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Sustainalytics Second Party Opinion

e& PPF Telecom Group Green Finance Framework

05 August 2025

Framework owner and location:
e& PPF Telecom Group
Amsterdam, The Netherlands

Sector: Telecommunication

Overall Assessment

Sustainability Contribution

Principles Alignment

Aligned

Green Bond Principles 2025
Green Loan Principles 2025

Contribution to SDGs

Assessment Summary

e& PPF Telecom Group B.V. has developed the e& PPF Telecom Group Green Finance Framework, dated August 2025, under which it intends to issue green bonds, medium-term notes, commercial papers, privately placed debt instruments and Schuldscheins, and obtain bank loans including revolving credit facilities. e& PPF intends to use the proceeds to fund projects in Central and Eastern Europe in two environmental categories.

We have assessed the overall Sustainability Contribution of the Framework as **Strong**, based on the average Sustainability Contribution of the Framework's two use of proceeds categories, weighted according to the percentage allocation indicated by e& PPF to Sustainalytics.

Energy efficiency expenditures will focus on the upgrade and optimization of mobile network sites and data centres. The financed technologies will be aimed at improving energy efficiency and may include power-saving applications at mobile network sites, upgrading conventional lighting to LEDs, redesigning sites to facilitate non-powered outdoor cooling, and investing in data centres that meet established energy efficiency standards. The Framework also includes technologies primarily designed for telecommunication functions that also deliver energy efficiency benefits. These investments are expected to reduce energy use and strongly contribute to decarbonising the telecommunications sector.

Renewable energy investments under the framework will focus on solar photovoltaic technology and associated battery storage, as well as the procurement of renewable energy from solar, wind or hydropower through long-term power purchase agreements (PPAs). These investments will directly displace fossil fuels and strongly advance the low carbon transition.

We have assessed the Framework as **Aligned** with the Green Bond Principles 2025 and Green Loan Principles 2025.

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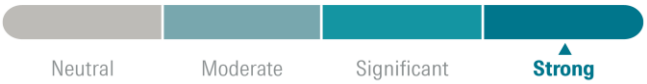
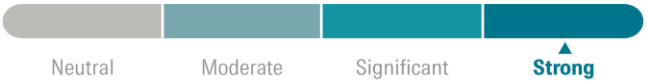
Breakdown per Use of Proceeds Category

We have assessed the overall Sustainability Contribution of the Framework as **Strong**, based on the weighted average Sustainability Contribution of the Framework's use of proceeds categories. We have weighted each category according to the percentage allocation indicated by e& PPF to Sustainalytics, as shown below.

Category	Sustainability Contribution Level	Weight
Energy Efficiency		87%
Renewable energy		13%

Issuer Overview & Sustainability Strategy

e& PPF Telecom Group B.V., headquartered in the Netherlands, is a telecommunications service provider that operates in Slovakia, Hungary, Bulgaria and Serbia. e& PPF Telecom Group B.V. and its subsidiaries[1] — collectively e& PPF or the Group — provide mobile, fixed-line, data and internet television services to end users, as well as telecommunications infrastructure services. As of December 2024, the Group employs more than 7,000 staff.

e& PPF's sustainability strategy focuses on i) reducing its environmental impact; ii) placing people at the centre of its business; iii) accelerating the adoption of technology for a sustainable future; and iv) operating with transparency and integrity. To address its impact on the environment, the Group targets a 42% reduction in scope 1 and 2 GHG emissions and a 25% reduction in scope 3 GHG emissions from purchased goods and services, capital goods, and fuel- and energy-related activities by 2030, each from a 2022 baseline. These have been validated by the Science Based Targets initiative in 2025, with scope 1 and 2 reduction targets aligning with the 1.5°C scenario under the Paris Agreement. Additionally, the Group has set the following targets to promote circularity: i) achieve a 20% return rate for new sales of mobile phones by 2030; ii) prevent 22,000 kg of e-waste from going to landfill each year by 2030; iii) focus on reusing and reselling decommissioned network equipment and other technologies, with the ultimate goal of eliminating landfill disposal entirely.[2]

