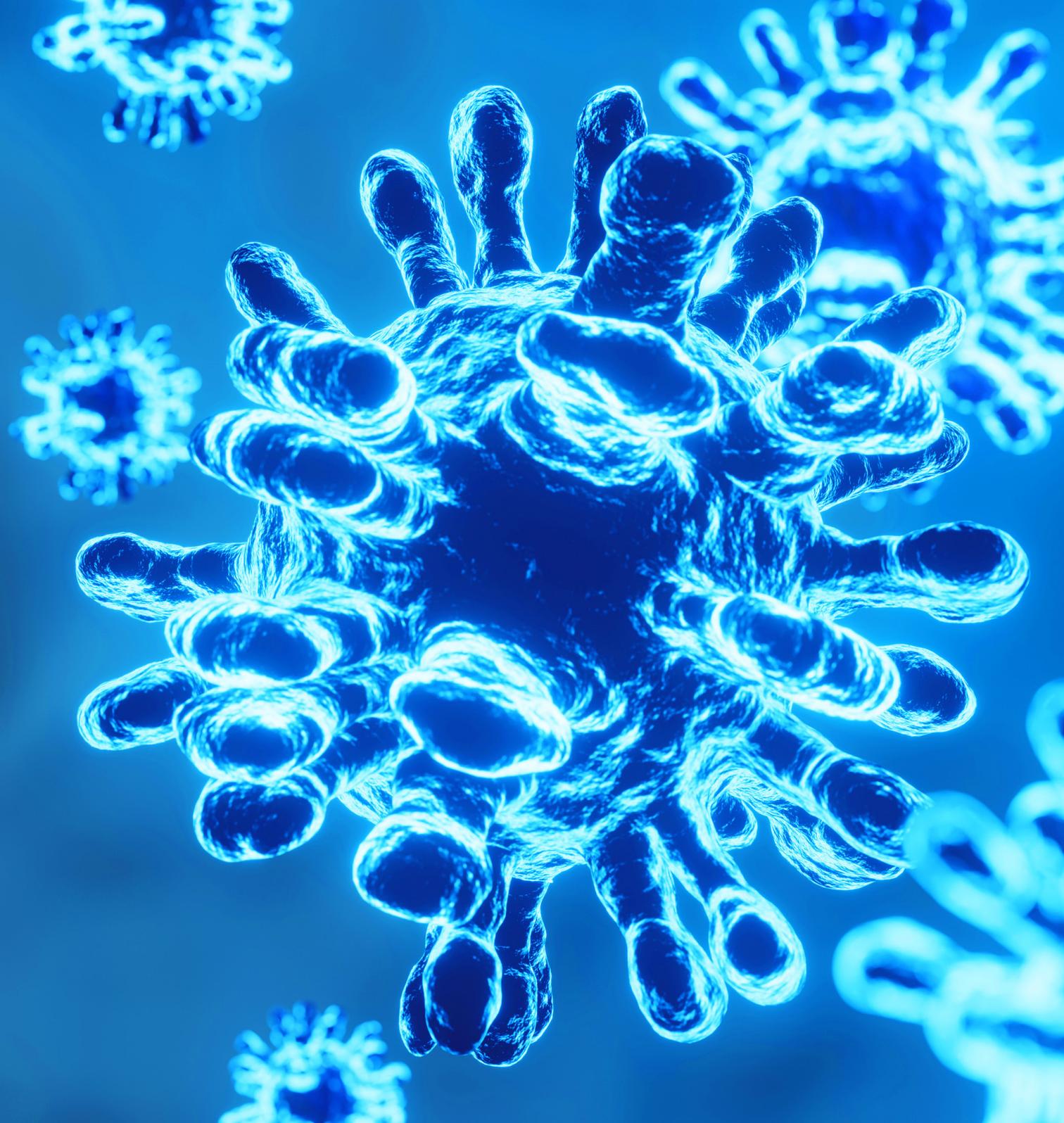
COVID-19 Pandemic

With 2021 also being affected by the COVID-19 pandemic, we have made every effort to protect our employees. Examples of our measures beyond the legislative requirements:

- internal, timely tracing of risky contacts;

- adjusting the operation of individual departments to combined work (workplace/remote) or alternating workplace performance (especially Call Centres and Customer Solutions Technicians);

- rapid tests for retail, technicians and salesmen – before and after being mandatory by the Government Regulation;

- all facilities equipped with disinfection, not only stores;

- thermal camera systems by entry to our Prague headquarters and non-contact movement through the building.

Healthy Lifestyle

We encourage our people in the areas of disease prevention and healthy lifestyle:

- We organised Health Days in our Prague and Ostrava locations, 2–3-day events where our people could register for various 15–30-minute examinations, such as mole check-ups, nutritionist, physiotherapy, eye check-ups, etc.

- We provide our directors with extra health care if they are interested.

- Massages are held every Wednesday and Friday at our Prague headquarters, which employees can pay for with Benefit Points. In 2021 we provided employees with one month of free massage.

- Yoga classes held every Thursday at our Prague headquarters.

- Employees can also join the running club or regular sports games in Rakovník and small football tournament (2 times a year), where in addition to football, there is also fitness training.

Employee Training and Development

Within this turbulent world where technologies change overnight, we put great effort into the development and training of our employees. Therefore, we provide our employees with a wide range of learning opportunities:

- **courses**

- **workshops**

- **development programmes**

- **company and intercompany mentoring**

- **meetings with inspiring persons**

Compulsory training of newcomers consists of Welcome day, Newcomer training and Normative exams that reflect the requirements of Integrated Management System (IMS) and are adjusted based on the employee profile. Besides the compulsory training, we provide our employees with other educational activities supporting them within their professional and personal growth. The training programmes are provided both internally and externally in online and offline forms.

We have a very high-quality training and development team including high quality in-house trainers. There is an intranet site available to O2 CZ employees which works, among other things, as an e-learning platform with a permanent offer of more than 150 courses.

O2 Learning priorities are the continuous improvement of knowledge and skills in the Company, with an emphasis on promoting corporate culture, efficiency and maximising positive impact on the Company's operations. Employee development uses the following principles:

Individualisation

Emphasis on an individual approach to employees, designing development activities in mind with specific needs of employees and individual teams.

Digitalisation

We use elements of modern information and communication technologies as a priority for the preparation of development activities, innovative forms and tools.

Inspiration

With development activities we do not want to lead employees, but to inspire and motivate them to further individual development and their own responsibility for it.

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All our employees undergo regular **Performance and career development** review on an annual basis. In line with Our Business Principles, we inform our employees about the rules for evaluating their work and expect their active participation. On the basis of these evaluations, we want to improve work and increase motivation.

We implement specific development programmes and work with career maps. Call Centres and Sales have career development programmes, such as Talent Days, where we look for suitable talents with leadership potential. In the Finance Division, we run the Finance Academy.

In 2021, education and awareness campaigns were still affected by the COVID-19 pandemic. We provided our employees with access to the Red Button learning platform and specific activities for employees focused on a healthy lifestyle, such as:

- **What and how to exercise at the home office**

- **Walking and healthy lifestyle**

- **Healthy (home) office: working on computer without pain**

- **Cold therapy**

Total Training Hours and Avg. Training Hours per Emp.:

Year	Average Training Hours per Employee	Total Training Hours
2021	27.8	102,461
2020	33.6	131,637

Note: Includes data for all The Group entities as defined in Organisational details section.

Total Training Hours and Avg. Training Hours per Emp. by Gender:

	Male	Female
Total training hours	51,762	50,699
Avg. training h. per employee	23.7	33.8

Note: Includes data for O2 CZ. Calculation based on total number of employees in FTE.

Total Training Hours by Gender and Employee Category:

Employee Category	Male	Female	All
Call Centre	16,957	26,170	43,127
Care to Sales	6,268	6,363	12,632
Customer Service	284	71	355
Executive management	82	14	96
Middle management	1,032	332	1,364
Operation management	3,649	2,796	6,444
Salesman	16,512	11,750	28,262
Senior management	34	0	34
Specialist	6,944	3,203	10,147
Total	**51,762**	**50,699**	**102,461**

Note: Includes data for O2 CZ.

Helping Society

At O2, we recognise the important role we play in society. We support the communities we serve through services that educate the public, partnerships with non-profit organisations, employee engagement and volunteer activities, and, last but not least, through our services that are technologies that help those in need.

After some curtailment caused by the pandemic, our social initiatives have returned to the level that we can be satisfied with both in terms of quantity and quality.

Supporting Digital Literacy

O₂ Smart School

Since 2018, our O₂ Smart School (O₂ Chytrá škola) project has been helping teachers, parents, and children to better navigate in the digital world and to educate them in the area of cybersecurity. The publicly accessible www.o2chytraskola.cz portal provides a wide range of educational materials on internet safety, media and computer literacy and technology in education, helping visitors to manage the pitfalls of the internet and social media such as cyberbullying, phishing, fake news, and hoaxes, as well as improving their digital skills, such as how to use Google apps, etc.

In 2021, the portal has been redesigned with the aim to adapt the form as much as possible to young readers using communication bubbles and introducing students and teachers from the supported schools as the faces of our more modern look. We also extended the scope with new topics such as Copyright, Teaching modern history using digital technologies and Writing with all ten fingers. Also, new content related to remote education has been added.

The O₂ Smart School portal received over **122 thousand** visitors in 2021. More than **88 thousand** users and around **500 schools** from all over the country use it regularly.

O₂ Smart School Grant Programme

Within the framework of the grant support for digital literacy for primary schools and children's homes in the Czech Republic, we received 252 applications in 2021. From this group we selected 67 primary schools for support and distributed CZK 4,692,804 among them. In 2022, we will also announce a separate subsidy programme for children's homes.

On the occasion of the removal of the last telephone box in the Czech Republic, we announced a public charity auction, in which, in addition to the box, handsets, payphones and cards were also auctioned. We managed to raise CZK 131,431 to support children's education within the O₂ Smart School programme.

#BrowseResponsibly

O2 Slovakia successfully launched the #BrowseResponsibly campaign to teach people to spot hoaxes and fake news through a viral deepfake video that reached 5.5 million people and an educational quiz that rewarded unlimited free mobile data for one day. The value of the PR campaign exceeded its cost by 40 times.

Safe on the Internet

In October 2021, we launched our new website Safe on the internet (bezpecnevsiti.cz) where the visitors find in one place all the latest news about keeping children safe online in the form of classic articles, but also quizzes and videos. Currently, we have provided more than 65 articles, with a frequency of about two articles per week, recording more than 5,000 users and 6,697 visits.

