

Environmental and Social Responsibility



Social and environmental responsibility

Introduction

For over 28 years, DIGI Group has contributed to the increase of the digitization and development of the markets where it operates, by providing accessible connectivity to European consumers. During this period, DIGI Group, with its subsidiaries from Romania, Spain, Italy, and Portugal, have established, with responsibility, a sustainable vision of the future of connectivity, expressed by constant investment in infrastructure and the latest technologies, by people empowerment, the best quality of services, provided at the most accessible prices on the market, as well as in customer care.

Because we are aware of the consequences of our actions and have a bold vision for the future, we are committed to creating an organizational culture based on trust, integrity and transparency to employees, customers, partners, communities, and society, as a whole.

DIGI Group is defined by leadership, flexibility, efficiency, innovation, and team spirit, characteristics that ensure our sustainable growth and the development of the aspirations of our teams, regardless of the place where they operate – either rural or urban areas, small or big city.

Responsibility, care, forward-looking, trust, diversity, team spirit – these are not just magic words, but core values for DIGI Group. During difficult times, we consider that it is most important to strengthen the values that drive our corporate culture. By acting proactively, we contribute, together with all stakeholders, to the development of a sustainable and confident future. During 2023, we continued to be one of the key drivers of the economy, as a telecommunications operator, and an accelerator of well-being in communities.

This non-financial section of DIGI's Annual Report will provide information about the way we create value for consumers, shareholders, employees, partners, and communities, for both the present and future generations, even in difficult times. This report has been prepared with reference to the GRI Standards 2021. The material topics and specific disclosures included in the non-financial statement are also referenced at the end of this report, in the GRI content index.

ABOUT THE NON-FINANCIAL STATEMENT

Digi Communications N.V.'s (the "Company") non-financial statement covers the period 01st of January 2023 to 31st December 2023. The report has been developed with reference to the newest version of the Global Reporting Initiative ("GRI") Standard 2021, the most used and internationally recognized standard for sustainability reporting. At the same time, the non-financial statement complies with the requirements of Directive 2014/95/EU. Thus, the content of the report provides information on environmental, social, and employee-specific indicators, respect for human rights, prevention of bribery, and corruption, alongside other indicators that are specific to our operations as identified in the materiality analysis performed in January-February 2023.

This non-financial statement is published with an annual frequency.

Also, the non-financial statement complies with the requirements stipulated in Article 8 of Regulation (EU) 2020/852 of the European Parliament and the Council for establishing a framework to facilitate sustainable investments.

The non-financial statement provides information about the activity of Digi Communications N.V. and its subsidiaries (hereinafter referred to as the "Group", "Digi" or the Digi "Group"): RCS & RDS S.A., the Romanian subsidiaries of RCS & RDS S.A. (INTEGRASOFT SRL, TOPO NETWORK & DESIGN SRL, DIGI INFRASTRUCTURA SRL, FOTO DISTRIBUTIE SRL, ENERGIA FOTO SRL, DELALINA SRL, NOVITAS ELECTRO SRL, CFO INTEGRATOR SRL, CAMPUS MEDIA SRL, PROFIMUSIC SRL, DIGISOFT IT SRL, U.C.R. SRL), Digi Italy Srl, Digi Spain Telecom SLU, Digi Spain Call Center S.L.U., Digi Spain Sale Force S.L.U. Primafaty SLU, Douafaty SLU, Patrafaty SLU, Cinceafaty SLU, Saseafaty SLU, Digi Portugal LDA., CITIMESH MOBILE NV, INSKY NV. As the companies established in Belgium had no operations during 2023, the reporting will not include information on the activity of these companies.

Where the information pertains to a specific company within the Group, it has been specified as such in the corresponding section. Where the information refers to Romania, Spain, or Italy, it describes the activity of the companies in that specific country, and where no specific reference to a particular company is made, the information disclosed is applicable to the entire Group.

For questions or suggestions regarding the content of this report, please use the following e-mail address: investor.relations@digi-communications.ro.

OUR BUSINESS MODEL

An overview of our business model, as well as a description of the services we provide and countries where we operate, can be found under section [BUSINESS Overview](#) of this report.

Economic impact

DIGI, as a group of telecommunications companies, plays an important role in the economic and social landscape of the regions it operates in. DIGI's operations have a considerable impact on other economic sectors that rely on communication services, such as internet connections and telephony. Thus, DIGI has a key role to play in supporting the activities of other economic operators and indirectly contributing to job creation along the economic chain.

Description	2022 (in thousands of Euros) Consolidated, at Group level	2023 (in thousands of Euros) Consolidated, at Group level
Direct economic value generated:	1,516.9	1,706.6
Revenues	1,516.9	1,706.6
Economic value distributed	1,127.0	1,240.7
Operating costs	1,127.0	1,240.7
Employee wages and benefits	240.3	288.6
Payments to shareholders	10.9	21.6
Payments to government/state budget*	5.6	6.4
Community investments	9.8	10.2
Economic value retained	389.9	464.6

*includes only the income tax paid

EU TAXONOMY

This report has been drawn up to describe the information presented pursuant to Article 8 of the Taxonomy Regulation (Regulation (EU) 2020/852) to be included in the Non-Financial Statement of **DIGI Communications N.V. (hereinafter 'DIGI')**, for financial year 2023.

The information complies with the simplified reporting requirements under art. 8 of the Regulation on taxonomy and art. 10 para. (2) of art. 8 of the Delegated Act (Commission Delegated Regulation (EU) 2021/2178) and subsequent amending acts, Delegated Regulation (EU) 2021/2139 and Delegated Regulation (EU) 2022/1214, Delegated Regulation (EU) 2023/2485 and Delegated Regulation (EU) 2023/2486.

Article 8 Regulation on Taxonomy

The Taxonomy regulation is a key component of the European Commission's action plan to redirect capital flows towards a more sustainable economy. It represents an important step towards achieving carbon neutrality by 2050, in line with EU targets, as Taxonomy is a classification system for sustainable economic activities.

In the following section, we, as a non-financial enterprise, present the share of turnover, capital expenditure (CAPEX) and operational expenditure (OPEX) for the reporting period 2023, which are associated with the **taxonomy-aligned economic activities** of the first two environmental objectives (mitigation of climate change and adaptation to climate change) and **taxonomy-eligible economic activities** of the 6 environmental objectives in accordance with art. 8 of the Regulation on taxonomy and art. 10 para. (2) of art. 8 of the Delegated Act.

Following the internal evaluation, three main activities and four secondary activities, identified as being possible eligible according to the Regulation on Taxonomy for which the alignment with the first two environmental objectives - climate change mitigation and adaptation - was carried out.

An economic activity is considered Taxonomy eligible if it is described in delegated acts adopted pursuant to Article 10(3), Article 11(3), Article 12(2), Article 13(2), of Article 14 paragraph (2) and Article 15 paragraph (2)

of Regulation (EU) 2020/852, regardless of whether or not the respective economic activity meets all the technical screening criteria provided for in the respective delegated acts.

General presentation

Art. 8 (2) Regulation on taxonomy in conjunction with art. 10 para. (2) of art. 8 Delegated Act

Proportion of taxonomy-eligible, aligned, and non-eligible economic activities in total turnover, CapEx and OpEx – Financial Year 2023

Consolidated Amounts	Total (m EUR)	Proportion of eligible economic activities (%)	Proportion of aligned economic activities (%)	Proportion of non- eligible economic activities (in %)
Turnover	1,704.6	0.12	0.00	99.88
Capital expenditure (CapEx)	920.0	6.61	0.00	94.76
Operational expenses (OpEx)	909.6	2.19	0.00	97.81

Description of activity

For over 28 years, at Group level, DIGI has contributed to the increase of the digitalization and development of the markets where it operates, by providing accessible connectivity to the European consumers. During this period, DIGI, with its subsidiaries from Romania, Spain, Italy, and Portugal, have established a sustainable vision on the future of connectivity, expressed by constant investment in infrastructure and in the latest technologies, by people empowerment, best quality of services, provided at the most accessible prices on the market, as well as in customer care and citizenship.

Decisions in determining eligibility of the economic activities

In order to identify eligible activities performed by DIGI, we carried out a full assessment of eligible activities and compared these activities with the description of economic activities/products listed in Annexes I or II of the Climate Delegated Act and the activities listed in Annexes I, II, III and IV of the Environmental Delegated Act. The sections below indicate what are the economic activities we identified as eligible for each of the three financial KPIs:

Turnover

From the activities which generate turnover for DIGI group, we identified activities which respect the definition as listed in the Annex II of the Climate Delegated Act, 2139/2021 for the following economic activities:

- NACE code 3511 – Production of electricity associated to taxonomy activity *CCM 4.1 – Electricity generation using solar photovoltaic technology*, with a value of 2.0 million EUR, 0.12% from turnover,
- NACE code 6110 is – Wired telecommunications activities associated to taxonomy activity *CCA 8.3 – Programming and broadcasting activities*, with a value of 336.8 million EUR, 19.76% from turnover*
- NACE code 5911 – Motion picture, video and television programme production activities. associated to taxonomy activity *CCA 13.3 – Motion picture, video and television programme production, sound recording and music publishing activities*, with a value of 16.0 million EUR, 0.94% from total turnover*

*According to the Climate Delegated Act and the interpretation provided by the European Commission in the Commission notice published on February 2nd, 2022, activities 8.3 and 13.3 are classified as adapted-enabling activities. As stated in the response to FAQ no. 5 in the mentioned document, adapted-enabling activities may

qualify for eligibility if a climate risk and vulnerability assessment (CRVA) has been conducted. Since DIGI has not carried out the required CRVA, these activities have not been considered as eligible.

CapEx

The total value of CapEx is 920.0 million EUR.

The list of activities listed in the table below are considered to be eligible to the EU Taxonomy as they are described in the Climate Delegated Act:

	CapEx	million EUR	%
CCM	4.1 Electricity generation using solar photovoltaic technology	19.2	20.9
CCM	6.6 Freight transport services by road	9.8	1.07
CCM/CE	7.2 Renovation of existing buildings	1.1	0.12
CCM	7.7 Acquisition and ownership of buildings	18.1	1.97
		48.2	5.24

Following the assessment of our financial statements, we identified the following activities listed on Annex II to the Climate Delegated Act, that may have a substantial contribution to Climate Change Adaptation.

	CapEx	million EUR	%
CCA	8.2 Computer programming, consultancy, and related activities	4.0	0.43
CCA	8.3 Programming and broadcasting activities	581.1	63.16
CCA	13.3 Motion picture, video and television programme production, sound recording and music publishing activities	43.7	4.75
		871.7	68.35

According to the Climate Delegated Act and considering the interpretation of the European Commission within the Commission notice published in February 2nd, 2022, activities 8.3 and 13.3 are classified as adapted – enabling activities, and activity 8.2 is classified as adapted activity.

Considering the answer provided to FAQ no. 5 in the document mentioned above, adapted and adapted – enabling activities may be eligible if a climate risk and vulnerability assessment (CRVA) has been performed. Considering that DIGI has not performed the required CRVA, these activities cannot be considered eligible.

CapEx Plan

The CapEx plan should include the list of taxonomy-eligible economic activities in 2023 and provides information on the planned CapEx for their financing with the aim of increasing sustainability over the next 5 years.

The CapEx plan for eligible activities should be based on the most recent business plan approved by management, while the time horizon reflects the five-year period for a CapEx plan set out in Annexes 1-5 to Commission Delegated Regulation (EU) 2020/852. Planned CapEx may be subject to revisions and changes.

For the financial year 2023 a **CapEx plan** has not been prepared to align eligible activities identified. The CapEx plan is to be prepared for the next financial period and included in the upcoming reports.

OpEx

The total value of OpEx is 909.6 million EUR.

The list of activities from the table below are considered to be eligible to EU Taxonomy as they are described in the Environmental Delegated Act:

	OpEx	million EUR	%
CCM	6.6 Freight transport services by road	11.7	1.29
CCM/CE	7.2 Renovation of existing buildings	8.2	0.90

19.9 2.19

The following operational expenditure was done to support our main economic activities listed in the table below:

	OpEx	million EUR	%
CCA	8.3 Programming and broadcasting activities	290.0	31.88
CCA	13.3 Motion picture, video and television programme production, sound recording and music publishing activities	3.0	0.33
		293.0	32.21

As previously mentioned in the Turnover section, these two activities are classified as adapted - enabling activities. They may be eligible if a climate risk and vulnerability assessment (CRVA) has been conducted. Since DIGI has not carried out the required CRVA, these activities cannot be considered eligible.

EU Taxonomy alignment assessment

According to EU Taxonomy Regulation, in order to determine the proportion of alignment, the eligible activities have to be assessed against the technical screening criteria listed for the substantial contributions, do not significant harm and minimum social safeguards. Following our assessment, we concluded that the technical screening criteria for substantial contribution was not fulfilled, so we didn't go further to assess alignment with DNSH and MSS. The results of the alignment assessment are detailed in the table below:

DIGI's contribution to EU environmental objectives						
Economic activity	Environmental objective (E) – Enabling (T) – Transitional	Eligible	Aligned	Substantial contribution	DNSH	Minimum social safeguards
CCM 4.1 – Electricity generation using solar photovoltaic technology	Climate mitigation	Yes	No	No	Assessment not complete	Assessment not complete
	Climate adaptation			Not applicable		
	Water			Not applicable		
	Circular economy			Not applicable		
	Pollution prevention			Not applicable		
	Biodiversity			Not applicable		
CCM 6.6 – Freight transport services by road	Climate mitigation (T)	Yes	No	No	Assessment not complete	Assessment not complete
	Climate adaptation			Not applicable		
	Water			Not applicable		
	Circular economy			Not applicable		
	Pollution prevention			Not applicable		
	Biodiversity			Not applicable		
CCM 7.7 – Acquisition and ownership of buildings	Climate mitigation	Yes	No	No	Assessment not complete	Assessment not complete
	Climate adaptation			Not applicable		
	Water			Not applicable		
	Circular economy			Not applicable		
	Pollution prevention			Not applicable		
	Biodiversity			Not applicable		
CCM 7.2 – Renovation of existing buildings/ CE 3.2 - Renovation of existing buildings	Climate mitigation (T)	Yes	No	No	Assessment not complete	Assessment not complete
	Climate adaptation			Not applicable		
	Water			Not applicable		
	Circular economy			No		
	Pollution prevention			Not applicable		
	Biodiversity			Not applicable		

The section. 1.2.2.2 (c) from annex I to art. 8 Delegated act (no double counting in case of contribution to several objectives)

DIGI's eligible economic activities are not aligned to the EU Taxonomy as the technical screening criteria was not met for any of the economic activities performed.

To ensure alignment with the EU Taxonomy, it is necessary to obtain additional assessments and supporting documents. These are scheduled for completion and consideration as part of the alignment assessment in 2025 for the year 2024.

The approach outlined in FAQ no. 5 of the Commission notice released on February 2nd, 2022, regarding the economic activities classified as adapted-enabling and adapted, was used to reassess our eligible economic activities presented in 2022. As a result, the proportion of eligibility presented in the disclosure tables reflects the adjusted eligibility proportion of our economic activities performed in 2022.

Key Performance Indicators ('KPI'): Turnover, CapEx and OpEx.

For the 2023 reporting period, eligibility and alignment of the performed economic activities, must be disclosed for all the mentioned financial KPIs as per art. 10 (2) of Art. 8 Delegated Act.

The proportion of eligibility and alignment of the economic activities included for each of the financial KPIs is determined according to the provisions of the Disclosure Delegated Act no. 2021/2178, as follows:

Turnover KPI

Definition - The share of taxonomy-eligible/aligned economic activities in our total turnover was calculated as the share of net turnover derived from products and services associated with taxonomy-eligible economic activities (numerator) divided by net turnover (denominator), in EUR million, in each case for the financial year from 01.01.2023 to 31.12.2023.

The net turnover is disclosed within the [Consolidated Statement of profit or loss and other comprehensive income](#), located on page 7 of the Consolidated Financial Statements for the financial year ended December 31, 2023, totaling EUR 1,704.6 million.

The turnover KPI numerator is defined as the net turnover derived from products and services associated with economic activities eligible for the taxonomy.

CapEx KPI

Definition - The CAPEX KPI is defined as taxonomy-eligible/aligned CAPEX (numerator) divided by total CAPEX for the financial year 2023.

Total Capital expenditure can be found in section [Liquidity and capital resources](#), page 187, with the total value of EUR 920.0 million.

OpEx KPI

Definition - OpEx KPI is defined as taxonomy-eligible/aligned OpEx (numerator) divided by total OpEx.

The expense accounts related to external services (maintenance and repair expenses, and expenses for services performed by third parties) are detailed in Note 28, 'Revenues and Expenses,' under the section 'Sales, General and Administrative Expenses.' Additionally, staff expenses are outlined in Note 28 under 'Cost of Sales' and 'Sales, General and Administrative Expenses', located on page 7 of the [Consolidated Statement of profit or loss and other comprehensive income](#) for the fiscal year ended December 31, 2023, totaling EUR 909.6 million.

Total OPEX is composed of distribution expenses and administrative expenses (the nature of these expenses being that of expenses with salaries and compensations of employees, expenses with services provided by third parties, advertising and protocol expenses, social insurance expenses, etc.)

Proportion of turnover from products or services associated with Taxonomy-aligned economic activities.

Financial year 2023		2023		Substantial contribution criteria										DNSH criteria ("Do not cause significant harm")							
Economic (1)	activities	Codes (2)	Turnover (3)	Proportion of Turnover year 2023 (4)	Climate change Mitigation (5)	Climate change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate change Mitigation (11)	Climate change Adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum safeguards (17)	Proportion of Taxonomy aligned (A.1.) or (A.2.) turnover, year 2022 (18)	Category enabling activity (19)	Category transitional activity (20)	
			Million EUR	%	Y; N/EL (b) (c)	N; Y; N/EL (b) (c)	N; Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T	
A. TAXONOMY-ELIGIBLE ACTIVITIES																					
A.1. Environmentally sustainable activities (Taxonomy-aligned)																					
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)			0	0%	0%	0%	0%	0%	0%	0%	N	N	N	N	N	N	N	0%			
Of which Enabling			0	0%	0%	0%	0%	0%	0%	0%	N	N	N	N	N	N	N	%	E		
Of which Transitional			0	0%	0%						N	N	N	N	N	N	N	%		T	
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (g)																					
					EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)											
Electricity generation using CCM 4.1 solar photovoltaic technology			2.0	0.12%	EL	N/EL	N/EL	N/EL	N/EL	N/EL							0.39%				
Turnover of Taxonomy eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)			2.0	0.12%	0.12%	0%	0%	0%	0%	0%							0.39%				
A. Turnover of Taxonomy eligible activities (A.1+A.2)			2.0	0.12%	0.12%	0%	0%	0%	0%	0%							0.39%				
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																					
Turnover of Taxonomy on-eligible activities			1,702.6	99.88%																	
Total (A + B)			1,704.6	100%																	

Reference to (b), (c) and (f) are available in:

https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=OJ:L_202302486

Proportion of CapEx from products or services associated with Taxonomy-aligned economic activities.

Financial year 2023		2023		Substantial contribution criteria							DNSH criteria ("Do not cause significant harm")												
Economic activities (1)	Codes (2)	CapEx (3)	Proportion of CapEx year 2023 (4)	Climate change Mitigation (5)	Climate change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate change Mitigation (11)	Climate change Adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum safeguards (17)	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) CapEx, year 2022 (18)	Category enabling activity (19)	Category Transitional activity (20)				
		Million EUR	%	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T				
A. TAXONOMY-ELIGIBLE ACTIVITIES																							
A.1. Environmentally sustainable activities (Taxonomy-aligned)																							
CapEx of environmentally sustainable activities (Taxonomy- aligned) (A.1)		0	0%	0%	0%	0%	0%	0%	0%	N	N	N	N	N	N	N	0%						
Of which Enabling		0	0%	0%	0%	0%	0%	0%	0%	N	N	N	N	N	N	N	%	E					
Of which Transitional		0	0%	0%						N	N	N	N	N	N	N	%		T				
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (g)																							
				EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)														
Electricity generation using solar photovoltaic technology	CCM 4.1	19.2	2.09%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%						
Freight transport services by road	CCM 6.6	9.8	1.07%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								2.61%						
Renovation of existing buildings	CCM 7.2/ CE 3.2	1.1	0.12%	EL	N/EL	N/EL	N/EL	EL	N/EL								0.96%						
Acquisition and ownership of buildings	CCM 7.7	18.1	1.97%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								2.73%						
CapEx of Taxonomy eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		48.2	5.24%	0%	5.12%	0%	0%	0.12%	0%								6.3%						
A. CapEx of Taxonomy eligible activities (A.1+A.2)		48.2	5.241%	0%	5.12%	0%	0%	0.12%	0%								6.3%						
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																							
CapEx of Taxonomy on-eligible activities		871.7	94.76%																				
Total (A + B)		920.0	100%																				

Reference to (b), (c) and (f) are available in:

https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=OJ:L_202302486

Proportion of CapEx/Total CapEx	
Taxonomy - aligned per objective	Taxonomy - eligible per objective
CCM 0%	0%
CCA 0%	0%
WTR 0%	0%
CE 0%	0.12%
PPC 0%	0%
BIO 0%	0%

Proportion of OpEx from products or services associated with Taxonomy-aligned economic activities.