To achieve these targets, e& PPF is committed to minimising its environmental footprint across its value chain by i) optimizing energy consumption across its networks and other operational assets; ii) sourcing renewable energy including through PPAs; and iii) prioritizing the repair, refurbishment, reuse and recycling of electronic equipment from its operations and for customer use. The Group's total GHG emissions decreased by 9%, from 473,451 tCO_2 in 2023 to 431,866 tCO_2 in 2024, largely due to an uptick in the use of renewable energy and ongoing technical facility optimization and efficiency measures. In 2023, the Group signed its first 10-year PPA in Bulgaria, covering the majority of energy consumption for both Yettel and CETIN Bulgaria.[3] In 2024, the Group generated 978 tonnes of e-waste, of which 131 tonnes was diverted from landfill disposal through collection programmes at stores and offices, and through repair and resale of used devices.

In terms of social programmes, the Group has engaged over 200,000 individuals between 2022 and 2024 by offering digital education initiatives aimed at raising awareness of online safety and security.[4]

e& PPF's board of directors sets sustainability priorities and evaluates performance annually. The Group's Sustainability Executive Committee, led by the Chief Executive Officer, is responsible for developing its sustainability strategy based on the priorities established by the board of directors. The committee reviews the progress of the Group's sustainable strategy on a quarterly basis and is responsible for sustainability-related disclosures. At the operational level, e& PPF's Sustainability Steering Committee leads the implementation of the Group's sustainability initiatives. Since 2021, e& PPF has published its Sustainability Report annually, outlining its strategy and sustainability performance.[5]

[1] e& PPF Telecom Group's subsidiaries include: i) CETIN International N.V. ("CETIN") and its subsidiaries for wholesale infrastructure services; ii) O2 and Yettel for services to end-users.
[2] e& PPF shared its draft 2024 Sustainability report with us confidentially.
[3] Ibid.
[4] Ibid.
[5] e& PPF shared its draft 2024 Sustainability report with us confidentially.

Principles Alignment

We have assessed the e& PPF Telecom Group Green Finance Framework as follows:

Green Bond Principles 2025 – **Aligned**

Green Loan Principles 2025 – **Aligned**

e& PPF intends to issue green bonds, medium-term notes, commercial paper, privately placed debt instruments or Schuldschein instruments and to obtain bank loans, including revolving credit facilities, under the Framework.

The Framework will be used by e& PPF or any of its subsidiaries and affiliates. The Group will ensure alignment of each issuance by these entities with the four core components of the Principles, as defined in the Framework.

Principles Alignment Detailed Evaluation

Use of Proceeds — **Aligned**

Alignment with core requirements

- The Framework describes eligibility criteria appropriately.
- All expenditures are expected to provide clear environmental benefits.

Additional considerations

- e& PPF has committed to the following practices, which go beyond the core requirements:
  - e& PPF discloses the estimated share of allocation per category.
  - e& PPF defines a look-back period of 36-months for refinancing.

Project Evaluation and Selection — **Aligned**

Alignment with core requirements

- The Framework describes a governance process for the evaluation and selection of eligible projects.
- The Framework communicates the environmental sustainability objectives of eligible projects.
- The Framework describes a process to identify and manage perceived environmental and social risks associated with eligible projects.

Additional considerations

- e& PPF has committed to the following practices, which go beyond the core requirements:
  - e& PPF describes how eligible projects support its overarching sustainability objectives and strategy.
  - The Framework includes environmental and social risk management processes for its operations that are compliant with credible international standards, such as ISO 27001, ICNIRP, and ENISA.[6,7,8]

[6] ISO 27001: ISO/IEC 27001:2022 - Information security management systems
[7] ICNIRP: https://www.icnirp.org/
[8] ENISA: https://www.enisa.europa.eu/

- The Framework references the Sustainable Development Goals (SDGs) to which it expects to contribute through eligible projects.
- The Framework excludes financing activities related to controversial weapons; the cultivation and production of tobacco; exploration, mining, extraction, distribution or refining of hard coal and lignite; exploration, extraction, distribution or refining of oil fuels; electricity generation with a GHG intensity of more than 100 gCO_2e/kWh; and activities involving exploitation of human rights, modern slavery, or child labour.

Management of Proceeds	**Aligned**

Alignment with core requirements

- The Framework describes a governance structure for the management of proceeds.
- The Framework describes the processes and systems that will be used to track the proceeds.
- The Framework describes the intended temporary placement for the balance of unallocated proceeds.
- In the event of multi-tranching, e& PPF will only label tranches that are exclusively allocated to green projects.