- We introduced the website as part of a Christmas campaign to highlight the dangerous topic of sexting.

- The most read article so far has been „Can songs impose radical views? Beware of song lyrics, they may surprise you" with 1,228 views.

O₂ | Chytrá škola

Helping Through Technologies

Helpline Assistance

We provide a **line for people with hearing or visual impairments** to stay connected with others through the technologies. In 2021, the opening hours of the helpline were from 6am to 10pm. Outside of these hours, users are referred to the standard ISS lines when dealing with critical situations. The helpline is available to clients who have any service from O2 (fixed, mobile, etc.). In 2021, its operators handled over 23,009 requests for 450 clients. In addition to the line, there is the option of a call transcription for the deaf who come to an O₂ Store and elected assistance services are also available for blind or visually impaired people.

We continue our cooperation with the Toll-Free **Safety Line 116 111** providing free telephone assistance for children, young people and students up to 26 years of age. Approximately 400 children call it every day. This year's financial donation was used to operate the helpline, the costs of its own administration in order to provide social and legal protection for children. We invested a portion in social services into crises assistance for children and students. We also continue to support the development of individual giving and the Safety Line in Your Classroom project.

We also support the **Senior Citizens' Helpline 800 200 007**, which is operated by Elpida, o.p.s., and which provides support and assistance in finding solutions to difficult life situations for seniors, but also for people who care for them.

O₂ SOS

The O₂ SOS app helps save lives, especially in the event of a cardiac arrest. It automatically reaches out to trained volunteers in the patient's vicinity and helps provide first aid before an ambulance or a helicopter can reach the patient, as every minute counts in a cardiac arrest. A trained volunteer called by the O₂ SOS mobile app, who is closest to the patient, can make a significant difference in saving a person's life.

The app was developed in collaboration with the Medical Rescue Service of the Hradec Králové Region and currently operates in eight regions of the Czech Republic. See how O₂ SOS works in this video.

Donor SMS

Together with the Donors' Forum and the Association of Mobile Network Providers (which brings together O2, T-Mobile and Vodafone) we support a unique and purely Czech project of mobile online donations. Customers of mobile operators in the Czech Republic can contribute to charitable projects by sending an SMS at a certain price level, the so-called DMS. Mobile operators provide their services free of charge. Donor SMS is a popular donation tool, used by seven out of 10 donors. In 2021, donors sent **506,117 DMS** with a total value of over **CZK 33 million.**

Universal Service

Also in 2021, we were the only subject in the Czech Republic to ensure the operation of the so-called universal service namely:

- provision of special price plans for the disabled, and

- the sale of special terminal equipment at a subsidised price.

These services have helped tens of thousands of disadvantaged citizens save money when using telecommunications services or purchasing special telecommunications equipment to help them communicate with their loved ones even at a distance.

Supporting the Community

Sheltered Workshop Markets and Nicely Baked Aid

Despite limited opportunities related to the coronavirus pandemic, we were able to host an autumn bake market for a good cause. This year we baked in support of our landscape restoration grant programme (Sázej stromy.cz) raising **CZK 16,331**. During the autumn markets, the workshops sold **CZK 68,000** worth of products to our employees. We replaced the Easter and Christmas markets with links to e-shops of non-profit organisations, which we placed on our intranet so that employees could at least contribute to a good cause with their purchases in this way.

Blood Donation

In cooperation with the mobile blood transfusion station of the Central Military Hospital in Prague, we organised four blood donation events in the main building of the Company in 2021. Employees donated a total of 92 litres of blood.

Sázej Stromy.cz

O2 CZ via its Foundation supports projects that contribute to the development and protection of the environment and local communities. It took patronage over O2's Sázej stromy.cz (Plant Trees) volunteering project. **87 of our colleagues** took part in the organised activities, **planting 3,450 trees** and clearing forest areas after logging in natural park reservations in Brdy and Krkonoše, in the villages of Tichonice, Dolní Břežany, and Chlumec nad Cidlinou. We were also joined by colleagues from our partner companies Etnetera and CGI. We plan to continue in 2022 and extend the project with a grant programme. Our goal for 2022 is to plant minimum of 10,000 trees.

Employee Collections Break Records

In the summer, we launched an employee fundraiser to help communities in the South Moravian region that were devastated by the **tornado**. Employees contributed **CZK 576,300** and the O2 Foundation added another **CZK 500,000** for revitalisation of the primary school in Moravská Nová Ves.

In November, Retail Channels employees and the O2 Foundation teamed up to support the **Men Against Cancer Foundation** as part of the Movember charity event. Together we managed to raise **CZK 57,844** and the organisation would receive financial support in 2022.

Starting in July 2021, we have expanded the programme **Hand on heart for the Human Story** (Ruku na srdce pro Lidský příběh) to also support the education and mental development of children aged 5 to 15 in the form of tutoring, special interest and educational clubs or camps. This year, employees nominated four human-interest stories for which we raised a total of **CZK 325,122**, helping Jarda to purchase a new wheelchair; Magdalénka, diagnosed with spinal muscular atrophy, to finance rehabilitation; Honzík, who suffered a stroke at an early age, to purchase a reclining bed; and Magda, who suffers from severe physical and visual disabilities, with funding the to refurbish a wheelchair and bathroom hoist.

Supporting the Community

Hand on Heart for a Non-profit Organisation

In 2021, we received 24 applications for grant support for educational projects. The grant committee decided to support 13 projects, among which the O2 Foundation distributed **CZK 1,000,000**. As part of the selection process, we also focused on the personal involvement of employees in the non-profit sector.

#Freedom Is (Still) Not Granted

Freedom Is (Still) Not Granted is a long-term project of O2, in which the operator regularly reminds people of the importance of the fight for freedom and democracy. Thus, O2 commemorated 17th November with a symbolic „last ring" of telephone boxes across the Czech Republic, drew attention to authors banned under totalitarianism and gave the opportunity to download their works for free from the O2 Library. The O2 Prague Relay was marked by the heroic act of Emil Zátopek, who in 1952 made it possible for his colleague Jungwirth to go to the Helsinki sports games, and during the hockey championship the operator recalled the turbulent fate of the Czechoslovak national hockey team in 1950. Over the last five years, O2 has implemented many other similar activities, more information about them can be found at www.svobodanenisamozrejmost.cz.

6. Governance

O2 CZ follows the recommendations of the Czech Corporate Governance Code 2018

Our governance is based on accountability guaranteed by our policies, oversight, and systems that ensure we act in an ethical and fair manner in our everyday business.

Governance Structure, the Highest Governance Body and Policies

Board of Directors*

O2 CZ is led by the Board of Directors. The Board of Directors is the statutory body that manages and carries out the activities of the Company and acts on its behalf and decides on all matters that are not reserved by law or the articles of association to the competence of the General Meeting or the Supervisory Board. It usually meets fortnightly. Members were elected and dismissed by the Company's Supervisory Board with the tenure of the members being five years. The Board of Directors consists of three members and can carry out the resolution if an absolute majority of its members are present.

Jindřich Fremuth
Chairman
of the Board of Directors

Tomáš Kouřil
Vice-Chairman
of the Board of Directors

Václav Zakouřil
Member
of the Board of Directors

* Valid as of 31st December 2021

Executive Committee (ExComm)

The CEO reports directly to the Board of Directors. The Executive Committee, as an advisory body to the CEO, consists of the Directors of the following Divisions: Commercial, Technology, Finance, Legal and Regulatory Affairs, Human Resources and Corporate Communication and CSR.

Jindřich Fremuth
CEO

Tomáš Kouřil
Director of Finance Division

Václav Zakouřil
Director of Legal and Regulatory Affairs Division

Pavel Milec
Director of Human Resources Division

Richard Siebenstich
Director of Commercial Division

Jan Hruška
Director of Technology Division

Hany Farghali
Director of Corporate Communications and CSR Division

Supervisory Board*

The Supervisory Board is the controlling body supervising the performance of Board of Directors. Two thirds of the members are elected and dismissed by the General Meeting, one third of the members are elected and dismissed by the employees. The tenure of the members of the Supervisory Board is five years. The Supervisory Board has three members and can carry out the resolution if an absolute majority of its members are present. It meets as necessary, normally once a quarter, but at least four times per calendar year.

Ladislav Bartoníček
Chairman of the Supervisory Board

Pavel Milec
Vice-Chairman of the Supervisory Board
(member elected by employees)

Kateřina Márová
Member of the Supervisory Board

* Valid as of 31st December 2021

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6.1 Governance Structure, the Highest Governance Body and Policies

Message from CEO   About O2   ESG in O2   Environment   Social   **Governance**   About the Report   GRI Index   O₂

Conflict of Interest

The persons with managerial authority who are members of the Board of Directors, members of the Supervisory Board and members of ExComm. No person with managerial authority has in previous 5 years been judicially disqualified from legal capacity as a member of the administrative, management or supervisory bodies of a legal entity or a position in the management of a legal entity or carrying out the activities of any legal entity. In terms of contracts concluded with persons with managerial authority, there are no agreements on termination benefits in place. No person with managerial authority has been identified as having a conflict of interest. No person with managerial authority has been convicted for fraudulent offences, been involved in insolvency proceedings as a position of statutory or supervisory authority or sanctioned by statutory or regulatory authorities. No person with managerial authority is in a family relationship with another person with managerial authority in the Company.

There is a general non-compete rule for members of the Board of Directors stated in the Articles of Association. A member of the Board of Directors may not:

- conduct business in the Company's field of activity, even for the benefit of other persons, nor to broker the Company's business for another party;

- participate in the business of another business corporation;

- as a partner with unlimited liability or as a controlling person of another entity with the same or similar business or activity;

- be a member of the statutory or other body of another corporation having the same or similar business or activity or a person in a similar capacity, unless such other legal person belongs to the same group; or is controlled by the same person as the Company.

Remuneration

Remuneration of the highest governance body is performed according to the Remuneration Policy and Articles of Association.

Each member of the Management Board of Directors and the Supervisory Board is entitled to remuneration for the performance of his/her duties in accordance with the law and to the framework of executive service agreements or employment contract. There is currently no relation between the highest governance bodies' and senior executives' remuneration and management of ESG impact.

Communication of Critical Concerns

All critical concerns are communicated to the Board of Directors. That includes complaints from the whistleblowing mechanism reported by the Compliance Officer, risk matrix reported twice a year and findings from Internal Audit and Risk Management reports.

