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**Risks and opportunities**

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## How we manage risks

VEON operates in a dynamic business environment characterized by rapid regulatory, geopolitical, technological, and market developments. The risk landscape continues to evolve. While such changes can increase uncertainty and risk exposure, they also present opportunities for innovation and value creation, particularly as advancements in AI and the broader technology landscape require us to anticipate and adapt to new developments.

### Governance and accountability

VEON's Enterprise Risk Management (ERM) framework is aligned with the Committee of Sponsoring Organizations of the Treadway Commission (COSO), *Enterprise Risk Management—Integrating with Strategy and Performance* (2017) (COSO ERM Framework). The COSO criteria guide a structured and consistent approach to identifying, assessing, managing, monitoring, and reporting risks that could impact the achievement of VEON's strategic objectives.

The ERM framework operates consistently across the Group and supports the achievement of our strategic objectives and sustainable growth.

It operates through a clearly defined governance structure aligned with the three lines of defense model, clarifying roles, responsibilities, and accountability for risk ownership, oversight, and assurance.

### First line of defense

Business functions constitute the first line of defense and are responsible and accountable for identifying, assessing, controlling, and mitigating risks on a day-to-day basis. Management at the operating company and functional levels own the risks arising from their activities and implements controls and mitigation actions in line with VEON's approved risk appetite.

### Second line of defense

The second line provides oversight and challenge to support effective risk management and internal controls across the Group. It comprises Group Enterprise Risk Management, Group Internal Control, Group Ethics and Compliance, Group Legal, and other relevant Group functions.

Group ERM oversees risk management activity across operating companies, including quarterly risk reporting, and facilitates deep dives on key risks such as cybersecurity, regulatory, tax, anti-bribery and corruption, anti-money laundering, and international sanctions.

Risk management is embedded in strategy setting and business planning to ensure consistency and completeness in risk identification. Group ERM leads the annual review of the Group risk appetite with the senior management team, secures approval from the Group Chief Executive Officer, and presents the outcome to the Group Audit and Risk Committee (ARC). The approved risk appetite is communicated to operating companies for application in local decision-making and governance processes.

Risk assessment across the Group is supported by local Business Risk Committees (BRCs), through which country leadership teams provide insight into local risk developments. These committees ensure that local risk information is escalated and incorporated into Group-level risk considerations.

### Third line of defense

The third line of defense comprises Group Internal Audit, which provides independent assurance to senior management and the Board on the effectiveness of governance, risk management, and internal controls. Internal Audit conducts financial, IT, strategic, and operational audits in accordance with a risk-based annual plan and performs special or ad hoc reviews as required based on continuous assessment of VEON's risk profile.

Together, these three lines of defense support a consistent and embedded risk culture across the Group.

### Strengthening our risk culture

VEON continues to strengthen its risk culture through consistent communication, clear guidance, and reinforcement of expectations. This includes structured engagement through governance forums such as the VEON ARC and OpCo BRCs, as well as regular risk-focused discussions across VEON HQ and operating companies.

These engagements embed risk-informed decision-making, enhance transparency, and ensure that risk considerations remain integral to both operations and strategy.

### Control framework

As part of our governance framework, VEON maintains a robust internal control environment.

VEON is publicly traded on Nasdaq and registered with the U.S. Securities and Exchange Commission. It complies with the Sarbanes-Oxley Act (SOX). Section 404 of SOX requires management to assess Internal Control over Financial Reporting (ICFR) to confirm both the design and operating effectiveness of controls.

Our internal control system provides reasonable assurance over the reliability of financial reporting and the fair presentation of our consolidated financial statements in accordance with Generally Accepted Accounting Principles (GAAP). The ICFR framework supports this through risk-based scoping, evaluation of control design, testing of operating effectiveness of key controls, and ongoing monitoring at both entity and functional levels.

VEON maintains uniform governance, policy, and control standards across its subsidiaries. ICFR testing results are reported quarterly to BRCs, OpCo Boards, members of the senior management team, and the ARC as part of the Group's assurance framework. For further governance details in 2025, refer to page 105 of this report.

The Disclosure and Review Committee supports the CEO and CFO in ensuring that VEON's public disclosures are accurate, complete, and fairly present the Company's financial condition and results of operations and are issued on a timely basis in compliance with applicable laws, stock exchange rules, and regulatory requirements.

Through oversight of OpCo Boards and BRCs, and with support from the ARC, the Board of Directors maintains independent oversight of the effectiveness of VEON's ERM framework.

# Risk management in operation

Effective risk management is a continuous process comprising the following steps:



### 1. Clarify objectives and identify risks:

VEON's strategy is developed with a clear understanding of inherent business risks. We assess the impact of the broader business context on our risk profile and identify appropriate mitigation approaches.

### 2. Assess and prioritize risks:

Identified risks are assessed based on severity and the potential impact on VEON's strategy and objectives. Assessment takes place across business levels, recognizing that exposure may vary by function and operating company.

### 3. Respond to risks:

Based on severity assessments, management executes appropriate risk responses (take, treat, transfer, or terminate) and implements mitigations in line with the Group's risk appetite.

### 4. Monitor, report, and escalate:

The senior management team reviews significant risks. The most material risks are reported to the Board of Directors and the ARC at least quarterly, supporting timely oversight of mitigation actions.

Risk assessments at the OpCo level are reported to BRCs and Boards at least quarterly. They also monitor risk exposures, review non-compliance matters, and ensure adherence to the VEON Group Authority Matrix (GAM) and Group policies, supporting effective governance and timely follow-up on mitigation actions.

### 5. Assure:

On a quarterly basis, OpCo Chief Executive Officers and Chief Financial Officers provide certifications confirming that significant risks are appropriately identified and managed in line with Group ERM policies and risk appetite.

## Defining our risk appetite

In line with the COSO Framework, VEON defines its risk appetite across four risk categories: Strategic, Operational, Financial, and Compliance.

Risk appetite for each category reflects our strategic objectives and the potential threats to achieving them. The appetite statements are reviewed annually and were approved in 2025 by the senior management team and presented to the ARC. They are embedded across the Group through policies, procedures, and governance processes.

COSO category	Risk appetite statements	Risk mindset to take risks
Strategic	Risks arising from strategic changes in the business environment and from adverse strategic business decisions impacting prospective earnings and capital.	
Operational	Risks arising from inadequate or failed internal processes, people and systems or external events impacting current operational and financial performance and capital.	
Financial	Risks relating to financial loss arising from uncertainties, decisions impacting the financial structure, cash flows and financial instruments of the business, including capital structure, insurance and fiscal structure, which may impair VEON's ability to provide an adequate return.	
Compliance	Risks resulting from non-compliance with applicable local and/or international laws and regulations, internal policies and procedures, ethical behavior and compliance culture, including legal and regulatory risks that could result in criminal liability.	

Levels of risk appetite: **Averse** – No appetite; **Avoiding** – Low appetite; **Neutral** – Moderate appetite; **Seeking** – High appetite.

# Key risks for VEON

The risks presented may not be exhaustive. Additional risks and uncertainties that are unknown or considered immaterial may arise and could have a material adverse effect on the business, operations, financial condition, or performance.

The sequence in which risks and mitigation actions are presented does not imply any order of severity, likelihood, or materiality.

The following section summarizes the principal risks facing VEON and the key mitigation actions in place.

