dstelecom

ESG Report

people are our greatest and most important asset

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CEO message

Dear stakeholders and friends,

At dstelecom, we continue to tread a firm and determined path towards sustainability. In 2024, we reinforced our commitment to environmental, social and governance (ESG) practices, raising our performance and expanding the positive impact of our actions.

The year was marked by significant achievements: we published our first **Sustainability Repor**t, a structuring step in our ESG journey, and since then we have continued to evolve with consistency and ambition.

We improved our **GRESB** rating, we were recognised as one of the best places to work by Great Place to Work and we strengthened our environmental performance by taking part in reforestation initiatives.

Sustainability has become even more ingrained in our culture and operations: we created the **Energy Management Committee** for more strategic governance of our energy resources and obtained **ISO 20400 certification**, which validates our commitment to sustainable purchasing practices.
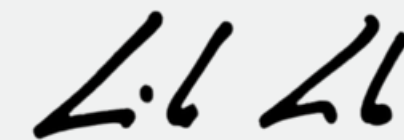
We believe that the digital highways we build and operate play a transformative role in society. Through our open access multi-operator network, we promote fairer, more inclusive and accessible connectivity, particularly in low-density territories, contributing to territorial cohesion and equal opportunities.

We are convinced that innovation, sustainability and social responsibility go hand in hand in building a more resilient future. That's why we continue to align our strategies with the **Sustainable Development Goals** (SDGs), guided by our ethical and humanist values. The validation of our emission reduction targets by the **Science Based Targets Initiative** confirms that we are on track to achieve carbon neutrality by 2030.

Our purpose remains unwavering: to connect people to a more innovative, inclusive and sustainable world. This mission inspires us to do more and better - with ambition, responsibility and a sense of urgency.

With determination and confidence, we remain committed to creating lasting value for all those who cross our path on this journey.

Best regards,

CEO | Ricardo Salgado

mission

Freeing people from geographical barriers, building a digital world.

Imagine a country where physical borders dissolve and distance is no longer an obstacle. Our mission is to connect every corner of the country, transcending all geographical barriers. We believe that communication and access to information should be free and unlimited for everyone. To this end, we are committed to building and operating an inclusive and neutral telecommunications network, accessible to all retail operators. This model offers end customers the chance to enjoy high quality telecoms services, with the freedom to choose from a wide range, at competitive prices, wherever they live or decide to live. We are dedicated to freeing people from geographical barriers, creating a digital world that brings everyone closer together and empowers them.

vision

Developing open communications networks in a sustainable way, especially in low population density areas.

We dream of a future where everyone, regardless of where they live, can enjoy the benefits of high-quality digital communications networks. With a firm focus on sustainability and inclusion, we are dedicated to building and expanding open communications networks, especially in sparsely populated regions. We believe that connectivity is a fundamental right that should be available to everyone. Our commitment is to turn this vision into reality, in a sustainable and equitable way. We want to develop open communications networks that not only connect, but also empower communities, bringing opportunities and progress to every corner of the country.

purpose

Improving people's quality of life, guaranteeing connectivity and therefore contributing to a better society.

Our purpose goes beyond being a simple provider of telecoms services: we want to be an agent of transformation that raises people's quality of life and strengthens society. We believe that connectivity is a key factor in human and social progress. By providing universal access to reliable, high-quality communications networks, we open doors to educational, economic and social opportunities that build a more inclusive and prosperous society. We are committed to ensuring that every person has the tools they need to reach their full potential, contributing to a better, more connected society.

our history

dstelecom, founded in 2008 as part of the dstgroup, initially aimed to build a fiber-optic network to connect 11 municipalities in northern Portugal. In 2010, the company won an international public tender from the Portuguese government to establish, manage, operate and maintain Next Generation Networks in 44 municipalities in the north and 35 in the Alentejo and Algarve, covering around 250,000 homes with an Open Access Fibre Optic Network.

In March 2018, Cube Infrastructure Managers became a shareholder in dstelecom, bringing not only investment capacity, but also experience and expertise in the infrastructure area.

By 2021, dstelecom's coverage had reached more than 600,000 homes in 110 municipalities. Today, after 16 years of growth and development, the company's network covers more than 900,000 homes in areas with the greatest digital deprivation, covering 149 municipalities in mainland Portugal.

From the outset, dstelecom stuck to its wholesale-only business model, avoiding competing directly with its customers. This approach has earned it the trust of operators and the respect of the market. The greatest distinction for dstelecom is the trust of the market, especially the telecoms operators in Portugal who use its network to provide their services, demonstrating the neutrality of the business model adopted.