ESG Agenda

The Board of Directors and ExComm are being provided with the relevant information from external and internal resources in order to possess sufficient collective knowledge, skills, and experience needed to manage the ESG agenda, oversee the management impacts of ESG aspects and manage ESG due diligence adequately.

The Board of Directors has ultimate responsibility over ESG matters and is also responsible for reviewing and approving the reported information, including the ESG/non-financial information in extent of material topics.

The Director of Corporate Communications has been appointed as the member of the Executive Committee responsible for ESG matters and is tasked with reporting and discussing ESG issues with the Executive Committee on a regular basis.

We are currently working on new ESG Governance structure that is going to be implemented and reported in 2022.

Other Governance Bodies*

Shareholders

The General Meeting is the supreme body of the Company and decides on major economic, organisational and operational matters. The General Meeting is convened at least once a year by the Board of Directors of the Company so that it is held no later than six months after the last day of the last financial year. It shall be convened by written invitation sent to all shareholders no later than 30 days before the date of the meeting. The General Meeting can carry out the resolution if shareholders holding shares with the nominal value exceeding half of the Company's share capital are present.

Audit Committee

The Audit Committee is an independent body of the Company. The members, as well as alternate members, are elected and dismissed by the General Meeting. The Audit Committee may also be composed of members of the Supervisory Board or third parties and their tenure office is five years. The Audit Committee has three members and can carry out the resolution if an absolute majority of its members are present. The meetings are held as required, normally once a quarter, however, at least, four times per calendar year.

* Valid as of 31st December 2021

Internal Policies

Our policy commitments to responsible business conduct are set out in Our Business Principles, which summarise our approach to stakeholders (customers, employees, shareholders, suppliers, and society) in a responsible, fair, credible, transparent and sustainable manner. They form part of the working regulations and create a basis for the entire system of internal regulations.
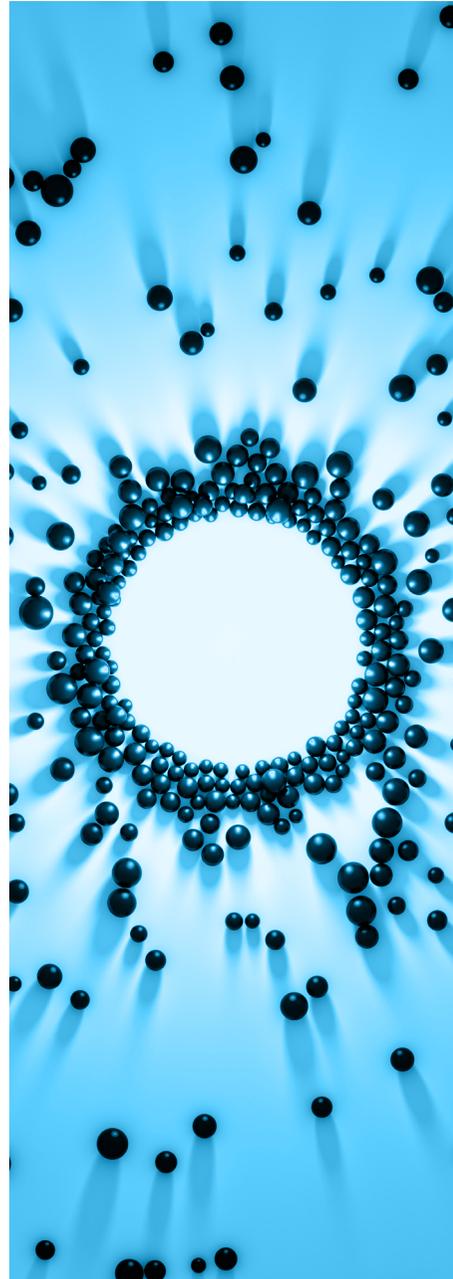
How we embed Our Business Principles policy within the Company:

- Our Business Principles are mandatory for all employees as part of the employment contract and internal regulations.

- The Board of Directors ensures the application of this policy throughout the Company, including the annual assessment of compliance with them.

- Managers are responsible for establishing more detailed rules in accordance with the Principles. They are equally responsible for applying them in their management to their subordinates, including examples of how to apply them in their daily work.

- The helpline available on the intranet can be used to raise questions, seek advice or interpretation of questions relating to compliance with these Principles.

- In case a staff member suspects a breach of this policy, confidential tools are set up to report such suspicions to the Compliance Officer. The notification will always be treated confidentially and to the employee who makes it, will not be prejudiced by the report.

- The Principles are publicly available and accessible to all O2 employees. Employees are regularly trained to understand the policy as part of newcomers' mandatory training and subsequently undergo this training on a mandatory basis every three years.

Besides Our Business Principles, the following policies guide our responsible business:

- Policy on the acceptance and provision of gifts and hospitality

- Conflict of Interest Policy

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Ethics, Compliance and Anti-corruption

O2 CZ follows the recommendations of the Czech Corporate Governance Code 2018

The general rules contained in the Code are primarily based on the applicable legal regulations of the Czech Republic. They are also inspired by comparable national corporate governance codes (in particular the German or Austrian Code) as well as international corporate governance standards (in particular the G20/OECD Principles of Corporate Governance of 2015). Czech Corporate Governance Code 2018 is available on the website of the Ministry of Finance of the Czech Republic.

Processes to Remediate Negative Impacts

We strive to prevent, identify, and remediate all negative impacts that we caused or contributed to. We put emphasis on internal rules for approving contracts, dealing with potential conflicts of interest and control mechanisms, which we consider to be practical tools to prevent any misconduct. In case of misconduct, a grievance mechanism is set up to allow employees to report their concerns and complaints.

For instances where our employees feel they have witnessed conduct that is in violation of Our Business Principles, need advice in a difficult situation, or feel for any reason threatened for, an internal whistleblowing instrument is available for reporting such suspicions. This allows employees to make a report, even anonymously to maintain confidentiality. Reporting can also be made in person via the supervisor or compliance officer. The contact details of the Compliance Officer are freely available on the intranet and can be contacted by any means, including a personal meeting. The announcer is not harmed by the announcement. Currently, we are working on upgrading our whistleblowing policy to be compliant with the new Czech legislation.

External stakeholders can raise any concern or complaint through various channels. The most important area in terms of the focus of O2's business activities is, of course, customer complaints – whether related to services, billing or goods sold. The company receives complaints and claims through a variety of channels (by phone, via the online self-service, via a web form, via social networks and in more than 150

branded stores). Handling is entrusted to a dedicated team, where compliance with legal deadlines for handling complaints is monitored and the quality of handling of complaints, complaints and suggestions is regularly audited. In each complaint handled, the complainant is informed of his/her rights and where, if necessary, he/she can turn to in case of dissatisfaction with the handling of his/her matter.

The Company actively participates in the processes regarding out-of-court dispute resolution (ADR) with the Czech Trade Inspection Authority.

Reports and suggestions in the area of ethical business conduct and corrupt behaviour are considered as confidential communications and are treated accordingly. We deal with each information concerning such misconduct and investigate it.

In 2021, no significant sanction or remedial action was imposed relating to a substantive breach of the law. With regard to the number of customers, the range of services provided and the breadth of the range of products sold, there are individual cases of minor operational violations (in particular, exceeding the deadline for handling

complaints, the deadline for transferring a telephone number, updating prices in the shop), where the administrative authorities have imposed fines in the tens of thousands of Czech crowns. In each case, we investigate the causes of such misconduct, in particular whether it is a signal of a systemic problem and we made the responsible departments accountable for operational misconduct.
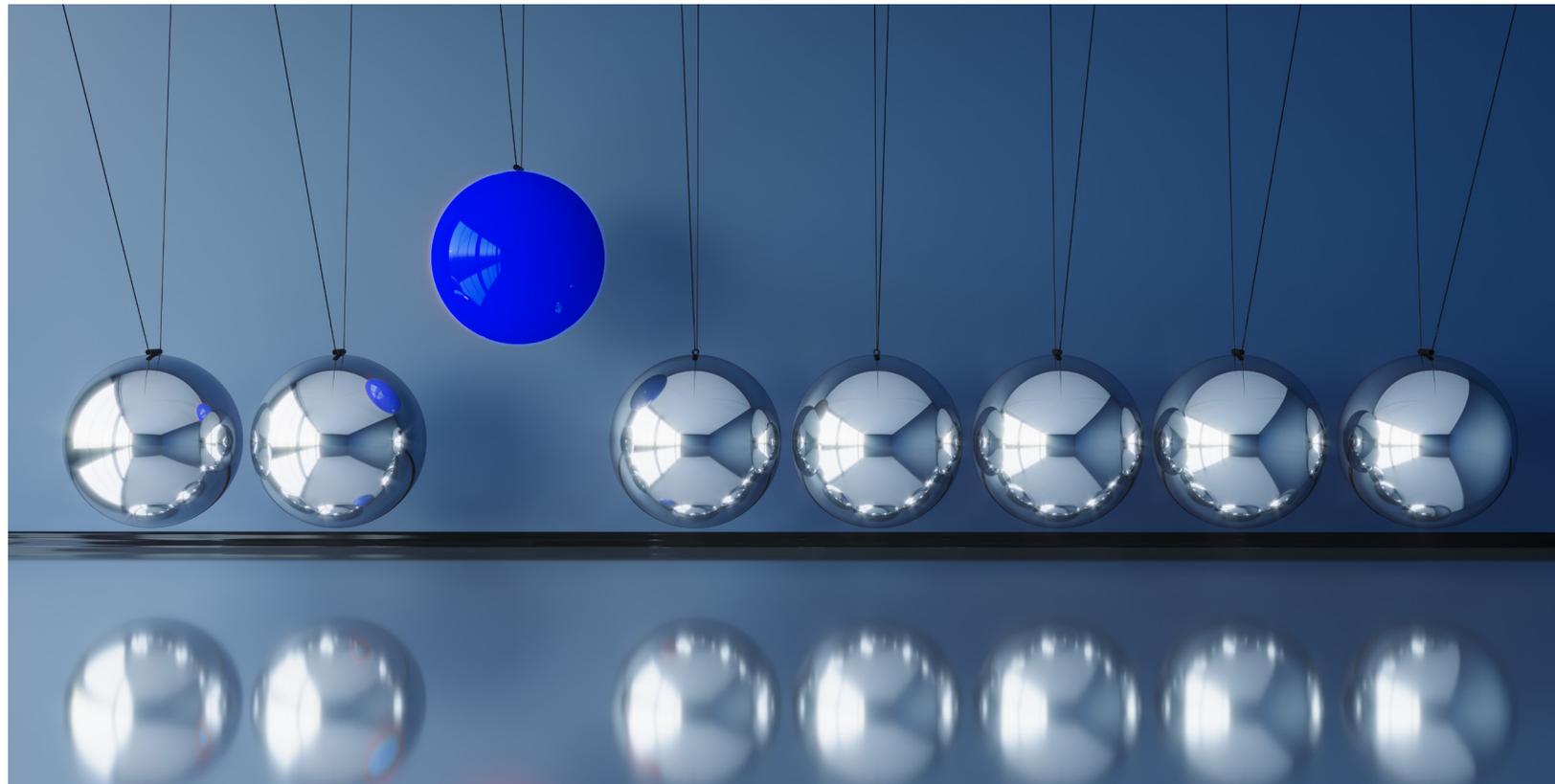
Anti-corruption

The Group behaves responsibly and demands it from its employees. As part of mandatory training on our Business Principles, all employees and members of governance bodies are made aware of the importance of anti-corruption rules and the possible consequences of illegal behaviour. Certification renewal is required upon expiration.