Risk	Examples of how we mitigate	Some examples of 2025 risk developments
<p><b>Market risk</b></p> <p>We are exposed to foreign currency exchange risks, since a significant proportion of our costs, expenditure and liabilities are denominated in U.S. dollars while a proportion of our operating revenue is in a variety of other currencies.</p> <p>The international economic environment, inflationary pressures, geopolitical developments and unexpected global events in the Middle East could cause our business to decline.</p>	<p>Our treasury function has developed risk management policies that establish guidelines for limiting foreign currency exchange rate risk. As part of this strategy, we hold part of our debt in Pakistani rupee, Bangladeshi taka and other local currencies to reduce balance sheet mismatches. We also selectively enter into foreign exchange derivatives if and when possible.</p> <p>We review and analyze operating and capital expenditures (opex and capex) on an ongoing basis to optimize the cost structure while maintaining our commitments towards VEON's employees, government and financial institutions and our critical business partners.</p> <p>Considering the ongoing geopolitical situation in the Middle East, we have implemented measures to support and protect our employees in Dubai during this period of heightened regional instability.</p>	<p>As of December 31, 2025, the largest currency exposure risks for our Group were in relation to the Pakistani rupee, the Bangladeshi taka, the Ukrainian hryvnia, the Kazakhstani tenge and the Uzbekistani som, because the majority of our cash flows from operating activities in Pakistan, Bangladesh, Ukraine, Kazakhstan and Uzbekistan are denominated in these respective local currencies, while a significant portion of our debt, if not incurred in or hedged to the aforementioned currencies, is denominated in U.S. dollars.</p> <p>To counteract the effects of these foreign currency exchange risks, we engage in certain hedging strategies, to the extent possible, within our operating jurisdictions in respect of these local currencies. However, our hedging strategies may prove ineffective if, for example, exchange rates fluctuate in response to legislative or regulatory action by a government with respect to its currency.</p> <p>Our financial performance has been and may continue to be affected by macroeconomic issues more broadly, including risks of inflation, deflation, stagflation, recession, changes in sovereign debt levels and instability of currencies across our key markets and globally. The armed conflict between the United States, Israel and Iran that commenced on February 28, 2026, has further exacerbated political and financial instability in the Middle East. The duration and ultimate scope of this conflict remain highly uncertain. A prolonged or expanding conflict could result in sustained disruptions to regional and global economic conditions, continued volatility in energy markets and further deterioration of commercial and financial activity across the Middle East. In the event that significant losses are sustained by Gulf Cooperation Council (GCC) states, this could have a dramatic adverse effect on global investment flows and economic stability. Our corporate headquarters is located in the United Arab Emirates, which is among the Gulf states that have been directly affected by the conflict. As a result, we face heightened exposure to the risks arising from this regional instability, including potential threats to the safety of our personnel, disruptions to local infrastructure, restrictions on commercial travel to and from the region, and interruptions to our day-to-day HQ operations, including the need to implement remote work arrangements. While the conflict has not, to date, had a material adverse effect on VEON's operations outside of the Gulf region, an escalation or prolonged continuation of hostilities could have spillover effects on the countries in which we operate, including Pakistan, which shares a border with Iran and could be affected by regional destabilization, increased protests and civil unrest, refugee flows, or economic disruption. Additional factors contributing to volatility include trade and tariff uncertainty following U.S. tariff actions in 2025 and 2026, as well as the increasing frequency of extreme weather events and natural disasters impacting infrastructure and global supply chains.</p>

# Key risks for VEON *continued*

## Risk

### Market risk

Investing in frontier markets, where our operations are located, is subject to greater risks than investing in more developed markets, including significant political, legal and economic risks.

## Examples of how we mitigate

We manage a diverse portfolio of frontier market businesses which helps ensure that, in the event of a market underperforming for whatever reason, the impact of such underperformance on the financial and operating performance of the Group as a whole is limited.

## Some examples of 2025 risk developments

Many of the frontier markets in which we operate are susceptible to experiencing significant social unrest or military conflicts. Our ability to provide service in Ukraine following the onset of the war with Russia has been impacted due to power outages and damage to our infrastructure. Similarly, our subsidiary in Pakistan has also been ordered to shut down parts of its mobile network and services from time to time due to the security or political situation in the country.

The economies of frontier markets are also particularly vulnerable to market downturns and economic slowdowns in the global economy, including the introduction or the threat of the introduction of significant tariffs by the United States as experienced in Uzbekistan and Kazakhstan in 2025.

In addition, turnover of political leaders or parties in frontier markets as a result of a scheduled election upon the end of a term of service or in other circumstances may also affect the legal and regulatory regime in those markets to a greater extent than turnover in developed countries and any of these developments could severely limit our access to capital and could materially harm the purchasing power of our customers and, consequently, our business. Such events could also create uncertain regulatory environments, which, in turn, could impact our compliance with license obligations and other regulatory approvals. For example, in Bangladesh the mass protests, civil unrest and riots which resulted in the fall of the government of Prime Minister Sheikh Hasina and the establishment of an interim government in July and August 2024 have resulted in a degree of continued political and economic instability in the country, including sustained high inflation which for the year 2025 (and according to the Central Bank of Bangladesh) peaked at 9.94% in January, after a historic high of 11.66% in 2024. Parliamentary elections, together with a constitutional referendum, were held on February 12, 2026, and resulted in one party securing a comfortable majority, with its leader assuming the premiership and forming a government later that month. While the post-election law and order situation appears to be under control, the prolonged period of civil unrest has eroded public confidence, and ongoing economic pressures continue to contribute to underlying social and political tensions which may in turn contribute to market and economic difficulties.

The banking and other financial systems in our countries of operation also tend to be less developed and less regulated, compared to more mature economies, and laws relating to banks and bank accounts are subject to varying interpretations and inconsistent applications. Uncertain banking laws may also impact on our performance and limit our ability to attract future investment in these countries. For example, in July 2025, the State Bank of Pakistan mandated biometric verification system (BVS) for all over-the-counter (OTC) transactions. The launch was suspended within 18 hours due to system failures at the National Database and Registration Authority (NADRA), resulting in widespread transaction disruptions. After system upgrades, the service was reintroduced on July 21, 2025, but restricted to 48,000 BVS-enabled agents compared to 120,000 previously active agents, which negatively impacted our cash-in volumes for August 2025.

Furthermore, banks (especially those in our operating countries) have limitations on the amounts of loans that they can provide to single borrowers, which could limit the availability of local currency financing and refinancing of existing borrowings in these countries. For example, in Bangladesh we could face difficulty renewing or obtaining new short-term facilities due to, among other factors, efforts by the Central Bank of Bangladesh to streamline the banking industry which may cause local banks to be more conservative in their lending patterns.

# Key risks for VEON *continued*

## Risk

## Examples of how we mitigate

## Some examples of 2025 risk developments

### Market risk

We operate in highly competitive markets across our telecommunications and digital businesses which affect our ability to expand our customer base, retain our existing customers, sustain customer engagement and maintain revenue growth.

Our strategy focuses on increasing customer engagement, trust and lifetime value, in addition to maintaining and growing connectivity relationships. This includes expanding digital services, leveraging data-driven personalization, enhancing customer experience and developing locally relevant digital ecosystems.

Our primary source of revenue comes from prepaid mobile customers, who are not required to enter into long-term fixed contracts, and we cannot be certain that these customers will continue to use our services and at the usage levels we expect. Revenue from postpaid mobile customers represents a small percentage of our total operating revenue and such customers can cancel our postpaid contracts with limited advance notice and without incurring significant penalties. For example, as of December 31, 2025, approximately 97% and 73% of our customers in Pakistan and Ukraine, respectively, were on prepaid plans. Furthermore, as we incur costs based on our expectations of future revenue, the sudden loss of a large number of customers or a failure to accurately predict revenue in a given market could harm our business, financial condition, results of operations, cash flows or prospects.

The markets for telecommunications products and digital services in the markets in which we operate are highly competitive in nature and are becoming increasingly saturated and highly penetrated. Competitive dynamics increasingly extend beyond price and network coverage and are influenced by customer experience, service quality, digital capabilities, trust, data usage and ecosystem offerings. In recent years, such dynamics have evolved rapidly as a result of technological developments, including cloud, AI, fintech and other adjacent digital services, as well as changing customer expectations and consumption behavior. In the telecommunications space, competition further intensifies from time to time due to industry consolidation, strategic alliances, new market entrants, and regulatory liberalization. Our telecommunications businesses face competitors ranging from incumbent telecom operators to digital-native and over-the-top (OTT) providers, some of which benefit from greater scale, alternative cost structures, regulatory advantages, or superior access to capital. Technological developments that lower barriers to entry may further increase competitive pressure.

While expansion into adjacent digital verticals provides growth opportunities, it may also introduce additional competitive and operational complexity, including the need to scale efficiently and compete with specialized or well-capitalized players. Despite diversifying our revenue base, a substantial portion still comes from our telecommunications and infrastructure business, which remains exposed to competitive pressure, technological change, and evolving customer behavior.

Our core growth strategies for expanding our digital offerings and investing in 4G connectivity in our markets may not be successful.

We are focused on growing and nurturing digital businesses within the VEON Group. Our operating companies are executing our "digital operator 1440" model aiming to enrich our connectivity offering with proprietary digital applications and services.

Complementing our DO1440 model is our "asset-light" strategy through which we seek to maximize operational efficiency by disposing of our network infrastructure through sales of our tower assets and other mergers and acquisitions (M&A) activities. However, the implementation of this asset-light strategy is not without risks, including high transaction costs and the inability to recover associated investment costs or realize anticipated synergies, costly and inconvenient delays that have the potential to disrupt our operations or delay the realization of expected business outcomes, regulatory scrutiny and hurdles which may also cause untimely delays and the diversion of management attention from core business operations, and other potential risks. Selling our tower infrastructure and subsequently entering long-term service or lease arrangements for their use may expose us to increased operational and financial risks.

From time to time, we recognize impairment charges in respect of our cash-generating units (CGUs), some of which can be substantial, including the potential impairment charge for our Bangladesh CGU following recent political unrest.

Property and equipment and intangible assets are tested regularly for impairment. The Company assesses, at the end of each reporting period, whether any indicators exist that an asset may be impaired (i.e. assets become idle, damaged or no longer in use). If there are such indicators, the Company estimates the recoverable amount of the assets. Impairment losses of continuing operations are recognized in the income statement in a separate line item.