Additional considerations

- e& PPF has committed to the following practices which go beyond the core requirements:
  - e& PPF intends to allocate all proceeds to eligible projects within 36 months of issuance.
  - Pending full allocation, temporary proceeds will be held in cash or cash equivalents, or other similar liquid instruments in line with e& PPF's liquidity management policy. The Group may also use temporary proceeds for general corporate purposes. e& PPF will exclude investments in carbon intensive assets.
  - e& PPF will obtain external verification for its internal tracking systems and allocation of proceeds.

Reporting	**Aligned**

Alignment with core requirements

- e& PPF will provide an annual allocation report until full allocation of proceeds and renew it in case of material changes until maturity.
- e& PPF will report allocation to revolving credit facilities until loan maturity.

Additional considerations

- e& PPF has committed to the following practices which go beyond the core requirements:
  - e& PPF will publish allocation and impact reports on its website.
  - e& PPF will publish a category and project-level allocation report.
  - e& PPF will report on the qualitative and quantitative impacts of projects, using relevant metrics where feasible.

- The Framework indicates at least one impact metric for each category.
- e& PPF intends to adopt the ICMA Harmonized Framework for Impact Reporting.

Sustainability Contribution

e& PPF intends to use the proceeds from instruments issued under the Framework to finance and refinance projects, both capex and opex, that are expected to reduce energy consumption and carbon emissions in Slovakia, Hungary, Bulgaria and Serbia.

We have assessed the overall Sustainability Contribution of the Framework as **Strong** based on the weighted average Sustainability Contribution of the Framework's use of proceeds categories. We have weighted each category according to the percentage allocation indicated by e& PPF to Sustainalytics.

Sustainability Contribution

Sustainability Contribution per Use of Proceeds Category

Energy Efficiency

We have assessed the Sustainability Contribution of the Energy Efficiency category as **Strong**. Expenditures in this category will finance energy efficient solutions at mobile network transmission sites and data centres for telecommunications. This includes equipment dedicated to improving energy efficiency, as well as technologies primarily designed for other telecommunication functions that also deliver energy efficiency benefits. The expenditures are expected to contribute strongly to improving energy efficiency in the telecommunications industry.

Category Expenditures

Expenditure	Description
Modernisation of infrastructure for mobile broadband networks	► Modernisation of mobile broadband networks to technologies that enable the transmission of more data traffic using less energy. Expenditures will be used to upgrade active technology, and necessary passive infrastructure upgrades required to facilitate the active infrastructure upgrades. ► Active equipment may include newer, more efficient models of antennas, repeaters, microwaves, fibre optic network equipment, and internet protocol (IP) transport equipment at 2G, 4G and 5G mobile sites. The majority of equipment to be upgraded will be 5G-enabled. ► Passive infrastructure may include the adaptation of load-bearing structures and the physical layout of mobile sites to accommodate new active equipment, including upgrades to power supply, backup systems, and air conditioning.
Rollout of mobile network power saving features - remote and data management applications	► Rollout of remote and data management applications used to analyse traffic and workload at individual mobile sites. ► Examples include Ericsson and ZTE applications, such as Micro Sleep Tx, MIMO Sleep Mode, Ericsson Low Energy Scheduler Solution, RRU Hibernation and RRU Deep Sleep.