Financial year 2023		2023		Substantial contribution criteria										DNSH criteria ("Do not cause significant harm")					
Economic activities (1)	Codes (2)	OpEx (3)	Proportion of OpEx year 2023 (4)	Climate change Mitigation (5)	Climate change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate change Mitigation (11)	Climate change Adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum safeguards (17)	roportion of Taxonomy aligned (A.1.) or eligible (A.2.) OpEx, year 2022 (18)	Category enabling activity (19)	Category transitional activity (20)
		Million EUR	%	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0	0%	0%	0%	0%	0%	0%	0%	N	N	N	N	N	N	N	0%		
Of which Enabling		0	0%	0%	0%	0%	0%	0%	0%	N	N	N	N	N	N	N	%	E	
Of which Transitional		0	0%	0%						N	N	N	N	N	N	N	%		T
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (g)																			
				EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)										
Freight transport services by road	CCM 6.6	11.7	1.29%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								2.01%		
Renovation of existing buildings	CCM 7.2/ CE 3.2	8.2	0.91%	EL	N/EL	N/EL	N/EL	EL	N/EL								0.19%		
OpEx of Taxonomy eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		19.9	2.19%	0%	1.29%	0%	0%	0.90%	0%								2.20%		
A. OpEx of Taxonomy eligible activities (A.1+A.2)		19.9	2.19%	0%	1.29%	0%	0%	0.90%	0%								2.20%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy on-eligible activities		889.6	97.81%																
Total (A + B)		909.6	100%																

Reference to (b), (c) and (f) are available in:

https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=OJ:L_202302486

Proportion of OpEx/Total OpEx	
Taxonomy - aligned per objective	Taxonomy - eligible per objective
CCM 0%	0%
CCA 0%	0%
WTR 0%	0%
CE 0%	0.9%
PPC 0%	0%
BIO 0%	0%

DIGI Communications is not engaged in any activities related to nuclear or fossil gas.

Nuclear energy related activities		
1	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle	NO
2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO
Fossil gas related activities		
4	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
5	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	NO
6	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels	NO

Considering that DIGI doesn't perform any nuclear and fossil gas related activities, the additional tables provided in Annex III to the Delegated Act no. 1214/2022 were not applicable.

GOVERNANCE ASPECTS

Digi Communications N.V. is a limited liability company (naamloze vennootschap) organized under the laws of the Netherlands, having its registered office in Amsterdam, the Netherlands, and its tax residence and main place of business in Bucharest, Romania.

The Company is organized under a one-tier board structure namely, a Board of Directors comprising of two Executive Directors and five Non-executive Directors, two of whom are independent Non-executive Directors.

The Board of Directors is collectively responsible for the Company's general affairs. The duties of the Board of Directors are divided among its members. The Executive Directors are responsible for the continuity of the Company and its business, focusing on long-term value creation thereby taking into account the interests of the Company's stakeholders and directing the day-to-day strategy of the Company. The Executive Directors are entrusted with managing the day-to-day affairs of the Company and are responsible for achieving the Company's objectives, strategy, and the accompanying risk profile, the performance trend, and results, and the corporate social responsibility issues relevant to the business of the Company and its subsidiaries. The Non-executive Directors are, inter alia, responsible for the supervision of the management of the Executive Directors and of the general affairs of the Company and the business connected with it and providing advice to the Executive Directors.

Directors are appointed by the General Meeting of Shareholders based on a binding nomination by the meeting of Class A shareholders. The General Meeting may, at all times deprive such a nomination of its binding character with a two-thirds majority of the votes representing at least half of the issued share capital, following which the Class A Meeting shall draw up a new binding nomination. When making a nomination, the Class A Meeting shall take into account that the Board of Directors shall be composed such that the requisite expertise, background, competencies, and – in the case of Non-executive Directors – independence are met, for them to be able to properly fulfill their duties. More information about expertise of the board members and management can be seen under section [Compliance with the Dutch Corporate Governance Code](#)

The President of the Board of Directors of Digi Communications N.V. is a non-executive member and holds no other executive position in the company. The company is organized under a unitary management system - the Board of Directors being the highest management body. The long-term objectives and strategy of the Company are the responsibility of the Executive Directors, in accordance with the provisions of the Articles of Incorporation and the provisions of the Dutch Corporate Governance Code.

Name	Position	Type	Mandate (years)	Other significant positions and commitments held by each member, and the nature of the commitments	Age	Gender
Zoltan Teszari	President	Non-executive Director	4	Member of the Company's Remuneration Committee	53	M
Marius Varzaru	Vice-President	Non-executive Director	4	Member of the Audit Committee, General Manager of DIGI Spain Telecom SLU, General Manager of DIGI Spain Callcenter SLU, Sole Administrator of DIGI Spain Salesforce SLU, Member of the Board of Directors of DIGI Italy SL, Member of the Board of Directors of DIGI Portugal LDA	45	M
Serghei Bulgac	CEO	Executive Director	4	President and CEO executive member of the Board of Directors of RCS & RDS S.A., President of the Board of Directors of Digi Spain Telecom SLU, Digi Italy SL., Digi Communications Belgium NV, Member of the Board of Directors of Citymesh Mobile N.V. and Insky N.V.	47	M
Valentin Popoviciu	Board member	Executive Director	4	Vice-President and Executive member of the Board of Directors of RCS & RDS S.A., member of the Board of Directors of Digi Portugal LDA, Citymesh Mobile N.V., CEO and member of the Board of Directors of Insky N.V., Digi Communications Belgium NV, Director of Topo Network & Design S.R.L., Digisoft IT S.R.L., Foto Distributie S.R.L.	49	M
Bogdan Ciobotaru	Board member	Independent Non-executive, Director	4	President of the Company's Remuneration Committee, Member of the Company's Audit Committee, Non-executive director of RCS & RDS S.A.	46	M
Emil Jugaru	Board member	Non-executive Director	4	Head of Sales and Customer Relations Department of RCS & RDS S.A., Director of Digi Infrastructura S.R.L.	50	M
Piotr Rymaszewski	Board member	Independent Non-executive, Director	4	President of the Company's Audit Committee, Member of the Company's Remuneration Committee	59	M

We took into account the age of each member until 30th of April 2024, based on the exact birth day and month.

100% of the Board of Directors members are men.

57.14% of the Board Members are between 30-50 years old.

42.86% of the Board Members are over 50 years old.

In addition to the Board of Directors listed above, each company within the Group has its own management structures. A detailed description of the Group's relevant corporate governance information, Board of Directors and Senior Management structure, diversity indicators and competences of their members, as well as Board of Directors committees and their composition, can be found under the section [Management Structure. Corporate governance](#) of the Company's 2023 Annual Report.

Committee Structure

Committee name	Total number of members	Names of members	Number of executive members	Number of independent members	Number of non-executive members
Audit Committee	3	Piotr Rymaszewski, Marius Varzaru, Bogdan Ciobotaru	N/A	2	3
Remuneration Committee	3	Bogdan Ciobotaru, Piotr Rymaszewski, Zoltan Teszari	N/A	2	3

The Group doesn't have formal committees responsible for decision-making on and overseeing the management of the organization's impacts on the economy, environment, and people. Nevertheless, by the end of 2024, our goal is to establish an ESG committee who will be overseen by the Board. The ESG committee will assume responsibility for developing the Group's sustainability strategy, policies, and goals. Subsequently, upon finalization of the Group's strategic framework and objectives, we will integrate key performance indicators (KPIs) aligned with the sustainability strategy into the Board's performance assessment process. Moreover, our priority will be to develop the reporting process procedure, that will also include the description of the double materiality process and KPIs definitions for each material topic.

The Group has not formally defined its strategies, policies, and goals related to sustainable development. At the time of publication of this non-financial statement, for the third consecutive year, we are in the process of developing policies, procedures, and processes and adopting relevant measures that will help us design our sustainable development strategy and objectives. Currently, the responsibilities for managing the Group's impacts on the economy, environment, and people are delegated to the Managers within the relevant departments of DIGI Group that are each overseeing the topics under their area of expertise.

The Board of Directors is responsible for reviewing and approving the information reported in the non-financial statement, including the Group's material topics. The Board of Directors' performance evaluation process does not include KPIs related to the sustainability strategy.

Details about the remuneration process of the Board of Directors are presented in section [Compliance with the Dutch Corporate Governance Code](#)

For more details see [Management Structure](#).

Business ethics and responsibility

Our industry relies heavily on trust and reputation. At the same time, it is heavily regulated and entails compliance with various laws and regulations. While failure to comply can result in legal consequences, it can also severely damage the reputation of the Company. Therefore, ethical business practices are essential for building and maintaining trust, which helps us maintain a positive reputation and attract new customers.

The DIGI Group's commitments to responsible business conduct are contained in the Code of Conduct, the Internal Rules and Regulations, as well as in the subsequent policies and procedures developed under the Code of Conduct: The Anti-Bribery, Anti-Corruption and Business Ethics Policy, the Conflict-of-Interest Policy, the Anti-Money Laundering Policy. All these documents have been approved by the Board of Directors of the Company, representing the highest level of approval. There is currently no Human Rights Policy or other stand-alone document, but human rights principles can be found in approved internal documents (Code of Conduct, Internal Regulations, and other subsequent internal documents). The Code of Conduct and Policies, which are public documents, can be accessed at: <https://www.digi-communications.ro/en/corporate/corporate-governance> and the Procedures and Internal Rules, which are internal documents, are published on the company's intranet page.

We are committed to exercising high ethical standards and conducting our business with fairness, honesty, and integrity. This includes complying with all applicable laws and regulations and taking a zero-tolerance approach to bribery, corruption, money laundering, and terrorist financing in any form. Every employee, officer, director, and contractor of the Group is required to adhere to a set of principles and rules when carrying on the commercial activities of or with the Group. These rules and principles are codified in the Group's Anti-Corruption and Business Ethics Procedure.

We expect any person or company that conducts business with or on behalf of the Group to adopt the Anti-Corruption and Business Ethics Policy or implement alternative rules and principles considered by the Group to be at least equivalent to those in the policy.

The DIGI Group's rules of responsible conduct are communicated to business partners both through the publication of the Code of Conduct and compliance policies on the Group's website, and at the start of the business relationship, by sending the partner the "DIGI Group's Anti-Corruption and Business Ethics Commitment" and the "Anti-Corruption and Business Ethics Clauses". This latter document, which must be signed and returned by the partner, is how DIGI Group ensures that the partner assumes compliance with applicable anti-corruption legislation and the implementation of business ethics and integrity principles at least equivalent to those assumed and implemented by DIGI Group. In the last quarter of 2023, the Company's Romanian subsidiary started a monitoring process consisting in the reassessment of the suppliers with whom currently maintains business relations from the perspective of compliance risks. Under such process, the "Anti-Corruption Clauses" were resubmitted, in 2023 to the suppliers to be signed for the renewal of the anti-corruption commitments.

In terms of communicating the rules of responsible business conduct to employees, they are informed of the codes of conduct/policies/procedures internally through the publication of these documents on the intranet and can be accessed at any time by our employees. Upon hiring, employees are informed of and sign the Code of Conduct, and communication of the relevant internal documents is made through the IT information platform.

Communication updates regarding our code of conduct/policies/procedures occur upon their periodic review. The compliance department conducts targeted awareness campaigns on specific topics to ensure that our employees are informed about the main provisions outlined in these documents.

More information on the policies and principles that govern our ethical business behavior can be found under section [Other corporate governance practices](#) of this report.

In 2023, on the reporting channels implemented at the Group level, there were no complaints or cases of: confirmed incidents of corruption.

confirmed incidents of corruption in which employees were dismissed or disciplined for corruption.

confirmed incidents where contracts with business partners were terminated or not renewed due to violations related to corruption.

public legal cases regarding corruption brought against us or our employees.

However, an alleged attempt to influence a business decision was reported, which led to the termination of the business relationship with the partner involved.

According to the compliance risk assessment carried out during 2023 for the year 2022 within RCS & RDS S.A. (the Romanian subsidiary of the Company), 19 departments were assessed against 10 compliance risks, including corruption risks: active and passive corruption. Following the assessment, the area with the highest corruption risk was the Procurement Department. Following the assessment of controls implemented to mitigate corruption risk, a decrease from high to medium level was found for active corruption and from medium to low level for passive corruption.

In 2023, the Group made no political contribution. References to political contributions can be found in the Anti-Bribery, Anti-Corruption, and Business Ethics Policy and the subsequent Procedure and Policy on Donations and Sponsorships that are applicable to all subsidiaries of the Company. Additionally, the main subsidiaries of the Company have also such references within their own policies. Thus, according to the Anti-Bribery, Anti-Corruption and Business Ethics Policy, "DIGI Group does not contribute to, or financially support, political parties, political organizations or independent candidates and does not promise to cover election expenses." and according to the Donations and Sponsorships Policy adopted during 2023, "Donations and sponsorships to political parties, political organizations and candidates in the election process, public officials or persons elected/appointed to public office, public institutions and authorities are strictly prohibited."

At the same time, the Group did not register any legal actions (pending or completed) during 2023, regarding anti-competitive behavior or any violations of anti-trust and monopoly legislation.

Conflict of interests

The Company currently has two policies approved in this field:

1. Policy on Conflicts of Interest of Board of Directors approved in 2017 (more info available on page 59 of the [Company's 2022 Annual Report](#)), <https://www.digi-communications.ro/en/see-file/2022-Annual-Report.pdf>, and
2. Personnel Conflict of Interest Policy (more information can be found [here](#)).

To support the implementation of the Personnel Conflicts of Interest Policy, the Company has created internal software applications where employees can register the situations that can qualify as conflicts of interest and has implemented conflict of interest disclosure procedure during the recruitment process. At the same time, as a form of prevention, the Company implements an annual conflict of interest campaign, to create awareness on this topic. The campaign starts with an e-mail, that can be followed by reminders, through which all employees in corruption high-risk departments or positions are invited to access the dedicated applications and register their answers. The objective of this campaign is the continuous monitoring of conflicts of interest, a measure aimed at identifying changes in cases that were previously declared, as well as omissions to declare real/potential conflicts of interest, and meets the Company's desire to strengthen, by reducing the risks of corruption, the image of an ethical organization in front of employees, customers, and business partners.

The conflicts of interest that involve members of the Board of Directors are managed by the non-executive members of the Board of Directors. Concerning the disclosure to stakeholders of potential conflict of interest situations involving members of the Board of Directors, these are disclosed in accordance with the relevant legal provisions and in compliance with internal regulations on affiliated party transactions (Policy and Procedure on Affiliated Party Transactions).

In 2023:

5 reports that concerned conflicts of interest were reported through the reporting channels managed by the Compliance Department; 4 reports out of these 5 reports were confirmed, with no significant impact. In some cases, disciplinary investigations were initiated, in others risk mitigation measures were taken.

there were no violations of the Company's Code of Conduct reported through the reporting channels managed by the Compliance Department.

Training on anti-corruption matters

In 2023, the Group's employees have been informed by e-mail, followed by a reminder, on the policies and procedures related to anti-corruption on the date of their adoption, which was in 2020. To this effect, the policies adopted by the Company to regulate the mandatory principles and conduct in the area of anti-corruption have been published externally on the Company's website (digi-communications.ro). The anti-corruption procedures were posted on the intranet page to be accessed by the Romanian subsidiary's employees. For the employees located in other countries, the anti-corruption procedures have been communicated by e-mail to the subsidiary's management together with the request to make them known to their subordinates. The internal communication of compliance documents is managed by the local compliance officer/ responsible. Additionally, to raise awareness of corruption and its effects, a dedicated online training on "Anti-Corruption Rules within the DIGI Group" is available for employees of the Romanian subsidiaries in corruption high-risk departments/ positions on the intranet page. The online presentation lasts 16 min, and it is followed by a 5-question quiz. On December 31, 2023, the completion rate for this training was 62% in corruption high-risk departments/ positions.

At the same time, our employees who have management roles are responsible for encouraging their teams to complete the required training related to our anti-corruption and business ethics procedures.

100% of management members have been informed about anti-corruption policies and procedures.

Training and information on anti-corruption policies and procedures	2022	2023
	Spain	
Employee Category	People informed about anti-corruption policies and procedures	People informed about anti-corruption policies and procedures
Management	100%	100%
Purchasing and Logistics	9%	100%
Legal	30%	100%

Training and information on anti-corruption policies and procedures	2022				2023
	Italy				
Employee Category	People informed about anti-corruption policies and procedures	People trained on anti-corruption policies and procedures (online)	People informed about anti-corruption policies and procedures	People trained on anti-corruption policies and procedures (online)	
Administrative/Logistics	100%	100%	100%	100%	100%
Construction/Operational	100%	100%	100%	100%	100%
Technical	100%	100%	100%	100%	100%
Sales	100%	100%	100%	100%	100%

At the moment, the data regarding anti-corruption training for Romanian subsidiaries' employees could not be extracted. We are working on updating our internal systems so that for the next reporting cycle we can extract the information. For employees in Portugal, training will be implemented in 2024.

Reporting channels

Based on the Group's existing policies, the reporting channels are implemented internally within each main subsidiary of the Group and are managed by the Compliance Officer/responsible of such subsidiary. Additionally, a reporting platform was implemented at the Group level.

The reporting channels for each Group subsidiary can be found at:

For Romania: <https://www.digi.ro/raportare-nereguli>

For Spain: <https://www.digimobil.es/canaletico>

For Italy: <https://www.digimobil.it/it/whistleblowing/>

For Portugal: *whistleblowing@digi.pt – published internally, only for employees.*

In 2023 no reports regarding critical concerns were submitted by suppliers, clients, or any other stakeholders. Regarding the compliance related case reported during 2022 the allegations have not been confirmed by the investigation and process improvement measures were decided.

Potential complaints received from stakeholders are dealt with and resolved promptly in accordance with current regulations, i.e. in accordance with the Whistleblowing Policy, as revised on June 21, 2023, for complaints falling into this category. Any retaliation against the employees or business partners who speak up about and report genuine concerns is not tolerated.

Stakeholders' category	Total no. of complaints		Total no. of complaints confirmed	
	2023	2022	2023	2022
Employees	0	2	0	0
Suppliers	0	0	0	0
Clients	0	0	0	0
Business partners	0	0	0	0

For advice on the implementation of Digi Group policies and practices, employees have access to the following e-mail addresses:

conformitate@rcs-rds.ro and

grup.conformitate@digi-communications.ro

Critical concerns regarding our potential and actual negative impacts raised by our stakeholders through grievance mechanisms are presented to the CEO or Board of Directors as soon as they are received. During the reporting period, no critical concerns were reported through the Company's reporting channel, except for the above-mentioned reports received from the Group's employees.

The reporting channels were implemented in compliance with the EU Directive 2019/1937 on the protection of whistleblowers and the transposing of this directive within the countries where the Group has operations.

Communicating critical aspects

In accordance with internal procedures, the CEO/Board of Directors is informed as soon as a report that concerns critical matters is received to decide on subsequent measures. In 2023, no reports on critical matters were received through the reporting channels set up internally for employees in all the Company's main subsidiaries and externally through the reporting platform set up on the websites of the Company and its subsidiaries in Romania and Spain and for the subsidiary in Italy on its own website.

Materiality assessment

As a socially responsible Group of companies, we acknowledge our role in society and the accountability we hold towards our customers, partners, and other stakeholders. To identify and assess the economic, social, and environmental impact resulting from our operations and business relationships, we annually measure a series of non-financial metrics tailored to our industry.