dstelecom is committed to providing a world-class connectivity experience to the communities covered by the project, promoting the country's economic and social development and contributing significantly to the digital inclusion, competitiveness and well-being of the citizens benefiting from it.
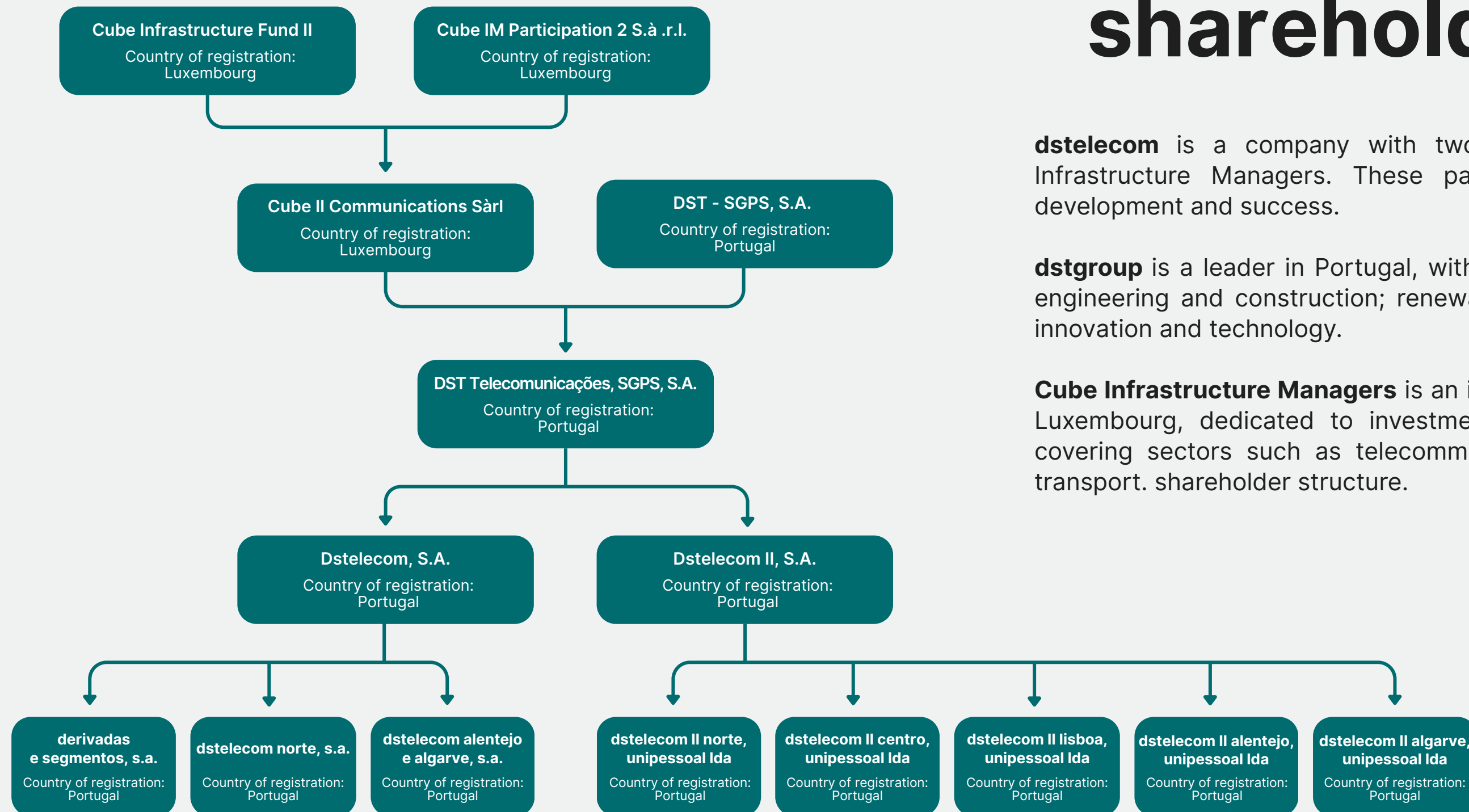
2008
- Creation of dstelecom
- Creation of the companies Minhocom and Valicom (partnership with CIM's of Minho and Vale do Lima)

2009
- Public tender for Rural NGNs

2010
- Award of the NGNs to dstelecom

2011
- Innovation with Nexgen cable and OTDR with metric capillarity

2013
- Conclusion of the construction of the New Generation Networks (NGN)

2014
- Entry of BLU, NOS, ONI and Vodafone
- Recognised as a Best Practice by the European Commission
- Creation of the Network Operational Center (NOC)

2015
- EDP distribution entry
- FTTH Council Europe Award

2022
- 668,000 homes covered
- 235,000 connected families
- Higher Technical Course in Telecommunications
- Healthy Workplaces Award

2021
- 550,000 homes covered
- 200,000 connected families
- ISO 45001:2015 certification

2020
- 500,000 homes covered
- 150,000 connected families

2019
- 400,000 homes covered
- 120,000 connected families

2018
- 75,000 families connected
- Extension of the network to Caminha
- ArTelecom's entry
- Entry of Cube Infrastructure Partners
- ISO 14001:2015 certification

2017
- Extension of the network to Ponte de Lima and Valença
- ISO 9001:2015 certification
- Minhocom + Valicom merger
- Infrastructure for 40 business parks
- MEO's entry
- +60,000 families connected

2016
- Fast Mover Award (IT exam)
- Start of 'Smart Cities' services

2023
- 800,000 homes covered
- 250,000 connected families
- Great Place to Work Award
- BCSD Portugal Charter of Principles
- Science Based Target Iniciative
- Top 5 GRESB

2024
- 900,000 homes covered
- 300,000 connected families
- Implementation 4457:2021
- Launch of the AEROS satellite (own technology)
- ISO 20400:2017 certification
- Great Place to Work Award
- Healthy Workplaces Award
- Top 4 GRESB

stakeholders

The ultimate purpose of an organisation is to generate value for its stakeholders.

Careful management of relations with all stakeholders is essential to guarantee the sustainability and resilience of our company. By creating shared value and responding effectively to social, economic and environmental expectations, we contribute to a positive legacy that will last for generations to come.

employees   clients   local communities   local authorities

shareholders   dstelecom   scientific community

suppliers   financial sector   regulator   media

shareholder structure

dstelecom is a company with two main shareholders: dstgroup and Cube Infrastructure Managers. These partners play key roles in the company's development and success.

dstgroup is a leader in Portugal, with vast experience in various areas, including engineering and construction; renewable energies; the environment; real estate; innovation and technology.