The Company calculates the fair value less cost of disposal (FVLCD) for CGUs to determine whether an adjustment to the carrying value of the CGU is required. As of December 31, 2025, the Company has recorded USD1,549 million of intangible assets, which includes USD180 million of definite-lived intangible assets with respect to the Company's Bangladesh CGU. The Company's assessment of the FVLCD of its CGUs involves estimation about the future performance of the CGU. In particular, the determination of the FVLCD for Bangladesh was sensitive to the significant assumptions of projected discount rates, EBITDA growth, projected capital expenditures, long-term revenue growth rate, and the related terminal values.

Management performed its annual impairment testing of goodwill as of September 30, 2025 and also tested non-goodwill CGUs for impairment as of the same date. Based on the quantitative and qualitative assessments and valuation analyses performed, no impairment or reversal of impairment was identified for any of our CGUs for the period ended September 30, 2025. However, we cannot rule out the possibility that financial, economic or geopolitical crises may arise in one or more of our operating markets that may require adjustments to the carrying value of the related CGU.

The Bangladesh CGU is a non-goodwill CGU and therefore not subject to mandatory annual impairment testing. However, within this CGU, impairment was previously booked and subsequently reversed. We therefore performed a full valuation exercise for this CGU. Based on the assessment performed, we concluded that no impairment or reversal was identified for any CGU.

# Key risks for VEON *continued*

## Risk

## Examples of how we mitigate

## Some examples of 2025 risk developments

### Market risk

Rapid technological changes, including the adoption of AI and evolving industry standards, could harm our competitive position.

We believe each of our connectivity businesses is well-invested, so our Group's capital expenditure is primarily focused on maintaining current business operations rather than updating assets to grow our business or increase efficiency.

We increasingly use data analytics, automation and AI technologies across our operations and customer-facing services, including network optimization, customer care, marketing, cybersecurity, energy management and operational efficiency. We have also introduced AI1440 strategy, which focuses on embedding AI-powered capabilities across our digital platforms.

The telecommunications industry is characterized by rapidly evolving technology, industry standards and service demands, which may vary by country or geographic region. Accordingly, our ability to compete successfully depends on anticipating and adapting to technological developments, deploying new solutions efficiently and complying with evolving regulatory requirements across multiple jurisdictions. The landscape and markets in which our digital businesses operate are similarly subject to rapid change, including from technology advancement and changes in customer behavior.

Our mobile networks, which use mainly Ericsson, Huawei, ZTE and Nokia equipment, are integrated wireless networks consisting of radio base station equipment, circuit and packet core equipment and digital wireless switches, connected by fixed microwave transmission links, fiber optic cable links, and leased lines. Our infrastructure in Pakistan, Ukraine, Uzbekistan and Kazakhstan includes transport networks that carry voice, data and internet traffic using fiber optics and microwave links. These transport networks are based on our optical cable network, utilizing Dense Wavelength Division Multiplexing (DWDM), Synchronous Digital Hierarchy (SDH) and IP/MPLS equipment, with all DWDM and SDH optical networks being fully ring-protected, except in secondary towns.

We have invested significant resources in the integration of AI capabilities in our operations, including providing specialized training to employees. However, AI-driven solutions present risks such as algorithmic bias, data privacy and security concerns, regulatory uncertainty, and reliance on accurate, high-quality data. AI systems may produce unintended or inaccurate outcomes, which could affect service quality and customer satisfaction, result in reputational harm or legal liability, and pose cybersecurity risks, particularly if models are fine-tuned with internal data.

The ongoing war in Ukraine has had, and may continue to have, a material adverse impact on our business, financial condition, results of operations, cash flows and business prospects.

We closely monitor the developments related to international economic sanctions. This allows us to adapt our services and capital structure promptly and ensure the Group acts in accordance with applicable sanction requirements.

Our business continuity plans are designed to address known contingency scenarios to ensure that we have adequate processes and practices in place to protect the safety of our people and to handle potential impacts on our operations. Our crisis management procedures, business continuity plans, and disaster recovery capabilities may not be effective at preventing or mitigating the effects of prolonged or multiple crises, such as civil unrest, military conflict or a pandemic in a concentrated geographic area.

Uncertainty in U.S. policy toward Ukraine continues to affect the war and Ukraine's economy. Despite the resumption of military aid and intelligence sharing in March 2025 and additional aid packages in September 2025, uncertainty remains over the U.S.'s long-term position towards Ukraine. Beginning in late 2025, U.S.-led peace discussions intensified, with certain proposals reportedly contemplating that Ukraine cede significant territory, limit its future military capabilities, and agree to remain outside NATO. Further, in January 2026, representatives from Russia, Ukraine and the U.S. attended trilateral talks in Abu Dhabi to discuss the terms for the potential for a peace agreement between the nations. As of March 1, 2026, no agreement to end the war has been made and Russian attacks on Ukraine's energy infrastructure continue, which have resulted in sustained blackouts and business disruptions throughout the Ukrainian winter. Growing U.S. pressure to end the conflict may lead to further aid reductions or policy actions weakening Ukraine's negotiating position. Any adverse peace agreement could result in territorial losses, economic instability, and potential seizure of key infrastructure and assets. A potential timeline for a ceasefire and/or terms for potential settlement remains unclear.

Customer demand for our services in Ukraine may increase or decrease depending on the fluctuations in the Ukrainian population as a result of Ukrainians relocating in or out of the country due to the war. For example, as of January 2026, the United Nations High Commissioner for Refugees estimated that approximately 5.9 million refugees from Ukraine have been recorded globally, and the country has sustained significant damage to infrastructure and assets. If the ongoing war persists and Ukrainian refugees choose to relocate permanently outside of Ukraine and switch to local providers, we could lose a significant number of subscribers, which could have a material impact on our customer base, as well as their use and spending on our services. We may also experience fluctuations in the demand for our services if our customers experience difficulties in accessing or using our products and services outside of Ukraine, either as a result of roaming arrangements with our network providers or as a result of switching to a different provider on a temporary or permanent basis. We have experienced a decline in revenue generated from international mobile termination rates (MTRs) charged to Ukrainian customers due to the implemented E.U. policies that regulate roaming charges for Ukrainians.

In addition, our ability to provide services in Ukraine may be impaired if we are unable to maintain key personnel within Ukraine. We have developed and, in some cases, implemented additional contingency plans to relocate work and/or personnel who are integral to the provision of essential communication services to other geographies and add new locations, as appropriate.

# Key risks for VEON *continued*

## Risk

## Examples of how we mitigate

## Some examples of 2025 risk developments

### Liquidity and capital

As a holding company, we rely on the performance of our operating subsidiaries and their ability to pay dividends or make other transfers to VEON Ltd. to maintain our desired liquidity buffer and service Group-level debt and other spending.

The Company monitors its risk to a shortage of funds using a recurring liquidity planning tool. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bonds, bank overdrafts, bank loans and lease contracts. The Company's policy is to create a balanced debt maturity profile.

On March 27, 2025, VEON announced the successful syndication of a 24-month, USD210 million senior unsecured term loan under a new facility agreement from a consortium of international lenders, including Industrial and Commercial Bank of China, Standard Bank and leading GCC banks. The facility will bear interest at the Term Secured Overnight Funding Rate (SOFR) plus 425bps. Following the legal demerger of VEON Holding, VEON Midco has become the substituted borrower. The facility was fully drawn in early April 2025.

On April 9, 2025, VEON Holdings repaid its outstanding 4.00% Senior Notes amounting to USD472 million at their maturity date. Furthermore, on June 18, 2025, VEON Holdings also repaid its outstanding 6.30% (RUB) Senior Notes amounting to RUB7.84 billion (USD100 million) at their maturity date.

On July 2, 2025, VEON announced that it completed the pricing of a private placement of USD200 million of senior unsecured notes due 2029 with institutional investors. The bond proceeds were received on July 15, 2025.

In line with our asset-light strategy, on December 5, 2024, Pakistan Mobile Communication Ltd. (PMCL) signed an amalgamation agreement with Engro Corporation Ltd. (Engro Corp) for the pooling and management of its infrastructure assets. Under the amalgamation agreement, PMCL's tower infrastructure held by Deodar (Private) Ltd. (Deodar), a wholly owned subsidiary of VEON, will vest into Engro Corp via a scheme of arrangement (Scheme). The transaction was completed on June 3, 2025, following receipt of all required regulators and other approvals, and control of Deodar was transferred to Engro Corp. PMCL continues to lease Deodar's extensive infrastructure for the provision of nationwide mobile voice and data services under a long-term partnership agreement.

From time to time, selling certain Group assets fits within the broader Group strategy, which in turn can result in the Group receiving sale proceeds directly. For example, in August 2025 and January 2026, the Group received proceeds from Kyivstar's initial listing and a secondary offering, respectively. However, such transactions may not always be in line with the Group's overall business strategy and thus should not be dependent on liquidity forecasts.