The Group has rules in place for accepting and giving donations. If an employee accepts a gift or gives a gift to someone in the course of business, he/she is obliged to register the gift as part of transparency. In certain situations, internal regulations prohibit the acceptance and giving of gifts, especially if it is likely to influence someone's decision or could be interpreted as such. Similarly, rules on conflicts of interest are important.

Corruption-related risks are monitored and evaluated internally across The Group.

All new hires receive mandatory training on business ethics and compliance with anti-corruption regulations. All employees including management and governance body members receive this training at least once every three years. In 2021, we did not record any cases of corruption. No proceedings have been initiated against the Company on this account, and we are not aware of any such proceedings being initiated against any employee.
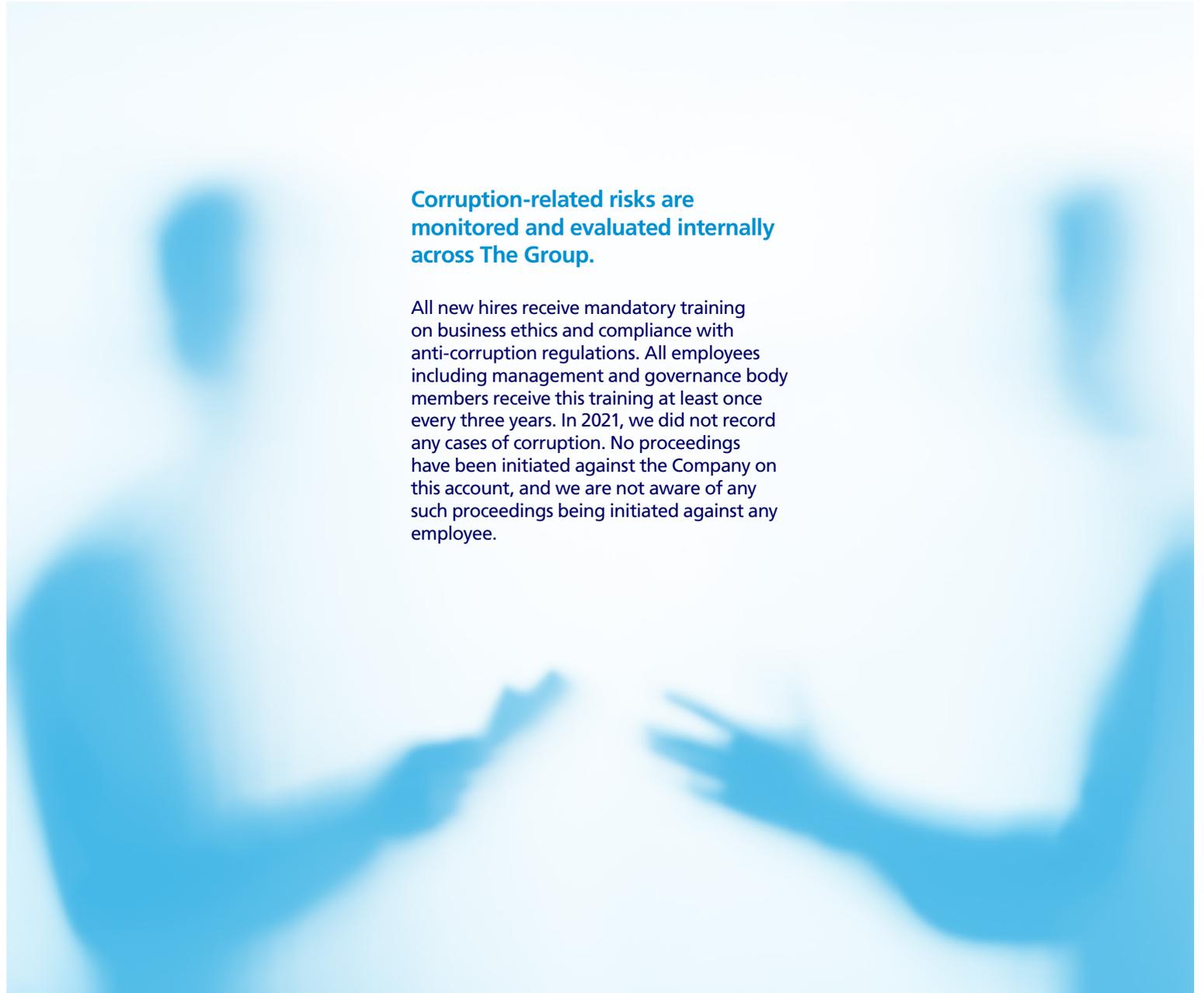
Suppliers

Based on Our Business Principles:

• We build our relationships with suppliers and other partners on transparency in negotiations, objectivity in business decisions and equality of opportunity.

• We are committed to our suppliers to comply with applicable laws and regulatory rules.

• We support our suppliers in applying ethical principles similar to ours.

We plan to get started with a robust ESG assessment of our current and new suppliers within upcoming years, addressing their approach towards ESG.

Conflict Minerals

In terms of human rights in our supply chain, we monitor this issue mainly because of the use of so-called conflict minerals such as tin, tungsten, tantalum and gold in mobile phones and other electronics. These minerals often come from war zones in developing countries, where their extraction can finance the continuation of conflict. Child and forced labour can also be linked to mining.

We are not direct producers of these devices, nor are our direct suppliers the processors of these minerals. As such, we are not exposed to the risks of human rights abuses for which we would be responsible under international standards. Nevertheless, when selecting suppliers, we always emphasise their compliance with these standards.

Procurement Budget Spent on Local, Foreign, Other Suppliers (CZK millions):

- Local suppliers
- Foreign suppliers
- Other suppliers

- 16,822 (92%)
- 1,268 (7%)
- 144 (1%)
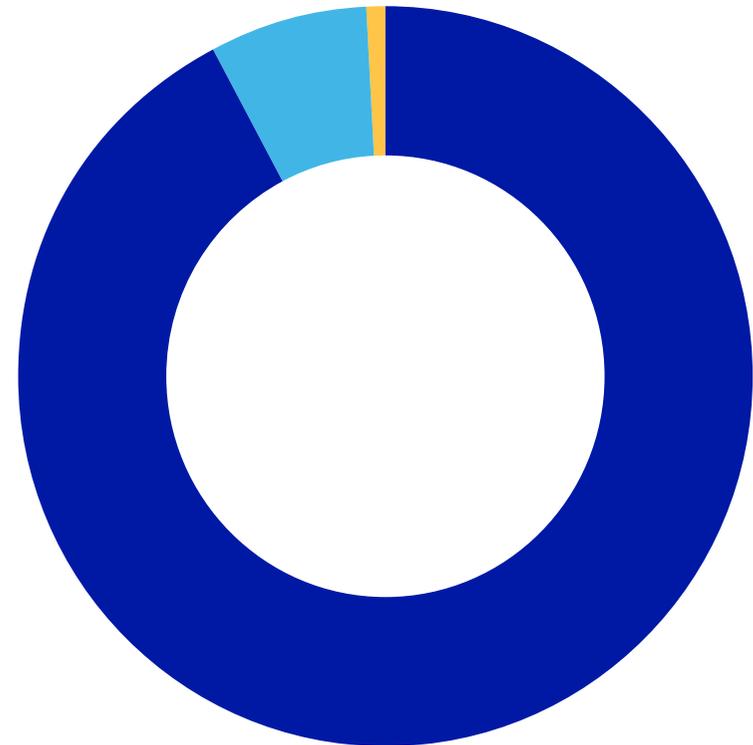
Note: Includes data for O2 CZ. A local supplier is considered an organisation or a person that provides a product or a service to O2 and that is based in the Czech market, including the cases when invoices come from local branches of international companies. Other suppliers – suppliers with annual spent lower than CZK 1 million for whom detailed analysis has not been performed.