Cube Infrastructure Managers is an independent management company based in Luxembourg, dedicated to investments in the European infrastructure sector, covering sectors such as telecommunications, energy, smart cities and public transport. shareholder structure.
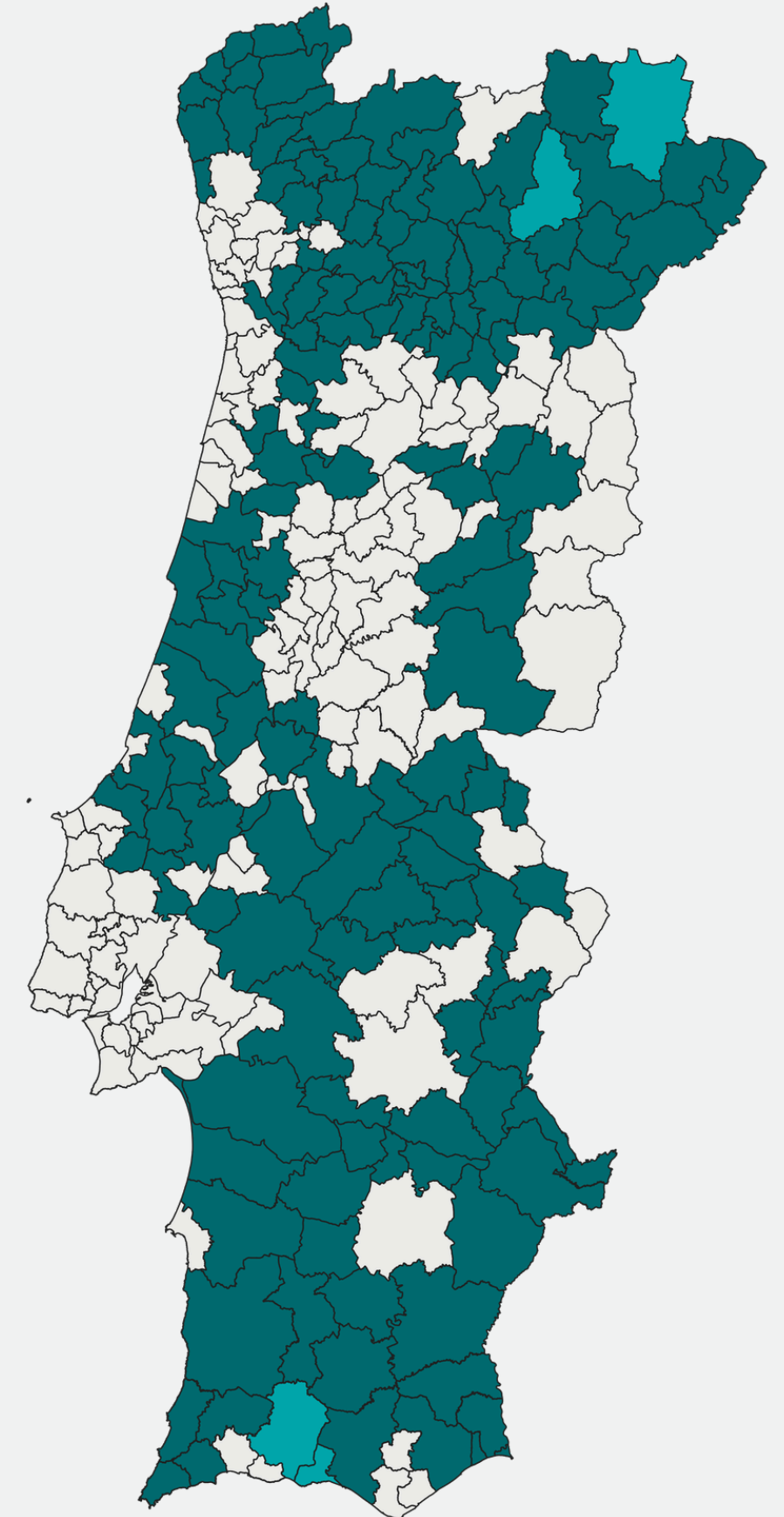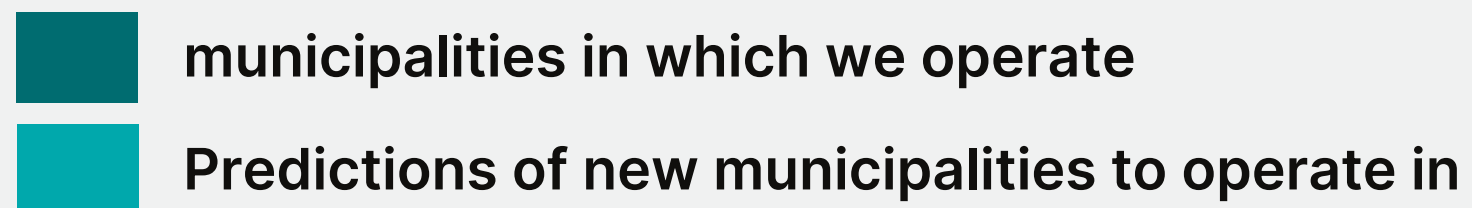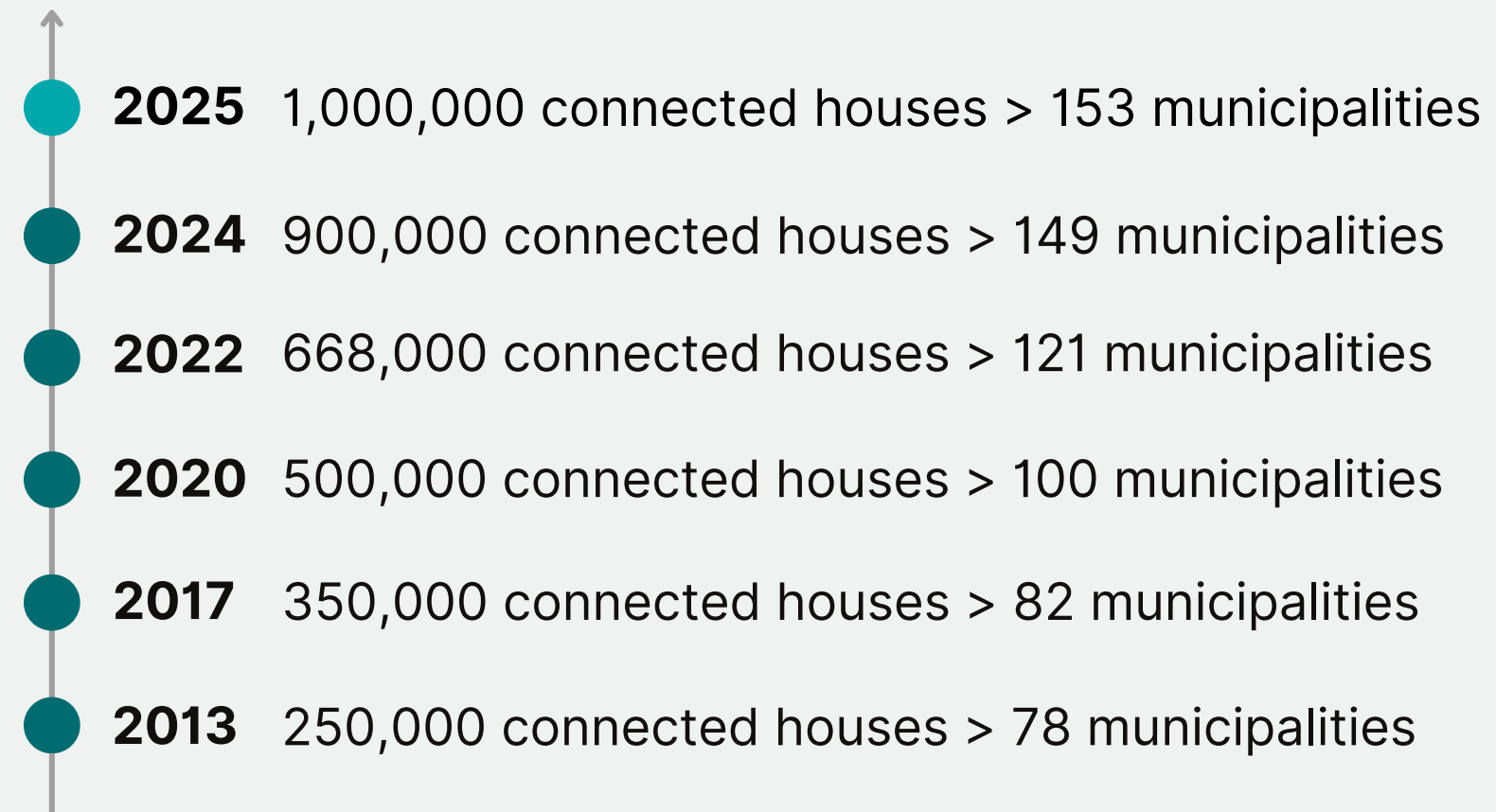
Cube Infrastructure Fund II
Country of registration: Luxembourg

