

Our ESG vision

At VEON, we are committed to driving positive change in frontier markets and creating lasting value for our customers, employees, investors, and the communities we serve. We foster ethical business conduct and embrace our responsibility to the environment and society. By leveraging our technological expertise, market presence, and digital innovation, we empower individuals and businesses to drive sustainable development and create greater opportunities for our customers.

Aligned with this vision, VEON contemplates targets for management in the following key areas:

- Empowered communities and equal opportunities for all, through innovative technology solutions and services.
- Extended lifespan of equipment and reduced waste generated throughout the product lifecycle.
- Reduced environmental impact of our network infrastructure and operations, while contributing to the global transition to a low-carbon economy.
- Improved business model climate resilience.

We recognize the critical role of oversight in managing the environmental and social impacts of our digital services operations across our frontier markets. The Board of Directors, supported by the ESG Steering Committee and OpCo Business Risk Committees (BRC), oversees the identification, assessment, and management of material sustainability matters, ensuring alignment with regulatory requirements, stakeholder expectations and our remuneration framework.

These material sustainability matters include energy consumption, energy generation, waste management, human capital, customer and community impacts, as well as supply chain resilience.

VEON conducts periodic business partner reviews and participates in sustainability ratings to benchmark performance. Our commitment to transparency and accountability ensures that we continuously enhance our sustainability performance, including long-term value for our stakeholders.

The Board is regularly briefed on sustainability-related risks and opportunities, integrating them into strategic decision-making and remuneration framework. Senior management is responsible for setting and executing sustainability policies, monitoring key performance indicators (KPIs), and ensuring compliance with international frameworks, such as the GRI.

Commitment to the environment

VEON is committed to managing its carbon footprint, enhancing energy efficiency, and contributing to a sustainable digital economy in the markets we operate. We recognize that energy consumption and energy generation are critical sustainability factors impacting our environmental footprint, operational resilience, and long-term value creation.

The Board regularly reviews energy performance metrics and renewable energy investment initiatives as part of our carbon footprint management, with encouragement to our OpCos to investigate the possibilities for target setting in this area. Leading the initiative, Pakistan operations recently set a 2025 target for sustainable energy generation.

Energy-related risks, such as grid reliability, energy price volatility, and carbon regulation compliance, are integrated into our ERM framework. The Board contemplates the need for future periodic climate risk stress testing to assess vulnerabilities and ensure business continuity under different energy transition scenarios.

Environment protection can be furthered in many ways, depending on specific circumstances and local urgent needs. VEON's environmental protection initiatives in 2024 included among other things energy efficiency-related initiatives and demining efforts, as shown in the case studies included in the section 'Commitment to the environment'.

Energy consumption

The rapid expansion of digital services and our improved networks' resilience leads to upward trends in our energy consumption. This trend presents risks such as rising operational costs, regulatory pressures on carbon emissions, and supply chain disruptions in energy markets.

To mitigate these risks, the Group contemplates to establish Board-level oversight of energy efficiency targets in 2025, with annual reviews of energy intensity metrics (e.g., kWh per terabyte of data processed), together with adopting ISO 50001 Energy Management System standards across key facilities to track and improve energy performance.

We have established operational energy efficiency programs, including AI-driven cooling, energy-efficient hardware procurement, and optimization of networks and server utilization, and engage policymakers and industry groups to advocate for sustainable energy regulations that support the digital and telecommunication sectors.

The total data consumption on our networks increased by 14% year-on-year while total energy consumption was up only by 13% year-on-year, thanks in part to investments in power-efficient telecommunications infrastructure, infrastructure sharing and rising use of renewable energy sources to power networks.

Energy generation

To reduce reliance on fossil fuels and enhance energy security, we are contemplating accelerating our investments in renewable energy procurement and on-site energy generation. This transition would support cost stability, emissions reduction, and compliance with the expected evolution of local markets' sustainability regulations.

Initiatives under consideration for acceleration include renewable energy procurement, such as Power Purchase Agreements (PPAs) with solar and wind energy providers, investment in on-site solar panel installations, partnerships with clean energy innovators to explore emerging technologies, such as battery storage, scenario planning for energy transition risks, including potential regulatory shifts and carbon pricing impacts.

Waste management

At VEON, we encourage responsible waste management and environmental stewardship. In our telecom industry, waste can include electronic waste (e-waste) from equipment, packaging materials, and operational waste from offices and data centers. By handling these resources with proper care, we can contribute to a less polluted future.

Ineffective waste management can lead to significant risks, including environmental pollution from improper disposal practices. Additionally, resource inefficiencies can drive up operational costs and create vulnerabilities in the supply chain. Addressing these risks proactively is essential to protect our environment and ensure smoother, more efficient operations.