Monetary Value of Payments Made to Suppliers by Supplier Category in 2021 (CZK millions):

Legend:
- ● Mobile Network Services
- ● Telco services
- ● Delivery of Telco goods
- ● IT
- ● HW, SW & Licences
- ● Advertising
- ● Operational and Maintenance Services
- ● Postage and Shipping Services
- ● Others
- ● Transport & Accommodation
- ● Audit, Advisory and Consulting

In total: 18,234

- ● 9,634 (53%)
- ● 3,064 (17%)
- ● 2,800 (15%)
- ● 1,151 (6%)
- ● 616 (4%)
- ● 349 (2%)
- ● 196 (1%)
- ● 177 (1%)
- ● 144 (1%)
- ● 54 (0%)
- ● 50 (0%)
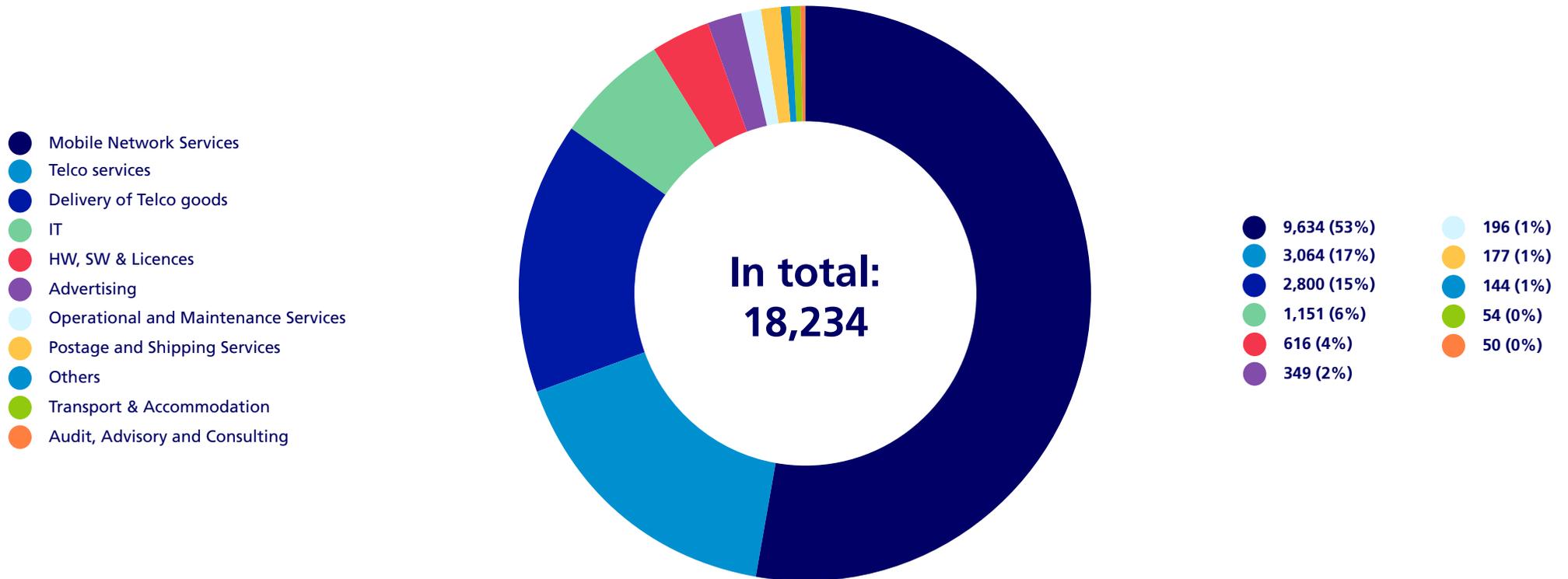
Note: Includes data for O2 CZ.

Categories explanation:

Mobile Network Services: connection to the mobile and fixed network (CETIN) / **Telco services:** interconnecting charges, distribution of SMS, network components, platforms for network, installation of telco services, security platform, support and maintenance services (network), lease of transmission capacity, mobile phones repair, information lines, IP connectivity, cloud services, electronic mail services, analyser modification for radio systems, infrastructure WLAN solutions / **Delivery of Telco goods:** delivery of mobile phones and accessories, goods for fixed and/or mobile lines, SIM cards / **IT:** support, development, and maintenance services / **Advertising:** advertising services, sponsoring, telemarketing services, sales support and media subcontracting, market and public opinion research / **Operational and Maintenance Services:** agencies, construction works, office services and facility maintenance, staff education, membership fees, money transfer / **Postage and Shipping Services:** postage and delivery services, shipping, packaging, printing, loading and unloading / **Others:** payments lower than CZK 1 million that have not been analysed / **Transport & Accommodation:** car rental, accommodation services / **Audit, Advisory and Consulting:** financial audit, QMS audit, advisor services, consultancy services, external accounting

Cybersecurity and Customer Privacy

Cybersecurity and the protection of digital and personal data are very important issues for society as a whole, for our people and for our business. In a constantly changing regulatory environment, The Group considers it necessary to take all necessary measures to protect its stakeholders from potential breaches that could harm them or the continuity of The Group's business itself.

Our Approach

The Group is aware of the important role that information plays in today's business world, as well as in our professional and private lives. It has therefore built and continuously improved an established and certified Information Security Management System (ISMS) to protect its information assets and to provide an appropriate level of assurance to its customers and partners. The ISMS (as well as related policy) covers all activities, applies to the entire organisational structure, all buildings and technologies.

The company's management encourages and motivates employees to ensure that all applicable information security requirements, even beyond the requirements of applicable legislation, have been met.

The changes in processes, activities, and relationships with all stakeholders are based on a thorough consideration of all available information and experience with the aim to meet the Company's stated information security strategy over the long term.

We are certified according to **ISO/IEC 20000-1:2018** Information technology and **ISO 27001:2013**[11] Information security management systems.

We consistently ensure that information is protected to the necessary level to be sure that only authorised persons have access to it (confidentiality principle), that information is accurate and complete, that powers and rights to amend it are clearly defined (integrity principle) and that information is accessible to users when they need it (availability principle).

We systematically monitor, evaluate and continuously improve our information protection processes and activities. We meet the individual security objectives by means of adequate measures identified within the framework of the risk management process with an impact on information security. Our measures cover all relevant areas of company life: security organisation, information classification, personnel and physical security, security of communication and traffic management, access control, security of system development and maintenance, and business continuity management.

We manage our processes and activities to ensure continuity and compliance with the applicable Czech and the European Union legislation, international treaties, and other information security requirements.

That is why we have the following systems and programmes in place:

- Intrusion Detection and Prevention System

- Data Leakage Prevention

- Endpoint Detection and Response

- Mobile Device Management

- Security Information and Event Management

- Vulnerability Management

- Privileged Account Management

- Security Awareness Programme

- Multifactor Authentication

- Security Risk Management

- Asset Management

Most of these initiatives are based on systematic planning and a well-developed cybersecurity strategy. However, we are also responding to current needs and threats. We monitor various indicators, especially technical vulnerabilities, the security risk register, the number of security incidents, and we focus on assessing trends rather than absolute numbers. We also compare actual findings to plan, conduct internal audits and the coverage of the MITRE Att@ck framework.

We have mechanisms in place for reporting complaints. Anyone can contact us in this area through standard contact tools such as customer helplines and forms. There is a dedicated internal safety line and special internal applications for employees.

We deal with all complaints, findings, and suggestions in the field of cybersecurity and the protection of digital and personal data.

[11] *Applies only for O2 CZ*

Stakeholders' Cybersecurity and Data Protection

We recognise that the topic of cybersecurity and the protection of digital and personal data is important to all of our customers today, as well as to the general public and all of society. Therefore, we focus on this area not only within our internal systems, but also when developing new products and services for our customers. We offer them tailor-made systems, whether they need to secure their mobile phone, home computer or corporate network. We also care for their security from a prevention point of view, so they can take advantage of our free educational activities.

Customers

At O2 CZ, we have established the **O2.cz CERT** (Computer Emergency Response Team) to assist customers in dealing with security incidents on the internet. It is involved in managing incidents that threaten the availability or confidentiality of services on the internet. In order to effectively manage security incidents and to prepare effective preventive measures, O2.cz CERT also cooperates with CERT and CSIRT teams of other companies and internet connection providers.

The scope of the O2.cz CERT team are autonomous systems registered by O2 CZ:

AS5610 – O2.cz networks

AS20884 – O2.cz networks

AS28725 – Eurotel networks

AS51154 – InternetHome networks

To report security incidents, you can contact O2.cz CERT at abuse@o2.cz.

O₂ Security

O₂ Security is a service designed for our residential customers, regular internet users, to protect their phone, computer and all home devices from fraudulent and infected sites. It will also prevent your phone, computer or tablet from becoming part of a botnet. That is, a large group of enslaved devices that are under the attacker's full control and used without the user's knowledge, for example, to mine bitcoins or send spam. This dramatically slows down the device. O₂ Security works directly on the network, so it does not slow down the performance of the device.

We have developed a comprehensive **network security programme for our corporate and institutional customers.** They can use the services of our O2 Security Expert Centre. This continuously monitors all IT infrastructure in real time to help eliminate the risks associated with cyber threats and the loss, misuse or theft of data and information. We also offer security for corporate connections through the O2 Next Generation Firewall, protection from DDoS and hacker attacks is provided by O2 AntiDDos, e-mail domains are protected by O2 Antispam, mobile phones and tablets are under control thanks to O2 Mobile Device Management and O2 Security DNS protects them from fraudulent and infected sites.

In 2021, O₂ Security stopped:

362 million threats

60 million

of which were directed at computers

Of all devices using the service, a total of

14.65%

of computers and

6.15%

of mobile devices encountered a serious security threat online

302 million

at smart mobile devices

Every day we see more than

150,000

new threat sites of which the most common are coinminers, ad-ware or generic malware. On the O₂ network the most commonly identified specific malwares are njRAT (PC), Triada (Mobile), Quasar RAT (PC) and Noon (PC)

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Employees

Internal Security unit provides our employees with extensive internal materials, advice and recommendations on how to act and protect themselves in the areas of cybersecurity and digital and personal data protection. Every employee receives mandatory training upon joining the Company and every time the Company deems appropriate but minimum every two years thereafter. We manage sensitive customer data, so we require our employees to strictly adhere to our security policies. We have summarised these into a „top ten security" for them, which we believe will help them protect their own and the Company's data and devices.

Security Ten Commandments

I protect sensitive data and never pass it on to unauthorised persons.

I always verify the identity of the stranger I'm dealing with.

I use secure long passwords that I don't share with anyone.

I only store company data on company drives.

I always connect to public Wi-Fi via VPN.

I do not download unknown programmes, documents or browser plugins.

I indicate the sensitivity of the documents sent.

I do not use company accounts for private communication.

I do not open suspicious e-mails.

I always keep all my devices under control and I do not lend them to anyone.