Cube IM Participation 2 S.à .r.l.
Country of registration: Luxembourg

Cube II Communications Sàrl
Country of registration: Luxembourg

DST - SGPS, S.A.
Country of registration: Portugal

DST Telecomunicações, SGPS, S.A.
Country of registration: Portugal

Dstelecom, S.A.
Country of registration: Portugal

Dstelecom II, S.A.
Country of registration: Portugal

derivadas e segmentos, s.a.
Country of registration: Portugal

dstelecom norte, s.a.
Country of registration: Portugal

dstelecom alentejo e algarve, s.a.
Country of registration: Portugal

dstelecom II norte, unipessoal lda
Country of registration: Portugal

dstelecom II centro, unipessoal lda
Country of registration: Portugal

dstelecom II lisboa, unipessoal lda
Country of registration: Portugal

dstelecom II alentejo, unipessoal lda
Country of registration: Portugal

dstelecom II algarve, unipessoal lda
Country of registration: Portugal

2024 in numbers

50M
turnover

247
employees

>7,500h
training our employees

network coverage - 2024

2025 1,000,000 connected houses > 153 municipalities

2024 900,000 connected houses > 149 municipalities

2022 668,000 connected houses > 121 municipalities

2020 500,000 connected houses > 100 municipalities

2017 350,000 connected houses > 82 municipalities

2013 250,000 connected houses > 78 municipalities

municipalities in which we operate

Predictions of new municipalities to operate in

sustainability governance

Executive Committee

Ricardo Salgado, CEO

Francisco Marinho, CFO

Sérgio Fernandes, CTO

At dstelecom, sustainability is a strategic pillar, reflected in our robust and multidisciplinary governance structure.
In addition to the Executive Committee, we have three specialised committees dedicated to critical issues.

- **Sustainability Committee:** has the mission of consolidating an internal culture of efficiency in the use of resources, promoting synergies between departments, fostering sustainable behaviour and strengthening economic and social cohesion in the communities where we operate.
- **Diversity, Equity and Inclusion Committee (DEI)**: works to create an inclusive environment, valuing diversity as a driver of innovation and equity.
- **Energy Management Committee**: focuses on optimising energy consumption, promoting practices that reduce environmental impact and ensuring
- operational efficiency.

sustainability committee

The Sustainability Committee plays a key role in integrating ESG practices into all areas of dstelecom.