The telecommunications industry is highly capital intensive and requires substantial and ongoing expenditures of capital.

The Company manages its capital structure and adjusts it in light of changes in economic or political conditions as well as in light of changes in the Company profile. VEON has also established a disciplined capital allocation policy designed to balance growth investment with shareholder returns. This policy reflects VEON's strong financial position, confidence in sustained cash generation, and commitment to delivering long-term value to its shareholders while maintaining flexibility to fund strategic growth initiatives.

For the year ended December 31, 2025, the net cash outflow from investing activities from continuing operations was USD791 million compared to USD778 million for the year ended December 31, 2024. This increase of USD13 million was primarily due to higher capital expenditure payments, partially offset by proceeds from the sale of business operations net of the Uklon acquisition.

Our medium-term plan for capital expenditures (excluding licenses and right-of-use assets) is to invest in high-speed data networks to continue to capture mobile data growth, including the continued rollout of 4G/LTE networks in Pakistan, Ukraine and Bangladesh, and upgrade of our 3G networks in Bangladesh. However, the impacts of the war in Ukraine on our results, Group operations, sanctions related to the war and our inability to upstream cash from Ukraine, have led us to reconsider to some degree our capital outlay.

Our existing indebtedness and debt service obligations may negatively impact on our cash flow.

Our policy is to create a balanced debt maturity profile and to use market opportunities to extend the maturity and reduce the cost of our borrowings as they arise.

We may from time to time seek to purchase our outstanding debt through cash purchases and/or exchanges for new debt securities in open market purchases, privately negotiated transactions or otherwise. Consent was achieved on the April 2025, June 2025 and November 2027 notes and VEON Holdings subsequently issued new notes with identical maturities to the April 2025, June 2025 and November 2027 notes (any such new notes, the "New Notes") to the noteholders who participated in the consent process and tendered the original notes (Old Notes) which were exchanged for the New Notes and subsequently (economically) canceled. On November 17, 2025, VEON announced that its Board of Directors authorized the commencement of a new buyback program. This buyback program enables the Company to buy back ADSs and/or outstanding bonds in an amount up to USD100 million. The final allocation between equity and debt securities will be determined by prevailing market conditions.

# Key risks for VEON *continued*

Risk	Examples of how we mitigate	Some examples of 2025 risk developments
<p><b>Liquidity and capital</b></p> <p>Banking and financial counterparty risk arises because the banking systems in many countries in which we operate remain underdeveloped and there are a limited number of creditworthy banks in these countries with which we can conduct business.</p>	<p>The primary objective of our capital management is to ensure that it maintains healthy capital ratios, so as to secure access to debt and capital markets and maximize shareholder value. We manage our capital structure and adjust it in light of changes in economic conditions.</p>	<p>Banking and other financial systems in our countries of operation also tend to be less developed and less regulated, compared to more mature economies, and laws relating to banks and bank accounts are subject to varying interpretations and inconsistent applications. Uncertain banking laws may also impact on our performance and limit our ability to attract future investment in these countries.</p> <p>In April 2025, PMCL signed and utilized PKR5 billion (USD18 million) each from bilateral facilities from Bank Alfalah Ltd. and Habib Bank Ltd., totaling PKR10 billion (USD36 million). Each facility has a maturity of 10 years.</p> <p>In May 2025, PMCL signed and utilized PKR32 billion (USD113 million) from three bilateral facilities from Askari Bank Ltd., Faysal Bank Ltd. and Meezan Bank Ltd. Each facility has a maturity of 10 years.</p> <p>On July 4, 2025, Unitel secured a bilateral credit facility of UZ\$500 million (USD40 million) with a tenor of five years. Unitel utilized UZ\$305 billion (USD25 million) from this facility through drawdowns in July and August 2025.</p> <p>On October 24, 2025 KaR-Tel Ltd. Liability Partnership (KaR-Tel) signed two bilateral credit facility agreements with Bank RBK JSC of KZT40 billion (USD74 million) and KZT11 billion (USD21 million) respectively, with a maturity of five years.</p> <p>On December 30, 2025, Unitel secured a bilateral credit facility of UZ\$360 billion (USD32 million) with a tenor of five years from JSCB "TBC" Bank, which was fully utilized during December 2025.</p>
<p>We are exposed to risks associated with changes in interest rates.</p>	<p>We have adopted a prudent approach to managing our balance sheet leverage, increasing the level of our local currency borrowing and maintaining borrowing headroom in our revolving credit facilities.</p> <p>VEON manages its interest rate risk exposure through a portfolio of fixed and variable rate borrowings.</p>	<p>We have issued bonds and have bank financing at the Group level and at our operating subsidiaries that are based on floating rates, such as SOFR, the Pakistan-based KIBOR, and the Bangladesh average bank deposit rate. Rising interest rates due to governmental monetary policies, domestic and international economic and political conditions and other factors beyond our control may escalate the interest amounts due on this indebtedness and may have a negative impact on our financial conditions and results of operations. Although interest rates have continued to decline in Pakistan in 2025, and have entered into certain hedging arrangements to counteract the effects of escalating floating rate interest-bearing loans, we may nonetheless be impacted by increasing rates in our other operating countries or at the Group level. While we are generally able to rely on cash generation at the local level to service debt obligations at the respective operating subsidiaries, such increases in interest rates can lead to strained liquidity positions at the operating companies and ultimately cash injections from the Group, particularly if such cash positions are combined with difficult operating conditions at the relevant subsidiary.</p>
<p>Our ability to make dividend payments from our Ukrainian operations could continue to be restricted for some time.</p>	<p>Management anticipates that the funds necessary to meet our current and expected capital requirements in the foreseeable future (including with respect to any possible acquisitions) will continue to come from:</p> <ul style="list-style-type: none"> <li>• Cash we currently hold.</li> <li>• Operating cash flows.</li> <li>• Borrowings under syndicated bank financing, including credit lines currently available to us, and private credit financing.</li> <li>• Issuances of debt securities on local and international capital markets.</li> </ul>	<p>Following the onset of the war in Ukraine, capital controls were introduced by the National Bank of Ukraine on February 24, 2022, in connection with the declaration of martial law. These controls prohibit our Ukrainian subsidiaries from making any interest payments to us and severely limit or restrict our ability to direct dividend payments to our non-Ukrainian entities or the transfer of foreign currency to entities outside of Ukraine and are expected to last for the duration of the application of martial law. Currently, it is not possible to predict how long martial law in Ukraine will last. As a result of the above, we do not expect Kyivstar Holdings B.V., the immediate parent company to JSC Kyivstar, to receive interest or meaningful dividend payments in the foreseeable future, which could strain Kyivstar Group Ltd.'s liquidity outlook. As of December 31, 2025, USD458 million (2024: USD437 million) of cash at the level of Ukraine was subject to currency restrictions that limited the ability to upstream the cash or make certain payments outside the country, but these balances are otherwise freely available to the Ukrainian operations.</p>

# Key risks for VEON *continued*

## Risk

### Operational

We have experienced and are continually exposed to cyber attacks and other cybersecurity threats that may lead to compromised or inaccessible telecommunications, digital and financial services, leaks or unauthorized access to confidential information.

## Examples of how we mitigate

We strive to become an information security certified company by reworking all of our cybersecurity standards to provide tactical cybersecurity guidance in accordance with ISO 27001 and certain process handbooks (especially risk management and incident management handbooks) at each of our operating companies.

Each of our operating subsidiaries works in consultation with our Chief Information Officer and Group IT and Cybersecurity team but is responsible for managing its own cybersecurity risks and putting in place all operational preventive, detective and response capabilities. Our operations and business continuity are dependent on how well these subsidiaries collectively protect and maintain our network equipment, IT systems and other assets.

VEON maintains a structured and consistent approach to the evaluation, escalation, and documentation of cybersecurity incidents, designed to ensure timely response, operational resilience, and audit-ready governance across all severity levels. Cybersecurity events are identified through continuous technical monitoring and reports from its operational companies. Each event is formally assessed and labelled either as a false positive or a confirmed incident, with the rationale documented in all cases. This ensures that even immaterial or low-impact events are retained for analysis, quality assurance, and continuous improvement.

## Some examples of 2025 risk developments

In response to the attack, VEON and Kyivstar conducted a thorough investigation, together with outside cybersecurity firms, to determine the full nature, extent and impact of the incident and to implement additional security measures to protect against any recurrence. This included a high-level risk assessment of our IT infrastructure and identified the following risks associated with our operations: compromised user accounts (including due to credential theft and password reuse), unauthorized access to systems and data (through compromised user accounts or vulnerabilities exploitation), data leakage, damage or destruction of systems and/or data (including ransomware attacks on our various servers and files) and malware attacks. All investigations were concluded as of June 30, 2024, and have resulted in an in-depth analysis into details of how the attack was executed and how this can be prevented in the future. Following the attack, Kyivstar initiated remediation and mitigation actions to reduce current risks and establish a robust framework to manage evolving cyber threats, protect business continuity, and maintain customer trust. These efforts included investing in immediate response actions, enhanced security infrastructure, proactive threat management, compliance with cybersecurity regulations and standards, employee awareness, and long-term adaptive measures, culminating in the successful ISO/IEC 27001:2022 recertification in 2025. Further, the Group has executed a Group-wide assessment of cybersecurity maturity in alignment with the U.S. National Institute of Standards and Technology Cybersecurity Framework 2.0 (NIST2). Although we continuously invest in our cybersecurity assurance across technology, design, operations, and governance, we cannot guarantee that these efforts will successfully prevent and protect against future cyber attacks and other cybersecurity threats.