In 2022 we took the next step and embarked on preparing our non-financial statement based on the GRI Standards 2021 methodology. During a dedicated workshop, subject matter consultants and representatives from the Group's main departments revised and established the stakeholder categories that would be consulted in the process of identifying the material topics.

For this reporting process, we used the results of the materiality analysis conducted between January and February 2023. The materiality analysis carried out for the FY 2022 also applies to the 2023 FY and was not updated to include the latest sustainability trends/ evolution, as we are using 2023-2024 to prepare for the upcoming requirements of the Corporate Sustainability Reporting Directive (CSRD). The main categories of stakeholders consulted were:

DIGI Group employees

Residential clients

Corporate clients

Shareholders & investors

Authorities

Goods and services providers

Network and equipment providers

Content and distribution providers

Mass-media

Financial partners

Non-governmental organizations

Local community

To establish the metrics, the first step was to identify the material topics, i.e., those topics that accurately represent the Group's most significant economic, environmental, and social impact, both positive and negative. The list of potential material topics was generated after we performed an analysis of all our operations and examined our business relationships. Additionally, we referred to the latest sustainability trend reports, evaluated the prevailing national and European legislative framework (CSRD, EU Taxonomy), and incorporated insights from the telecommunication industry and other sustainability reporting standards (e.g., SASB, draft ESRS). The list was completed during the same dedicated workshop, conducted on our premises, in January 2023. Group's employees from different departments attended the workshop, to ensure that we encompass the impact generated by all our activities and business lines.

Based on this list, we developed four online questionnaires: one for the stakeholder categories of the Group's Romanian subsidiaries (external analysis), one for the DIGI Italy SL stakeholder categories, and the other two for the management members, specialists, and experts from the Romanian subsidiaries and DIGI Italy SL (internal analysis). The external questionnaires were similar in content. DIGI Spain Telecom S.L.U. was not included in the process.

To evaluate the impact of each topic accurately, the questionnaires were structured into two distinct sections, taking into consideration the positive and negative dimensions of the impacts. As on some topics, our activity can generate a positive impact (e.g., community investment), while others may only result in a negative impact (e.g., resource consumption and climate change), these sections were tailored accordingly. Additionally, the questionnaires included segments where respondents could offer qualitative (open-ended) feedback to highlight other areas/fields where the Group could potentially have an impact, either positive or negative. Furthermore, respondents were asked to provide suggestions on how we can improve our sustainability and reporting process.

Each potential material topic was evaluated on a scale of 0 to 3 (no impact, low impact, moderate impact, and high impact) to determine the extent of positive and negative impact. Moreover, each topic was accompanied by an explanation of the possible forms of impact. Additionally, respondents were provided with an N/A option - for cases where they did not know or preferred not to answer a question.

We conducted this process between January and February 2023 and a total of 4,197 responses were recorded, which were centralized and analyzed to identify both the positive and negative impact of our operations as perceived by external and internal stakeholders.

For the category of external stakeholders - suppliers, authorities, press, investors, the business partners with whom we collaborated in the last year were selected, and the questionnaires were sent to them by email. The questionnaires were sent to approx. 150 stakeholders.

For the category of external stakeholders - employees, we selected email addresses from the departments that have computer access, and the questionnaire was sent to them. The questionnaires were sent to approx. 950 employees.

For the category of internal stakeholders - employees, we selected email addresses from top management and the technical departments, people who know the activity of the group and understand the impact on the environment. The questionnaires were sent to approx. 240 employees.

The link to the external questionnaire was also published as a pop-up on our website to give the opportunity to answer to as many people as possible.

The analysis yielded two scores for each assessed topic, representing the extent of positive and negative impact, as assessed by internal experts and specialists, as well as by our stakeholders, depicted in the materiality matrix below.

As the process of identifying and assessing impacts by engaging with stakeholders relies in the first stage on a rather subjective evaluation, internally, the materiality threshold has been set where the Group's impact is at least low (scored 1 on the scale provided for assessment in the questionnaires). Thus, the material topics for DIGI Group were those for which either the average of stakeholder assessment or the average of internal assessment revealed a low impact, to allow us to better assess the impact by monitoring and measuring our activities through the lens of that specific topic.

Impact means the effect that an organization has or could have on the economy, the environment, or people, including human rights, as a result of its activities or business relationships. Impacts can be negative or positive, actual, or potential, short, or long term, intended or unintended, reversible, or irreversible.

Materiality matrix



Material topic	Overview of impacts on the economy, environment, and people, including human rights	Actual/Potential	Positive/Negative
Materials and waste	The Group's activities involve the consumption of significant amounts of resources, including raw materials and energy, while also generating waste. This can have a negative impact on the environment, particularly if waste is not properly managed or disposed of. Currently, we have several campaigns involving e-waste recovery, but additional measures will be implemented once we establish the Group's sustainability strategy.	Actual and Potential	Negative
Energy consumption	Our operations consume significant amounts of energy, including in data centers, network equipment, and office buildings, which, if sourced from non-renewable resources, can have a significant impact on the environment and public health. We are taking measures to reduce energy consumption and switch to more sustainable energy sources.	Actual and Potential	Negative
Climate change	Greenhouse gas emissions are the leading cause of climate change. Through our operations, as well as through our business relationship, a vast amount of GHG emissions is generated which can have a negative impact on the environment and public health. The first step in our approach was to calculate our carbon footprint and then take steps and measures to mitigate these impacts.	Actual and Potential	Negative
Biodiversity	The construction of new telecommunication infrastructure can lead to habitat loss and fragmentation, which can impact biodiversity. To reduce the impact, we incorporate biodiversity considerations into our infrastructure planning and operations.	Actual and Potential	Negative
Content policy	Our company is dedicated to upholding sustainability and ethical business practices through our editorial policy. Our goal is to deliver truthful, objective, and unbiased information to our audience, enabling them to make informed decisions and gain a comprehensive understanding of the world. Although the impact we have measured has been shown to be predominantly positive, deviating from the above principles could potentially result in negative consequences. When we make the statement of "positive impact" in this case, we rely on the fact that from the CNA - an autonomous public authority charged with protecting the public interest in the field of audiovisual program services, in 2023 we received 14 warnings.	Actual and Potential	Positive and Negative
Fair working environment	Ensuring a fair working environment is crucial for the success of our Group. Thus, we are implementing policies and practices that prioritize employee well-being, providing opportunities for career growth, and ensuring a safe, equitable, and respectful workplace. Potential negative impact can result from a low retention rate, and being unable to attract, develop and reward talented employees.	Actual and Potential	Positive and Negative
Supply chain management	By working with a vast majority of local suppliers, we support local economies. Potential negative impacts regarding this topic may result from the practices that our suppliers are implementing. As we move forward, our commitment is to map and monitor these impacts, while also taking measures to address them.	Actual and Potential	Positive and Negative
Data and network security	We are prioritizing strong security measures and regular security assessments to ensure the safety and security of our customers' data and our networks. Potential negative impacts can result from cyber-attacks that are not foreseen.	Actual and Potential	Positive and Negative
Occupational health and safety	Implementing strong OH&S practices has a positive impact on workplace safety and health for our employees and reduces the risk of workplace accidents and injuries. The potential negative impact can arise from work accidents or work-related illness if health and safety measures are not closely followed by our employees.	Actual and Potential	Positive and Negative

Personal data privacy	Personal data privacy is not only a legal and regulatory requirement but also a social responsibility. We have a responsibility to protect our customer's personal information and to respect their privacy rights, which we uphold through ethical business practices.	Actual	Positive
Stakeholder engagement	By engaging with our stakeholders, we build strong relationships, identify, and manage risks more effectively, and can also drive innovation, given new perspectives and ideas. However, if we fail to effectively respond to stakeholders' increasing expectations on environmental, social, and governance (ESG) topics, it could lead to negative impacts on our stakeholders.	Actual and Potential	Positive and Negative
Technological innovation	By investing in new technological services and products, we have the potential to significantly decrease energy consumption and subsequently reduce greenhouse gas emissions. In addition to the environmental benefits, this investment can have a positive impact on the economy by generating new job opportunities. Furthermore, it can enhance the quality of life for individuals and communities where we operate.	Actual	Positive
Impact on the local economy	As a Group with more than 22,000 employees, we contribute to the development of our local communities by paying taxes that support local budgets. We have a decentralized presence in many localities, and we pay local taxes and payroll taxes in these localities, for example, we are present in 80 settlements, with a minimum of 5 employees, creating more jobs to encourage more people to stay in the area. This not only allows people to work closer to home, but also improves the quality of life for the community by increasing city revenue, creating a more self-sustainable community, and connecting the community.	Actual	Positive
Quality of services	Our services allow people to connect with others, regardless of their location, which can enhance social connections, encourage collaboration, facilitate knowledge sharing, and promote cultural exchange. We place a high priority on the quality of our services, which is why we significantly invest in the quality of our infrastructure every year.	Actual	Positive
Business ethics and responsibility	As one of the largest telecommunications companies in Romania, we understand the responsibility that comes with our position. We prioritize ethical business practices by adhering to high standards of conduct and complying with all applicable laws and regulations. By doing so, we aim to generate a positive impact and added value for the communities in which we operate.	Actual	Positive
Digital inclusion and access to services	Our offerings in Romania include cable TV, fixed internet and data, mobile telecommunication services, fixed-line telephony, and DTH. Our fixed network in Romania passed a total of approximately 9.1 million homes as of December 31, 2023, which covered 95.1% of all dwellings, at some of the lowest prices on the market, verifiable with competitor websites.	Actual	Positive
Internet governance and digital freedom	We are committed to maintaining an open, accessible, and secure Internet platform that promotes innovation and expression. While we prioritize digital freedom, we also comply with regulations enforced by the competent authorities to ensure that our practices align with legal and ethical standards.	Actual and Potential	Positive
Circular economy	We recognize the importance of using products with high durability and repairability in mind to extend their lifespan and reduce waste. While our current circularity measures mainly focus on recovering and reusing customer equipment, we are committed to implementing additional measures once we establish our sustainability strategy at the Group level.	Actual and Potential	Positive
Engaging with local communities	Our donations and sponsorships have the potential to contribute to the economic and social development of the communities we serve, generating a positive impact for their beneficiaries.	Actual	Positive

The water topic did not result as material from our internal and external assessments, as we only use water for administrative purposes. However, in the environment chapter, information on water used is presented.

Stakeholder engagement

Stakeholder engagement is vital for us as it enables us to build strong relationships with them, understand their needs and expectations, and develop strategies that create value for all stakeholders. Through our communication channels, we can gather feedback and insights from stakeholders that can inform decision-making, identify emerging trends, issues, and areas for improvement, and develop products and services that better meet their needs. Most importantly, we can help build trust and credibility with them, which leads to increased customer loyalty and improved reputation.

Stakeholder category	How we engage	Frequency	Communication channels	Top material topic
DIGI Group employees	Regular information Internal communication campaigns Internal communication platform Stakeholder consultation as part of the sustainability reporting process	Weekly - (internal communication), quarterly (internal competitions and sporting events), annually (events)	Intranet - DIGIONEVOICE E-mail Competitions and internal events Display boards Newsletters Social media	Impact on the local economy Quality of services Internet governance and digital freedom
Residential clients	Newsletters Call-center Stakeholder consultation as part of the sustainability reporting process	Ongoing	Digi.ro Online application Social media Newsletters Flyers E-mail Events Meetings Phone calls	Technological innovation Quality of services Inclusion and access to telecommunications services
Corporate clients	Newsletters Call-center Stakeholder consultation as part of the sustainability reporting process	Ongoing	Digi.ro Online application Social media Newsletters Flyers E-mail Events Meetings Phone calls	Quality of services Technological innovation Inclusion and access to telecommunications services
Shareholders & investors	Direct communication Stakeholder consultation as part of the sustainability reporting process	Ongoing	E-mails Phone calls Conferences and events Presentations for investors Financial reports	Business ethics and responsibility Quality of services Personal data privacy

Stakeholder category	How we engage	Frequency	Communication channels	Top material topic
Authorities	Strategic partnerships Consultations Public debates Stakeholder consultation as part of the sustainability reporting process	Periodical	Financial reports E-mails Meetings Phone calls	Quality of services Data and network security Personal data privacy
Goods and services providers	Assessment questionnaires Stakeholder consultation as part of the sustainability reporting process	When necessary (commercial aspects) Annual	E-mails Meetings Phone calls	Quality of services Data and network security Inclusion and access to telecommunications services
Network and equipment providers	Assessment questionnaires Stakeholder consultation as part of the sustainability reporting process	When necessary (commercial aspects) Annual	E-mails Meetings Phone calls	Quality of services Involvement in local communities Data and network security
Content and distribution providers	Assessment questionnaires Stakeholder consultation as part of the sustainability reporting process	When necessary (commercial aspects) Annual	E-mails Meetings Phone calls	Editorial policy Supply chain management Internet governance and digital freedom
Mass-media	Marketing activities Press releases Stakeholder consultation as part of the sustainability reporting process	Weekly	Interviews Meetings Events E-mails Phone calls	Editorial policy Materials and waste Biodiversity
Financial partners	Stakeholder consultation as part of the sustainability reporting process	When necessary	Financial reports E-mails Meetings Phone calls	Data and network security Supply chain management Quality of services
Non-governmental organizations	Thematic partnerships Social projects Stakeholder consultation as part of the sustainability reporting process	Periodical	Events E-mails Meetings Phone calls	Quality of services Circular economy Involvement in local communities
Local community	Stakeholder consultation as part of the sustainability reporting process	Annual	Events	Engaging with local communities Content policy Occupational health and safety

PRODUCTS AND SERVICES

Our portfolio

An overview of the services we provide for our clients can be found under section [BUSINESS Overview](#) of this report.

Quality of services

The quality of our services is a critical aspect for us, as it directly affects customer satisfaction. It is also a key matter for retaining customers, as a high quality of services means a high chance of them to renew contracts and stay with us for a long time. The topic also has a direct impact on our reputation, market share, and revenue. However, despite our best efforts to keep the quality of our services at a high level, we still have various areas that can be improved.

Total number of complaints from customers related to the quality of Romanian subsidiaries' services, recorded via call center and emails	2022	2023
	336.987	463.607
► <i>Out of which, complaints that were closed with a positive resolution for the client after an internal analysis</i>	10%	1%
► <i>Out of which, complaints regarding network interruptions</i>	6%	2%

More information about the quality of our networks and an overview of the coverage of the services we offer in Romania can be found under section [BUSINESS Overview](#) of the Company's Annual Report.

In 2023, our subsidiaries in Spain and Italy do not have systems in place for collecting complains related to the quality of our services. Additionally, our subsidiary in Portugal doesn't serve any customers, yet.

Data and network security

Data and network security are crucial aspects in our industry as we must ensure the confidentiality, integrity, and availability of data and communications networks. This involves implementing a range of security measures, including firewalls, encryption, access controls, and monitoring systems, to detect and prevent unauthorized access, data theft, and other security threats. Secure data and network practices are essential to ensure the confidentiality and privacy of customer data.

Digi Communications Group is constantly improving its technical capacities, internal regulations, and personnel skills to prevent cybersecurity violations. The importance of cybersecurity topics is critical, and the management of the company is aware of the importance of this domain in our core activities, but also of the role played on the market, as the leading provider of fixed internet services.

Since 2011, the company has been complying with the ISO/IEC 27001/2013, the international standard that sets out the specifications for an information security management system (ISMS). This way the Group systematically identifies and manages Cybersecurity Risks also by using international frameworks and best practices guides and recommendations in the matter.

As the number of phishing or other social engineering approaches and malware attacks has increased and also, being expected to maintain this course, exploiting different kinds of important subjects like the pandemic situation from a few years ago, recent armed conflict in Eastern Europe part, economic and financial inflation or any other relevant scenarios, Digi InfoSec Department developed simulations and prevention materials dedicated to internal users to improve awareness of this type of threats amongst the employees and improve their response/ reaction. Also, dedicated educational materials, e-learning supports, and guides have been conceived and distributed to the personnel, as well as continuous communication through a dedicated internal cyber-security blog.

The main useful information for the clients regarding security is available on our website, such as rules regarding the use of Digi network, IoT risks, and menaces, types of cyber-attacks, filtered/ blocked or restricted ports, vulnerability device checking tool, and FAQ.

InfoSec Department has been running communication campaigns targeting all kinds of users – residential, corporate, and Digi employees, being communicated through the website DIGI.ro, internal portal DigiOneVoice, newsletters, direct mailing, and press releases. For instance, the users can check their own connected devices' level of security on the DIGI.ro website and all public information about misleading/ fraud campaigns or cyber security menaces are disclosed in the media section on DIGI.ro.

Digi remains one of the largest ISP in the country and a reliable partner, proving every time increased dedication, involvement, and responsibility, values that helped to prevent the occurrence of major security incidents, and data loss by maintaining a high level of security of own services and networks.

In this respect, the Digi InfoSec Department has conducted and will continue to act with different types of actions, like:

deliver technical solutions and propose optimization projects to the internal team in charge of network and device protection against cyber-attacks.

assist research and development teams involved in the creation of future services and products.

cooperate with authorities to set up a cybersecurity framework and ensure safe services for clients and employees.

invest and adopt the latest cyber security technologies and solutions.

maintain cyber security hygiene and awareness programs for employees and clients as well.

	2023		
Personal data confidentiality	Total number of leaks	Total number of thefts	Total number of losses of customer data
Romania	0	0	0
Italy	0	0	0
Spain	0	0	0
Portugal	0	0	0

Customer privacy

As we handle vast amounts of personal information, it is our responsibility to ensure the protection of sensitive information from unauthorized access or misuse. Safeguarding our customers' privacy is a key aspect of maintaining their trust and our positive reputation.

We adopt strong policies and practices regarding customer privacy and communicate them publicly on our websites, as per the European and local regulations in force. You can read more about the Group's Privacy Policy [here](#).

In 2023, at the Group level, there were no substantiated complaints of breaches of customer data security and privacy legislation.

Internet governance and digital freedom

Internet governance refers to the rules, policies, standards, and practices that govern how the Internet is managed and operates, while digital freedom, on the other hand, refers to the ability of individuals to access, use, create, and share digital content freely, without censorship or undue interference from governments or other organizations.

As a Group that operates in the internet and telecommunication sector, we recognize that the success of our business depends on a stable, secure, and accessible internet and a governance framework that balances the need for security, privacy, and accessibility with the interests of businesses and people.

As access to the internet provides people with a means of communication and thus means of expression, we look at digital freedom as a core value for any society, recognizing that the ability of individuals to express themselves, share information, and access content is essential for a thriving internet ecosystem.

We are committed to ensuring that the internet remains an open, accessible, and secure platform for innovation and expression, while complying with the regulations enforced by the competent authorities at the same time.

SOCIAL

Fair working environment

Through our human resources programs and policies, we aim to create a fair working environment where all our employees are treated with respect, dignity, and fairness. This creates a positive work culture that fosters employee motivation, job satisfaction, and productivity. We also encourage open communication between employees and management so that they can express their concerns, ideas, and suggestions without fear of retaliation.

Our employees are a vital asset and are essential to delivering high-quality services, driving innovation, maintaining customer satisfaction, and ensuring operational efficiency. At the Group level, the human resources department oversees the management of employee relations.

The Human Resources department operates an internal information system, in which all data required and/or arising from the management of human resources activities are stored and maintained.

As of December 31, 2023, our team consisted of 22,149 employees, out of which:

Romania - 13,872 employees, of which 30.07% women and 69.93% men, and the average age was 39 years

Spain – 7,700 employees, of which 27.53% women and 72.47% men, and an average age of 38.81 years

Italy - 172 employees, of which 28.49% female, 71.51% male, and an average age of 38 years

Portugal - 405 employees, of which 13.09% female, 86.91% male, and an average age of 34.60 years

The data regarding employment is reported in headcount and refers to employees at the end of the reporting period unless otherwise specified under each table.

Type of employees by working hours, of the relevant Group subsidiaries

2023	Romania		Spain		Italy		Portugal		Total	
	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women
Full time	9,507	4,003	5,309	1,610	115	36	352	53	15,283	5,702
Part time	193	169	271	510	8	13	0	0	472	692
Total	9,700	4,172	5,580	2,120	123	49	352	53	15,755	6,394

Type of employees by employment contract, of the relevant Group subsidiaries

2023	Romania		Spain		Italy		Portugal		Total	
	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women
Permanent	9,005	3,736	5,157	1,964	57	35	81	31	14,300	5,766
Temporary	695	436	423	156	66	14	271	22	1,455	628
Total	9,700	4,172	5,580	2,120	123	49	352	53	15,755	6,394

Currently, we do not have any information regarding employees of Group business partners.