This strategic body ensures that these practices are transversal to operations, promoting a balance between economic growth, environmental responsibility and positive social impact.

Main objectives:

- Implement an organisational culture focused on the efficient use of resources and reducing environmental impact;
- Develop and monitor strategies that align business objectives with global sustainability goals;
- Foster partnerships and initiatives that contribute to the sustainable development of the communities where dstelecom operates;
- Ensure transparency and effective communication of sustainability performance.

Beatriz Santos

Bruna Sampaio

Bruno Correia

Paula Cardoso

Paula Matos

Pedro Neves

Ricardo Henriques

Vasco Barreiros
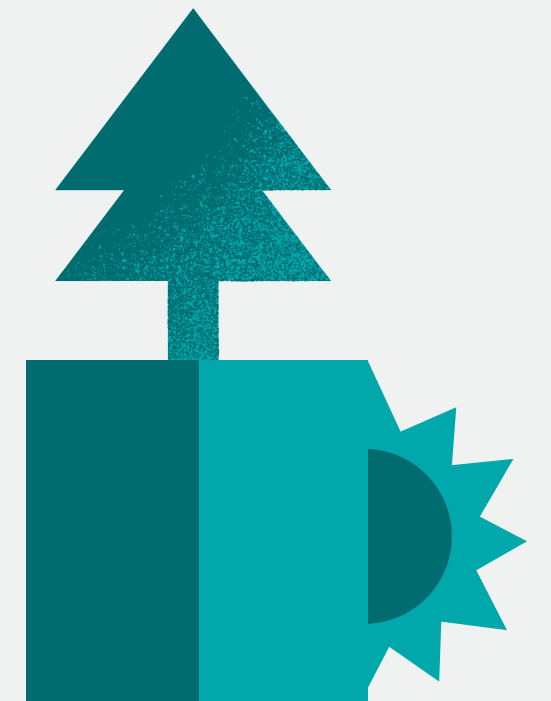
energy management committee

Specialising in energy efficiency and the transition to renewable sources, this committee's mission is to reduce the environmental footprint of operations while optimising energy costs.

Its work is essential to comply with the organisation's environmental and regulatory commitments.

Main objectives:
- Identify and implement solutions to reduce energy consumption;
- Promote the adoption of clean technologies and renewable energies;
- Develop monitoring systems to assess energy performance;
- Ensure compliance with applicable environmental standards and regulations.

Carlos Caldas

Jorge Cunha

Paula Matos

Pedro Neves

Vitor Coutinho

DEI committee

This committee is dedicated to creating an equitable and inclusive working environment, recognising diversity as a driver of innovation and competitive advantage.

Its action is essential to building an organisational culture that values differences and promotes equal opportunities.

Main objectives:
- Develop policies and practices that guarantee fairness at all hierarchical levels;
- Promote awareness-raising and ongoing training on diversity and inclusion issues;
- Create mechanisms that ensure representativeness and respect for all dimensions of diversity;
- Establish metrics to monitor the progress and impact of DEI initiatives.