# Key risks for VEON *continued*

## Risk

### Operational

Our network infrastructure, equipment and systems are subject to disruption and failure for various reasons.

## Examples of how we mitigate

Telecommunications service providers require significant amounts of capital to construct and maintain their network infrastructure to keep up with customer expectations. We now have the capacity to launch 4G/LTE services in each of our reportable segments and have acquired new spectrum in several operating companies to boost our network capacity, enhance spectral efficiency and enable the launch of new radio access network technologies. In the foreseeable future, significant investment activity will be required in this regard, including the purchase of equipment and possibly the acquisition of other companies.

Our medium-term plan for capital expenditures (excluding licenses and right-of-use assets) is to invest in high-speed data networks to continue to capture mobile data growth, including the continued rollout of 4G/LTE networks in Pakistan, Ukraine and Bangladesh, and the upgrade of our 3G networks in Bangladesh. However, the impacts of the war in Ukraine on results, Group operations, sanctions in relation to the war and our inability to upstream cash from Ukraine, has led us to reconsider to some degree our capital outlay. As a result, some capital expenditure that are more discretionary in nature have been put on hold. This may lead to marginally increased aggregate capital expenditures in future periods.

## Some examples of 2025 risk developments

Our operations and infrastructure in Pakistan continue to be affected by recurring floods. For instance, an unusually heavy monsoon rainfall between June and September 2025 triggered flash floods and landslides across northern and central regions, damaging local infrastructure, including 285 network sites (all restored as of March 1, 2026). In addition, in 2025, the Mobilink Microfinance Bank Ltd. (MMBL) loan portfolio (excluding gold) was severely impacted by these floods, resulting in an estimated loss of approximately USD23.5 million across affected branches.

While we have managed thus far to repair most of our network assets that incurred damage in Ukrainian territory not under Russian occupation, there can be no assurance that we will be able to continue to do so and that our Ukrainian network will not sustain major damage or that such damage can be repaired in a timely manner as the war continues. In addition, with increased targeting of Ukraine's electrical grid and other energy infrastructure, including throughout the 2025–2026 winter, we have faced challenges ensuring that our network assets have a power source and there can be no assurance that the measures we have taken to manage this risk will be effective to secure sufficient power sources in the future.

# Key risks for VEON *continued*

## Risk

## Examples of how we mitigate

## Some examples of 2025 risk developments

### Operational

The success of our businesses is driven by our ability to implement strategic initiatives and integrate acquired businesses; if they are not successfully implemented, the growth and other benefits we expect to achieve may not be realized.

We are focused on growing and nurturing digital businesses within the VEON Group. Since 2021, our operating companies have been executing our DO1440 model aiming to enrich our connectivity offering with proprietary digital applications and services. With this model, we aspire to grow not only the market share of our telecommunications operators pursuant to our “multiplay” strategy, but also grow the relevance and the wallet share of our businesses by delivering value via mobile entertainment, mobile health, mobile education, mobile financial services, ride-hailing and delivery as well as digital enterprise services, etc.

From time to time, we also acquire, merge with or otherwise make investments in other businesses, including through acquisitions or strategic partnerships. Recently, under the DO1440 strategy, we have focused on expanding our digital portfolio through strategic acquisitions. This includes the purchase of Uklon Group (Uklon), a leading Ukrainian ride-hailing and delivery platform and Tabletki.ua, a digital platform connecting users to medicine and other products available at pharmacies, in March 2025 and February 2026, respectively. Our ability to implement such successful mergers or investments depends upon our ability to identify, evaluate, negotiate the terms of, complete and integrate suitable businesses and to obtain any necessary financing and the prior approval of any relevant regulatory bodies. These efforts could divert the attention of our management and key personnel from our underlying business operations.

Further, the Company deploys an “asset-light” model, under which we retain only the core assets necessary to operate our business. In several markets, we have completed transactions for the sale of tower and other infrastructure assets in favor of long-term lease, right-of-use, and service arrangements. This strategic shift enables our operating companies to allocate more time and resources toward customer-facing and digital initiatives, reinforcing our focus on innovation and growth.

On March 18, 2025, VEON entered into a merger agreement (the “BCA”) with Cohen Circle Acquisition Corp. I (Cohen Circle), a special purpose acquisition company, which concluded with the successful combination of Cohen Circle with Kyivstar Group Ltd. (Kyivstar Group) (the “Business Combination”), and the Kyivstar Group’s listing on the Nasdaq on August 15, 2025 (the “Listing”).

On August 12, 2025 VEON announced that it completed the sale of Sky Mobile LLC, operating under the Beeline brand in Kyrgyzstan, to Open Joint Stock Company “Eldik Bank.” The transaction was completed following receipt of all necessary regulatory approvals.

Our majority-owned subsidiary, Kyivstar Group Ltd., is a public company and its management may need to devote substantial time to operating as a public company, which could have indirect adverse effects on us.

While the war continues in Ukraine, during 2025 considerable developments were made to mitigate the country-specific risks that impact the Company’s operating entities in Ukraine, including Kyivstar Group’s listing on Nasdaq in August 2025, the Cooperation Memorandum with the Ukrainian Government, unfreezing of Kyivstar’s corporate rights in November 2024, and high-level public and private engagements between VEON, Kyivstar and the most senior members of the Ukrainian Government.

We beneficially own approximately 83.6% of the outstanding share capital of Kyivstar Group, which is independently listed on Nasdaq. As a foreign private issuer, Kyivstar Group is subject to the reporting requirements of the Exchange Act, the Sarbanes-Oxley Act, the Dodd-Frank Wall Street Reform and Consumer Protection Act, the JOBS Act as well as rules and regulations adopted, and to be adopted, by the Securities and Exchange Commission (SEC), and Nasdaq. As a result, Kyivstar Group incurs, and expects to continue to incur, significant legal, accounting and other expenses that it did not incur previously. Kyivstar Group’s management expects these rules and regulations to increase its legal and financial compliance costs and lead to a diversion of management’s time and attention from revenue generating activities, and Kyivstar Group’s management and other personnel are required to devote substantial time and attention to these compliance initiatives, and our management and other personnel may also be required to devote significant time and attention to support Kyivstar Group’s compliance initiatives. This risk is further exacerbated by the fact that VEON management is also a member of the Kyivstar Group management team, which may require dedicating time to Kyivstar Group matters, potentially diverting attention from VEON matters. These rules and regulations substantially increase Kyivstar Groups’ legal and financial compliance costs and make some activities more time-consuming and costly, which increases its operating expenses and may adversely affect its operating results and financial condition. Any such impact on Kyivstar Group’s performance or valuation could adversely affect the value of our investment in Kyivstar Group and, in turn, our business, financial condition, results of operations, cash flows or prospects.



# Key risks for VEON *continued*

## Risk

## Examples of how we mitigate

## Some examples of 2025 risk developments

### Operational

We depend on third parties for certain services and equipment, infrastructure and other products important to our business.

The Business Partner Code of Conduct establishes requirements and compliance responsibilities for each of our business partners (including vendors, suppliers, agents, contractors, consultants, intermediaries, resellers, and third-party service providers) with respect to local laws, regulations, rules, policies and procedures.

We conduct third-party due diligence and compliance checks as part of the selection, screening, engagement, retention, and monitoring of all third parties with whom we seek to do business. We also conduct sanctions and restricted party screenings and checks against our "red-flag vendors list" and assign the screened party a risk-based evaluation. We then monitor the relevant business partner throughout the course of the relationship to ensure compliance with applicable laws and our policies.

The majority of our network-related equipment is purchased from a core number of suppliers, such as Ericsson, Qvantel, Huawei, ZTE, and Nokia. The successful build-out and operation of our networks therefore depend heavily on these suppliers. From time to time, we have experienced delays in receiving, installing or servicing such equipment due to factors such as regulatory constraints, customs regulations and governmental investigations or enforcement actions. When this occurs, we may experience temporary service interruptions or service quality problems. As we seek to execute our "asset-light" strategy and dispose of our network infrastructure, we will rely more and more on our network service partners to operate our connectivity businesses, including their ability to adequately maintain the tower infrastructure we have sold to them and provide use of it to us through network service agreements. These outsourcing arrangements limit our ability to control the quality and maintenance of essential infrastructure, which could reduce service reliability and lead to customer churn. Maintenance services, IT infrastructure hosting, digital stacks, data management platforms and other software, among other network capabilities, are also outsourced in certain markets.