New employees and turnover rate*, of the relevant Group subsidiaries

2023	Romania				Spain				Italy				Portugal			
	New employees		Employees who left the company		New employees		Employees who left the company		New employees		Employees who left the company		New employees		Employees who left the company	
	No.	Rate	No.	Rate	No.	Rate	No.	Rate	No.	Rate	No.	Rate	No.	Rate	No.	Rate
Gender																
Men	1,054	7.36	1,693	11.82	2,479	35.39	1,339	19.12	104	100.00	20	19.23	215	74.46	77	26.67
Women	600	4.19	940	6.57	1,290	18.42	847	12.09	47	45.19	2	1.92	32	11.08	9	3.12
Total	1,654	11.55	2,633	18.39	3,769	53.81	2,186	31.21	151	145.19	22	21.15	247	85.54	86	29.78
Age group																
<30	833	5.82	1,147	8.01	980	13.99	539	7.70	32	30.77	4	3.85	75	25.97	24	8.31
30-50	698	4.88	1,263	8.82	2,297	32.80	1,325	18.92	101	97.12	14	13.46	162	56.10	60	20.78
>50	123	0.86	223	1.56	492	7.02	322	4.60	18	17.31	4	3.85	10	3.46	2	0.69
Total	1,654	11.55	2,633	18.39	3,769	53.81	2,186	31.21	151	145.19	22	21.15	247	85.54	86	29.78

*Rate was calculated in relation to the average number of employees in the financial year 2023, i.e. Romania = 14,318 employees, Spain = 7,004 of employees, Italy = 104 employees. Portugal = 288.75 employees

Diversity and equal opportunities

The Group aims to create an equal opportunity working environment, free from discrimination, and harassment. Furthermore, we reinforce our position of not tolerating inappropriate behavior, unequal treatment, or any form of discrimination in the organization's activities when developing internal policies, regulations, or procedures.

The Code of Conduct, Internal Rules, and other internal regulations have been designed in accordance with the transposition into European and national law of the Universal Declaration of Human Rights.

Commitment to and respect for fundamental human rights is a core value for the sustainable development of Digi's business model. Our goal at Digi is that all people, regardless of gender, race, sexual orientation, age, nationality, color, ethnicity, religion, political opinion, social origin, disability, family status, or responsibility, have access to the same type of resources, and we know that it is important to act now, through concrete measures. Our HR procedures and rules cover the main fundamental human rights, starting from freedom of opinion, equal rights in dignity and security of person, and the right to rest and recreation, including reasonable limitation of the working day and periodically paid leave.

We make sure that the taxes established by the state (social unemployment insurance, insurance in case of illness or disability, health insurance) are paid to the state both in the name of the employee and in the name of the company.

Furthermore, we provide support in cases of loss of livelihood due to circumstances beyond one's control. On an ongoing basis, cases that are brought to HR's attention by their managers are supported for the granting of aid for special situations. In 2023, 97 special aids were granted to employees.

Through our Internal rules of operation, the entities of DIGI Group are committed to ensuring that employees benefit from the principle of equal opportunities and treatment between men and women, with non-discriminatory access to:

free choice of the workplace

employment in all posts or vacancies and at all levels of the professional hierarchy

equal pay for work of equal value

professional information and counseling, initiation, qualification, improvement, specialization, and retraining programs

promotion at any hierarchical and professional level.

Our colleagues are encouraged to bring any concerns about violations of these principles to the attention of the ethics teams or to report them through the above-mentioned reporting channels available.

Even at the HR Romania department level, we have an alias available to employees at feedback@rcs-rds.ro, where colleagues can address any situation/recommendation/proposal for HR Romania team activities.

In 2023, with the exception of two cases of labour harassment ended with appropriate disciplinary measures, in Spain subsidiaries, there were no complaints or incidents of discrimination, harassment, or human rights violations by our employees within the Group.

Employees by age, gender, and position in the Romanian subsidiaries of the Group

2023		Romania						
Category	Men				Women			
	<30	30-50	>50	Total	<30	30-50	>50	Total
Sales	267 1.92%*	595 4.29%	77 0.55%	939 6.77%	319 2.30%	1,275 9.19%	273 1.97%	1,867 13.46%
Technical	397 2.86%	2,601 18.75%	750 5.41%	3,748 27.02%	66 0.46%	299 2.16%	35 0.25%	400 2.88%
Customer Service	105 0.76%	105 0.76%	8 0.06%	218 1.57%	323 2.33%	505 3.64%	43 0.31%	871 6.28%
Administrative, Logistics	32 0.23%	454 3.27%	270 1.95%	756 5.45%	50 0.36%	484 3.49%	186 1.34%	720 5.19%
Media	47 0.34%	298 2.15%	66 0.47%	411 2.96%	54 0.39%	159 1.15%	17 0.12%	230 1.66%
Construction	850 6.13%	2,388 17.21%	390 2.81%	3,628 26.15%	11 0.08%	65 0.47%	8 0.06%	84 0.61%
Total	1,698 12.24%	6,441 46.43%	1,561 11.25%	9,700 69.93%	823 5.93%	2,787 20.09%	562 4.05%	4,172 30.07%

*The rates were calculated in relation to the total number of employees on December 31, 2023 in Romania (13,872 people). For simplicity and clarity, percentage rates have been rounded to the nearest number.

Click [here](#) for the total number of employees by age, gender and position in the Group's Romanian branches in 2022.

Employees by age, gender, and position in the Spanish subsidiaries of the Group

2023		Spain						
Category	Men				Women			
	<30	30-50	>50	Total	<30	30-50	>50	Total
Administrative, Logistics	20 0.26%	107 1.39%	10 0.13%	137 1.78%	27 0.35%	160 2.08%	11 0.14%	198 2.57%
Construction	313 4.06%	1,649 21.42%	610 7.92%	2,572 33.40%	15 0.19%	89 1.16%	27 0.35%	131 1.70%
Customer service	146 1.90%	298 3.87%	20 0.26%	464 6.03%	197 2.56%	547 7.10%	84 1.09%	828 10.75%
Sales	192 2.49%	528 6.86%	186 2.42%	906 11.77%	178 2.31%	625 8.12%	96 1.25%	899 11.68%
Technical	182 2.36%	1,218 15.82%	101 1.31%	1,501 19.49%	7 0.09%	53 0.69%	4 0.05%	64 0.83%
Total	853 11.08%	3,800 49.35%	927 12.04%	5,580 72.47%	424 5.51%	1,474 19.14%	222 2.88%	2,120 27.53%

*Rates were calculated in relation to the total number of employees on December 31, 2023 in Spain (7,700 people). For simplicity and clarity, percentage rates have been rounded to the nearest number.

Comparability with the information reported in 2022 is not possible as the employee categories of the Spanish and Italy subsidiaries have been redefined in 2023, to align with the employee categories of the Group's Romanian subsidiaries.

Employees by age, gender, and position in DIGI Italy SL

2023		Italy						
Category	Men				Women			
	<30	30-50	>50	Total	<30	30-50	>50	Total
Administrative/ Logistics	2 1.16%	12 6.98%	3 1.74%	17 9.88%	6 3.49%	13 7.56%	0 0.00%	19 11.04%
Construction	20 11.63%	32 18.60%	8 4.65%	60 34.88%	0 0%	2 1.16%	0 0%	2 1.16%
Technical	1 0.58%	7 4.07%	2 1.16%	10 5.81%	0 0%	0 0%	0 0%	0 0%
Sales	5 2.91%	26 15.12%	5 2.91%	36 20.93%	2 1.16%	22 12.79%	4 2.33%	28 16.28%
Total	28 16.28%	77 44.77%	18 10.47%	123 71.51%	8 4.65%	37 21.51%	4 2.33%	49 28.49%

*Rates were calculated in relation to the total number of employees on December 31, 2023 in Italy (172 people). For simplicity and clarity, percentage rates have been rounded to the nearest number.

Employees by age, gender, and position in the Group's Portuguese subsidiaries

2023		Portugal						
Category	Men				Women			
	<30	30-50	>50	Total	<30	30-50	>50	Total
Technical	1 0.25%	1 0.25%	0 0%	2 0.49%	0 0%	0 0%	0 0%	0 0%
Administrative, Logistics	15 3.70%	36 8.89%	0 0%	51 12.59%	10 2.47%	17 4.20%	0 0%	27 6.67%
Construction	85 20.99%	213 52.59%	0 0%	298 73.58%	2 0.49%	22 5.43%	0 0%	24 5.92%
Sales	0 0%	1 0.25%	0 0%	1 0.25%	0 0%	2 0.49%	0 0%	2 0.49%
Total	101 24.94%	251 61.98%	0 0%	352 86.92%	12 2.96%	41 10.12%	0 0%	53 13.08%

*Rates were calculated in relation to the total number of employees on December 31, 2023, in Portugal (405 people). For simplicity and clarity, percentage rates have been rounded to the nearest number.

Comparability with the information reported in 2022 is not possible, Digi Portugal subsidiary reports started in 2023.

Employees with disabilities within Digi Group

Gender	Romania		Spain		Italy		Portugal		Total	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Men	37	28	21	20	1	1	0	n/a	59	49
Women	28	26	11	8	2	2	3	n/a	44	36
Total	65	54	33	28	3	3	3	n/a	103	85

Currently, we do not have information on the employees of the Group's business partners.

Recruitment, remuneration, and benefits programs

Recruitment

The recruitment procedure of the Romanian subsidiaries of the Group is established through an internal procedure named "Procedure of recruitment, employment and internal promotion". As a structure, the recruitment sub-department is part of the HR department and consists of 12 recruiters, who act as HR consultants for the Romanian subsidiaries of the Group.

When a vacancy arises, we use two methods:

1. Offline - internal transfers. On our intranet platform, we have developed a recruitment area where we post internal ads, and our employees have the opportunity to apply.

At the same time, we usually organize actions like:

referral campaigns (as a major business need);

job fairs (yearly presence at 4-5 job fairs);

headhunting (this technique is particularly used when searching for seniors and consists in directly approaching the people we are interested in).

2. Online. We are present on all major recruitment platforms in Romania and other social media platforms.

At DIGI Italy SL, our Intranet platform serves as a medium for employees to apply for available job positions. While we do not attend job fairs, we do encourage referral campaigns. Additionally, we utilize headhunting tools such as social networking platforms to advertise our job vacancies. 4 colleagues are responsible for the recruitment process and human resources management.

At DIGI Portugal, our team consists of 3 recruiters and addresses hiring needs for all departments of the company. The company's main objective is to identify candidates who meet the job requirements. This involves carrying out the recruitment process, conducting interviews and ultimately selecting the most suitable candidates for each position.

Employees in senior management positions recruited from local communities, within Digi Group

Senior management positions recruited from local communities	Romania*				Spain**				Italy***				Portugal****			
	2023		2022		2023		2022		2023		2022		2023		2022	
	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
	50	100	15	79	1	100	3	60	0	0	0	0	12	92.03	n/a	n/a

*local community = Romania (individuals born in Romania or with Romanian citizenship),

**local community = Spain (individuals born in Spain or with Spanish citizenship),

***local community = Italy (individuals born in Italy or with Italian citizenship)

****local community = Portugal (individuals born in Portugal or with Portuguese citizenship)

***** senior management = positions in Board and Board-I category (reporting directly to the members of the Board)

Remuneration

In the Romanian subsidiaries of the Group, remuneration is both fixed and variable. Fixed remuneration represents the basic salary granted to employees, which can be complemented by variable payment represented by commissions, granted at the departmental level by specific procedures or, where appropriate, directly in the

employment contract (e.g., Sales, Service, and Installation). The fixed remuneration is modified on an annual basis, at the request of the team/operation coordinators based on a modification report, with the approval of the Board members. The variable part is also represented by performance bonuses granted based on requests from the direct coordinators, under the final approval of the Board members.

The remuneration also has a non-financial component represented by the granting of lunch tickets, private medical benefits /extra days of leave granted as follows: 1 day per 5 years of activity, up to a maximum of 4 days per year, which is included in the Procedure for scheduling and granting leave. Some non-financial aspects are presented in the job offer, depending on the specific job negotiations (car/mobile phone/private medical insurance). The remuneration flow includes several signatories highlighted in the "salary change proposal form" starting with the line managers and ending with the approval of the Board. Once the approval flow is completed, which can be either electronic or physical, the HR Department representatives, through the Recruitment and Payroll-Personnel sub-departments, make the changes.

Within the Romanian subsidiaries, employees who receive the nationally regulated minimum wage are employed in the following positions: telecommunications network operator, commercial agent, cashier commercial worker, and unskilled worker in the assembly and installation of parts.

Digi Spain promotes and implements fair, competitive, and motivational remuneration for its employees, paying salaries according to the market, with internal consistency, and in compliance with all the statutory requirements. Regularly, Digi Spain's HR department analyzes and evaluates the Spanish job market, reviewing internal conditions when necessary. Internal equity is also studied and evaluated. The structure of Digi Spain's salary is based on annual salary ranges, one per each different position and department. All of them have 3 different levels, considering (i) experience, (ii) seniority, and (iii) autonomy of the employee (Junior-Medium-Senior). These conditions are reviewed and approved by the Managing Director on an annual basis.

Annually, at the beginning of the year and linked to the performance appraisal process, the salaries and wages are revised for employees who have been in the company for at least 6 months. That does not necessarily translate into an automatic salary increase. Only if the result of the evaluation is positive and the increase or promotion to the next level is justified, the salary increase is granted. Despite this, and during the year, any promotion or transfer that may be required or that may take place, will result in the revision of the salary conditions for the employee in consideration. Any promotion in terms of salary or position must be always approved by the Managing Director or Area Director, in writing. Positive performance appraisal is also mandatory in these cases.

DIGI Portugal's remuneration policy focuses mainly on attracting and retaining employees. In terms of procedures and mechanisms in place, the payroll policy is reviewed and evaluated once a year, new targets are set and the HR team, through its Manager, aligns with Top Management on the steps to be taken.

The ratio of standard entry-level salary by gender compared to the local minimum salary within Digi Group

Ratios of standard entry-level salary compared to the salary at the national level	Romania				Spain				Italy				Portugal			
	2023		2022		2023		2022		2023		2022		2023			
	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women	Men	n/a	
	1	1	1	1	1.07	1.07	1.02	1.02	0.71	0.65	1	1	1.08	1.08	n/a	

Ratio of basic salary and remuneration of women to men, within the Romanian subsidiaries of the Group

2023	Ratio of the basic salary of women to men, for each employee category	Ratio of the basic remuneration of women to men, for each employee category
Employee category		
Sales	1.01	0.78
Technical	1.02	1.00
Customer Service	0.95	0.95
Administrative, Logistics	0.92	0.85
Media	0.99	1
Construction	0.91	0.68

Click [here](#) for the ratio of women's to men's basic pay and remuneration in the Group's Romanian subsidiaries in 2022.

Ratio of basic salary and remuneration of women to men, within the Spanish subsidiary of the Group

2023	Ratio of the basic salary of women to men, for each employee category	Ratio of the basic remuneration of women to men, for each employee category
Employee category		
Administrative, Logistics	0.86	0.85
Construction	1.08	0.98
Customer Service	0.98	0.98
Technical	0.96	0.96
Sales	1.10	0.91

Comparability with the information reported in 2022 is not possible, as the employee categories of the Spanish and Italy subsidiaries have been redefined in 2023 to align with the employee categories of the Group's Romanian subsidiaries.

Ratio of basic salary and remuneration of women to men, at DIGI Italy SL

2023	Ratio of the basic salary of women to men, for each employee category	Ratio of the basic remuneration of women to men, for each employee category
Employee category		
Administrative/ Logistics	1	0.45
Construction /Operational	1	16.67
Technical*	1	1.17
Sales	1	0.11

*there are no female employees in this category

Ratio of basic salary and remuneration of women to men at the Group's Portuguese subsidiaries

2023	Ratio of the basic salary of women to men, for each employee category	Ratio of the basic remuneration of women to men, for each employee category
Employee category		
Technical	0.00	0.00
Administrative, Logistics	1.00	1.00
Construction/ Operational	1.00	1.10
Sales	1.00	0.23

Benefits

Benefits by on contract type and working hours	Romania		Spain		Italy		Portugal	
	Full-Time	Part-Time	Full-Time	Part-Time	Full-Time	Part-Time	Full-Time	Part-Time
2023								
Meal vouchers	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	n/a*
Extra holiday days	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>						
Support in case of personal events (death, social benefits, etc.)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>						
Private health insurance	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	n/a
Other benefits	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>				

*n/a = In Portugal there are no part time employees

For the Romanian subsidiaries of the Group, there is no union representation and no collective labor agreement. The employees can submit requests to their direct coordinator, who is the employees' representative, and who can bring their requests to the attention of the board members at weekly meetings.

The notice period and the provisions for consultation and negotiation with employees are governed by the individual employment contract, according to the Romanian legislation (Labor Code).

For the Spanish subsidiaries, regulation in this regard is governed by the provisions of the Collective Agreement of the Metal Industry, Services, and Installations Sector. In the period to which this report refers, the Group's subsidiaries in Spain do not have their own collective agreement, but 100% of the workers are covered by the sector agreement.

Since 2023, DIGI Spain has union representation at the offices in Alicante, Almeria, Barcelona, Bilbao, Burgos, Castellón, Coruña, Guipuzcoa, Granada, Leon, Lleida, Logroño, Madrid, Malaga, Murcia, Oviedo, and Zaragoza. Since 2019, DIGI Call Center has union representation at the offices in Madrid. The management and the HR area, assisted by the legal department, maintain a continuous and cordial relationship with the workers' representatives.

Parental leave, within Digi Group

Parental leave	Romania		Spain		Italy		Portugal	
2023	Men	Women	Men	Women	Men	Women	Men	Women
Number of employees that were entitled to parental leave	9,700	4,172	5,580	2,120	122	48	321	84
Number of employees that took parental leave	164	537	236	72	1	2	18	1
Number of employees that returned to work (in 2023) after parental leave ended	91	244	169	58	1	1	18	1
Number of employees that returned to work after parental leave ended (in 2022) that were still employed 12 months after their return to work (in 2023)	34	147	83	37	0	1	0	0
Return to work rate	55%	45%	71.61%	80.56%	100%	100%	100%	100%
Retention	38%	69%	49%	64%	100%	100%	100%	100%

Professional development

The training programs organized within the DIGI Group are: internal (conducted by trainers from the HR department, and department coordinators) or external (conducted by specialized companies). Each new employee attends an Induction training, which, depending on the department, lasts 1-2 weeks.

The design of development programs or specific training sessions starts from company-wide development needs (driven by new internal processes - e.g., performance management, development of new behaviors at employee or management level), individual needs captured in individual development plans or business needs driven by the launch of new products/services/applications.

The training and development program consists of learning experiences offered by the company to employees, aimed at developing new knowledge and skills to be applied immediately after the training period.

The development work is carried out considering the following steps:

1. identification of development needs
2. building learning solutions
3. delivery of the learning program
4. measuring the effectiveness of the program.

Within the Group's Romanian subsidiaries, training and development activities are implemented by:

Training and Performance Management team (sub-department) within the HR structure, set up in 2018. In 2023, this team consisted of a Training Consultant and an Employer Branding Specialist. The team is coordinated by a Learning Manager, reporting to the HR Director.

A team consists of 2 trainers in the Business Sales Functional Area reporting to the Functional Director.

A team of 7 trainers in the Residential Sales Functional Area reporting to the Functional Director.

11 Call Centre trainers reporting to the Director concerned

The main learning directions are focused on 3-year strategic objectives:

Develop a strategic approach focused on increasing internal potential and professional reconversions for a rapid adaptation to new operational needs and creating a competitive employer advantage

Involvement of management in supporting efforts to recognize and value employee performance

Re-focusing course content when business strategy requires implementation support

Development of new "impactful" learning methods, capable of responding to technological and adult learning characteristics (coaching, webinars, platforms, hybrid training, etc.)

Providing opportunities for career and personal development (through performance management)

Building a learning community in the organization, based on sharing of best practices, that propagates a collaborative mindset and supports innovative thinking.