Carlos Caldas

Bruna Sampaio

Diogo Petry

João Paulo Ribeiro

Márcia Sousa

Marivânia Duarte

Pedro Neves

Renato Oliveira
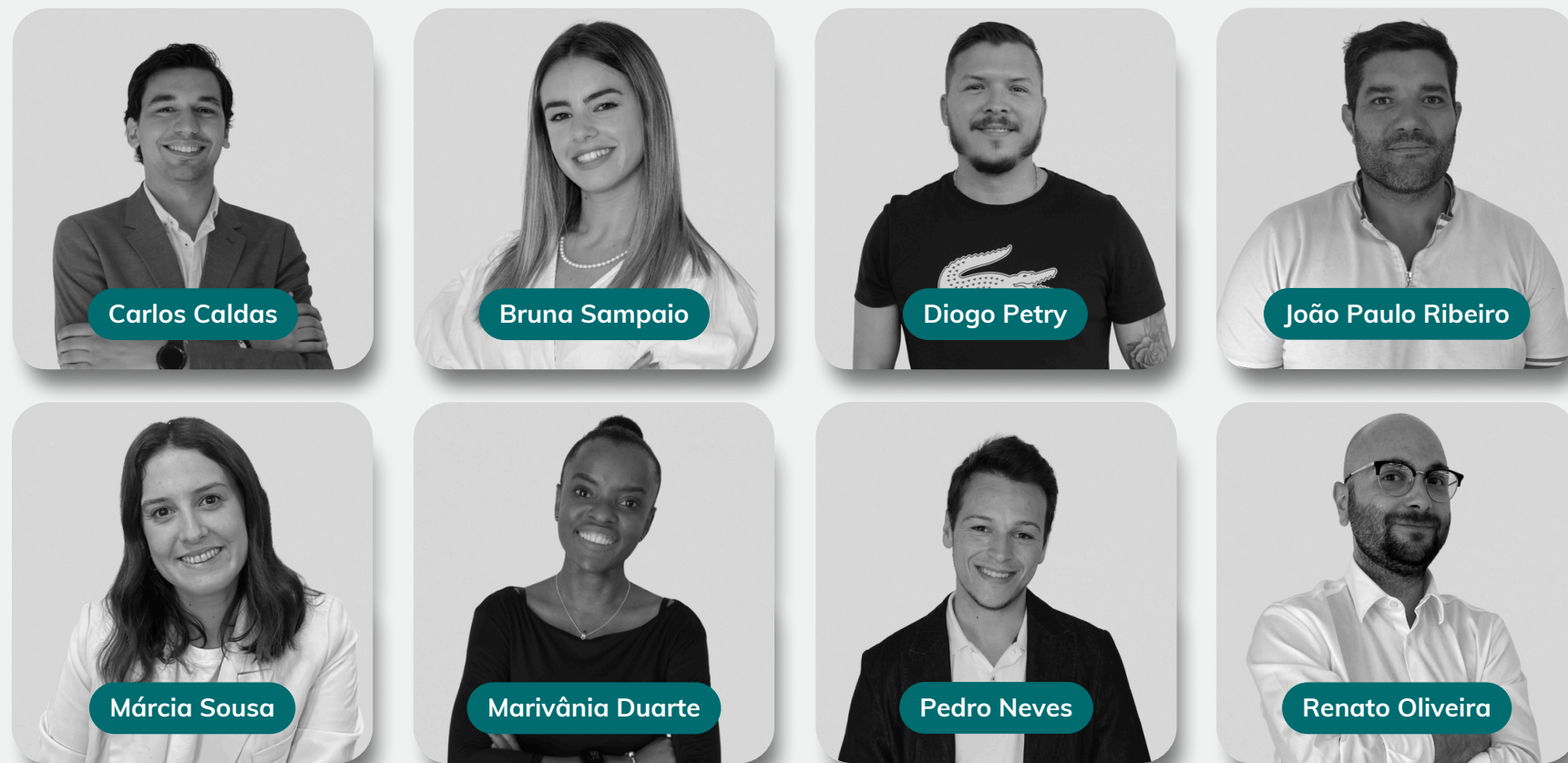
sustainability strategy

Materiality is a standard for the inclusion of information to be disclosed by companies to their stakeholders. It is an exercise in transparency in which we try to convey which sustainability topics are important to our stakeholders. Materiality will significantly influence and impact an organisation's assessments, decisions and actions in order to meet the expectations of all stakeholders.

With the adoption of the **Corporate Sustainability Reporting Directive**, companies that fulfil the non-financial reporting requirements in 2025 will also have to report on their dual materiality.

For dual materiality, we analyse sustainability topics financially and their potential for business growth or decline.

dstelecom

materiality definition process

01

List of subjects

Through benchmarking and other sources, we carried out an exhaustive survey of topics related to sustainability.

02

Prioritisation of topics by stakeholders

We listen to stakeholders through surveys to define the relative importance they attach to each topic.

03

Prioritisation of issues by the business

We assess the financial materiality of each issue internally through top management and department directors.

04

Materiality matrix

Using the results of points 2. and 3. we constructed the materiality matrix.

05

Sustainability strategy

We analysed the materiality matrix to determine the most important issues and prioritised the most important ones.

materiality

Impact on society

	Reduced	
	Moderate	
	High	

Business impact
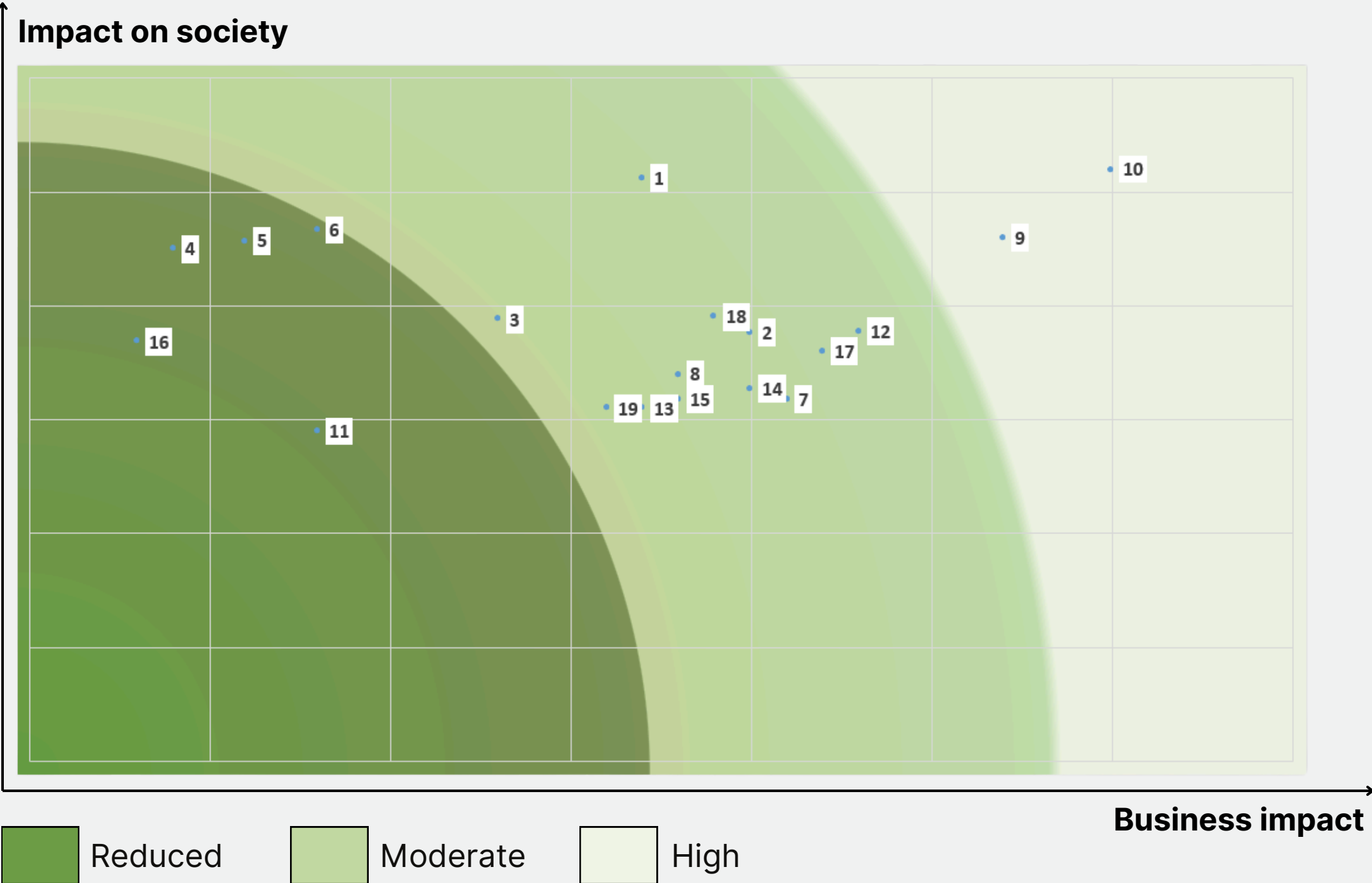
Caption	Environment
1	Climate change (E1)
2	Energy
3	Waste and the circular economy (E5)
4	Biodiversity (E4)
5	Water (E4)
6	Pollution (E2)
	Social
7	Health, safety and well-being
8	DEI
9	Retaining talent (S1)
10	Salaries and working conditions
11	Protection and customer service (S4)
12	Impact on communities (S3)
13	Human Rights (S2)
	Governance
14	Ethics and business conduct (G1)
15	Accessibility and quality of services
16	Governance and corporate culture
17	Sustainable supply and innovation
18	Reliability of the value chain (S2)
19	Security and privacy