The loss of important intellectual property rights, as well as third-party claims alleging that we have infringed on their intellectual property rights, could significantly harm our business.

We rely on trademark and copyright law, trade secret protection, and confidentiality or license agreements with our employees, customers, partners and others to protect our proprietary rights.

Our logos, trade names and other forms of intellectual property (IP), including our rights to certain domain names, are important to our continued success. For example, our widely recognized logos and trade names of our businesses in Ukraine (Kyivstar), Pakistan (Jazz) and Bangladesh (Banglalink) have very strong brand awareness in their respective markets.

In addition, as the number of convergent product offerings, such as JazzCash, Toffee and Tamasha, and as overlapping product functions increase as we execute our "digital assets" and "digital operator" strategies, we need to ensure that such brands and their associated IP are protected through trademark and copyright law in the same way as our legacy brands and products.

Furthermore, with the introduction of new product offerings, including through acquisitions such as Uklon in Ukraine, the possibility of intellectual property infringement claims against us may correspondingly increase. Acquiring companies with existing IP portfolios also introduces risks related to ownership disputes, validity challenges, or infringement claims associated with acquired assets. For example, in the context of mobile entertainment, producers and distributors of content face potential liability for negligence, copyright or trademark infringement and other claims based on the nature and content of materials, including morality laws in Bangladesh and Pakistan. As we expand our digital services, our ability to provide our customers with content depends on obtaining various rights from third parties on terms acceptable to us.

Current and new IP laws may affect our ability to protect our innovations and defend against third-party claims of IP infringement. The costs of compliance with these laws and regulations are high and are likely to increase in the future.

There are risks and uncertainties inherent in our frequency allocations, spectrum capacity and telecommunications licenses.

Our Group Government Relations team actively advocates with telecommunication authorities across our OpCos to secure the necessary frequency allocations. This helps mitigate risks related to limited and expensive spectrum availability, ensuring that we can expand our customer base while maintaining high-quality service.

In some of our markets, if our current licenses and spectrum do not account for 5G technology we may require additional or supplemental licenses and spectrum to implement 5G technology or to upgrade our existing 2G, 3G and 4G/LTE networks to remain competitive, and we may be unable to acquire such licenses and spectrum on reasonable terms, or at all. On March 10, 2026, VEON announced that its subsidiary, Jazz, secured the allocation of 190MHz after a successful mobile spectrum auction held in Pakistan. Payments for the awarded spectrum will be made in Pakistani rupees (PKR) beginning in 2027, allowing time to deploy the required network technology. Jazz will pay the PKR equivalent of approximately USD240 million at the prevailing exchange rate.

# Key risks for VEON *continued*

## Risk

## Examples of how we mitigate

## Some examples of 2025 risk developments

### Operational

The success and profitability of our telecommunications business is dependent on the terms of our interconnection and roaming agreements and our ability to access third-party-owned infrastructure and networks, over which we have no direct control.

We aim to secure the interconnection and roaming agreements on cost-effective terms since it is important to the economic viability of our operations.

Our ability to provide connectivity services to the level that our customers expect depends on our ability to secure and maintain interconnection and roaming agreements with other mobile and fixed-line operators and our ability to access infrastructure networks and connections that are owned or controlled by third parties and governments. Interconnection is required to complete calls that originate on our networks but terminate outside our networks, or vice versa. We do not have direct control over the quality of their networks, and outages, disconnections or other restrictions affecting international connections can have a significant impact on our ability to offer services and data connectivity to our customers.

On February 16, 2025, the International Mobile Termination Rate (IMTR) for international calls was revised for Banglalink. The current maximum and minimum IMTRs are USD0.025 per minute and USD0.005 per minute, respectively. International Gateway (IGW) operators are required to share 22.5% of international call termination revenue with mobile operators based on the IMTR.

If we are unable to hire, retain, and/or motivate our senior managers, Board members, and other key personnel, or instill the VEON corporate culture in new employees, our operations and performance may be affected.

We believe we maintain overall good relations with the employees across all of our operations. For our personnel employed by Group-level entities, we have established a joint works council for VEON Ltd., VEON Holdings B.V., VEON Amsterdam B.V., and VEON Wholesale Services B.V., as the Group was previously headquartered in the Netherlands prior to relocating its headquarters to the Dubai International Financial Centre (DIFC). The joint works council consultation or approval rights in relation to a limited number of decisions affecting our employees working at this location. In addition, our employees in Ukraine are represented by unions or operate collective bargaining arrangements.

The loss of any members of our senior management or Board of Directors or key personnel, combined with an inability to attract, train, retain, and motivate qualified personnel to replace them could have an adverse impact on our ability to compete and to implement our business strategy, which could harm our business, financial condition, results of operations, cash flows or prospects.

As we seek to hire new personnel, we face intense competition for qualified personnel with relevant expertise. There can also be a limited availability of individuals with the requisite knowledge and relevant experience, and, in the case of expatriates, the ability or willingness to accept work assignments in certain jurisdictions where we operate.

Additionally, the Remuneration Committee for VEON, has overall responsibility for approving and evaluating the Board of Directors, HQ executive and HQ employee compensation and benefit/incentive plans, policies and programs and supervising the administration of the VEON Group's equity incentive plans as well as other compensation and benefit/incentive programs; and also advises the Board on the Company's overall culture and values, talent management and succession planning programs, including by periodically assessing the substance and considering overall employee feedback and other measurements of effectiveness. Since we operate under a decentralized model, we have delegated each VEON OpCo considerable authority to operate its business, including employment practices, independently.

# Key risks for VEON *continued*

## Risk

## Examples of how we mitigate

## Some examples of 2025 risk developments

### Legal

The telecommunications industry and the industries of our other businesses are highly regulated. As such, we are subject to an extensive variety of laws and operate in uncertain judicial and regulatory environments, which may result in unanticipated outcomes that could harm our business.

As any business, we navigate the regulatory landscape with assistance from legal advisors and active relationships with regulators.

In some of the markets where we operate, SIM verification and re-verification initiatives have been implemented, which could lead to the loss of some of our customer base in a particular market. In addition to customer losses, such requirements can result in claims from legitimate customers who are incorrectly blocked, fined, or have their licenses suspended, as well as other liabilities arising from the failure to comply with the requirements. More recently, mandated biometric verification requirements for all OTC transactions negatively impacted JazzCash's cash-in volumes in August 2025 due to limitations in the number of BVS-enabled agents. Our ability to compete effectively in existing or new markets could be adversely affected if regulators decide to expand the restrictions and obligations to which we are subject, or extend such restrictions and obligations to new services and markets, or otherwise withdraw or adopt regulations, which may cause delays in implementing our strategies and business plans, create a more challenging operating environment or increase our costs and expenditure of resources.

In addition, regulations may be especially strict in those countries in which we are considered to hold a significant market position (Ukraine and Pakistan) or a dominant market position (Kazakhstan and Uzbekistan), where the applicable rules and regulations are generally subject to different or changing interpretations. In particular, the regulatory and legal outcomes in these markets of operations tend to be less certain and there may be conflicting regulations and abrupt regulatory changes to comply with or a lack of clear criteria. For example, in 2023, the Antimonopoly Authority of Kazakhstan initiated an investigation against mobile network operators, including KaR-Tel, JSC "Kcell," and LLP "Mobile Telecom-Service," based on allegations of anti-competitive conduct related to pricing practices for mobile communication services which is currently being challenged. In 2025, the Antimonopoly Committee of Uzbekistan issued an order initiating an audit of price increases by telecommunications service providers.

Our business activities subject us to sanctions and embargo laws, including export control restrictions.

We closely monitor the developments related to international economic sanctions and export controls to comply with applicable sanctions and export control requirements and restrictions.

The following former and current ultimate beneficial owners of LetterOne, a 45.46% shareholder in VEON, are the target of sanctions in the E.U., U.S. and U.K.: Mikhail Fridman; Petr Aven; Alexey Kuzmichev; and German Khan, (collectively, the "Designated Persons"). Mr. Fridman resigned from VEON's Board of Directors effective February 28, 2022. None of the other Designated Persons were members of the Board of Directors. Based on a letter provided by LetterOne, we understand that Mr. Fridman and Mr. Aven are shareholders in LetterOne (approximately 37.86% and 12.13% share ownership, respectively) and that Mr. Khan and Mr. Kuzmichev are no longer shareholders in LetterOne. In October 2022, Ukraine imposed sanctions for a 10-year period against Mikhail Fridman and Petr Aven, as well as Andriy Kosogov, who is also a shareholder in LetterOne (holding approximately 47.24% of LetterOne's shares based on a LetterOne memorandum dated May 24, 2022, as further updated February 28, 2023, October 1, 2023, April 25, 2024 and October 23, 2025).