Average hours of training by employee gender and category within the Romanian subsidiaries of the Group

2023	Romania	
Category	Men	Women
Sales	13.33	15.4
Technical	Data not available	Data not available
Customer service	18.37	9.82
Administrative, Logistics	Data not available	Data not available
Media	Data not available	Data not available
Construction	1.18	0.04
Average no. of training h/employee	2.96	

Note: in 2023 the number of training hours increased, through additional training related to the OHS topics

Examples of training sessions, by topic, within the Romanian subsidiaries of the Group

2023	Romania	
Examples of training provided to employees	Total number of hours	Number of participants
Health and Safety	35,226	13,872
Sales	5,266.3	6,482
Customer service	385.5	3,576
Qualifications skills (construction)	113	632
Soft skills	15	1,150

DIGI Spain Telecom S.L.U. business has grown both in business volume and headcount, thus we enhanced focus on training and education, to ensure the continuity in the level of service we offer to our clients.

The two main and continuous learning objectives of the Spanish subsidiaries are:

1. Ensure the knowledge transfer of technical expertise to all employees, with special care for the new hires. To fulfill this objective, we have specific training teams in various departments, and we also have scheduled online training to ensure we get up-to-date knowledge to the employees all over Spain business in a timely and efficient manner.

2. Preserve the "company culture and values" that have propelled DIGI Spain Telecom to succeed so far and educate new managers in people management skills aligned to these company values. For this, we have created a Corporate Training team that provides soft skills and team leadership training throughout the organization.

We have in place a generic email address where all employees can address their issues regarding training: formacion@digimobil.es.

Average hours of training by employee gender and category, at the Spanish subsidiaries of the Group

2023	Spain	
Category	Men	Women
Administrative, Logistics	30,48	24,61
Construction	10,78	2,52
Customer service	8,28	6,89
Technical	12,90	5,20
Sales	6,60	4,43

Examples of training sessions, by topic, at at the Spanish subsidiaries of the Group

2023	Spain	
Examples of training provided to employees	Total number of hours	Number of participants
Basic Level Health & Safety	50,820	847
Figma tool basic	441	21
LEADIGI: Infra - phase 1	810	81
LEADIGI: Infra - phase 2	1,940	194

Specialist in basket vehicles	400	50
Working at heights and in confined spaces	8,112	1,014
Trainer of trainers	72	9
Microsoft Excel 2013: Basic and advance	750	50
Emergency intervention	380	95
IFRS	126	7

Average hours of training by employee gender and category, at DIGI Italy SL

2023	Italy	
Category	Men	Women
Technical	8,280*	0

*work in the field, in construction sites or fiber are covered only by men.

Examples of training sessions, by topic, at DIGI Italy SL

2023	Italy	
Examples of training provided to employees	Total number of hours	Number of participants
OHS	72	115

Average hours of training by employee gender and category, at the Group's Portuguese subsidiaries

2023	Portugal			
Category	Men		Women	
	No.	%	No.	%
Administrative, Logistics	0	0	14	40.00
Construction/ Operational	124	44.60	0	0

Examples of training sessions, by topic, at the Group's Portuguese subsidiaries

2023	Portugal	
Examples of training provided to employees	Total number of hours	Number of participants
English	40	14
Health and Safety	5,331	124

Performance evaluation and career development plan, within the Romanian subsidiaries of the Group

2023	Romania			
Category	Men		Women	
	No.	%	No.	%
Customer service	181	71.54	359	38.23
Construction	2,533	63.35	8	12.30
Total	2,714	64	367	37

Spain and Italy subsidiaries: data not available since the performance evaluation and career development plan is ongoing.

Portugal subsidiaries: we are working to develop a procedure regarding the performance evaluation and career development plan for our employees.

Occupational health and safety

The health and safety of our employees is a constant preoccupation for us; thus, the Romanian subsidiaries of the Group have implemented and maintain an Occupational Health and Safety Management System in accordance with ISO: 45001. The implemented system is based on Occupational Health and Safety risk management standards/guidelines.

This management system covers all categories of employees within the Romanian subsidiaries of the Group: execution, operation, management, as well as contractors and subcontractors.

Risk identification within the Romanian subsidiaries of the Group is carried out at the workstation level by the assessment team (a senior manager, risk assessor, workplace workers, and workplace managers) visiting all workplaces to identify all possible sources of workplace injury and workers who may be exposed to risks/hazards. Yearly, the assessment team schedules at least a visit to each area throughout the company/workplace and follows the workflow at each workplace. As far as administrative office areas are concerned, each office is visited individually. During the visit, workers and workplace managers are involved and are familiarized with the workstations and/or evaluation areas visited.

The identification of risks at workplaces is based on checklists for the identification of hazards at workplaces, which include: work process, work equipment, workload, work environment, etc., and interviewing workers present at the workplaces, people who have access to the workplace that may be affected by the activity, people in the vicinity of the workplace, but also by observing the workflow and activities taking place there. Each identified risk is discussed within the risk assessment team to complete the hazard identification process.

Whenever employees observe risks in the workplace, they immediately report the situation to their direct coordinator, by phone, email, etc. The coordinator will analyze the risks presented together with the OH&S inspector from the OH&S department and the risk assessment committee and will take measures to eliminate/reduce these risks. During regular instructions, the employees are trained to know this risk-reporting procedure.

Third parties performing work for the Romanian subsidiaries of the Group, e.g., subcontractors, report risks/hazardous situations to the responsible person in the department for which they perform work. On the first day of starting the activity, the OH&S inspectors, together with the manager of the department where the third parties are going to perform their activity, carry out the collective training, and during this training, they are informed about the procedure for reporting dangerous situations that they find in the course of their activity and about the measure that can be taken to prevent these risks. At the level of DIGI Romania Group, 189 employees (copyright and PFA) work under collaboration contracts with the legal entities of the Group.

Following the risk assessment carried out by the Romanian subsidiaries of the Group, the workplaces do not exceed risk level 3.5 out of 7, so they do not present a high degree of danger for the performance of the activity, given that they are controlled by prevention and protection measures.

If a worker notices in the course of his work that he/she is exposed to situations that may put his life and health at risk, he/she shall immediately inform the manager of the workplace. The latter will expose the workplace for reassessment. Discussions will be held with the workers on the hazards identified, and together with the assessment committee will monitor and implement risk prevention and protection measures so that the worker's safety and health are not affected.

If the worker still believes that there are dangers in the workplace, he/she can stop the activity by discussing it with the direct superior and the Human Resources department.

If following a medical check-up, a worker receives a medical notice with certain conditions that may affect his/her work, e.g. a network operator receives medical advice with the condition that he/she will not work at height or drive the company car, the direct coordinator will make sure that this employee will no longer perform his/her activity by exposing him/herself to risks, under the conditions presented in the aptitude sheet and will ask the Human Resources department to analyze the possibility of assigning him/her to another function, corresponding to his/her new medical aptitude.

Within the Romanian subsidiaries of the Group, the investigation of accidents at work is carried out in accordance with the local law, as follows: any event occurring within the DIGI Group is communicated by the employee involved in the event, to the workplace manager. The latter communicates to the company's OH&S-ES (occupational health and safety - emergency situation) department, and the inspectors of the department communicate to the Territorial Labor Inspectorate in whose area the event occurred and start the investigation procedures of the event:

the investigation of events causing temporary incapacity for work is carried out by the responsible persons within DIGI, according to the legislation.

for the cases below, the investigation is carried out by the Territorial Labor Inspectorate within whose radius the event occurred.

- a) the workers have suffered an obvious disability or death
- b) the victims are foreign nationals performing their duties and who are workers of foreign employers
- c) collective accidents: when at least three workers within the Group are injured at the same time and from the same cause.

In the case of events causing temporary incapacity for work, the OH&S inspectors of the same department will draw up the event investigation decision, which will be composed of at least 3 persons, one of whom must have appropriate technical training and must not be involved in the organization and management of the workplace where the event took place and must not have had a responsibility in the occurrence of the event, if applicable:

a designated worker.

a representative of the internal prevention and protection service.

an employee of the Group with higher levels of occupational health and safety training.

The members of the investigation committee will submit the final report to the Territorial Labor Inspectorate for approval.

Hazard identification and risk assessment process:

Identification of all risk factors based on pre-established checklists and quantification of the size of the risk based on the combination of severity and frequency of the maximum foreseeable consequence.

Risk assessment using the method of the National Institute for Research and Development in Occupational Health and Safety (I.N.C.D.P.M.). The purpose of this assessment is to determine quantitatively the level of risk/safety for a job based on systemic analysis.

The method consists of:

defining the system to be analyzed (workplace)

identifying the risk factors in the system

assessing the risks of injury and occupational illness

ranking risks and setting prevention priorities

proposing prevention and protection measures.

To protect employees against occupational health and safety risks, the Group provides Personal Protective Equipment (PPE) to categories of workers who, following an assessment carried out by the OHS inspectors, are found to be subject to risks that cannot be avoided and which by wearing PPE are reduced or eliminated.

PPE includes assortments such as hard hats, goggles, protective gloves, positioning belts, complex belts for climbers, protective boots, etc. Also, on an annual basis, OHS Inspectors together with team supervisors visually check PPE assortments based on verification forms, and if they are found to be defective, the assortment is recalled and the supervisor requests another piece of equipment from the worker.

The purpose of providing workers with personal protective equipment is to prevent occupational accidents and diseases. That is why both internal company regulations and national legislation make it compulsory to wear Personal Protective Equipment.

Upon hiring, all our employees receive a 3-day training course in occupational health and safety and emergency situations. In 2023, 1,654 new employees completed a total of 3,308 hours of general introductory training in the field of OHS and 9,924 hours of on-the-job training.

In addition to regular training, the Group had training courses dedicated to occupational safety and health, which were mandatory, and all employees attended at least one occupational health and safety training course:

Training for working near electricity, working at height, and first aid;

Training for working in confined spaces, electrical risk, working at height;

In 2023, at the Group level, 13,872 employees completed a total of 35,226 hours of training on occupational health and safety issues.

We mention that the total number of hours comes from estimates for each training, because, even if the training is for one person, it can be done in groups of several employees.

Our OH&S inspectors are carrying out on-site inspections to verify compliance with all OH&S regulations and they are using a mobile phone application that has been created especially for this operation.

Our employees are involved and consulted in the process of developing, implementing, and evaluating the OH&S management system in regular training sessions conducted by the workplace manager. During this training, our workers will receive details about life-threatening situations that they may encounter during the work process. Workers have permanent access to information related to occupational safety and health through the company's online platforms, where all materials are uploaded and updated whenever necessary, or through their dedicated OHS officer,

Within the DIGI Group, there are joint OH&S committees (employees and employee representatives). Depending on the number of employees in the company, employer and employee representatives are elected.

These committees meet at least quarterly, and as often as necessary. All employees are covered by these committees.

In 2023, the causes of workplace accidents were: traffic accidents, electrocution, falls from a height, falls from the same level (tripping, slipping), pathological causes, physical aggression ((altercation with a local), and animal bites.

Work-related accidents, within the DIGI Group

2023	Romania		Spain*		Italy		Portugal	
	Men	Women	Men	Women	Men	Women	Men	Women
Number of fatalities as a result of work-related injury	0	0	0	0	0	0	0	0
Number of accidents at work causing serious injuries	0	0	2	0	0	0	0	0
Number of recorded work-related injuries	43	1	610	83	0	0	39	1

* in Spain, the definition of an accident at work is defined by the Real Decreto Legislativo 1/1994 del 20 de Junio, art 115, and is different from the definition from Romania. For example, in Spain, it is not necessary for the employee to take a minimum of 3 days of sick leave to be considered an accident at work

To prevent road accidents, the following measures were taken:

During regular training sessions, which occur monthly for field operators, and quarterly or half-yearly for field/office operators according to the training-testing schedule, instructions specific to workplace processes are provided. This includes the Workplace Health and Safety Instructions for vehicle driving activities. These instructions are prepared by the HSE inspectors of the HSE-SU department and subsequently approved by the company management.

2023	Romania	Spain	Italy	Portugal
Rate of fatalities as a result of work-related injury ¹⁾	0	0	0	0
Rate of high-consequence work-related injuries ²⁾	0	0.16	0	0
Rate of recordable work-related injuries ³⁾	1.83	57.10	0	58.19

1) Is calculated as the number of fatalities as a result of work-related injury divided by the number of hours worked and multiplied by 1 million;

2) Is calculated as the number of high consequence work-related injuries divided by the number of hours worked and multiplied by 1 million;

3) Is calculated as the number of recordable work-related injuries divided by number of hours worked and multiplied by 1 million

Digital inclusion and access to services

We have a social responsibility to the communities where we operate, to ensure that our services are accessible, affordable, and reliable for everyone. We constantly invest in building and improving our infrastructure, to provide more people with access to our services.

At the same time, we offer affordable internet plans and devices, making it more accessible and affordable for all categories of people to benefit from our services.

Distribution of RGUs per residential location	2022		2023	
	Number of RGUs	%	Number of RGUs	%
Urban	13.6	65%	15.9	67%
Rural	7.2	35%	7.9	33%
Total	20.8	100%	23.9	100%

RGU = Revenue Generating Unit

More information about the extent of our services and affordability can be found in [Business Overview](#) section of this report. In addition, we support digitalization initiatives to increase the inclusion of disadvantaged groups. More information on the projects we implemented for our communities can be read in the [Community Investment](#) section.

Content policy

The content policy refers to the set of rules and principles that the media companies from the DIGI Group follow, to maintain editorial independence, integrity, and credibility. The policy is designed to ensure that the content we provide to our public is fair, accurate, impartial, and free from external influence.

Digi24

Digi 24 is an editorially independent newsroom, our journalists get their information from official and unofficial sources, which are verified. Digi 24's editorial values include objectivity, impartiality, and balance; thus, every news subject must start from these principles. We serve only the public interest and we aim to present all relevant sides in the stories we publish, ensuring that they are balanced and add context for our viewers. The topics proposed, produced and broadcast must always be "round", i.e., be looked at from all possible angles, and contain all possible approaches. We only publish factual, and honest journalism and we separate opinion from reporting.

Proof of our high-quality content stands in the fact that we are the only TV news channel that has not received a financial penalty in the last 3 and a half years from the relevant authorities, according to CNA (<https://www.cna.ro/-Decizii-de-sanc-ionare-.html>).

Digi FM

Digi FM's editorial policy is based on the principles of impartial and accurate information for our audience. We align with our commitment to business ethics and accountability, promoting transparency and integrity in all aspects of our work.

We ensure that editorial independence is preserved by avoiding external influences. Information is obtained from credible sources and fact-checking is standard practice. Please note that the news used by Digi FM's newsroom is linked to the work of Digi24 TV and digi24.ro website, which belong to the same media trust. Both entities carry out news checks and adhere to high standards of journalism, helping to ensure the quality of the news content broadcast by Digi FM.

We rely on a set of internal rules that promote integrity, social responsibility, and avoidance of discrimination. We comply with current legislation and the standards imposed by the National Broadcasting Council, ensuring that all our content conforms to the highest professional and ethical standards in the industry.

Journalistic integrity

DIGI24

DIGI24 understands that its reputation rests on its ability to provide accurate and unbiased information and it aims to create a culture of responsibility, where people understand the importance of remaining true to the company's values and ethical standards.

DIGI24 is an information television company, politically independent, which aims to promote impartial journalism. The public and its interests are at the center of its concerns.

Our vision emphasizes the fact that the Romanian public needs a reliable, politically independent source of information that promotes honesty and respect, civility, and creativity, and our mission is to inform and inspire the public.

Our values are accuracy, balance, equidistance, diversity of opinions, and integrity. You can read more about our Code of Ethics [here](#).

Our Code of Ethics was drafted having in mind the highest ethics standards in Media, being inspired by codes of some of the largest media companies, such as BBC Editorial Guidelines 2010 and CBC Journalistic standards and practices. At the same time, the Code is supplemented by regulation in force, governing the audio-visual field.

Digi Sport

As the audience figures show, according to (<https://www.forbes.ro/volumele-de-audiente-furnizate-de-televiziunile-de-sport-in-anul-2022-309510>), Digi Sport is the most important broadcaster and creator of television programs with a sports profile in Romania, with an activity that started in 2009, when the first two channels were launched. Currently, Digi Sport provides subscribers with content on four channels in SD and HD format, and some of the transmissions are broadcast on the Digi 4K channel in UHD format.

The Digi Sport vision respects the values of journalism: relevant information from various sports areas, relevance, and objectivity of news and debates.

Most of the programs in the Digi Sport grids are live broadcasts, their comments being characterized by correct and objective information, as we mentioned before, there are no fines received from the regulatory body.

In its other programs (informative shows and talk shows), Digi Sport broadcasts news, debates, analyses, and investigations. In the informative shows of the Digi Sport channels, up-to-date information is broadcast and commented on, daily.

Digi Sport applies a balanced editorial policy, to objectively reflect reality. The company encourages the members of the editorial team of Digi Sport to do their job correctly and professionally, without any limitations other than those imposed by law and ethics, meeting the viewers' needs to have access to a premium, balanced, and credible media product. Digi Sport aims to contribute through its programs to the promotion and development of Romanian sports, as well as to the education of the people who follow the sports phenomenon.

The information that helps us establish our objectives (acquisitions of programs, development of contracts, creation, and broadcasting of programs, etc.) comes from multiple sources, which, depending on their nature, undergo different verification processes. It comes either from official sources (provided by authorities, rights holders, business partners), professional information (news agencies, correspondents, mass media) or personal information obtained by members of the editorial team, some of which are from confidential sources.

In 2023, the media subsidiaries (DIGI24, Digi Sport 1, Digi Sport 2, Digi Sport 3, Digi Sport 4) of the Group received no fines, and there were 14 warnings from the local authorities for breaches of the Regulatory Code Regarding Audiovisual Content stipulations (compared to 5 warnings in 2022).

Digi FM

We are committed to presenting truthful, accurate, and objective news. We promote independence of content and transparency of any potential bias. We respect the right to privacy and avoid harm to individuals in the material we disseminate.

During the reporting period (2023), we did not incur any monetary losses as a result of legal proceedings associated with defamation.

From a commercial point of view, the terms of sponsorship are applied according to Romanian audio-visual regulations. All commercial displays are signposted, including product placement. Commercial integration into editorial content is not allowed, as this practice is considered disguised advertising under the law and sanctioned accordingly. Also, the company has not received any summons or monetary sanctions from the National Broadcasting Council.

Supply chain management

We aim to establish and develop long-term relationships with suppliers and ensure that they share the same values, adhere to the quality standards set by our management systems, and have the same vision to create sustainable products and services. Within the Romanian subsidiaries of the Group, the procurement procedure defines the procurement process and is applied by all employees involved in this process. The procurement process involves going through an evaluation process which involves registering the supplier and completing an evaluation form that has, among other aspects, ISO (9001, 14001, 18001/45001, 27001, etc.) or other industry/specific certification requirements. All procurement orders are generated through internal software by the procurement agent.

Our suppliers fall into 3 categories:

Goods and services

Network and equipment

Content and distribution

A description of our main suppliers can be found on page 156 of this annual report.

Suppliers	Romania*		Spain**		Italy***		Portugal	
	2023	2022	2023	2022	2023	2022	2023	2022
No. of local suppliers	13,799	15,610	11,135	11,744	609	47	376	n/a
Other suppliers	537	1,105	200	207	158	77	24	n/a
Total	14,336	16,715	11,335	11,951	767	124	400	n/a
Expenditure with local suppliers thousand EUR	589,928	748,948	752,364	411,085	23,564.7	22,722	111,182	n/a
Expenditure with other suppliers thousand EUR	78,659	313,844	40,590	15,810	875.66	415	40,980	n/a
Total****	668,587	1,062,792	792,954	426,894	24,440.36	23,137	152,163	n/a
% Local suppliers	96.25%	93.30%	98.24%	98.20%	79.4%	37.90%	94%	n/a
% Expenditure with local suppliers	88.24%	70.50%	94.88%	96.30%	96.42%	98.20%	73%	n/a

* local supplier = supplier established or registered in Romania

** local supplier = supplier or service provider, whose goods, services, or works offered have a local content higher or equal to 50%

*** local supplier = supplier established or registered in Italy

**** all amounts are presented in thousand euros.

For suppliers for DIGI Italy SL currently, the purchasing process follows the standard procurement procedure, according to the requests of each department. In 2023, we established a procurement department tasked, among other responsibilities, with outlining the procurement process and policy. It has yet to fully define all its tasks. We are still in the process of organizing.

Community investment

The Group is involved in social and environmental projects, in accordance with the provisions laid down by the legislation of the countries in which the Group operates, representing its duty to civil society. The sponsorships and donations made by the Group represent a commitment to making a real contribution to improving the quality of life in the community to which it belongs, by being actively involved in projects supporting education, health, the environment, sport, and culture.