sustainability structures, compliance and risk management

GOV-3

Incentives related to sustainability

dstelecom is in the process of gradually integrating ESG criteria into the incentive schemes applicable to management and directors. Currently, all decisions regarding new investments already incorporate the assessment of sustainability criteria, reflecting dstelecom's commitment to responsible practices in line with the best market trends.

Although there is not yet a fixed percentage of variable remuneration directly linked to sustainability objectives, some indicators linked to ESG targets have been created. These indicators are adjusted according to the strategic relevance of each topic for dstelecom.

GOV-4

Due diligence on sustainability information

We prepare financial, operational and sustainability reports, promoting the involvement of different stakeholders through open dialogues about our business and practices.

The information disclosed in sustainability reports is the result of a structured due diligence process, which includes identifying, assessing and managing ESG risks and impacts throughout dstelecom's operations and value chain.

This process is based on internal policies, such as the Responsible Purchasing Policy (ISO 20400), the supplier sustainability manual and codes of conduct, and on stakeholder communication channels, ensuring transparency, reliability and compliance with legal and regulatory obligations.

GOV-5

Risk management and internal controls

dstelecom has a risk management and internal control system geared towards sustainability, which identifies, assesses and monitors transition, reputational, market and technological risks.

This system is supported by an internal SWOT analysis, carried out regularly, to identify strengths, weaknesses, opportunities and threats, framing the management of risks and opportunities strategically.

The SWOT analysis is reviewed annually or whenever justified, ensuring that the organisation's risk profile is continually updated. The risks and opportunities identified are integrated into internal processes and sustainability reporting and are analysed. The results of these analyses are periodically communicated to management bodies, promoting transparency and informing strategic decision-making.

ESG & ODS

environment
environmental management

- Our environmental management system is certified to ISO 14001 and ISO 20400;
- We have equipped the plumbing system with taps with sensory activation and flow reducers, reducing, for example, the flushing capacity in our toilets by 50%;
- We have created a refurbishing process to reuse the materials we replace in the network;
- We work with our suppliers to find and develop more environmentally friendly solutions, both in products and packaging;
- We use existing infrastructures whenever possible;
- Development of 5G Neutral Host (multi-operator) infrastructure with a smaller footprint, less consumption of raw materials and reduced energy consumption;
- We have adopted hybrid working models, reducing the need to travel and helping to reduce the carbon footprint associated with labour mobility;
- We have incorporated sustainability criteria into the purchasing / supplier assessment process;
- We have increased the number of photovoltaic energy production plants;
- We have IoT networks, developed and supported by dstelecom's infrastructure, which allow us to monitor water quality.

ESG & ODS

environment
climate change

- Acquisition of electric vehicles for use by employees on the campus where we are based, therefore car parks with charging stations;
- Use of LED lighting with motion sensors in all office facilities;
- Carsharing platform, encouraging car sharing when travelling;
- Periodic review of network equipment configurations in order to adopt energy-saving philosophies;
- Replacement of active equipment on the dstelecom network with more energy-efficient equipment;
- Replacement of air conditioning machines in POPs with more efficient ones;
- 100 per cent of the network energy consumed in POPs is renewable energy, which means zero CO_2 emissions when powering POPs;
- We have implemented a process for monitoring and improving the routes of technical teams with the aim of reducing journeys; dstelecom's rural networks guarantee the connectivity and management of solar and wind farms located in remote areas;
- Encouraging people not to use plastic and to use reusable utensils by distributing mugs and glass bottles to each employee.

ESG & ODS

- We have implemented a responsible purchasing strategy;
- We have created a risk level matrix by purchasing category and geography;
- We prioritise the reuse of materials and equipment;
- We demand our quality standards from our suppliers and subcontractors;
- We include ESG criteria in our contracts;
- We are constantly looking for new waste recovery measures;
- We have started to calculate the life cycle of our products and services.

ESG & ODS

social

people management

- Growth in the representation of women in our workforce;
- We have maintained our recognition by GPTW Portugal;
- Regular performance appraisals;
- Creation of the Diversity, Equity and Inclusion Committee (DEI);
- We have an internal mobility programme to enhance the value of our employees;
- We have a mentoring programme that speeds up and facilitates the integration of new employees;
- We maintain a firm commitment to our human capital as our main asset;
- Provision of training rooms for people with disabilities (and internship opportunities) "PROJECT SEARCH";
- Provision of maternity kits for employees.