Deployment of mobile network power saving features - machine learning and artificial intelligence	► Deployment of power saving features including machine learning and artificial intelligence aimed at managing energy demand and consumption. ► Examples include the Ericsson AI MIMO Sleep mode that switches off automatically MIMO branches based on traffic load.
Energy optimisation in mobile network sites	► The optimization of passive infrastructure at mobile network sites that leads to energy savings. ► Examples include LED lighting upgrades in towers, the relocation of mobile base station equipment to outdoor areas, changing the layout of mobile sites to allow for outdoor cooling, and raising operating temperatures in technological premises after the installation of heat-resistant batteries.
Development of mobile network sharing	► Expenditures that enable mobile network sharing between operators, enabling mobile network sites to be consolidated and supporting increased telecommunication traffic loads. ► Examples include design stage expenditures (such as internal staff costs and external specialist design services), and implementation stage expenses (such as new active and passive infrastructure, radio hardware and software, antennas, steel, cooling systems, cabinets, staff costs, and site modifications).
Construction, acquisition and retrofit of data centres	► The construction or acquisition of data centres with a Power Usage Effectiveness (PUE) of 1.5 or below. ► The retrofit of data centre equipment to achieve power savings, including upgrades to heating, ventilation, air conditioning, cooling equipment, rectifiers, batteries, and UPS units. The data centres will not necessarily achieve PUE below 1.5 as a result of the retrofit.
Capital and operating expenditures related to rented data centres.	► Capital expenditures to fit out and customise rented data centre space, including for racks, cabling, security enhancements, and IT infrastructure upgrades to support migration to a more energy-efficient environment. ► Operating expenditures to cover the costs of migrating systems to a newly rented facility, energy consumption monitoring tools to verify energy savings, and training or consulting fees related to optimizing usage. ► The rented data centres have a PUE of 1.5 or below.

Analytical Commentary

In 2022, operational scope 1 and 2 emissions from the mobile telecommunications industry accounted for approximately 0.3% of global GHG emissions, making up about a quarter of telecom operators' total emissions.[9,10,11] To align with the 1.5 degrees target under the Paris Agreement, operators must reduce total emissions by 45% between 2020 and 2030, an average reduction of 7%

[9] GSMA, "Mobile Net Zero 2024: State of the Industry on Climate Action", (2024), at: https://www.gsma.com/solutions-and-impact/connectivity-for-good/external-affairs/wp-content/uploads/2024/02/Mobile-Net-Zero-2024-State-of-the-Industry-on-Climate-Action.pdf
[10] Ibid.
[11] McKinsey & Company, "Telecom emissions: How to tackle the biggest challenges", (2025), at: https://www.mckinsey.com/industries/technology-media-and-telecommunications/our-insights/telecom-emissions-how-to-tackle-the-biggest-challenges

per year.[12,13] Between 2019 and 2022, global telecom operational emissions fell by 6%,[14] with European operators reducing emissions by 50%. Global mobile data traffic is expected to more than double between 2022 and 2030,[15] driven by factors including network expansion, digitalization, and the advancement of data intensive technologies such as AI. AI is accelerating energy demand at data centres, where electricity consumption is expected to more than double between 2024 and 2030.[16] As data traffic continues to grow, improving energy efficiency will be crucial for operators to meet additional energy demand while reducing emissions.[17]

The Framework will finance dedicated energy efficiency solutions, infrastructure upgrades and network sharing solutions at mobile network sites. While site infrastructure modernisation and mobile network sharing activities are primarily designed for telecommunication functions, both are expected to provide energy efficiency benefits. The majority of the equipment will be upgraded to 5G-standard, which is currently the most energy-efficient technology for mobile networks in the telecommunications industry.[18] Regarding mobile network sharing activities, e& PPF expects intended projects to facilitate network sharing between two mobile network operators (MNOs) and reduce energy consumption by 15%. While this threshold is lower than the estimated energy savings from network sharing between a larger group of MNOs,[19] these investments are nevertheless expected to significantly contribute to reducing the overall energy consumption from e& PPF's network infrastructure. Expenditures at mobile network sites are expected to deliver energy efficiency gains, thereby strongly contributing to reducing energy consumption and corresponding GHG emissions from mobile network sites overall.

Expenditures will also be used to finance data centres with a PUE of 1.5 or below, as well as for installing energy efficiency technologies at data centres with a PUE above 1.5. PUE is a key measure of a data centre's energy efficiency, calculated as the total electricity demand of a data centre divided by the electricity demand of its IT equipment.[20] A PUE of 1.5 or below places such facilities among highly performing data centres globally with respect to energy efficiency, while the financed equipment at data centres with a PUE above 1.5 will be dedicated to improving energy efficiency. Together, these expenditures are expected to contribute strongly to reducing GHG emissions from energy consumption by its data centres.