Through the social responsibility programs and activities that we support, we aim to identify and respond, to the extent of our resources and society's pressing needs, and to contribute to the development of the communities in which we operate and to improving the quality of life. Special interest is also given to digitization initiatives to increase the inclusion of disadvantaged groups and help build a more equitable and prosperous future.

With a sustainable vision and through permanent investments in infrastructure and advanced technologies, the Group prioritizes connectivity and accessibility of the services offered, to reduce social gaps and foster openness to new digital transformations. The framework governing our community investment strategy is built around 4 pillars:

Education

Digitalization

Volunteering and fostering community initiative

Health and wellbeing

Total investment in community programs and projects, within Digi Group

2022	Romania	Spain	Italy
Total sponsorship budget	1,7 mil EUR	31 thousand EUR	8,5 thousand EUR
Total number of projects supported	44	10	5
Total number of community partners	84	7	5

2023	Romania	Spain
Total sponsorship budget	1 mil EUR	12 thousand EUR
Total number of projects supported	42	5
Total number of community partners	50	4

The group assesses the impact of community investment projects by analyzing key indicators including the number of direct beneficiaries, the number of indirect beneficiaries, the contribution of employees in the

implementation of projects, the impact on beneficiaries as a result of the activities carried out, the extent to which the company believes it has established a link among partner organizations and their beneficiaries.

Education #DigiEdu

We consider investment in education the most effective way to increase the level of training and innovation capacity for the sustainable development of society. We support access to education and contribute to preventing and reducing school drop-out for students from disadvantaged backgrounds.

For the third consecutive year, we supported, in collaboration with Banca de Bine Association and Baneasa Developments, the "School without Break" campaign, a project that aimed to collect clothes, shoes, school supplies, and technological equipment for schools and children from underprivileged families in Teleorman, Giurgiu, Prahova, Ialomita, Suceava, Olt, Vaslui, Dambovita, Mures, Hunedoara, Bihor, Maramures, Bistrita - Nasaud, Suceava, and Bacau counties. Thus, between January and December 2023, approximately 45 tons of donations were distributed to over 7,000 people in 70 communities in vulnerable situations.

For the second consecutive year we continued our educational partnership with the Angels for Souls Association: "The Enchanted Cupboard - A step towards a better future". Through this social responsibility initiative, the lockers of three rural educational institutions in Arad County were fully equipped with school supplies, providing 900 students from the villages of Vinga, Mailat, and Manastur with the necessary resources for school activities.

Out of a desire to encourage performance and recognize the outstanding results obtained by students in competitions and school Olympiads organized by the Ilfov School Inspectorate, Cluj School Inspectorate, and Prahova Community Foundation, DIGI Group awarded deserving young people with prizes consisting of mobile phones, free mobile phone subscriptions, personalized backpacks and power banks. At the same time, we provided prizes and connectivity services for the 8th edition of the Boovie International Book Trail Festival in 7 locations in Brasov. Initiated by the Grow Up Project Association, the competition enjoyed an international scope through the participation of 182 schools from 5 countries, represented by 1,944 students and teachers from middle and high school.

Digitalization #DigiActiv

We are active investors in accelerating digital transformation and recognize that access to modern technologies and reliable connectivity is key to sustainable development. Through the projects we undertake, we guide our actions towards the digitization of local services, with a direct impact on the lives of citizens, especially those from vulnerable groups.

We continued our partnership with Save the Children Organization and supported the promotion of the "Children Alone at Home" program, aimed at protecting and educating young people left alone at home because their parents left to work abroad.

In 2023, DIGI extended its sponsorship of integrated communication services for foundations (Carousel Association, Save the Children Organization, Ateliere Fara Frontiere) and local authorities (Timis Social Welfare Department) that provided counseling, accommodation, and assistance to over 2900 refugees from Ukraine for social, educational, and professional integration.

We provided telecommunication services to the Romanian Association for Neonates in Long-Term Hospitalisation (ARNIS), the initiator of the SUS-TIN online monitoring platform, aiming to digitize the Neonatology Department of the Cluj-Napoca Emergency County Hospital and to contribute to increasing the quality of medical and social services provided to newborns. Between June and December 2023, 260 users used this tool that facilitated and streamlined communication between parents and medical staff.

In 2023, we continued the implementation of the "School of the Future" project launched in 2020, which aims to improve access to educational resources for students from rural areas with difficult socio-economic conditions and facilitate their participation in interactive courses. The support consists in providing free mobile internet subscriptions (Digi Activ 50 GB) for 13 schools in 6 counties: Arad (Sagu commune), Braila (Stancuta, Viziru, Insuratei), Sibiu (Sadu village), Bistrita-Nasaud (Matei, Budesti, Nuseni), Cluj (Moldovenesti, Chiuiesti, Frata, Taga) and Salaj (Simisna).

Volunteering and fostering community initiative #DigiBenefit

The Group's organizational culture is built on values such as teamwork, initiative, and volunteering. We encourage employees to develop their skills and dedicate time to support various community projects.

In 2023, DIGI Group organized the eighth edition of the internal blood donation campaign, "DIGI Donates LIFE", which registered remarkable results, involving more than 400 employees from 25 branches across the country. Through their generosity and solidarity, more than 180 liters of blood were collected, giving a chance to life to about 1,000 patients.

The registration fees supported by DIGI Group for the participation of employees in certain sports competitions (fishing competitions, mini football, Gerar Half Marathon, Arenas Cross, Retezat SkyRace, Azuga Trail, Ciucas X3, Bucovina Ultra Rocks, Baneasa Forest Run) represented, on the one hand, a support for various social causes (Magic EDU scholarships, Padurea Copiilor etc.), but also an opportunity to involve colleagues in recreational activities (#DigiWell axis) and volunteering activities, such as trail sanitation or waste collection near the areas where these events took place.

Because we are aware of the responsibility, we share for the resources used in our activities and to encourage responsible behavior towards the natural environment, the company continued the "DIGI Cornerrr" project launched in 2021 in partnership with the Environ Association for the collection of electrical and electronic waste. This way, customers can bring such waste to DIGI's 458 locations (stores) across the country, and employees can implement the legal provisions on collection, treatment, and disposal.

Health and wellbeing #DigiWell

We are aware of the needs and welfare of society; we are actively involved in the life of the community and we aim to develop projects that generate significant change.

In 2023, DIGI reaffirmed its active involvement in facilitating free and equitable access to quality healthcare and, in collaboration with the Man Foundation, supported the Group's main community program. During the year, under the partnership between DIGI and the Man Foundation, the Maria Health and Medical Imaging Centre provided patients with free medical investigations, based on referral notes from the specialist, in a non-discriminatory manner, regardless of age, gender, ethnicity, religion, etc. The clinic also carried out medical examinations and consultations paid for by the Health Insurance House, within the allocated budget. Thus, in 2023, the Maria Health Centre carried out 20,351 medical investigations, and the costs of 15,826 of these were covered entirely from funds allocated by the Group.

In addition, the company continued the initiatives developed to promote competitions and leisure activities and offered sponsorships to sports federations or clubs (Romanian Tennis Federation, Romanian Table Tennis Federation, Athletic Sports Club Association, Raoul Sports Base, Real Racing Sports Club Association).

To amplify our mission of raising public awareness of the importance of voluntary blood donation, for the first time, Digi24, part of the DIGI Group, initiated the "We have the same blood" social campaign, the largest and most ambitious national project of a Romanian television station. Throughout 2023, in collaboration with the County Blood Transfusion Centers and with the support of local authorities, mobile blood donation collections were organized monthly in two counties in the country. The social initiative targeted, in particular, the localities far from the blood transfusion centers and aimed at facilitating the access of members of these communities to blood donation. At the end of the year, the impressive results of the Digi24 campaign reflect the Group's strong commitment to current community needs and its ability to be a key ally for society:

- More than 4,569 people from 22 counties of the country responded to the call for mobilization and civic spirit and donated in the mobile centers about 2,000 liters of blood that saved the lives of over 14,000 patients.
- One year after the launch of the project (December 1, 2022), the number of donors has increased 10 times nationwide.

Affiliations

The company is not currently a member of any industry-wide associations or advocacy organizations.

Awards: DIGI Group

Publication/Organizer	Event	Award
Mobile Communications	Award Gala for the champions of 30 years of Internet in Romania	"INTERNET CHAMPION AWARD"
CSR MEDIA	Good Deeds Catalogue	Inclusion in the catalog of the national blood donation campaign "We have the same blood", a DIGI Group initiative run by Digi24
Ookla	Speedtest Intelligence 2023 Awards	Spain's fastest fiber-optic network in 2023
Capital Magazine	Capital Gala - Elite Companies	European Major Telecoms Player Award
Bucharest Chamber of Commerce and Industry (CCIB)	Top Companies in Bucharest Gala	1st place in the Top Companies in Bucharest
	Top Companies in Bucharest Gala	First place for the corresponding field of activity and size class in the Top Companies in District 5
	Top Companies in Bucharest Gala	"Operator with the most extensive mobile voice

		coverage in Romania" special award
	Top Companies in Bucharest Gala	Special press award for the producer of "Business Club" broadcast on Digi24, Ligia Munteanu
Capital Magazine	Top 300 Companies	17th place
Undelucram.ro	Undelucram Top Employers 2023	5th place
Bursa	Bursa Gala	Award of Excellence for efforts to expand international presence
Royal House of Romania	Gala for Civic Courage	Digi24, "We have the same blood" campaign - Life Savers Award
Top 100 Best Entrepreneurs/ Brand Media Production	Romanian Entrepreneurship Gala	Award for developing the most extensive communications network
Brand Finance, 2023	Top 50 Most Valuable Romanian Brands	5th place
Medical Space	Romanian Health Care Awards	Digi24, "We have the same blood" campaign - "Medical Campaign of the Year" Award
Financial Newspaper	Top 100 Most Valuable Companies in Romania	39 th place – DIGI Communications

ENVIRONMENT

The internet and telecommunication industry generates a negative impact on the environment, but it also has a role to play in reducing it. The internet allows people and businesses to improve their efficiency, allowing them to communicate and work remotely, thus contributing to reducing the amount of greenhouse gas emissions generated by traveling and traditional means of communication. At the same time, internet and communication have the power to enable more efficient supply chain management.

However, the amount of materials and energy required to develop the necessary infrastructure and power the network and data centers is significant, as raw materials extraction and energy production have a great contribution to greenhouse gas emissions and climate change.

In addition, across the value chain, producing and disposing of electronic devices (routers, laptops, smartphones, etc.) also require energy and raw materials consumption, which can lead to deforestation, pollution, and the destruction of habitats, while generating significant amounts of waste that often end up in landfills.

Although our industry has great potential in enabling innovation for tackling the most pressing environmental and social challenges, investments in renewable energy and measures for circular economy are essential steps to be taken on our path to reduce our environmental impact.

Management of materials and waste

Conducting our activity involves the use of a great range of materials: from metals for cables, wires, antennas and towers, and glass and plastics used in cables to chemicals and rare earth elements used in the production of the electronic equipment that we or our clients use.

We are aware that the production and disposal of these materials can have significant environmental and social impacts, especially across our value chain. However, at this moment we do not measure the impact associated with our activity.

For the 2023 non-financial report, in Romania, we started mapping and monitoring the amount of materials consumed. In this first phase, the data presented below was estimated, by multiplying the materials purchased for our activity in Bucharest to the other 41 counties where we conduct our activity. The data was extracted by the procurement department.

Materials used Romania	2022	2023
Plastic bottles (pieces)	1,784	42,255
Paper and cardboard (pieces)	322,622	121,422
Paper and cardboard (rollers)	255	543
Paper and cardboard (ream)	70,317	67,052
Printing ink cartridge (piece)	6,909	8,357
Plastic materials - foil (piece)	56	269
Plastic materials - foil (meters)	3,383	2,600

Plastic materials - foil (square meter)	5,250	n/a
Plastic materials - foil (top)	n/a	16,247
Plastic materials - foil (rollers)	7,337.5	9,479
Tires (pieces)	11,223	4,267
Cables (pieces)	27,586	377,725
Cables (meters)	27,256,086	25,290,222
Cables (square meters)	480	200
Cables (rollers)	1	1
Cables (sets)	16	12
Lighting fixture	309	479
Light bulbs	n/a	9,597
Wood (drums) pieces	79,902	1,063
Batteries	36,787	50,987
Electrical and electronic equipment (pieces)	1,407,592	2,893,925

All the quantities mentioned in the above table were purchased and used in 2023, and to the extent that they could no longer be used, they were handed over to authorized operators for recycling or disposal of those specific categories of waste.

Materials used Italy (kg)	2022	2023
Plastic	50.4	242.86
Paper and cardboard	1,095.2	2,105.1
Wood	2,850	5,788

88.11% of the wood used and 11.4% of the paper used came from recycled materials.

Italy: quantities of materials used in 2023 have increased because we started building the network infrastructure.

Materials used Spain (kg)	2023
Paper	9,868
Wood	380,200
Fiber 12FO	214,001
Fiber RA	113,115
Fiber Riser	7,662
Mesh	45,422

For DIGI subsidiaries in Portugal, we do not currently have system in place to collect the materials used in the operational activity.

Managing waste

Waste management is a priority for us, as we generate a significant amount of waste in our direct operation through our data centers and network infrastructure, as well as across the value chain (electronic devices that our clients and customers use).

Electronic devices such as smartphones, laptops, and routers have a limited lifespan and are often discarded or replaced after a few years, contributing to e-waste. This can result in the disposal of hazardous materials and pollutants that can harm the environment and human health.

Data centers are also a significant source of waste, and they require large amounts of energy to power and cool the servers. This energy consumption contributes to greenhouse gas emissions and can result in the production of e-waste when outdated equipment is replaced. Network infrastructure, such as fiber optic cables and transmission towers, also contribute to waste through their production, installation, and maintenance. This can include the use of non-renewable resources, such as petroleum-based plastics and metals, and the disposal of materials at the end of their lifespan.

Our main activity involves, among other things, the external purchase of various electrical and electronic equipment, batteries, and accumulators that we install at our client's premises. Apart from that, we import various types of other equipment necessary for conducting our activity, equipment that comes in packages of different materials, which later end up as waste. In Romania, all the equipment arrives at one of the three large warehouses that the Group owns and is stored there for a short period of time before being immediately sent across the country for various works. The packaging that can be reused, for example, part of the pallets and

cardboard boxes that are not damaged (approximately 85%), is reused when sending the equipment across the country.

For the Romanian subsidiary of the Group, waste management is conducted in accordance with an internal procedure, whose purpose is to establish the methods of collection, sorting, utilization, and disposal of waste, in a way that does not endanger the health of the population and the environment. The procedure refers to all operations and activities of the company that produces waste. Due to the national extent of our activity, rather large quantities of packaging waste, electrical and electronic equipment waste, household waste, paper and cardboard waste, cable waste, etc. are produced. Therefore, we have concluded different contracts with operators authorized to collect and recycle or eliminate these types of waste.

The main activity of the company is "Telecommunication activities through wired networks", which involves, among other things, the purchase of various electrical and electronic equipment, batteries, and accumulators to be installed by the company's customers. Along with this electrical and electronic equipment, other equipment necessary for the activity is imported and packaged, which then becomes waste in our country. After being imported, all the equipment arrives at one of the three large warehouses that the company owns and is stored there for a short period of time to be immediately sent to the country for various works. We work with stocks for various equipment, which is stored in the company's warehouses, if the space allows storage as packed, they are shelved, but most of the time everything that comes from import is disassembled and packed so that it can be stored properly in the warehouses. Packaging that can be reused, for example, some of the pallets and cardboard boxes that are not damaged, up to 85%, are reused when the equipment is sent back into the country.

In addition to this main activity, in 2023 (similar to 2022) campaigns involving the recovery and replacement of Akta networks were also carried out nationwide, resulting in cable waste and electrical equipment waste (metal boxes). All waste was stored on the concrete platform or in special containers provided by operators authorized to collect and dispose of or recycle these types of waste. Since the employees of the company carry out their activities both in the field and at the offices - specially designed premises, they produce household waste, this type of waste is handed over to the local sanitation operators authorized to collect this type of waste.

Waste category	Waste generated (Romania) tones 2022	Waste generated (Romania) tones 2023
DEEE	542	300.15
Glass	n/a	0.35
Metal	3.3	0
Batteries*	37.8	2.99
Plastic	291.8	229.47
wood	10.9	2.18
Paper and cardboard	150.1	479.56
Mixed municipal waste	2,390.9	41,902.3
Cables	1,727	53.51
Oils	0.6	0.43
Printer cartridges	6.3	5.03
Waste from construction and demolitions	93.6	3,701.84
Insulation materials	13.3	n/a
Non-ferrous metals	0.3	1.24
Ferrous metals	n/a	7.53
Tires	4	4
Total	5,271.9	46,690.58

**both from our activities, as well as collected from our customers*

All the quantities mentioned in the table above were handed over to operators authorized to recycle or eliminate those specific waste categories. The contracts are mainly signed at a national level, but there are a few exceptions where the contracts are signed locally, because of the limited quantities produced, and the operators prefer to collect large quantities to cover the cost of the transport. Currently, we centralize at the country level and monitor the amounts of waste produced in all the locations of our Romanian's subsidiaries.

Due to changes in the Romanian legislation, starting from 2023, the waste produced must be registered online, in the Integrated Environmental System by the 15th of March for the previous year. Therefore, in each county of Romania, the company has appointed a person responsible for monitoring and

reporting the waste quantities generated in our activities. The data presented for Romania covers all our warehouses, Digi stores, and national-level headquarters.

Waste diverted from disposal (Romania) 2023	Onsite	Offsite
Hazardous waste (tones)		
Preparation for reuse	0	0
Recycling (downcycling, upcycling, composting, anaerobic digestion)	0	6.94
Other recovery operations (treating)	0	1.07
Total	0	8.01
Non-hazardous waste (tones)		
Preparation for reuse	0	0
Recycling (downcycling, upcycling, composting, anaerobic digestion)	0	1,018.47
Other recovery operations (treating)	0	1.92
Total	0	1,020.39

Waste directed to disposal (Romania) 2023	Onsite	Offsite
Hazardous waste (tones)		
Incineration (with energy recovery)	0	0
Incineration (without energy recovery)	0	0
Landfilling	0	0
Treating	0	0
Total	0	0
Non-hazardous waste (tones)		
Incineration (with energy recovery)	0	57.51
Incineration (without energy recovery)	0	0.43
Landfilling	0	45,604.19
Total	0	45,662.13

In Romania, we started a campaign to provide selective waste collection containers, both at our warehouses and at our headquarters, to reduce the municipal waste produced and to recycle as much as possible the waste produced by both the company's employees and the people who visit our cashiers. According to the law, we collect it separately.

Circular economy

Given the substantial consumption of natural resources, including rare earth metals, minerals, and fossil fuels, required to produce the equipment essential for our infrastructure, we endeavor to implement measures of circularity wherever feasible. . By adopting a circular economy approach, we can minimize waste and reduce our reliance on virgin materials by recovering, repairing, and reusing products and components. Simultaneously, this can bring us economic benefits, as the product-as-a-service model helps us reduce costs when we recover devices and equipment installed at our clients' premises.

While we can't control how our customers dispose of the devices bought from us, we try to offer them the possibility of returning them to our premises.

In 2023, in Romania, with help from our partners from Environ, we managed to expand the Digi Cornerrr project in all our stores. Started in 2021, the project aims at helping our clients and employees dispose of their electric and electronic waste (smartphones, fixed-line telephones, routers), but also their batteries and accumulators. The waste collected was either used by our partner in its own projects or recycled or eliminated, depending on the condition of each equipment.

In 2023, through DIGI Cornerrr campaign, we managed to collect the following e-waste:

2,500 pieces of WEEE (700kg)

Waste code 16 02 14 = 2,316 pieces (681kg) – discarded equipment

In Spain, the waste generated by the organization in its own activities is always managed by a third party. The third party is a company specializing in waste management that manages the waste in accordance with the legal

requirements. The third-party company issues and provides us with a certificate regarding the destination of the waste.