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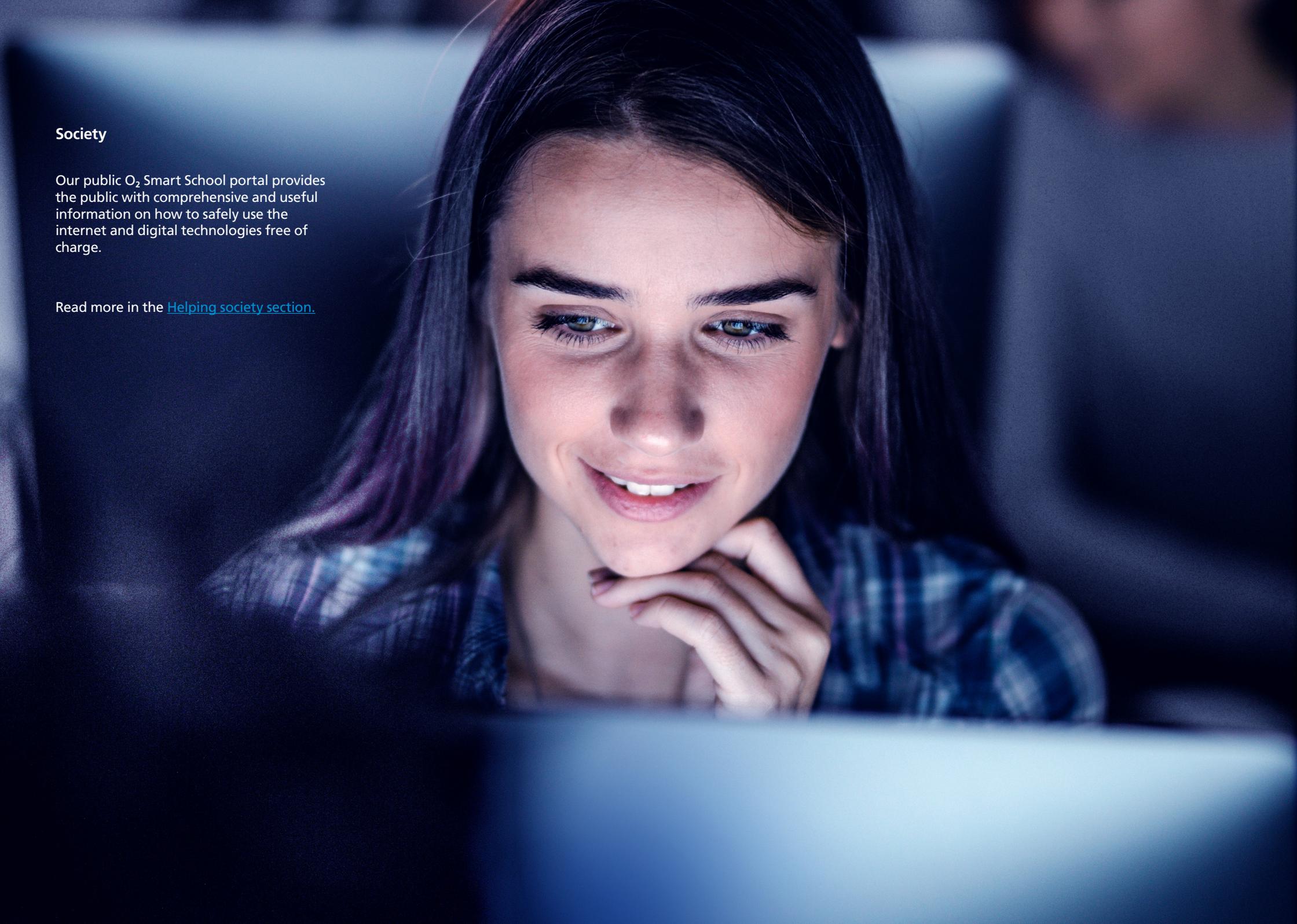
Society

Our public O$_2$ Smart School portal provides
the public with comprehensive and useful
information on how to safely use the
internet and digital technologies free of
charge.

Read more in the Helping society section.

Data Protection and Processing of Personal Data

The Group fully respects the right to privacy and the need to protect all personal data and data it receives, processes, and collects in the course of its business. The Group strictly complies with all legal standards that regulate the processing of personal, operational and location data. It has processes in place that comply with international and **ISO** standards and security measures to prevent breaches of confidentiality of the personal data processed.

The Group imposes similarly stringent requirements on its suppliers whose activities involve the processing of personal data. Suppliers must have an overview of their processes and systems where processing takes place, conduct risk analyses, and have a direct contact for dealing with security incidents.

Detailed information on the processing of personal data of our customers in accordance with Article 13 GDPR and Article 14 GDPR is clearly and comprehensively available in the document Principles of Personal Data Processing.

We have appointed a data protection officer. We have set up detailed organisational measures to ensure the protection of personal data by employees and external personnel of The Group. The Group's employees and external staff are required to undergo mandatory training on Employee Information Protection and GDPR Data Protection, each time they join the Company

and every three years thereafter. In the intranet site environment, employees have a special section on cybersecurity, information protection and data protection, where they can find a wealth of advice, guidance and recommendations.

Requests and complaints from data subjects concerning the protection of personal data, as well as any suspected data breaches, are dealt by the Data Protection Officer in cooperation with the Information Security Department.

For the year 2021, we record the following in this area:

- one substantiated complaint of a personal data breach in connection with the processing of a former customer's personal data without legal grounds, which was resolved by concluding a settlement agreement and compensating the data subject;

- no administrative proceedings initiated by the Data Protection Authority;

- two reports of data breaches to the Data Protection Authority under Article 33 of the GDPR by O2 Family, s.r.o., ID No.: 24215554, both following the distribution of a bulk e-mail without a hidden copy.
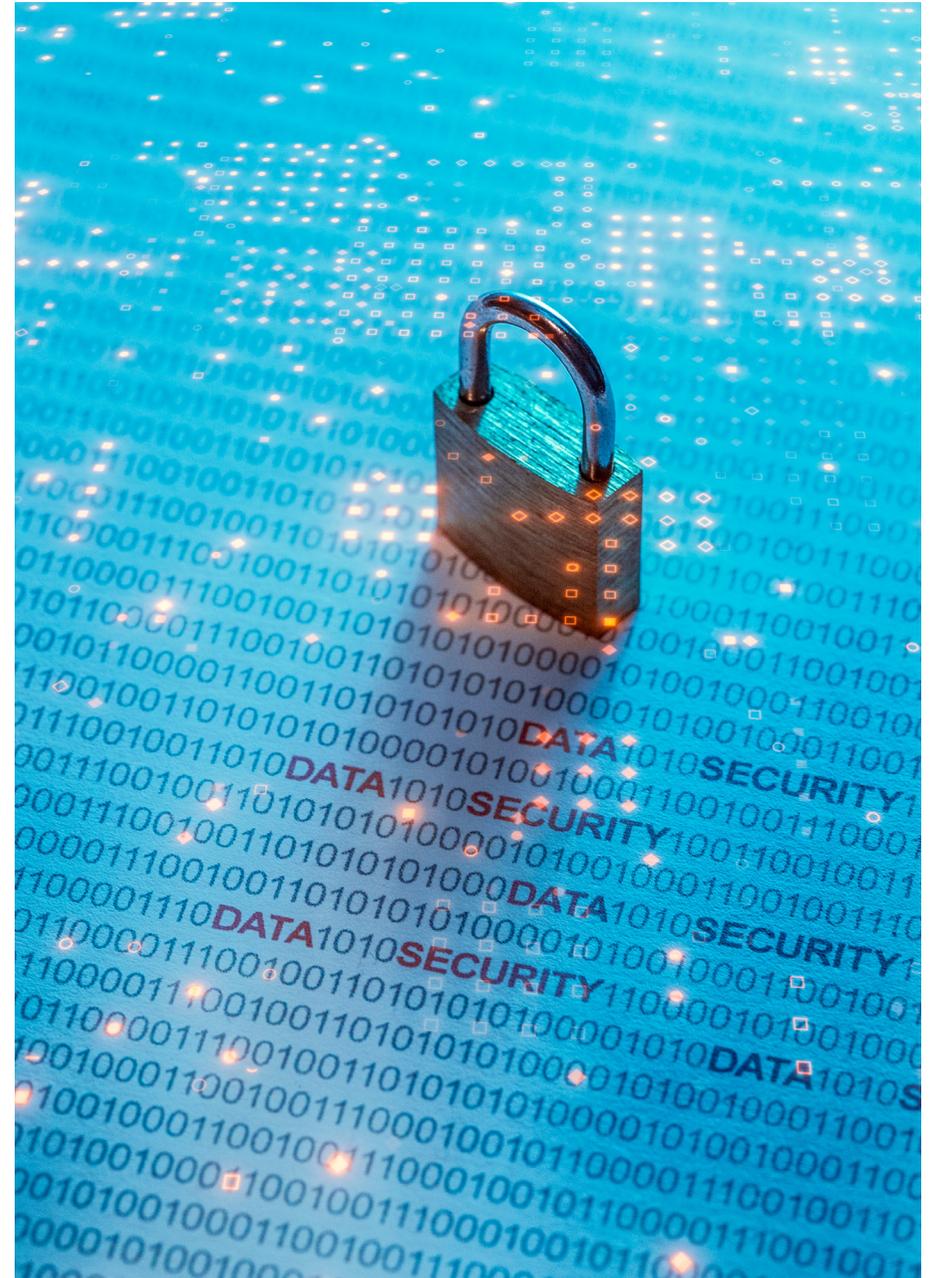
Network Deployment & Product Quality

Network Deployment

We always strive to offer the most modern technology to our customers.

5G is seen as a technology that could help to transform industries, businesses, and lives, while delivering superior economic growth, improving access and affordability of computing, and bridging the digital gap. In the near future, new frequencies for 5G networks will drive the next wave of innovation, and growth in the telecommunication sector.