Renewable Energy

We have assessed the Sustainability Contribution of the Renewable Energy category as **Strong**. Investments under the category include financing solar energy generation projects, battery energy storage solutions, and the purchase of renewable electricity through PPAs. By generating low

[12] Science Based Targets initiative, "Guidance for ICT Companies Setting Science Based Targets", at: https://sciencebasedtargets.org/resources/legacy/2020/04/GSMA_IP_SBT-report_WEB-SINGLE.pdf
[13] GSMA, "Mobile Net Zero 2024: State of the Industry on Climate Action", (2024), at: https://www.gsma.com/solutions-and-impact/connectivity-for-good/external-affairs/wp-content/uploads/2024/02/Mobile-Net-Zero-2024-State-of-the-Industry-on-Climate-Action.pdf
[14] Ibid.
[15] Ericsson, "Mobile data traffic outlook", (2024) at: https://www.ericsson.com/en/reports-and-papers/mobility-report/dataforecasts/mobile-traffic-forecast
[16] International Energy Agency, "Energy demand from AI", at: https://www.iea.org/reports/energy-and-ai/energy-demand-from-ai
[17] McKinsey & Company, "Telecom emissions: How to tackle the biggest challenges", (2025), at: https://www.mckinsey.com/industries/technology-media-and-telecommunications/our-insights/telecom-emissions-how-to-tackle-the-biggest-challenges
[18] GSMA Intelligence, "Going Green: Measuring the Energy Efficiency of Mobile Networks", (2024), at: https://www.gsmaintelligence.com/research/research-file-download?id=79791160&file=270224-Measuring-energy-efficiency-of-mobile-networks.pdf
[19] Marsan, A.M., & Meo, M. "Network Sharing and its Energy Benefits: a Study of European Mobile Network Operators", (2020), at: https://networks.imdea.org/wp-content/uploads/2020/10/network_sharing.pdf
[20] Lawrence Berkeley National Laboratory, "2024 United States Data Center Energy Usage Report", (2024), at: https://escholarship.org/uc/item/32d6m0d1

emissions electricity, storing surplus output for later use, and securing long-term access to clean power, these investments substantially support the long-term goal of achieving zero-emission energy generation.

Category Expenditures

Expenditure	Description
Investments in solar projects	► Generation of electricity using solar photovoltaic (PV) technology.
Development of energy storage facility	► Installation of battery storage systems directly connected to solar farms.
Procurement of renewable energy	► Procurement of renewable energy from solar, wind or hydropower sources through PPAs. ► PPAs will have a term of at least 5 years and the associated renewable energy certificates (RECs) will be purchased and retired as part of the agreement.

Analytical Commentary

Investments in low carbon energy are critical for global energy transition, as the production of electricity and heat were responsible for 44% of global CO_2 emissions from fuel combustion in 2022.[21] Additionally, long-term PPAs grew globally by 20% in 2023 compared to 2022, supported by the rising demand for renewable energy.[22] Thus, to achieve internationally agreed-upon climate goals, the share of renewable energy for electricity generation must increase rapidly to 90% by 2050 compared to 29% in 2022.[23]

Financing solar PV strongly contributes to the goal of achieving zero-emission energy systems as the emissions intensity of PV is well below the technology-agnostic threshold, in consistency with limiting global temperature rise to 2°C.[24,25] Integrating energy from solar PV with on-site battery storage mitigates intermittency and helps reduce peak-demand stress.[26,27] Furthermore, PPAs are expected to be instrumental in facilitating stable, sustainable, and cost-effective energy solutions for consumers.[28]

Collectively, these expenditures are expected to deliver a strong contribution by supplying zero-carbon electricity at the point of consumption.

[21] IEA, "CO_2 Emissions in 2022", (2023), at: https://www.iea.org/reports/co2-emissions-in-2022
[22] IEA, "More efficient and flexible buildings are key to clean energy transitions", at: https://www.iea.org/commentaries/more-efficient-and-flexible-buildings-are-key-to-clean-energy-transitions
[23] IEA, "Net Zero by 2050", (2021), at: https://www.iea.org/reports/net-zero-by-2050
[24] EU Technical Expert Group on Sustainable Finance, "Taxonomy Report Technical Annex", (2020), at: https://finance.ec.europa.eu/system/files/2020-03/200309-sustainable-finance-teg-final-report-taxonomy-annexes_en.pdf
[25] NREL, "Life Cycle Greenhouse Gas Emissions from Solar Photovoltaics", (2012), at: https://docs.nrel.gov/docs/fy13osti/56487.pdf
[26] Coccato, S. et al., "A Review of Battery Energy Storage Optimization in the Built Environment", (2025), at: https://www.mdpi.com/2313-0105/11/5/179
[27] IEA, "More efficient and flexible buildings are key to clean energy transitions", at: https://www.iea.org/commentaries/more-efficient-and-flexible-buildings-are-key-to-clean-energy-transitions
[28] Sustainable Energy Times, "Energy", (2024), at: https://www.sustainableenergytimes.com/article/772782302-power-purchase-agreement-market-to-hit-usd-444-3-billion-by-2033