We operate a policy of diverse sourcing with respect to equipment suppliers to ensure that we are not overly reliant on any single vendor should a supply disruption arise, including as a consequence of the imposition of sanctions and export control laws.

These sanctions apply exclusively to the sanctioned individuals and do not have a direct impact on VEON as these individuals are not part of the Company's corporate governance mechanisms and are not able to exercise any rights regarding VEON (among other things). VEON has not been named as a target of U.S., E.U. or U.K. sanctions as a consequence of LetterOne being a 45.46% shareholder in VEON (as of December 31, 2025). Likewise, while LetterOne has certain ultimate beneficial owners that are the target of sanctions, LetterOne has not itself been named as a target of sanctions.

Although many business partners and service providers, including financial institutions and firms providing external auditing services, have chosen to re-engage with us in 2025, we may continue to face challenges, and at times delays, in conducting routine business operations with entities subject to the jurisdictions of relevant sanctions regimes, including international financial institutions, international equipment suppliers and other international service providers, which can impact our ability to raise funds from international capital markets, acquire equipment from international suppliers or access assets held abroad.

# Key risks for VEON *continued*

## Risk

## Examples of how we mitigate

## Some examples of 2025 risk developments

### Legal

Various factors may hinder the declaration and payment of dividends.

The Company's dividend policy is set by VEON's Board of Directors, taking into account medium-term investment opportunities and our capital structure. We do not anticipate distributing dividends in the near future. We perceive ourselves as a growth company.

The payment of dividends is subject to the discretion of our Board. For the years ended December 31, 2025, 2024 and 2023, we did not pay dividends. Various factors may cause our Board to determine not to pay dividends or not to increase dividends. Such factors include our financial condition and prospects, our earnings, shareholders' equity and equity free cash flow, the movement of the U.S. dollar against our local currencies, such as the Pakistani rupee and the Ukrainian hryvnia, our leverage, our capital requirements, contractual and currency restrictions in our countries of operation, the economic outlook of markets in which we operate, legal proceedings and other such factors as our Board may consider relevant.

We may not be able to detect or prevent fraud or other misconduct committed by our employees or third parties.

VEON has a Group-wide Code of Conduct (the "Code") which applies to all VEON employees, officers and directors, including its principal executive officer, principal financial officer, and principal accounting officer or controller, at both the HQ level and in our OpCos. The Code aims to deter wrongdoing and promote honest and ethical conduct in compliance with applicable laws and regulations and sets forth the framework and principles in key areas, including our zero tolerance for bribery, designed to ensure we adhere to the highest standards of ethical conduct. The Code is endorsed by the Board of Directors and senior management team, who are responsible for setting the tone from the top and promoting ethical conduct across the VEON Group.

On the acquisition of Uklon, certain subsidiaries historically associated with Uklon were carved out such that they are not part of the Group (the "Carved Out Entities"). In November 2025 the Group became aware that Ukrainian law enforcement authorities have initiated a criminal investigation relating to the accuracy of historical tax and financial reporting of the Carved Out Entities and that the Chief Executive Officer of Uklon has been named in the investigation in his capacity as former chief executive officer of the Carved Out Entities. The Group and the Chief Executive Officer of Uklon are cooperating with the investigation by providing the requested documentation and participating in the investigative procedures. As of the date of this report, the Group has not been named in this investigation and Uklon is not the subject of the Ukrainian judicial authorities' investigation. This investigation is at a preliminary stage and therefore, it is not possible at this time to predict the scope or duration of such investigation or any related proceeding which may result from such investigation, if any, or its or their possible outcomes or implications for the Group, including any impact on the Group's operations or harm to the Group's reputation caused thereby.

The VEON Group also has dedicated compliance professionals throughout our HQ and operating companies who manage and enforce our VEON Group policies. Violations of the Code or related VEON Group policies may result in disciplinary action, up to and including termination of employment or business relationships, as indicated in the relevant policy and permitted by applicable law. We also have a "SpeakUp" mechanism which provides an avenue for good-faith reporting of potential violation of Group policy or applicable law to senior management. VEON strictly prohibits retaliation against any individual who reports concerns in good faith.

# Key risks for VEON *continued*

## Risk

## Examples of how we mitigate

## Some examples of 2025 risk developments

### Legal

We collect and process sensitive personal data and are subject to an increasing number of data privacy laws and regulations.

We are subject to various data privacy laws and regulations that apply to the collection, use, storage, disclosure and security of personal data. Many countries have additional laws that regulate the processing, retention and use of communications data (including both content and metadata). These laws and regulations are being introduced in jurisdictions across the world, including those in which we operate, and are subject to frequent revisions and differing interpretations once instituted, often making them more stringent over time.

Cybersecurity and compliance with data protection regulations remain key priorities. We employ a decentralized cybersecurity governance framework with full-time cybersecurity personnel with relevant cybersecurity expertise at the HQ level as well as at the OpCo level.

Since relocating our HQ from Amsterdam to the DIFC, we are required to comply with the DIFC Data Protection Law (DPL). Under the DPL, personal data may only be transferred outside the DIFC to jurisdictions that the DIFC authority has determined provide an adequate level of protection. Currently, none of our operating countries meet this adequacy standard. As a result, any transfer of personal data to these jurisdictions (or to any other jurisdiction not deemed adequate) must be accompanied by appropriate safeguards as prescribed by the DPL, the implementation of which requires additional time, effort, and resources.

Although we have moved our headquarters to the DIFC and delisted from Euronext Amsterdam, the EU's data protection regime still applies to us to some extent. The processing of personal data by a certain number of our Dutch entities, are subject to the E.U. General Data Protection Regulations (GDPR) directly. In addition, our operations in other markets, such as Ukraine, may also become subject to GDPR considering the extraterritorial effect of the legislation (for example, GDPR applies if such operations involve the offering of goods or services to, or monitoring the behavior of, individuals in the European Union).

Our digital financial service (DFS) offerings may present increased exposure to fraud, money laundering and reputational and regulatory risks.

VEON's Code of Ethics is supported with a portfolio of Group policies, including the anti-money laundering and counter-terrorist financing policy (AML/CTF policy) which sets out minimum standards and requirements for all VEON Group companies and personnel.

As we expand our digital offerings, we subject ourselves to new regulatory regimes outside of those relevant to our telecommunications businesses. Our DFS offerings, such as MMBL and JazzCash in Pakistan, need to comply with certain local banking regulations. Such regulations and banking laws include capitalization requirements, resulting in our need to inject funds to cover any losses that the bank suffers.

We are also required to maintain availability of our payment and financial systems and platforms. Failure to maintain adequate levels of service availability or to reliably process customer transactions could result in a loss of revenue, violation of certain local banking regulations, payment of contractual or consequential damage, reputational harm, additional operating expenses to remediate any failures and exposure to other losses and liabilities.

# Key risks for VEON *continued*

## Risk

## Examples of how we mitigate

## Some examples of 2025 risk developments

### Legal

Unpredictable tax claims, decisions, audits and systems, as well as changes in applicable tax treaties, laws, rules or interpretations give rise to significant uncertainties and risks that could complicate our tax planning and business decisions.

Developments in tax legislation and requirements as well as tax claims and decisions are monitored by local tax teams with oversight from HQ to ensure compliance with tax reporting and timely mitigation of possible tax disputes and audits.

The Group's policy is to comply with the applicable tax regulations in the jurisdictions in which its operations are subject to income taxes. Uncertain tax positions are generally assessed individually, using the most likely outcome method. The Company and the relevant tax authorities may have different interpretations of how regulations should be applied to actual transactions (refer below for details regarding risks and uncertainties).

From time to time, new legislation is enacted that changes our tax position and our corporate HQ location in the United Arab Emirates (U.A.E.) further subjects us to evolving tax, regulatory and compliance frameworks that may change with limited notice. These frameworks include corporate tax regimes (including minimum tax aligned with Organization for Economic Co-operation and Development's (OECD), transfer pricing, value-added tax (VAT), AML/CTF compliance Ultimate Beneficial Owner reporting and other federal and emirate-specific obligations. Changes to, or new interpretations of, these requirements, or failures to maintain compliance, could result in increased administrative costs, penalties, audits or reputational impacts, any of which could materially affect our financial results or operations. For example, the OECD initiative aimed at avoiding base erosion and profit shifting has resulted in changes to tax regimes in certain countries in which we operate. The OECD's Pillar Two (Pillar Two) legislation has also been substantively enacted in certain jurisdictions where the Group operates. While the Pillar Two effective tax rates in most of the jurisdictions in which the Group operates are above 15%, there are a limited number of jurisdictions where the transitional safe harbor relief does not apply, and the Pillar Two effective tax rate is close to 15%. The Group does not expect a material exposure to Pillar Two income taxes in those jurisdictions.