In 2020, The Group's companies acquired frequency licences for 5G networks in the Czech Republic and Slovakia and are in the process of a gradual roll-out. O2 CZ's customers can test 5G with speeds of up to 600 Mbps throughout Prague, and in selected cities and districts of eastern Moravia, where extensive network modernisation has already taken place. Similarly, O2 Slovakia offers strong 5G coverage in the capital city Bratislava. Our plan is to cover 99.5% of the Czech population by 2030.
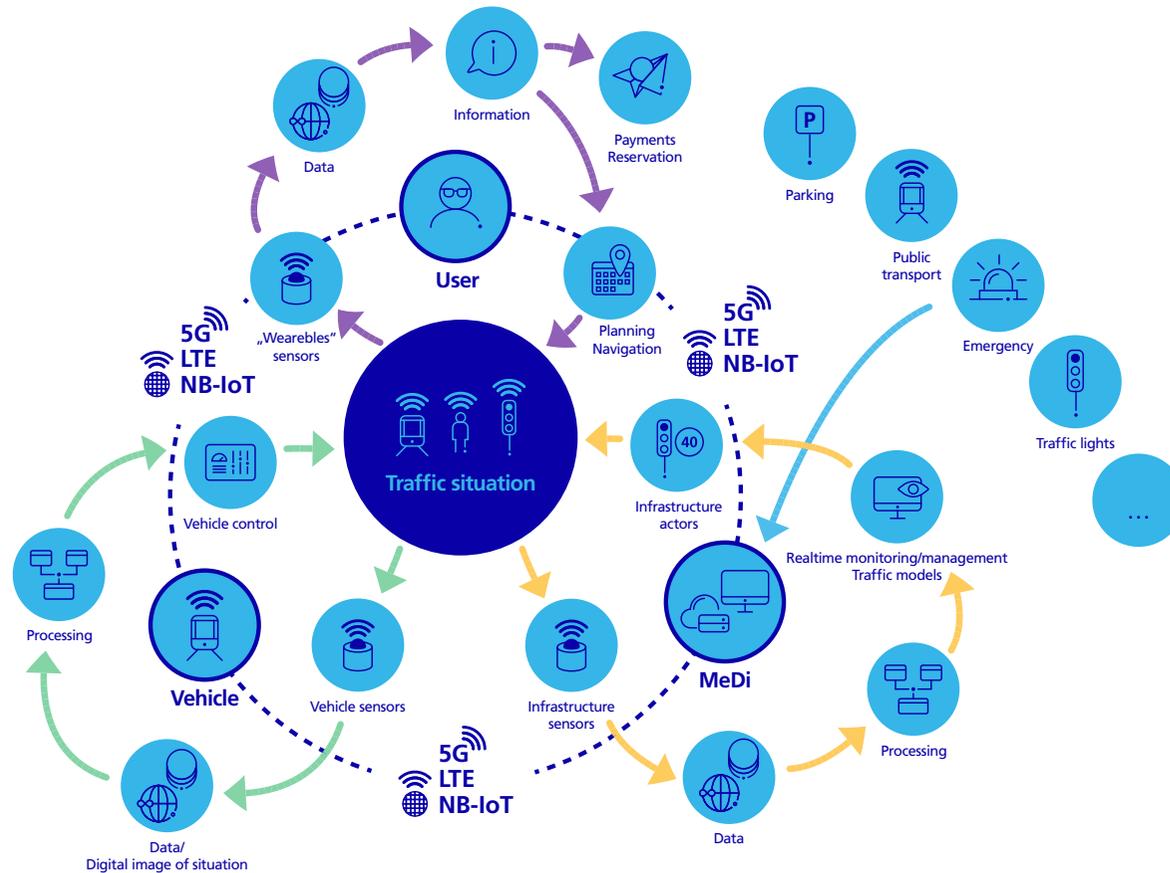
Smart Cities – Smart Tram on a Smart Track

Shaping the future of our cities, where mobility will not only be defined by self-driving cars, but by a whole ecosystem of connected solutions, O2 CZ has signed a memorandum of cooperation with the aim of making Pilsen a centre of smart mobility and a living laboratory for testing autonomous driving in the city by 2027.

The most advanced is the 'Smart Tram' project, in which a prototype tram is connected to the city's intelligent transport system via O2's 5G network. The modern car will be equipped with a wide range of sensors that monitor the road and potential obstacles. A unit enabling C2X communication, which O2 has successfully tested as part of the European C-Roads project, will also be installed in the car. Thanks to the unit, the tram will not only be able to communicate with other elements

on its route, for example alerts drivers to road works or an approaching IRS vehicle, but also ensure priority passage through a busy intersection. The tram is also fitted with cameras and radars that can respond to movement faster than the human brain, thereby contributing to greater safety for pedestrians and passengers. This is the first step in the creation of the first smart city of its kind in the Czech Republic.

Internet of Things (IoT)

The Internet of Things is one of the most promising next-generation technologies that connects objects, devices, and machines, enabling customers to obtain real-time information that is the basis for process optimisation.

Our core competency is connectivity, but we can also deliver hardware for example, devices for measuring and controling electricity, water, and heat consumption. We are cooperating with several suppliers, and we plan to expand our cooperation even further.

We already have one IoT platform for smart transport. As part of the C-Roads project, O2 has developed a solution in cooperation with its subsidiary INTENS for traffic management that includes dynamic control, intelligent preferences, direct information, respect for pedestrians and cyclists, as well as new warning methods.

Hardware + **Connectivity** + **IoT Platform**

Data Aggregation

Big data

Collaboration with suppliers ◀ **+ O₂ M2M platform** ▶ • Smart transport platform

M2M selfcare, B2B API • Other verticals

Product and Service Quality

Individuals, families, businesses or emergency services – these all depend on the quality of our network every day. To support this essential connectivity, we continually invest in improving the speed, quality and reliability to meet our customer's demand.

As natural disasters can cause significant damage to telecom networks and disrupt customer service, we are currently assessing the climate-related risks to keep our emergency preparedness plans and mitigation measures. See more in Climate Risks and Impact Assessment Section.

In order to maximise the quality of our products and services we developed and maintained our Quality Management System certified according to **ISO 9001:2015**[12].

As part of this, we conduct regular internal audits that are governed by the Integrated Management System Audit guideline, which set out specific responsibilities, authorities, procedures and activities for planning and conducting audits, including requirements for the qualifications of IMS auditors and their training. Audits are conducted in accordance with an audit programme approved by the Audit Committee. The audit programme also includes external audits of our business partners and external suppliers. The findings from the audits are subsequently managed in accordance with the Non-Conformance Management guideline and the Preventive and Corrective Action Management guideline.

Aligned with principles of **ISO 9001**, we seek every single opportunity for continuous improvement that contributes to increasing the performance of the whole company. Continuous improvement can take the form of continuous improvement of existing processes, products and services in small increments, or making incremental changes, usually in a project-based manner, when redesigning or introducing new processes, products or services. Continuous improvement techniques, tools and methods are set out in the Continuous Improvement guideline.

[12] Applies only for O2 CZ

Membership and Associations

We are a member of the following industry associations:

- Asociace provozovatelů mobilních sítí (APMS)
- Česká asociace elektronických komunikací z. s. (ČAEK)
- GSM Association (GSMA)
- ICT UNIE z.s.
- Réseaux IP Européens Network Coordination Centre (RIPE NCC)
- The Association of Chartered Certified Accountants – místní organinzace ČR (ACCA)
- SOLUS, zájmové sdružení právnických osob

- People Management Forum, z.s.
- Česká fintech asociace, z.s. (ČEFTAS)
- ISACA Czech Republic Chapter
- itSMF Czech Republic, z.s. (itSMF CZ)
- Hospodářská komora České republiky
- Asociace provozovatelů veřejných komunikačních sítí
- CZ.NIC, z.s.p.o.
- Klub finančních ředitelů (CFO Club)
- Z-Wave Alliance, Inc.
- NIX.CZ, z.s.p.o.

Non-profit and non-governmental partnerships:

- Palacký University in Olomouc (Faculty of Education – E-Safety project)
- Masaryk University in Brno (Faculty of Social Studies)
- University of West Bohemia in Pilsen
- Diversity Charter
- Business Leaders Forum, z.s.
- Fórum dárců, z.s.
- Eduzměna Foundation
- EDUin, o.p.s.
- Post Bellum, z. ú.
- Člověk v tísni, o.p.s.
- Linka bezpečí, z.s.
- Elpida, o.p.s.
- NELEŽ, z. s.

7. About the Report

The information cited in the GRI Content Index has been reported with reference to the GRI Standards (revision 2021) – GRI Index is available in Chapter 8. Mapping to UN Sustainable Development Goals has also been performed.

The Report describes our approach to sustainability, our performance in relation to environmental, social and governance issues, and covers the period from 1st January 2021 to 31st December 2021. The reporting period is aligned with the Annual Report reporting period.

The Report has not been subject to external assurance.

The Group values the views of each stakeholder group on this Report.

Please send any questions about the content of this Report to:

esg@o2.cz or **investor_relations@o2.cz.**

This Report is available in electronic form on the https://www.o2.cz/spolecnost/ website.

8. GRI Index

GRI Content Index							
Statement of use GRI 1 used	**O2 Czech Republic a.s. has reported the information cited in this GRI content index for the period 1st January – 31st December 2021 with reference to the GRI Standards. GRI 1: Foundation 2021**						
GRI Standard	**Disclosure Number**	**Disclosure Name Individual Requirements ('a', 'b', 'c', etc.) are not listed here**	**Location of Disclosure**	**Note**	**Requirement(s) Omitted**	**Reason**	**Explanation**
General Disclosures							
GRI 2: General Disclosures 2021	2-1	Organisational Details	Organisational Details				
GRI 2: General Disclosures 2021	2-2	Entities Included in the Organisation's Sustainability Reporting	Organisational Details				
GRI 2: General Disclosures 2021	2-3	Reporting Period, Frequency and Contact Point	About the Report				
GRI 2: General Disclosures 2021	2-4	Restatements of Information	Organisational Details				
GRI 2: General Disclosures 2021	2-5	External Assurance	About the Report	No external assurance			
GRI 2: General Disclosures 2021	2-6	Activities, Value Chain, and Other Business Relationships	Organisational Details, Business Model, Suppliers				
GRI 2: General Disclosures 2021	2-7	Employees	Workforce Statistics	Requirements iv. and v. covered	i., ii., iii.	Information unavailable	HR databases limitations
GRI 2: General Disclosures 2021	2-8	Workers Who Are Not Employees	Workers Who Are Not Employees		c	Information unavailable	HR databases limitations

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GRI Standard	Disclosure Number	Disclosure Name Individual Requirements (‚a', ‚b', ‚c', etc.) are not listed here	Location of Disclosure	Note	Requirement(s) Omitted	Reason	Explanation
GRI 2: General Disclosures 2021	2-9	Governance Structure and Composition	Governance Structure, Highest Governance Body and Policies, Diversity	Requirements a., c. ii., iii., iv., vii	others	Confidentiality constraints	
GRI 2: General Disclosures 2021	2-10	Nomination and Selection of the Highest Governance Body	Governance Structure, Highest Governance Body and Policies,	Requirement a. covered	b.	Confidentiality constraints	
GRI 2: General Disclosures 2021	2-11	Chair of the Highest Governance Body	Governance Structure, Highest Governance Body				
GRI 2: General Disclosures 2021	2-12	Role of the Highest Governance Body in Overseeing the Management of Impacts	Governance Structure, Highest Governance Body – ESG Agenda	Requirement a. covered	b., c.	Confidentiality constraints	
GRI 2: General Disclosures 2021	2-13	Delegation of Responsibility for Managing impacts	Governance Structure, Highest Governance Body – ESG Agenda				
GRI 2: General Disclosures 2021	2-14	Role of the Highest Governance Body in Sustainability Reporting	Governance Structure, Highest Governance Body – ESG Agenda				
GRI 2: General Disclosures 2021	2-15	Conflicts of Interest	Governance Structure, Highest Governance Body – Conflict of Interest	Requirement a. covered	b.	Confidentiality constraints	