Environmental and Social Risk Management

We have identified the following areas of environmental and social risk associated with the expenditures eligible under the Framework: land use and biodiversity; emissions, effluents and waste; occupational health and safety; data privacy; community engagement; and business ethics. e& PPF has the following policies and processes in place to identify and mitigate such risks.

E&S Risk identified	Applicable policies, procedures and measures
Land use and biodiversity	► e& PPF complies with the EU Environmental Impact Assessment Directive[29] for development projects in the EU. The Directive ensures that projects that are likely to have a significant impact on the environment are adequately assessed before approval. With respect to biodiversity, the directive states that measures must be taken to "avoid, prevent, reduce and, if possible, offset significant adverse effects on the environment, in particular on species and habitats". Concerning land use, the Directive requires projects to identify, describe and assess related impacts.[30] ► In Serbia, the Group will comply with the Serbian Law on Environmental Impact Assessment,[31] which sets standards and required procedures for assessing the environmental impact of specific projects, including building construction in Serbia. The law requires construction projects to be assessed and have measures to prevent, reduce or eliminate potential adverse effects on the environment.
Emissions, effluents and waste	► The Group's environmental and waste management policies are specific to each business unit's unique operational needs and local regulations and require adherence to legal obligations related to waste management, packaging and end-of-life product disposal. In addition, these policies establish clear internal procedures for waste management, while standardized protocols for sorting, collecting, eliminating and transporting waste are applied across all sites. Further, e& PPF facilitates the reuse and recycling of e-waste across all its operational areas, partnering with accredited contractors and ensuring compliance with relevant regulations.[32] ► In the EU, the Group complies with the Waste Electrical and Electronic Equipment Directive,[33] which encourages the reuse, recycling and recovery of electrical and electronic waste, and ensures the safe disposal and treatment of hazardous substances in electric and electronic equipment. Additionally, the Group observes EU Directive 2011/65/EU,[34] which limits the use of specific hazardous substances in electrical and electronic equipment from suppliers, and EU REACH[35] for the registration, evaluation, authorization and restriction of chemicals. In Serbia, the Group complies with the Law on Waste Management, which aligns with the EU's waste directives and aims to establish an integrated and sustainable waste management system.[36]

[29] European Commission, " Environmental Impact Assessment", at: https://environment.ec.europa.eu/law-and-governance/environmental-assessments/environmental-impact-assessment_en
[30] Ibid
[31] Official Gazette of the Republic of Serbia, No. 135/2004, "Law on Environmental Impact Assessment", (2004), at: https://www.putevi-srbije.rs/images/pdf/regulativa/zproczseng.pdf
[32] Ibid.
[33] European Parliament, "Directive 2012/19/EU of the European Parliament and of the Council", (2012), at: https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:32012L0019
[34] European Parliament, "Directive 2011/65/EU of the European Parliament and of the Council", (2011), at: https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex%3A32011L0065
[35] European Commission, "Regulation (EC) No 1907/2006 of the European Parliament and of the Council", (2006), at: https://eur-lex.europa.eu/legal-content/en/TXT/?uri=CELEX%3A32006R1907
[36] Waste Management Program of the Republic of Serbia for the Period 2022-2031, at:https://www.ekologija.gov.rs/sites/default/files/2022-03/program_upravljanja_otpadom_eng_-_adopted_version.pdf