Regulators may also audit us to assess our compliance in previous years. For example, Banglalink, alongside many of its competitors, has been subject to an extensive audit conducted by the Bangladesh Telecommunication Regulatory Commission (BTRC) concerning past compliance with license terms, laws and regulations for the period covering 1996 (the inception of our operating company in Bangladesh) to December 2019. In 2023, the BTRC released its findings and issued a claim of BDT8,231 million (approximately USD76 million), which included BDT4,307 million (approximately USD39 million) for interest. We have paid the principal amounts previously outstanding and continue to engage in discussions with BTRC regarding a waiver of the BDT4,307 million (approximately USD39 million) interest portion and have separately accrued amounts in relation to claims for which we consider payments to be probable.

During the quarter ended June 30, 2025, significant changes occurred in the tax environment relevant to the Deodar tax case. In May 2025, a new Tax Laws Amendment Ordinance was enacted, granting the Federal Board of Revenue (FBR) broad enforcement powers. In April 2025, an adverse decision concerning another major operator in the telecommunications industry introduced new interpretations regarding the applicability of Section 97, conditions which did not exist as of March 31, 2025. Additionally, an adverse Islamabad High Court ruling related to PMCL Deodar was issued on June 11, 2025. Following these developments, the Company, in line with its policy under IFRIC 23 Uncertainty over Income Tax Treatments, initiated a reassessment of its uncertain tax positions. The Company engaged external tax advisors to evaluate the impact of these new facts and circumstances. As a result, management updated its judgment regarding the Deodar tax case, reclassifying the risk from remote to probable, and recognized the related tax exposure as a provision. This reassessment constituted a change in estimate, which has been applied prospectively as required by IAS 8 and IFRIC 23. Subsequently, the Company proactively engaged with the tax authorities, seeking resolution via a composite settlement framework totaling USD158 million.

We are subject to anti-corruption laws and operate in countries with elevated risks of corruption.

We regularly review and update our policies and procedures and internal controls to provide reasonable assurance that we and our personnel comply with the applicable anti-corruption laws, although we cannot guarantee that these efforts will be successful.

We attempt to obtain assurances from distributors and other intermediaries, through contractual and other legal obligations, that they also will comply with anti-corruption laws applicable to them and to us.

The countries we operate in tend to experience higher levels of corruption and as a U.S.-listed public company with global operations we are subject to a range of anti-corruption laws around the world, including the Foreign Corrupt Practices Act (FCPA) and local laws in the jurisdictions in which we operate. Anti-corruption laws generally prohibit companies and their intermediaries from promising, offering or giving a financial benefit or other things of value or advantage to someone for the purpose of improperly influencing a matter or obtaining or retaining business or rewarding improper conduct. The FCPA further requires issuers, including foreign issuers with securities registered on a U.S. stock exchange, to maintain accurate books and records and a system of sufficient internal controls. An investigation into allegations of non-compliance or a finding of non-compliance with anti-corruption laws or other laws governing the conduct of business may subject us to administrative and other financial costs, reputational damage, criminal or civil penalties or other remedial measures.

# Key risks for VEON *continued*

## Risk

## Examples of how we mitigate

## Some examples of 2025 risk developments

### Legal

As a global connectivity and digital business, we have disputes and litigation with regulators, competitors, customers and other third parties.

Management evaluates, among other factors, the degree of probability of an unfavorable outcome and the ability to make a reasonable estimate of the amount of loss. Unanticipated events or changes in these factors may require the Group to increase or decrease the amount recorded for a matter that has not been previously recorded because it was not considered probable and /or the impact could not be estimated (no reasonable estimate could be made).

On November 4, 2015, a class action lawsuit was filed in the United States against VEON and certain of its then current and former officers by Charles Kux-Kardos, on behalf of himself and other investors in the Company alleging certain violations of the U.S. federal securities laws in connection with the Company's public disclosures relating to its operations in Uzbekistan. On September 25, 2025, the parties signed a memorandum of understanding to settle the proceedings for payment by VEON of USD20. On December 23, 2025, the parties entered into a stipulation of settlement, which was filed with the court along with related documents as part of a motion seeking preliminary approval of the settlement. Preliminary approval of the settlement was granted by the court on January 22, 2026, and payment of USD20 million into escrow (was made on February 12, 2026). The final approval hearing for the settlement has been scheduled for May 19, 2026.

Subject to a prior Shareholders Agreement, from 2016 to 2021, PMCL was jointly owned by the VEON Group (through International Wireless Communications Pakistan Ltd. (IWCPCL) and Warid Telecom Pakistan LLC and Bank Alfalah Ltd. (the "Claimants"), who in September 2020 exercised a put option requiring VEON to purchase their 15% stake of PMCL, a transaction completed in early 2021. In June 2022, the Claimants commenced LCIA arbitration (Case No. 225545) alleging that IWCPCL and PMCL had not accurately portrayed PMCL's financial performance and outlook in connection with the valuation of their shares and sought damages. In March 2026, the parties entered into an agreement whereby the Claimants will fully withdraw all their claims and VEON has agreed to pay the Claimants USD120 million in cash plus USD30 million equivalent in ADS (ADS Payment). Additionally, 24 months after the date of agreement, VEON will make a further cash payment (if any) equal to the difference USD60 million and the market value of the ADS Payment at a future date.

On March 13, 2026, VEON announced that it had entered into an agreement with the Dhabi Group regarding historical claims under a Shareholders Agreement. As part of this agreement, VEON will welcome the Dhabi Group, whose principal is His Highness Sheikh Nahyan bin Mubarak Al Nahyan, as a shareholder in the Company. Under the terms of the agreement, Dhabi Group will fully withdraw all its claims and VEON has agreed to pay the Dhabi Group USD120 in cash plus USD30 equivalent in an ADS Payment. Additionally, 24 months after the date of agreement, VEON will make further cash payment (if any) equal to the difference of USD60 and the market value of the ADS Payment at future date.

VEON Ltd. is a Bermuda incorporated exempt company that, while currently headquartered in the United Arab Emirates with its principal place of business in Dubai, is governed by Bermuda law, which may affect your rights as a shareholder or holder of ADS, including your ability to enforce civil liabilities under U.S. securities laws. As a foreign private issuer within the meaning of the rules of Nasdaq, we are subject to different Nasdaq governance standards than U.S. domestic issuers, which may afford less protection to holders of our ADS.

VEON appreciates the importance of good corporate governance in supporting the delivery of our strategy. We also recognize our duties to comply with the requirements of our ultimate parent entity, an exempted Bermuda company, limited by shares, with ADS listed on Nasdaq. We aspire to implement best practice in corporate governance as appropriate to our company structure and operating model.

VEON Ltd. is a Bermuda-incorporated exempted company, currently headquartered in the United Arab Emirates with its principal place of business in Dubai. As a result, the rights of VEON Ltd.'s shareholders are governed by Bermuda law and by its bye-laws. The rights of shareholders under Bermuda law may differ from the rights of shareholders of companies incorporated in other jurisdictions. As substantially all of our assets are located outside the United States, it may be difficult for investors to enforce in the United States judgments obtained in U.S. courts against VEON Ltd. or its directors and executive officers based on civil liability provisions of the U.S. securities laws. Uncertainty exists as to whether courts in Bermuda will enforce judgments obtained in other jurisdictions, such as the United States and the United Arab Emirates, under the securities laws of those jurisdictions, or entertain actions in Bermuda under the securities laws of other jurisdictions.

As a Bermuda incorporated exempt company with ADS listed on the Nasdaq Global Select Market, we are permitted to follow "home country practice" in lieu of certain corporate governance provisions under the Nasdaq listing rules that are applicable to U.S. companies. Accordingly, VEON's shareholders do not have the same protections as are afforded to shareholders of companies that are subject to all of Nasdaq's corporate governance requirements. Certain corporate governance practices in Bermuda may differ significantly from the Nasdaq corporate governance listing standards.

Laws restricting foreign investment could materially harm our business.

Our Corporate Affairs teams engage with key industry stakeholders and peers to continue advocacy efforts to allow VEON to continue serving its customers.

Our business has been affected by existing foreign investment regimes and could be materially harmed by new laws or interpretations. The existence of such laws could hinder potential business combinations or other M&A activity and our ability to obtain financing from foreign investors if regulatory approvals are refused or delayed, or are subjected to a requirement that the foreign investors comply with burdensome conditions. For example, the Kazakhstan law prohibits a foreign company or individual from owning directly or indirectly a stake greater than 49% in an entity that carries out long-distance or international telecommunications or owns fixed communication lines, without the consent of the Kazakhstan authorities. Further, in September 2025, the BTRC, under the Post and Telecommunications Division, released the draft Telecommunications Network and Licensing Policy in 2025. This policy proposes a foreign ownership cap for mobile network operators, limiting foreign shareholding to a maximum of 85%, with at least 15% held by a local owner(s). If implemented in its current form, this policy could require us to divest a significant portion of our 100% stake in Banglalink under potentially unfavorable conditions.