Waste category	Waste generated (Spain) tones 2022	Waste generated (Spain) tones 2023
Metal	3.98	18.72
Wood	102.66	265.2
Paper and cardboard	51.66	73.80
Cables	2.58	4.04
Optical fiber	1.19	4.16
Scrap	n/a	0.44
Plastic	4.59	36.61
Household waste	11.37	11.39
Industrial waste	15.5	0
Mix of concrete bricks, tiles and ceramics	n/a	20
Mixed waste	19.23	61.49
Ordinary waste	1.55	6.29
Mixed packaging	8.46	4.99
RCD contaminated waste	8.98	11.80
Bulk waste	14.36	31.14
Construction and demolition waste	12	55.32
Other type of waste	n/a	n/a
Total	258.11	605.39

Waste diverted from disposal (Spain) 2023	Onsite	Offsite
Hazardous waste (tones)		
Preparation for reuse	0	0
Recycling (downcycling, upcycling, composting, anaerobic digestion)	0	0
Other recovery operations (repurposing, refurbishment)	0	0
Total	0	0
Non-hazardous waste (tones)		
Preparation for reuse	0	0
Recycling (downcycling, upcycling, composting, anaerobic digestion)	0	402.53
Other recovery operations (repurposing, refurbishment)	0	0
Hazardous waste (tones)	0	402.53
Waste directed to disposal (Spain) 2023	Onsite	Offsite
Hazardous waste (tones)		
Incineration (with energy recovery)	0	0
Incineration (without energy recovery)	0	0
Landfilling	0	0
Treating	0	0
Non-hazardous waste (tones)	0	202.86
Incineration (with energy recovery)	0	0
Incineration (without energy recovery)	0	0
Landfilling	0	202.86

At DIGI Portugal, the main sources of waste are directed to landfill. All work teams are trained to collect their waste at the end of each day/activity and hand it over to DIGI's warehouse for proper waste management. In the warehouses, employees are instructed to separate waste according to its type. It is strictly forbidden to mix different types of waste. In the offices, the waste produced is residual waste, so its management is the responsibility of the cleaning companies, according to the legislation. In offices, waste is also separated according to its type.

At Digi Portugal, the main objective regarding waste management is to reduce, reuse, and recycle waste while complying with the legal requirements in force. For any situation that arises that could have an impact on waste management and control and associated costs, immediate measures are implemented. DigiPortugal only has contractual relationships with licensed organizations for the collection and treatment of waste, as required by current legislation. To this end, a contract for collection and treatment is established with waste service providers, and Digi systematically monitors the total number of collections and the quantities collected. The same applies to the control of recoverable waste, such as metals and copper cables.

Waste category	Waste generated (Portugal) tones 2023
Metal	15.94
Plastic	29.18
Wood	148.77
Paper and cardboard	214.86
Household waste	48.55
Construction waste	10.02
Fibre	8.42
Tonniers	0.05
Total	475.79

Construction and demolition waste was generated due to renovation/works carried out at the company's workplaces.

Waste diverted from disposal (Portugal) 2023	Onsite	Offsite
Hazardous waste (tones)		
Preparation for reuse	0	0
Recycling (downcycling, upcycling, composting, anaerobic digestion)	0	0
Other recovery operations (repurposing, refurbishment)	0	0.05
Total	0	0.05
Non-hazardous waste (tones)		
Preparation for reuse	0	15.94
Recycling (downcycling, upcycling, composting, anaerobic digestion)	0	392.81
Other recovery operations (repurposing, refurbishment)	0	0
Hazardous waste (tones)	0	408.75

Waste directed to disposal (Portugal)	Onsite	Offsite
Hazardous waste (tones)		
Incineration (with energy recovery)	0	0
Incineration (without energy recovery)	0	0
Landfilling	0	0
Treating	0	0
Non-hazardous waste (tones)	0	0
Incineration (with energy recovery)	0	0
Incineration (without energy recovery)	0	66.99
Landfilling	0	66.99

The waste that the company has not been able to recover is demolition and construction waste, plastic that cannot be recycled, and fiber.

For DIGI Italy SL, as the only service offered by the company is mobile telephony, the company does not generate significant amounts of waste. For the waste that results from the office activities (paper, cardboard, glass, and municipal waste), a tax is paid to the local administration based on the area of our offices located in Milan, Via Giovanni Bensi 11 (for 400 square meters and the warehouse located in Cesano Boscone for 410 square meters).

Water use

Within all the companies in the Group, the water is used only for household activities, within our administrative offices, stores, and warehouses.

Water consumption	2022		2023		
	Romania (m ³)	Spania (m ³)	Romania (m ³)	Spania (m ³)	Portugal (m ³)
Water used	14,671	106.2	38,698.42	107.75	281
Water evacuated	14,671	106.2	38,698.42	107.75	281

The data was extracted from the supplier invoices.

In 2023, we improved our internal water monitoring systems by directly extracting data from water bills, moving away from the estimates of water usage that characterized our methodology in 2022.

Biodiversity

As part of the telecommunications network development process, the construction of new sites complies with existing legislation on the authorization of construction works. This authorization process aims to guarantee high construction quality and to assess and limit construction activities in protected areas or historically significant buildings, thereby safeguarding these areas and cultural heritage.

During the construction and installation phase of telecommunications sites, a variety of materials and equipment are utilized. We take care to protect the environment, clearly establishing work zones, implementing measures to prevent accidental pollution, and adopting separate waste collection procedures during and after the completion of these works.

To reduce the scale of construction activities, driven by financial prudence and environmental considerations, we strategically opt for flexible solutions during the design phase of mobile site projects. This includes using slender structures with low heights and a minimal ground footprint.

From the start of our company, we have always considered potential collaborations with other telecommunications operators and infrastructure owners that allow for the accommodation and operation of telecommunications equipment. In doing so, together with our partners, we tried to optimize the construction and operation costs of existing infrastructure through shared utilization, thus providing a means to mitigate the impact of new developments.

We have also implemented the GREEN site solution, which refers to sites that do not require batteries to ensure equipment operation during power outages. This solution is suitable for sites that do not have a critical role in the integrated functioning of our network.

Another principle we have considered for cost efficiency and reducing environmental impact is the use of 100% prefabricated structures. These structures allow for quick installation and uninstallation, but perhaps most importantly, they allow for reuse. Uninstalling a prefabricated telecommunications site involves disconnecting equipment, uninstalling it, dismantling the passive infrastructure (tower + foundation), and recovering and reusing 100% of all components.

87% of the tower structures constructed by the DIGI Group are prefabricated structures.

Due to the significant energy consumption required to operate telecommunications networks, we also place special emphasis on state-of-the-art equipment and technologies that improve the services provided to our customers and ensure reduced energy consumption.

Energy consumption

Energy consumption from traditional sources has a potentially significant negative impact, with energy production currently being one of the sectors that has an important contribution to climate change. In internet and telecommunication services, the amount and the source of the energy consumed can also have an economic impact, as the cost of energy is a significant part of the operational cost of data centers and telecom networks. As energy prices rise, the cost of providing these services increases, which can lead to higher prices for consumers. Additionally, energy consumption can also be affected by energy policies and regulations, which can impact the cost of doing business.

For us, at DIGI, our own energy consumption comes from the fuel of our fleet and the electricity and thermal energy consumed in our data centers, stores, and headquarters. At the same time, the company is an energy supplier. On the energy market we focus on residential clients, where at this moment, the price of the energy is dictated by legislation in force.

Fuel consumption from non-renewable sources	2022 Romania		2023 Romania	
	l	toe	l	toe
Gasoline	966,395.94	776.26	1,023,791.68	822.36
Diesel	9,513,485.51	8,014.64	13,245,430.57	11,158.61
Gasoline for hybrid cars	15,523.77	12.47	26,239.57	21.08
LPG	14,551.67	30.39	84,993.96	177.45
	MWh	toe	MWh	toe
Natural gas	9,913.76	852.58	8,278.72	711.97

In 2023, the company's fleet vehicle has increased, therefore the quantity of fuel increased also.

Electricity and thermal energy consumption	2022 Romania		2023 Romania	
	MWh	toe	MWh	toe
Self-supplied electricity	151,042.94	12,989.69	159,842.62	13,746.47
Electricity consumed from third parties	85,509.52	7,353.82	94,407.05	8,377.01
Renewable energy	273.03	23.48	7,212.58	620.28
	Gcal	toe	Gcal	toe
Thermal energy from third parties	603.74	60.37	846.17	84.62
Sold electricity	MWh	toe	MWh	toe
To 3rd parties	164,933.00	14,184.24	135,197.00	11,626.94

Self-supplied electricity – electricity purchased from the energy market

Electricity from third parties – electricity consumption extracted from the invoices received from the owners of the spaces we rent (no control over the supplier, as the consumption is re-invoiced to us)

Renewable energy – Electricity produced from our PV panels

Conversion factors:

Gasoline density: 0.765 t/m³

Diesel density: 0.830 t/m³

GPL density: 1.898 t/m³

1 ton of gasoline = 1.05 toe

1 ton of diesel=1.015 toe

1 ton of GPL= 1.1 toe

1 MWh = 0.086 toe

1Gcal=0.1 toe

Energy intensity 2023 (toe/eur) = Total energy consumption in Romania/ Turnover in Romania = 35.719,85 toe/ 1.0 billion EUR = 0.36 toe/ euro

On the energy market, we focus on the household sector, and currently the offers are dictated by the legislation in force, the maximum sale price being capped by the authorities. As regards the purchase of energy for customers and self-consumption, we try to cover the quantities through long-term contracts with a lower percentage in the PZU.

Reducing energy consumption

We are aware that a significant part of our direct negative environmental impact comes from the energy consumed. Therefore, we aim to invest every year in technology and measures that can help us reduce this consumption.

In this direction, the company has taken measures to reduce energy consumption, visible in the energy efficiency documents and our internal procedures. At the same time, in 2022, an audit was carried out on the entire energy profile of the Romanian subsidiary of the Group, by an external company, where measures to reduce electricity consumption for the period 2023-2027 were designed and proposed for implementation. The energy audit is renewed once every four years.

Reduction in energy	Reduction in 2023	Investment value (Euro)	Description of the initiative that led to that reduction
---------------------	-------------------	-------------------------	--

consumption			
Fuel	8,666 toe	9,144,000	Replacing vehicles in our fleet with new generation vehicles with start/stop system. The initiative to reduce fuel consumption was started in 2018 for part of the cars in our fleet and the process has continued until now. The energy saving is calculated for a number of 2,286 existing cars in the company's fleet with this system implemented. The average consumption of a car without start/stop is 8 liters/100 Km, while the consumption for a car with start/stop system is 5 liters/100 km, the difference of 3 liters/100km represents energy savings.
Electricity	105,326 MWh	the procedure applies	Implementing of a program to power off the lighting system in the building. Our internal procedure says: „The lighting system should only be used in the situation where the area where the activity is carried out is not naturally lit effectively and to power off the lighting system when leaving the workspace.” The reduction is achieved through lower energy invoices. The estimation is based on the lighting consumption before the implementation of the procedure and after the implementation of the procedure (when the consumption decreased at night).
Electricity	24,688 MWh	the procedure applies	Implementing a program to eliminate unnecessary consumers from the electricity grid (e.g. computers left on after hours): "Turn off all office equipment used (PC, PC monitor, printer, scanner, copier, etc.) at the end of working hours. Office equipment shall be left in standby mode only in exceptional cases and only for work activities. Exceptions include technical equipment which must be in permanent operation and whose stoppage would cause malfunctions in the provision of services. The calculation was estimated based on the lighting consumption before and after the application of the procedure (when consumption decreased at night).
Electricity	3,778 MWh	273,069	Implementing an efficient LED-based lighting system. In 2011, a pilot project was started to modernize the premises of the company with LED lamps, more energy-efficient and more reliable. Until 2023, LED-based equipment has been changed in 300 locations of the company, the energy savings being around 3,778 MWh.
Electricity	149,576 MWh	121,095	Developing a PV system for own electricity production. In 2022, we became prosumers for our headquarters in Oradea, setting up a photovoltaic system with an installed power of 92.130kWp. The energy produced is used for own consumption, while the surplus is injected into the electrical distribution network. The energy saving is for the year 2023.
Electricity	1,445 MWh	0	Eliminating several equipment boxes serving signal distribution within residential buildings/years. Every year, a small part of the national RCS&RDS network is switched to optic fiber, thus reducing the total consumption of the telecommunications network. In 2023 3,298 boxes were removed. The energy reduction estimation was based on the average box power of 50W.
Electricity	7,063 MWh	19,209,850.70	The project to install hybrid solutions (solar/generator) at telecommunication sites started in 2016. By 2023 we have 2745 such systems active with a total production in 2023 of 7063 MWh. The green energy produced by the panels on the telecom sites is for own consumption. The investment amounts to 19,209,850.70 euros.

Additional measures planned to be implemented for the 2023 – 2027 period:

Installation of photovoltaic systems on telecommunication sites to offset electricity consumption. With this energy efficiency method, we aim to use green renewable energy for our own consumption. In 2023 a total of 2745 such systems were installed, saving 7063 MWh with an investment of 19,209,850.70 euro.

Phased replacement of external lighting fixtures with LED models, more energy efficient, the new fixtures being equipped with solar panels with motion sensors. The calculation is initially estimated for the company's headquarters, with 10 solar lamps installed at each of the 31 main headquarters. For this case, the investment is of 40,300 euros with an investment recovery period of 0.6 years and energy savings of around 288.3 MWh/year.

In certain areas of the company's premises, the water dispensers/purifiers installation, works for 24 hours a day instead of 8 hours a day for 5 days a week. As a future measure to reduce energy consumption, we aim to install timers on the sockets that supply this equipment. The timer systems will be adjusted according to the specifics of the space served and set up to interrupt the electricity supply one hour after the end of the program and to reconnect them to the electrical network one hour before the start of the program. The investment is estimated at 5,000 euros, with a recovery period of less than one year. The estimated energy savings is around 29.06 MWh/year.

Installing cold aisles between two rows of racks (rows with equipment) for the data centers. The estimates are conducted for the data center with the highest consumption, the one in Bucharest. These cold aisles represent a system used for specific cooling of certain areas within the data center, in our case two rows of racks. The investment will be around 13,900 euros with recovery in more than 10 years, the estimated energy saving being of 2.9 MWh/year.

Installing advanced systems for monitoring the electricity consumption, by purchasing smart meters. The investment was estimated at 957,300 euros, having a number of 19,146 locations (shelters plus telecommunications sites), at an average of 50 euros per location.

Installing fans and temperature/humidity sensors on the shelters, to take over the load of the air conditioners during the cooler season. The shelters where the telecommunications equipment is located are cooled using air conditioners (high consumption of electricity), set to start when a certain temperature is exceeded inside. When the outside temperature is below 18 degrees, the air will be cooled using fans that have lower energy consumption. The estimated investment for this measure is 580,800 euros for 2,200 shelters, with a recovery rate of 0.06 years, the energy savings obtained being around 37,213 MWh/year.

Installing a heat pump heating system, an estimated investment of 3,100,000 euros, with the investment recovery period being 0.7 years. The energy savings amounts to approximately 18,023 MWh/year. The calculations are estimated for the 31 main offices, the investment per office being 100,000 euros. This specific heating system is 4-5 times more economical than an electric plant, providing more energy per unit than a conventional heating system.

Thermal insulation for the shelters, an investment of 11,000,000 euros for 2,200 such locations, with the investment recovery period being 0.35 years. The estimated energy saving is 127,886 MWh/year.

Energy consumption for our subsidiaries in Spain

Fuel consumption from non-renewable sources	2022 Spain		2023 Spain	
	l	toe	l	toe
Gasoline	806,357.05	647.71	1,068,016.97	857.89
Diesel	1,954,083.61	1,646.20	2,684,594.15	2,261.64
LPG	1,719.88	1.39	1,143.85	2.39

In 2023, the company's fleet vehicle has increased, therefore the quantity of fuel increased also.

Electricity and thermal energy consumption	2022 Spain		2023 Spain	
	MWh	toe	MWh	toe
Electricity consumed from third parties	977.51	84.07	1,167.10	100.37

Conversion factors:

Gasoline density: 0.765 t/m³

Diesel density: 0.830 t/m³

1 ton of gasoline = 1.05 toe

1 ton of diesel=1.015 toe

1 MWh = 0.086 toe

Energy consumption for DIGI Italy SL

Fuel consumption from non-renewable sources	2022 Italy		2023 Italy	
	l	toe	l	toe
Gasoline	39,347	31.61	70,105	56.31
Diesel	30,528	25.72	33,007	27.81

In 2023, the company started to build its network infrastructure, therefore it registered an increase in activity as well as in the necessary company vehicles.

Electricity and thermal energy consumption	2022 Italy		2023 Italy	
	MWh	toe	MWh	toe
Electricity consumed from third parties (green)	30.05	2.58	61.89	5.32

In 2023, our electricity and thermal energy increased due to an expansion of our team (an increase of 106% vs 2022).

Conversion factors:

Gasoline density: 0.765 kg/m³

Diesel density: 0.830 kg/m³

1 ton of gasoline = 1.05 toe

1 ton of diesel=1.015 toe

1 MWh = 0.086 toe

Energy consumption for DIGI Portugal

Fuel consumption from non-renewable sources	2023 Portugal	
	l	toe
Gasoline	22,695	18.23
Diesel	420,209	354.01

Electricity and thermal energy consumption	2023 Portugal	
	MWh	toe
Electricity consumed from third parties	5,516.79	474.44
Of which green energy	1,498.36	128.86

For Digi Portugal is the first year of reporting

Group: Total energy consumption 2023 (toe) = Gasoline + Diesel + Gasoline for hybrid cars + LPG + Natural gas + Self-supplied electricity + Electricity consumed from third parties + Renewable energy + Thermal energy from third parties = 822.36 + 857.89 + 56.31 + 18.23 + 11,158.61 + 2,261.64 + 27.81 + 354.01 + 21.08 + 177.45 + 2.39 + 711.97 + 13,746.47 + 8,377.01 + 100.37 + 474.44 + 620.28 + 5.32 + 84.62 = 39,878.26 toe.

Climate change

Carbon Footprint Assessment 2023

Recognizing the environmental impact of its operations, DIGI Group has initiated the calculation of its Carbon Footprint for 2023, delineating the scope of the endeavor. Accordingly, a transparent methodology was devised to articulate the underlying assumptions and data used in the calculation process.

The inventory constitutes the quantification of greenhouse gas (GHG) emissions directly attributable to the organization's operations within the defined boundary and scope for the reporting period. It is pertinent to note that this assessment was conducted with limited data availability, with the aim of enhancing granularity in future evaluations.

The carbon footprint embodies the total volume of greenhouse gas (GHG) emissions generated along its value chain. This quantification method primarily relies on calculation rather than direct measurement. GHG emissions are computed by multiplying activity data with an emission factor ($\text{kg CO}_2\text{e} = \text{Activity Data} \times \text{Emission Factor}$). The GHG Protocol methodology was used to calculate Scope 1, 2 and 3 generated emissions, for both market- and location-based assessments.

Scope 1 emissions are direct greenhouse (GHG) emissions that occur from sources that are controlled or owned by an organisation (e.g., emissions associated with fuel combustion in boilers, furnaces, vehicles).

Scope 2 includes indirect emissions from sources controlled by the company, most often associated with the use of electricity generated by third parties. Electricity falls into this category because consuming electricity does not produce emissions (vs. consuming fuel), but producing electricity generates GHG emissions.

Scope 3 includes indirect emissions from processes and activities across the entire value chain, from resource/material consumption or the amount of waste generated, to meals or furniture purchased for company offices. The GHG Protocol further divides Scope 3 emissions into 15 categories, which are detailed in “Carbon Footprint Assessment Steps, Assumptions, Limitations and Emission Factors”.

Research and Overall Assessment Approach

In conducting the comprehensive evaluation of DIGI Group's Carbon Footprint, the Consultant analyzed methodologies employed by numerous companies operating in comparable economic and activity sectors. This approach facilitated the accurate identification and evaluation of emission sources across the group's entire operational chain. The methodology adheres to the GHG Protocol standards and has successfully pinpointed sector-specific emission sources, including those associated with upstream leased electrical equipment assets.

In 2022, the carbon footprint assessment covered only Romania, Spain, and Italy, as the operations in Portugal were in their early stages and were not yet incorporated into the calculation. Furthermore, only 5 out of the 15 categories in scope 3 were considered during the calculation:

Purchased goods and services for internal use

Capital goods

Waste generated in operations

Business travel

Employee commuting

We reported the criteria for which we were able to collect data for reporting. Also, not all the criteria from Scope 3 are relevant for our business, e.g. investments and franchises.