	► The Group manages its environmental management systems in line with ISO 14001[37] standards, which require the implementation of robust processes to enable the effective mitigation of negative impacts on the environment.[38]
Occupational health and safety	► e& PPF implements procedures to identify hazards, assess risks, and prevent accidents. These procedures are outlined in the business unit-level health and safety policies and reflect the specific legal and operational requirements of the relevant country.[39] ► In the EU, the health and safety policies developed at the business unit level align with the defined rules and management systems in compliance with the EU Directive 89/391/EEC.[40] In Serbia, the Group complies with the Serbian Law on Occupational Health and Safety.[41]
Data privacy	► The Group safeguards all personal data, pertaining to customers, business partners and employees, through robust security measures. The Group complies with international regulatory requirements, such as the EU General Data Protection Regulation[42] and the e-Privacy Directive 2002/58/EC,[43] which establish consistent and sector-specific standards for all EU entities. It also complies with applicable laws in Serbia. In addition, all business units have ISO 27001-certified information security management systems in place. [44] ► The Group also follows the recommendations of the European Union Agency for Cybersecurity.
Community engagement	► e& PPF interacts and consults internal and external stakeholders as part of its due diligence process to identify improvement areas for its business activities.
Business ethics	► e& PPF's Code of Ethics emphasises adherence to laws, international treaties, and fair business conduct and is applicable to all employees, management, and external associates, such as contractors and business partners. The code outlines anti-corruption procedures and controls to identify and manage risks related to money laundering, financial crime and conflicts of interest, including measures to mitigate the risk of bribery. In addition, the code outlines the whistleblowing process, enabling all stakeholders to report suspected violations of the Code or laws anonymously.[45] ► Additionally, e& PPF requires its suppliers to adhere to its Supplier Code of Conduct that enforces responsible and ethical procurement practices. The code mandates that all suppliers i) implement internationally recognised standards on human rights and child labour such as the United Nations Universal Declaration of Human Rights[46] and the International Labor Organization Declaration on Fundamental Principles and Rights at Work; ii) adhere to relevant industry-specific procedures and implement safeguards to prevent workplace hazards,

[37] ISO, "ISO 14001 – Environment Management Systems", at: https://www.iso.org/standards/popular/iso-14000-family
[38] e& PPF shared its 2024 Sustainability report with us confidentially.
[39] e& PPF shared its 2024 Sustainability report with us confidentially.
[40] European Commission, "Directive 89/391/EEC of 12 June 1989 on the introduction of measures to encourage improvements in the safety and health of workers at work", at: https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:31989L0391
[41] Republic of Serbia, "Law on Occupational Health and Safety", (2023), at: https://rm.coe.int/the-3rd-national-report-on-the-non-accepted-provisions-of-the-revised-/1680af684f
[42] European Parliament, "Regulation (EU) 2016/679 of the European Parliament and of the Council", (2016), at: https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32016R0679
[43] European Parliament, "Directive 2002/58/EC of the European Parliament and of the Council Concerning the Processing of Personal Data and the Protection of Privacy in the Electronic Communications Sector", (2002), at: https://eur-lex.europa.eu/eli/dir/2002/58/oj/eng
[44] e& PPF shared its 2024 Sustainability report with us confidentially.
[45] PPF Group, "PPF Group Code of Ethics", at: https://etickalinka.ppf.eu/FilesDownload/PPF_Code%20of%20Ethics.pdf
[46] United Nations, "Universal Declaration of Human Rights", at: https://www.ohchr.org/en/universal-declaration-of-human-rights

accidents and injuries; iii) refrain from all forms of corruption; and iv) comply with all applicable environmental laws.[47]

- The Group is a signatory to the UN Global Compact and commits to apply the ILO Core Conventions,[48] the UN Guiding Principles on Business and Human Rights, and the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct in its business.[49]

[47] e& PPF," Supplier Code of Conduct", (2024), at: https://www.eandppftelecom.eu/suppliers

[48] International Labour Organization, "Conventions, Protocols and Recommendations", at:https://www.ilo.org/international-labour-standards/conventions-protocols-and-recommendations#:~:text=The%20ILO%20Governing%20Body%20had%20initially%20identified%20eight,of%20discrimination%20in%20respect%20of%20employment%20and%20occupation.

[49] OECD, " Guidelines for Multinational Enterprises on Responsible Business Conduct", (2023), at: https://www.oecd.org/en/publications/oecd-guidelines-for-multinational-enterprises-on-responsible-business-conduct_81f92357-en.html

Annex 1: Assessment Framework Overview

The following is a brief overview of the Assessment Framework that we use to assess debt instruments and the frameworks that support them. Using this Assessment Framework, we provide two key signals in our Second Party Opinions: **Principles Alignment** and **Sustainability Contribution**.