GRI Standard	Disclosure Number	Disclosure Name Individual requirements ('a', 'b', 'c', etc.) are not listed here	Location of Disclosure	Note	Requirement(s) omitted	Reason	Explanation
GRI 2: General Disclosures 2021	2-16	Communication of Critical Concerns	Governance Structure, Highest Governance Body	Requirement a. covered	b.	Confidentiality constraints	
GRI 2: General Disclosures 2021	2-17	Collective Knowledge of the Highest Governance Body	Governance Structure, Highest Governance Body				
GRI 2: General Disclosures 2021	2-18	Evaluation of the Performance of the Highest Governance Body	Governance Structure, Highest Governance Body	Requirement a. partially covered – currently no ESG KPIs	b.c.	Information unavailable	Detailed ESG governance structure is being prepared.
GRI 2: General Disclosures 2021	2-19	Remuneration Policies	Governance Structure, Highest Governance Body				
GRI 2: General Disclosures 2021	2-20	Process to Determine Remuneration				Confidentiality constraints	
GRI 2: General Disclosures 2021	2-21	Annual Total Compensation Ratio				Confidentiality constraints	
GRI 2: General Disclosures 2021	2-22	Statement on Sustainable Development Strategy	Message from CEO				
GRI 2: General Disclosures 2021	2-23	Policy Commitments	Internal Policies, Ethics, Compliance and Anti-corruption	Requirement a. covered			

GRI Standard	Disclosure Number	Disclosure Name Individual requirements (‚a', ‚b', ‚c', etc.) are not listed here	Location of Disclosure	Note	Requirement(s) omitted	Reason	Explanation
GRI 2: General Disclosures 2021	2-24	Embedding Policy Commitments	Internal policies				
GRI 2: General Disclosures 2021	2-25	Processes to Remediate Negative Impacts	Processes to Remediate Negative Impacts				
GRI 2: General Disclosures 2021	2-26	Mechanisms for Seeking Advice and Raising Concerns	Internal Policies, Processes to Remediate Negative Impacts				
GRI 2: General Disclosures 2021	2-27	Compliance with Laws and Regulations	Processes to Remediate Negative Impacts	Requirement a. covered	b., c., d	Not relevant	No non-compliance cases
GRI 2: General Disclosures 2021	2-28	Membership Associations	Membership and Associations				
GRI 2: General Disclosures 2021	2-29	Approach to Stakeholder Engagement	Stakeholder Engagement				
GRI 2: General Disclosures 2021	2-30	Collective Bargaining Agreements	Remuneration	Requirement a. covered	b.	Not relevant	All employees covered by collective bargaining agreements

GRI Standard	Disclosure Number	Disclosure Name Individual requirements ('a', 'b', 'c', etc.) are not listed here	Location of Disclosure	Note	Requirement(s) omitted	Reason	Explanation
Material Topics							
GRI 3: Material Topics 2021	**3-1**	Process to Determine Material Topics	Materiality Analysis				
GRI 3: Material Topics 2021	**3-2**	List of Material Topics	Materiality Analysis				
GRI 3: Material Topics 2021	**3-3**	Management of Material Topics	Chapters Environmental, Social, Governance				
Economic							
GRI 201: Economic Performance (2016)	**201-1**	Direct Economic Value Generated and Distributed	Business Model	No external assurance			
GRI 201: Economic Performance (2016)	**201-2**	Financial Implications and Other Risks and Opportunities Due to Climate Change	Climate Risks and Impact Assessment	Requirements a. i. and iv. covered			
GRI 204: Procurement Practices (2016)	**204-1**	Proportion of Spending on Local Suppliers	Suppliers				
GRI 205: Anti-corruption (2016)	**205-1**	Operations Assessed for Risks Related to Corruption	Anti-corruption	Requirement a. covered	b.	Confidentiality constraints	

GRI Standard	Disclosure Number	Disclosure Name Individual requirements („a', „b', „c', etc.) are not listed here	Location of Disclosure	Note	Requirement(s) omitted	Reason	Explanation
GRI 205: Anti-corruption (2016)	**205-2**	Communication and Training About Anti-corruption Policies and Procedures	Anti-corruption				
GRI 205: Anti-corruption (2016)	**205-3**	Confirmed Incidents of Corruption and Actions Taken	Anti-corruption				
GRI 207: Tax (2019)	**207-1**	Approach to Tax	Business Model	Partially covered			
GRI 207: Tax (2019)	**207-2**	Tax Governance, Control, and Risk Management	Approach to Tax	Requirement a.iii. covered			
Environmental							
GRI 302: Energy (2016)	**302-1**	Energy Consumption Within the Organization	Energy	Requirements a., c.i., c.ii. and e. covered			a. in litres
GRI 302: Energy (2016)	**302-3**	Energy Intensity	Energy				
GRI 305: Emissions (2016	**305-1**	Direct (Scope 1) GHG Emissions	Carbon Footprint	Requirements a., e. and g. covered			
GRI 305: Emissions (2016	**305-2**	Energy Indirect (Scope 2) GHG Emissions	Carbon Footprint	Requirements a., b. e. and g. covered			

GRI Standard	Disclosure Number	Disclosure Name Individual requirements ('a', 'b', 'c', etc.) are not listed here	Location of Disclosure	Note	Requirement(s) omitted	Reason	Explanation
GRI 305: Emissions (2016)	**305-3**	Other indirect (Scope 3) GHG emissions	Carbon Footprint	Requirements a., f. and g. covered			
GRI 305: Emissions (2016)	**305-4**	GHG emissions intensity	Carbon Footprint				
GRI 305: Emissions (2016)	**305-5**	Reduction of GHG emissions	Carbon Footprint	Requirement a. covered			
GRI 306: Waste (2020)	**306-2**	Management of Significant Waste-related Impacts	Waste management and Circular Economy	Requirement a. covered			
GRI 306: Waste (2020)	**306-3**	Waste Generated	Waste Management				
GRI 306: Waste (2020)	**306-4**	Waste Diverted from Disposal	Waste Management	Partially covered			Without breakdown by hazardous, non-hazardous and by composition
GRI 306: Waste (2020)	**306-5**	Waste Directed to Disposal	Waste Management	Partially covered			Without breakdown by hazardous, non-hazardous and by composition

GRI Standard	Disclosure Number	Disclosure Name Individual requirements (,a', ,b', ,c', etc.) are not listed here	Location of Disclosure	Note	Requirement(s) omitted	Reason	Explanation
Social							
GRI 401: Employment (2016)	**401-1**	New Employee Hires and Employee Turnover	Employee Hiring and Turnover	Partially covered	Employee turnover by age group	Information unavailable	HR databases limitations
GRI 401: Employment (2016)	**401-2**	Benefits Provided to Full-time Employees That Are Not Provided to Temporary or Part-time Employees	Remuneration	Partially covered			
GRI 401: Employment (2016)	**401-3**	Parental Leave	Parental Leave	Requirements b. and c. covered			
GRI 403: Occupational Health and Safety (2018)	**403-1**	Occupational Health and Safety Management System	Health and Safety	Requirements a.ii. overed			
GRI 403: Occupational Health and Safety (2018)	**403-9**	Work-related Injuries Health	Health and Safety	Requirements a.iii., iv., v. and e. covered			
GRI 403: Occupational Health and Safety (2018)	**403-10**	Work-related Ill / Health	Health and Safety	Requirements a.ii. covered			
GRI 404: Training and Education (2016)	**404-1**	Average Hours of Training per Year per Employee	Employee Training and Development	Requirement i. covered, for ii. disclosed total hours of training			

GRI Standard	Disclosure Number	Disclosure Name Individual requirements ('a', 'b', 'c', etc.) are not listed here	Location of Disclosure	Note	Requirement(s) omitted	Reason	Explanation
GRI 404: Training and Education (2016)	**404-3**	Percentage of Employees Receiving Regular Performance and Career Development Reviews	Employee Training and Development	100% of employees			
GRI 405: Diversity and Equal Opportunity (2016)	**405-1**	Diversity of Governance Bodies and Employees	Workforce Statistics, Diversity Statistics, Diversity of Highest Governance Body	Requirements a i.,ii. and b.i. covered			
GRI 406: Non-discrimination (2016)	**406-1**	Incidents of Discrimination and Corrective Actions Taken	Diversity	Requirement a. covered			
GRI 418: Customer Privacy (2016)	**418-1**	Substantiated Complaints Concerning Breaches of Customer Privacy and Losses of Customer Data	Data Protection and Processing of Personal Data				

9. Appendix

9. Appendix

Detailed Carbon Footprint Data:

Scope	Category of Emissions	Type of Data	Unit	Year 2021	Year 2020	Year 2019
Scope 1	Stationary combustion	CO2e	t	193.0	144.2	158.4
		Consumption	GJ	3,793.5	2,822.5	3,101.4
		Emissions intensity	CO2e/per Number of employees	0.040	0.029	0.031
	Vehicles combustion	CO2e	t	1,737.6	1,867.3	2,701.8
		Consumption	km	13.0	13.0	12.0
		Consumption	l	691,846.1	734,029.7	1,042,248.6
		Emissions intensity	CO2e/per Number of employees	0.362	0.374	0.528
Scope 2	Purchased electricity	CO2e	t	17,992.8	21,264.8	27,899.5
		Consumption	GJ	238,589.8	219,516.1	245,397.9
		Emissions intensity	CO2e/per Number of employees	3.746	4.259	5.453
	Purchased heat	CO2e	t	987.4	837.1	915.2
		Consumption	GJ	20,819.2	17,458.8	18,713.3
		Emissions intensity	CO2e/per Number of employees	0.206	0.168	0.179
Scope 3	Waste management	CO2e	t	66.2	95.3	
		Consumption	t	369.7	539.6	
		Emissions intensity	CO2e/per Number of employees	0.014	0.019	
	WTT and T&D emissions	CO2e	t	5,638.3	3,728.0	5,026.4
		Emissions intensity	CO2e/per Number of employees	1.174	0.747	0.982
Total	**Total**	CO2e	t	**26,615.2**	**27,936.6**	**36,701.2**
		Emissions intensity	CO2e/per Number of employees	**5.541**	**5.595**	**7.174**

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