However, in 2023, Portugal was integrated into the calculation process. The significant development was that the carbon footprint assessment extended to include all categories applicable to the group's activities in scope 3. This enhancement marked a crucial step forward in comprehensively evaluating the environmental impact across all facets of the group's operations.

The GHG Protocol further divides Scope 3 emissions into 15 categories:

S3.1.1. Purchased Goods and Services for Internal Use

According to the GHG Protocol, this category includes all upstream (i.e., cradle-to-gate) emissions from the production of products purchased or acquired by the reporting company in the reporting year. Products include both goods (tangible products) and services (intangible products). In this assessment, Scope 3.1.1. refers to the goods and services intended solely for internal use.

S3.1.2. Purchased Goods and Services for Retail

This category is here defined as goods (and services) purchased by the reporting company from suppliers with the aim of subsequently selling these products to end consumers.

S3.2. Capital Goods

This category includes emissions from capital goods that are purchased and amortised by the organisation. This includes goods used by the organisation to manufacture a product, provide a service, or sell, store and deliver merchandise.

S3.3. Fuel and energy-related activities

Activities related to fuel and energy (not included in Scope 1 or Scope 2 emissions calculations) refer to GHG emissions resulting from extraction, production, and transportation of purchased or acquired fuels and energy.

S3.4. Upstream Transport and Distribution

Emissions from upstream transport and distribution of goods are emissions from freight services that are paid by the organisation. It encompasses activities such as shipping, trucking, or other modes of transportation involved in bringing inputs to the organisation's operations. These activities are typically considered indirect emissions and fall within the supply chain emissions category

S3.5. Waste generated in Operations

Waste generated in operations refers to any byproducts, residuals, or discarded materials resulting from an organisation's operational activities. This includes solid waste, hazardous waste, or wastewater generated during production, manufacturing, or service delivery processes.

As the DEFRA 2023 database of emission factors does not contain detailed enough emission factors to represent the waste type and treatment to accurately assess DIGI's emission in this category, the Consultant has built an emission factor database from diverse publicly-available and licence-owned databases such as UNFCCC GHG Calculator, ecoinvent 391, GHG Protocol waste emissions, DEFRA UK, Documentation for Greenhouse Gas Emission and Energy Factors Used in the Waste Reduction Model (WARM) and BEIS 2023.

S3.6. Business Travel

Business travel mainly refers to fuel burnt in mobile sources of combustion occurring in plane travel, for example. Hotel nights might be included when linked to business travel, i.e. a stay-over for flight connections, when attending a conference or for other business purposes. The indirect emissions generated during the journey should also be included if such data are available and significant.

S3.7. Employee commuting

Employee commuting includes emissions related to the transportation of employees from their home address to their workplaces, encompassing the various modes of transportation used by employees, including private vehicles, public transportation, walking, or cycling. These commuting activities contribute to the organisation's indirect emissions, as they occur outside the operational boundaries but are associated with the employees' work-related activities.

S3.8. Upstream leased assets

Upstream leased assets refer to assets or equipment that an organisation leases or rents from external parties for its operations. These assets can include office space, machinery, vehicles, or other resources necessary for conducting business activities. The emissions associated with upstream leased assets are considered indirect emissions as they occur outside the organisation's operational boundaries but are linked to its operations.

This emission category is not taken into account as the Consultant uses the operational-control approach for this assessment and thus, any energy consumed by the leased assets were already assessed under Scope 1 or Scope 2.

S3.9. Downstream Transport and Distribution

According to the GHG Protocol, this category includes emissions that occur in the reporting year from the transportation and distribution of sold products in vehicles and facilities not owned or controlled by the reporting company.

S3.10. Processing of sold products

Processing of sold products refers to the activities involved in transforming or modifying products before they are delivered to customers or end-users. This can include processes such as assembly, packaging, labelling, or customization of products to meet customer requirements. The emissions associated with the processing of sold products are typically considered indirect emissions, as they occur outside the organisation's operational boundaries but are connected to its products and services

S3.11. Use of Sold Products

The use of sold products refers to the activities and operations carried out by customers or end-users after they have purchased and acquired the products from an organisation. It involves the regular usage, maintenance, and operation of the products throughout their intended lifespan. The

emissions associated with the use of sold products are generally considered indirect emissions, as they occur outside the organisation's operational boundaries but are linked to the functionality and performance of its products.

S3.12. End-of-life treatment of sold products

End-of-life treatment of sold products refers to the processes and activities involved in managing and handling products at the end of their useful life. This includes activities such as recycling, refurbishing, remanufacturing, or disposing of products in an environmentally responsible manner. The emissions associated with the end-of-life treatment of sold products are considered indirect emissions, as they occur outside the organisation's operational boundaries but are connected to the lifecycle of its products.

S3.13. Downstream leased assets

Downstream leased assets refer to assets, typically equipment or facilities, that a company leases from another party to support its production or operational activities. These assets are situated in the later stages of the supply chain, closer to the end-user or consumer, and are crucial for the company's downstream operations.

S3.14. Franchises

Category 14 of the Scope 3 Standard includes emissions from the operation of franchises not included in Scope 1 or Scope 2. Franchisors should account for emissions that occur from the operation of franchises (i.e., the scope 1 and scope 2 emissions of franchisees) in this category.

This emission category is not applicable for the DIGI Group as it does not own franchises.

S3.15. Investments

This category includes Scope 3 emissions associated with the reporting company's investments in the reporting year, not already included in Scope 1 or Scope 2. This category applies to investors (i.e., companies that invest intending to make a profit) and companies that provide financial services. This category also applies to investors that are not profit-driven (e.g. multilateral development banks), and the same calculation methods should be used. Investments are categorised as a downstream scope 3 category because providing capital or financing is a service provided by the reporting company.

This emission category was not assessed because is not part of Digi group activities.

The Total Generated Emissions (t CO₂e) of DIGI Group for 2023 calculated in this assessment are: 247,288.71t CO₂e. A breakdown of each company's emissions is provided below:

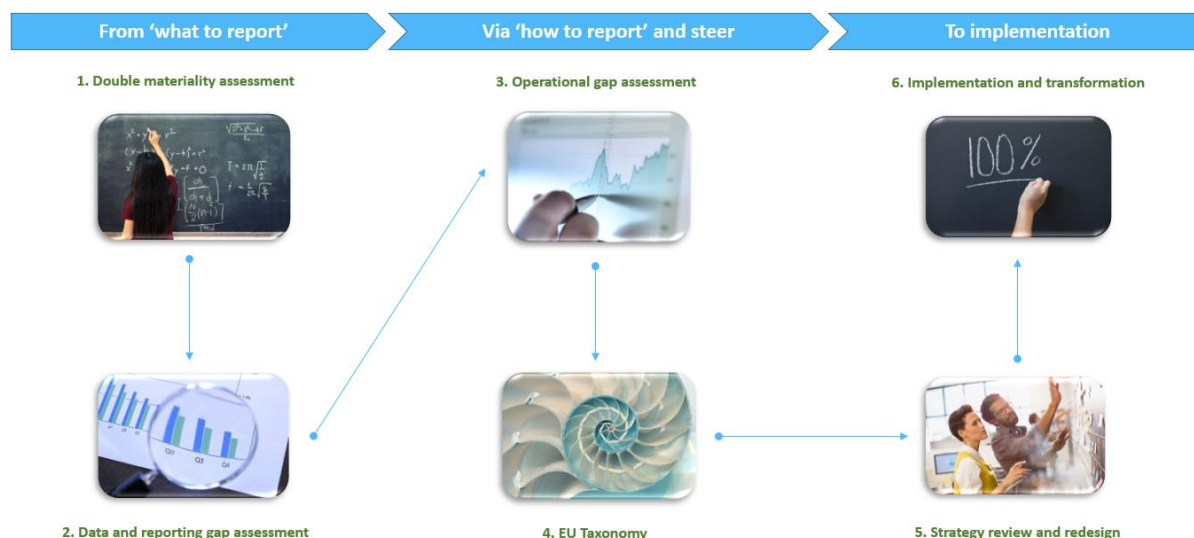
Dashboard Carbon Footprint 2023		
DIGI Communications	Assessed Scope with calculated Emissions (t CO ₂ e)	
	Scope 1 - Direct Emissions	48,307.26
	Scope 2 - Indirect Emissions (market-based)	37,171.38
	Scope 2 - Indirect Emissions (location-based)	59,522.63
	Scope 3 - Value Chain	161,810.08
	Total (market-based)	247,288.71
	Total (location-based)	269,639.96
TOTAL EMISSIONS - t CO ₂ e (market-based)		247,288.71
TOTAL EMISSIONS -t CO ₂ e (location-based)		269,639.96

Assessment followed the GHG Protocol methodology.

Emission Intensity = The Data Sources and Assumptions made can be consulted in detail in Annex 4.

For Romania, the carbon footprint was calculated using an estimated energy label for the year 2022. As the legal reporting deadlines for the energy label for each energy supplier are well after the deadline for this report and knowing the quantities of energy purchased in 2023, we estimated the carbon footprint using the energy labels for the year 2022 for the suppliers we had in 2023.

CSRD - Roadmap towards CSRD compliance



CSRD - ROADMAP TOWARDS CSRD COMPLIANCE

1. Double Materiality Assessment

To achieve the goal of double materiality analysis, the Digi Group started defining the dedicated members of ESG committee for CSRD and ESRD reporting. The committee will be established by the end of 2024 and will consist of people from key reporting departments and functions: legal, compliance, human resources, risk management, financial, occupational health and safety, fleet management, accounting, environment and energy supply, as well as a person delegated each country where the DIGI Group operates.

In the past, these members have participated in ESG and GRI courses, and at this time, all members are scheduled to attend a technical course on ESRS reporting.

At the time of reporting, the Digi Group has entered the process of signing the contract with a consultant to support the ESG committee's conduct and implement the double materiality analysis.

2. Reporting and Data Gap Assessment

In order to improve data accuracy, the group has developed an internal data collection application. The application is to be deployed by the end of 2024 and will be used by all countries in the Group. At this time, work is underway to update the application to meet the requirements of CSRD and ESRS, as it was initially developed based on the GRI Standards 2021. At the same time, as the application is being updated, we will also develop a reporting manual, that will include all the terms, definitions and calculations methodologies used for the reporting process.

3. Operational Gap Assessment

During the preparation of the sustainability reports for 2022 and 2023, we identified a number of operations aimed at optimizing current data collection processes.

Details of the identified operations:

- **Automations:** Implementation of automation solutions for certain repetitive tasks, in order to increase the efficiency and accuracy of the process.
- **Corrections:** Making the necessary corrections to the previously collected data, in order to ensure the accuracy and reliability of the information presented in the reports.
- **Redefinitions of internal reporting systems:** Adapting and redefining various reporting systems to facilitate a more detailed and relevant analysis of the company's reported KPIs.
- **Aligning the reporting process at Group level:** Harmonizing the reporting process and methodology for all the companies in the Group.

Some of the identified improvement actions have already been implemented, while others are in the process of being implemented by the end of 2024.

Expected benefits:

Full implementation of the improvement operations will lead to:

- **Increased efficiency:** Reducing the time and resources needed to collect and analyze data.
- **Improved accuracy:** Ensuring the quality and reliability of the information presented in the sustainability statement.
- **Increased transparency:** Facilitating access to relevant and detailed information on the company's performance in the field of sustainability.
- **Strategic alignment:** Ensuring compatibility with the standards and methodology used at Group level.

4. EU Taxonomy

Starting 2023, the Group is working with an external partner for the calculation and reporting of the EU Taxonomy KPIs. Together with the consultant, we are in the process of developing internal mechanisms that will allow the evaluation of the technical criteria and DNSH criteria for alignment with the Taxonomy for the the activities identified in the previous reporting processes (2022 and 2023) as eligible.

5. Strategy

At this moment, the actions implemented by Digi Group to improve its sustainability performance, reduce negative impact and increase positive impact, are not formalized under the umbrella of a sustainability strategy. The group plans to develop and start implementing the sustainability strategy in accordance with CSRD in 2024.

GRI CONTENT INDEX

Statement of use		Digi Communications N.V. has reported in accordance with the GRI Standards for the period of January 1, 2023 –December 31, 2023			
GRI 1 used		GRI 1: Foundation 2021			
GRI Standard/ Other Source	Disclosure	Page number(s) and/or direct response	Omissions		
			Requirements omitted	Reason	Explanation
General disclosures					
GRI 2: General Disclosures 2021	2-1 Organizational details	35, 71, 81			
	2-2 Entities included in the organization's sustainability reporting	6, 71			
	2-3 Reporting period, frequency and contact point	71, 237			
	2-4 Restatements of information	EU Taxonomy KPIs for financial year 2022, as presented at pages 72-80			
	2-5 External assurance	The content of the non-financial statement was not externally assured.			
	2-6 Activities, value chain and other business relationships	6, 7, 71, 95, 109, 140 - 155			
	2-7 Employees	96,			
	2-8 Workers who are not employees	Information unavailable	Currently, the Group does not hold information regarding people who have concluded other types of collaboration with the Group companies than employment agreements.		
	2-9 Governance structure and composition	81, 82			
	2-10 Nomination and selection of the highest governance body	81, 82			
	2-11 Chair of the highest governance body	81			
	2-12 Role of the highest governance body in overseeing the management of impacts	82			
	2-13 Delegation of responsibility for managing impacts	82			
	2-14 Role of the highest governance body in sustainability reporting	39, 40, 82			
	2-15 Conflicts of interest	83, 84			
	2-16 Communication of critical concerns	86			

GRI Standard/ Other Source	Disclosure	Page number(s) and/or direct response	Omissions		
			Requirements omitted	Reason	Explanation
	2-17 Collective knowledge of the highest governance body	No measures taken to advance the collective knowledge, skills, and experience of the highest governance body on sustainable development during the reporting period.			
	2-18 Evaluation of the performance of the highest governance body	82			
	2-19 Remuneration policies	42, 43, 60 – 69			
	2-20 Process to determine remuneration	60, 100			
	2-21 Annual total compensation ratio	69	Information was reported based on the average annual employee salary and not median, as required by this disclosure.		
	2-22 Statement on sustainable development strategy	2, 127, 128			
	2-23 Policy commitments	35 – 37, 55 - 59			
	2-24 Embedding policy commitments	55 – 59			
	2-25 Processes to remediate negative impacts	Information incomplete	There are no formal commitments. All negative impacts are remediated in accordance with the European or each country national legal provisions in place.		
	2-26 Mechanisms for seeking advice and raising concerns	85			
	2-27 Compliance with laws and regulations	109			
	2-28 Membership associations	112	The Group is not part of any industry associations, other membership associations, and national or international advocacy organizations in which it participates in a significant role.		
	2-29 Approach to stakeholder engagement	86, 91, 92			
	2-30 Collective bargaining agreements	101			
Material topics					
GRI 3: Material Topics 2021	3-1 Process to determine material topics	86, 87			
	3-2 List of material topics	88 - 91			
Materials and waste					
GRI 3: Material Topics 2021	3-3 Management of material topics	89, 113 - 116			
GRI 301: Materials 2016	301-1 Materials used by weight or volume	114			

GRI Standard/ Other Source	Disclosure	Page number(s) and/or direct response	Omissions		
			Requirements omitted	Reason	Explanation
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	114 - 119			
	306-2 Management of significant waste-related impacts	114 - 119			
	306-3 Waste generated	115, 117, 118			
	306-4 Waste diverted from disposal	116 - 118			
	306-5 Waste directed to disposal	117 - 118			
Energy consumption					
GRI 3: Material Topics 2021	3-3 Management of material topics	89, 119, 120,			
GRI 302: Energy 2016	302-1 Energy consumption within the organization	120, 122, 123			
	302-2 Energy intensity	120			The energy intensity was calculated specifically for the Romanian subsidiaries, given their significant energy consumption compared to the other subsidiaries.
	302-4 Reduction of energy consumption	120 - 122			
Climate change					
GRI 3: Material Topics 2021	3-3 Management of material topics	89, 124 - 126			
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	126, 225 - 233			
	305-2 Energy indirect (Scope 2) GHG emissions	126, 225 - 233			
	305-3 Other indirect (Scope 3) GHG emissions	126, 225 - 233			
Biodiversity					
GRI 3: Material Topics 2021	3-3 Management of material topics	89, 119			
	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Information unavailable		Information was not monitored as per the requirements of this disclosure	
Circular economy					
GRI 3: Material Topics 2021	3-3 Management of material topics	90, 116, 117			
Group specific disclosure	Equipment and devices recovered and reused	117		Disclosure reported only for the Romanian subsidiaries of the Group.	
Fair working environment					
GRI 3: Material Topics 2021	3-3 Management of material topics	89, 94, 95, 96, 98, 99, 102, 103			
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	95			

GRI Standard/ Other Source	Disclosure	Page number(s) and/or direct response	Omissions		
			Requirements omitted	Reason	Explanation
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	101			
	401-3 Parental leave	102			
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	103, 104			
	404-3 Percentage of employees receiving regular performance and career development reviews	104			
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	81, 82, 96 - 98			
	405-2 Ratio of basic salary and remuneration of women to men	100			
GRI 406: Non-discrimination	406-1 Incidents of discrimination and corrective actions taken	96			
Occupational health and safety					
GRI 3: Material Topics 2021	3-3 Management of material topics	89, 104 - 107			
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	104, 105			
	403-2 Hazard identification, risk assessment, and incident investigation	105, 106			
	403-3 Occupational health services	106			
	403-4 Worker participation, consultation, and communication on occupational health and safety	105, 106			
	403-5 Worker training on occupational health and safety	106			
	403-6 Promotion of worker health	106			
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	106			
	403-9 Work-related injuries	107			
Data and network security					
GRI 3: Material Topics 2021	3-3 Management of material topics	89, 93			
Group specific disclosure	Measures to prevent data and network security breaches	93, 94			
Personal data privacy					
GRI 3: Material Topics 2021	3-3 Management of material topics	90, 94			
GRI 418: Customer privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	94			
Supply chain management					
GRI 3: Material Topics 2021	3-3 Management of material topics	89, 109			

GRI Standard/ Other Source	Disclosure	Page number(s) and/or direct response	Omissions		
			Requirements omitted	Reason	Explanation
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	109			
Stakeholder engagement					
GRI 3: Material Topics 2021	3-3 Management of material topics	90, 91, 92			
Group specific disclosure	Communication channels per stakeholder category	91, 92			
Technological innovation					
GRI 3: Material Topics 2021	3-3 Management of material topics	10, 16, 90, 141			
Group specific disclosure	Number of cities where 5G mobile telecommunication services are available	152			
Impact on the local economy					
GRI 3: Material Topics 2021	3-3 Management of material topics	72, 90, 110, 142 - 154			
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	72			
GRI 202: Market presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	99, 100			
	202-2 Proportion of senior management hired from the local community	98			
Quality of services					
GRI 3: Material Topics 2021	3-3 Management of material topics	8, 9, 90, 93, 144 - 154			
Group specific disclosure	Number of complaints received from clients on aspects regarding network interruptions	94			
Business ethics and responsibility					
GRI 3: Material Topics 2021	3-3 Management of material topics	55 - 59, 82 – 84, 90			
GRI 205: Anti-corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	84, 85			
	205-3 Confirmed incidents of corruption and actions taken	83			
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	83			
GRI 415: Public Policy 2016	415-1 Political contributions	83			
Digital inclusion and access to services					
GRI 3: Material Topics 2021	3-3 Management of material topics	90, 107, 141 – 143			

GRI Standard/ Other Source	Disclosure	Page number(s) and/or direct response	Omissions		
			Requirements omitted	Reason	Explanation
Group specific disclosure	Distribution of RGUs per residential location	107			
Internet governance and digital freedom					
GRI 3: Material Topics 2021	3-3 Management of material topics	90, 94			
Group specific disclosure	Number of IP addresses and domains blocked	Information unavailable.	Information was not monitored.		
Content policy					
GRI 3: Material Topics 2021	3-3 Management of material topics	89, 108, 109			
Group specific disclosure	Financial penalties received for non-compliance with the Regulatory Code Regarding Audiovisual Content	109			
Group specific disclosure	Warnings received for non-compliance with the Regulatory Code Regarding Audiovisual Content	109			
Engaging with local communities					
GRI 3: Material Topics 2021	3-3 Management of material topics	90, 110 – 112			
Group specific disclosure	Number of projects implemented to support the local community	110			
Group specific disclosure	Total value of donations and sponsorships	110			