Principles Alignment indicates a framework's alignment with the requirements of applicable sustainable debt market Principles.[50] This assessment is structured according to the four components of the Principles: Use of Proceeds, Project Evaluation and Selection, Management of Proceeds and Reporting. Principles Alignment is expressed at one of following levels:

- **Aligned:** Meets all requirements across the four components.
- **Partially Aligned:** Meets requirements on two or three of the four components.
- **Not Aligned:** Does not meet requirements on most or all of the four components.

In addition, we provide commentary on any shortcomings as well as best practices.

Sustainability Contribution provides a clear and comparable signal of the expected contribution of the use of proceeds to one or more environmental or social objectives. We assess each expenditure defined in a framework by looking at the activities, assets and projects that they finance. This assessment is carried out using a set of factors that we have identified as driving the expenditure's contribution to a primary objective as well as its avoidance of harm to other objectives. The assessment results in one of the four levels of Sustainability Contribution described in the table below.

We determine the average contribution of the expenditures within each use of proceeds category (as defined by the issuer) to produce an expected Sustainability Contribution for each category. We then aggregate across categories to determine the Sustainability Contribution of a framework overall. In most cases, weight is distributed equally across use of proceeds categories. However, we adjust the weighting if information regarding percentage allocation is provided by the issuer.

Level of Sustainability Contribution	Description
	The expenditure finances an activity that makes a strong contribution to an environmental or social objective. The activity is well aligned with credible standards; there are no significant lock-in risks; and the risk of negative impact to other sustainability objectives is low.
	The expenditure finances an activity that makes a significant positive contribution to an environmental or social objective while having minor shortcomings compared to a strong contribution. This is either because the activity falls somewhat short of credible standards; there is some risk of lock-in (in the case of some environmental activities); there is a risk of negative impact to other sustainability objectives; or there is some ambiguity in the criteria for the expenditure.
	The expenditure finances an activity that represents a step towards an environmental or social objective but has substantial shortcomings compared to expenditures that make a strong contribution. Although the activity will result in benefit over a relevant baseline, either it falls substantially short of credible standards; there is significant risk of lock-in; there is significant ambiguity in the criteria; or there is a risk of significant negative impact to other sustainability objectives.
	The expenditure finances an activity that entails no net positive contribution to environmental or social objectives. Even in cases where there is some positive contribution to an objective, this is offset by shortcomings in other areas. Alternatively, the eligibility criteria may be unclear to the extent that contribution cannot be determined.

[50] These primarily include the Green Bond Principles and the Social Bond Principles, published by the International Capital Market Association (ICMA); and the Green Loan Principles and the Social Loan Principles, published by the Loan Syndications and Trading Association, the Loan Market Association, the Asia Pacific Loan Market Association (LSTA-LMA-APLMA), and the Association of Southeast Asian Nations (ASEAN).

Scope of Work and Limitations

This Second Party Opinion provides a point-in-time independent opinion of the Framework as of the Evaluation Date. Our opinion may consider additional documentation and information that the Framework owner may have provided during the engagement, in addition to public and non-public information. The owner refers to the entity featuring as an issuer, borrower, special-purpose vehicle or any other entity as described in the Framework.

As part of this engagement, we communicated with representatives of the Framework owner, who acknowledge that: i) it is the sole responsibility of the Framework owner to ensure that the information provided is complete, accurate and up to date; ii) they have provided us with all of the relevant information; and iii) that all of the information has been provided in a timely manner.

This Second Party Opinion provides our opinion of the Framework and should be read in conjunction with that Framework. Any update of this Second Party Opinion will be conducted according to the agreed engagement conditions between Sustainalytics and the Framework owner.

Our Second Party Opinion provides our opinion on the alignment of the Framework with current market standards and practice but provides no guarantee of alignment nor warrants alignment with future versions of any such standards. In addition, it does not guarantee the realized allocation of proceeds towards eligible activities.

No information provided in this Second Party Opinion shall be considered as being a statement, representation, warrant or argument in favour or against the truthfulness, reliability or completeness of any facts or statements and related surrounding circumstances that the Framework owner may have made available to Sustainalytics for the purpose of this Second Party Opinion.

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