We see waste management as an opportunity to adopt circular economy principles and enhance sustainability across our operations. Our initiatives include:

- Refurbishment and resale of IT hardware, extending the lifecycle of equipment and reducing e-waste.
- Collaboration with e-waste recycling partners to recover valuable materials such as rare earth metals, contributing to a more sustainable supply chain.
- Employee engagement programs on waste reduction, including awareness campaigns and office waste reduction initiatives

Our ESG vision *continued*

Customers and communities

Our Board of Directors, supported by our OpCo ESG functions, their Ethics and Compliance Committees, the Chief Information Officer and the Group Digital Operations Officer, provide oversight on customer rights, data privacy, digital inclusion, and community engagement.

The Board regularly reviews customer satisfaction metrics, digital equity initiatives, and community investment programs. We recognize the critical role of trust, connectivity, and ethical business practices in our relationships with customers.

Key risks include:

- Data privacy and cybersecurity threats, which could lead to regulatory penalties and loss of customer trust.
- Digital exclusion, where underserved communities lack access to affordable and reliable internet services.
- Misinformation and ethical content concerns, impacting brand reputation and regulatory compliance.

To mitigate these risks, we have implemented:

- Board-level oversight of data privacy and cybersecurity strategies, ensuring compliance with local data protection laws, and ISO 27001 standards.
- Digital inclusion programs, such as affordable connectivity solutions and partnerships with local governments to expand internet access.
- AI ethics and content moderation policies as part of our Code of Conduct, ensuring responsible digital services and safeguarding against misinformation.
- Customer grievance mechanisms, allowing for transparent resolution of concerns related to digital services, privacy, and accessibility.

Beyond serving customers, we strive to positively impact communities through digital empowerment initiatives.

Our initiatives include:

- Digital literacy programs, enabling communities to safely and effectively use digital services.
- Supporting entrepreneurs and businesses through technology training, and cloud-based solutions.
- Infrastructure development partnerships to bring digital services to rural and underserved regions.
- Consultations with local stakeholders, including governments, NGOs, and affected communities, to address concerns around land use, energy access, and environmental effects.

Human capital

We recognize that human capital is fundamental to our long-term success. Our governance framework ensures that the Board of Directors, along with the OpCo People Committees, oversees the management of human capital-related impacts, risks, and opportunities. These include workforce well-being, diversity and inclusion, skills development, fair labor practices, and employee engagement.

Human capital risks such as talent shortages, high turnover, and workplace inequalities are integrated into our ERM framework. Our OpCos conduct regular assessments and monitor key workforce trends in their markets to address emerging challenges proactively.

Through stakeholder engagement, training programs, benchmarking against peers and other leading sectors, and safety and well-being programs, we ensure that our human capital strategy remains resilient, adaptable, and aligned with our long-term sustainability goals.

The Board receives regular updates on employee retention, training investments, and workforce diversity. Senior management is responsible for implementing policies that promote a safe, inclusive, and equitable work environment, in alignment with standards such as the UN Guiding Principles on Business and Human Rights, and local labor laws.

Workforce well-being and employee engagement

We are committed to fostering a healthy and engaged workforce by ensuring access to competitive benefits, health support, and work-life balance initiatives. Our oversight mechanisms include:

- Annual employee engagement surveys, with results reviewed by the Board to guide decision-making.
- Health and well-being programs, including mental health support, ergonomic workspaces, and flexible work policies.
- Regular safety audits in compliance with occupational health and safety regulations.

Health and safety

VEON places the highest priority on the health and safety of its employees, adhering to policies that align with global health and safety standards. Workplace safety is especially crucial for the Company, given that many employees work in the field, maintaining towers and other sites. A well-defined hierarchy is in place to ensure that any safety concerns are promptly reported and escalated. This structure not only addresses immediate issues but also helps prevent similar incidents from occurring elsewhere.

	2024	2023	2022
Number of work-related fatal accidents	0	1	1
Number of work-related special security incidents	0	0	0
Number of high-consequence work-related injuries	0	0	1
Work-related injury rate per million hours	0	0	0

Diversity, equity and inclusion (DE&I)

Diversity is a key driver of innovation and performance in our workforce. We have implemented a comprehensive DE&I strategy that is overseen by the Group Diversity and Inclusion Officer and by the OpCo People Committees.

Key governance elements include:

- Board-level monitoring of workforce gender balance and representation of underrepresented groups.
- Equal opportunity policies to ensure non-discriminatory hiring, promotions, and compensation practices.
- Training programs on unconscious bias and inclusive leadership for employees and management.

Talent development and skills training

Given the rapid pace of digital transformation, continuous upskilling and reskilling are critical. Our Board allocates resources for talent development, ensuring employees have opportunities to grow in their careers. Key oversight mechanisms include:

- Annual reviews of training investments to align with future workforce needs.
- Tracking employee participation in learning and development programs to measure effectiveness.
- Collaboration with universities and technical institutes to strengthen talent pipelines for digital skills.

Fair labor practices and ethical workforce management

As part of our responsible business conduct, we ensure that fair labor practices are upheld across our operations and supply chain. This includes:

- Reviews of compliance with labor laws, including working hours, wages, and conditions.
- Business partner code of conduct exclusion of forced labor and unethical labor practices.
- Whistleblower protection mechanisms, allowing employees to report concerns without retaliation.