ESG & ODS

social
social contract
with the employees

- Creation of the dstelecom Academy;
- Boosting corporate training, with 40 hours of training per employee;
- Promoting the reconciliation of work and family life for our employees;
- Holding outdoor classes at lunchtimes;
- We maintain a firm commitment to our human capital as our main asset;
- We offer a range of benefits that promote employee health and well-being: health centre, hairdresser, manicurist, sports campus, community laundry, art and culture, libraries, disco;
- We provide internal communication channels for all employees (intranet, newsletter, news, ocionegócio);
- We offer the possibility of time-shifting and a hybrid working model.

ESG & ODS

social

social contract with the polis

- Agreements with training bodies, namely the dstelecom Chair programme with the University of Minho and the course designed with IPCA;
- The expansion of broadband networks in rural areas favours the settlement of the population and companies in the interior, reinforcing social cohesion and reducing regional disparities between the coast and the interior of the country;
- dstelecom maintains a permanent dialogue with local authorities to identify specific situations with a lack of coverage, which has led to the extension of our network in order to facilitate access to distance learning and teleworking;
- In addition, it helps industrial and agricultural companies to settle by facilitating access to connectivity and sensor services for agricultural land. social contract with polis

ESG & ODS

governance
business continuity

- We defined a responsible purchasing strategy;
- We created a contingency plan for business continuity (BCP);
- We increased the resilience of our network (batteries, GG);
- We created a passive network resilience report;
- We carried out external due diligence on suppliers;
- We held a biannual management meeting to share information and align objectives;
- We carried out and published a sustainability report. business continuity

ESG & ODS

governance
innovation

- We build and operate in areas of greatest digital deprivation, eliminating geographical barriers and promoting territorial cohesion through access to innovative, state-of-the-art services;
- We have an innovation box open to all our employees' ideas;
- We have an innovation department entirely dedicated to investigating new trends and ideas to be implemented within our scope of activity;
- Project K2D: sensorized submarine cable;
- Geothermal POP: use of the earth's temperature to cool our POPs;
- Project AEROS: launch of a satellite, in partnership with various institutions;
- Project 5G.RURAL: development of a scalable neutral host infrastructure, designed to integrate all the essential elements for creating smart communities, standing out for its artistic component and its ability to adapt harmoniously to the landscapes of the regions where it will be implemented.

ESG & ODS

governance

ethics

- We have a Code of Conduct for employees and suppliers;
- We have a Plan for the Prevention of Corruption and Related Offenses;
- We have a whistleblowing channel that is public and open to the outside world;
- We have carried out questionnaires and audits of suppliers to ensure ethical practices and responsible conduct;
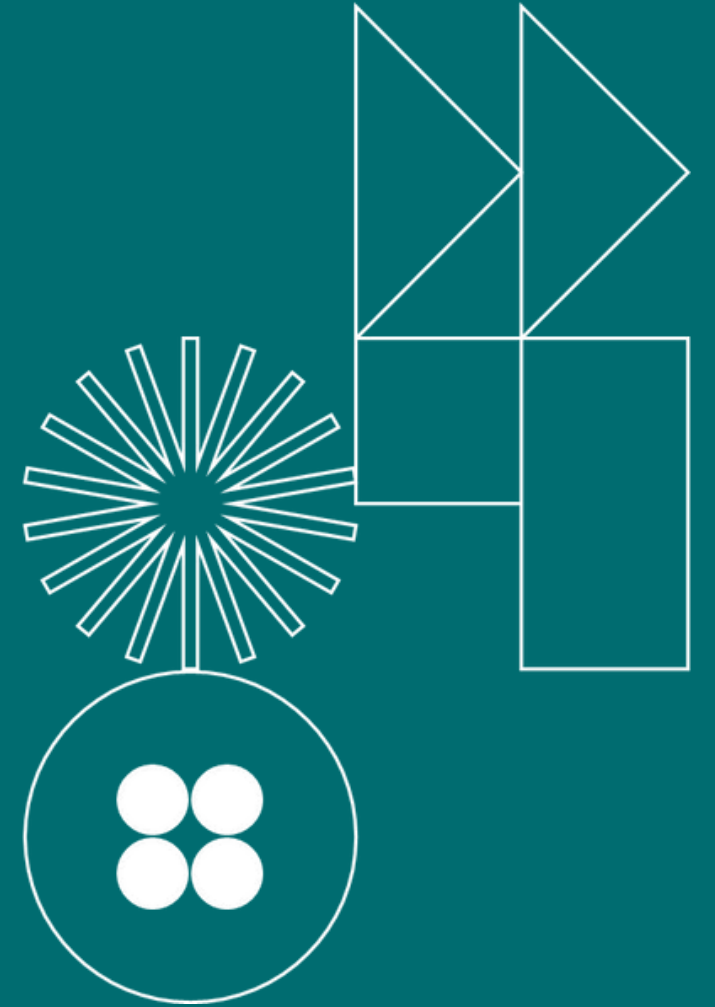- We have a cybersecurity policy and we guarantee continuous improvement in this area, in order to transmit confidence to our entire network ethics.

ESG & ODS

- We carry out satisfaction surveys with our customers and suppliers;
- We were elected Great Place to Work in 2023 and 2024, and we remain focused on maintaining this achievement;
- We received the Healthy Workplaces Award in 2023 and 2024;
- We report our ESG data annually to GRESB;
- We are recognized by our customers as a neutral telecommunications operator;
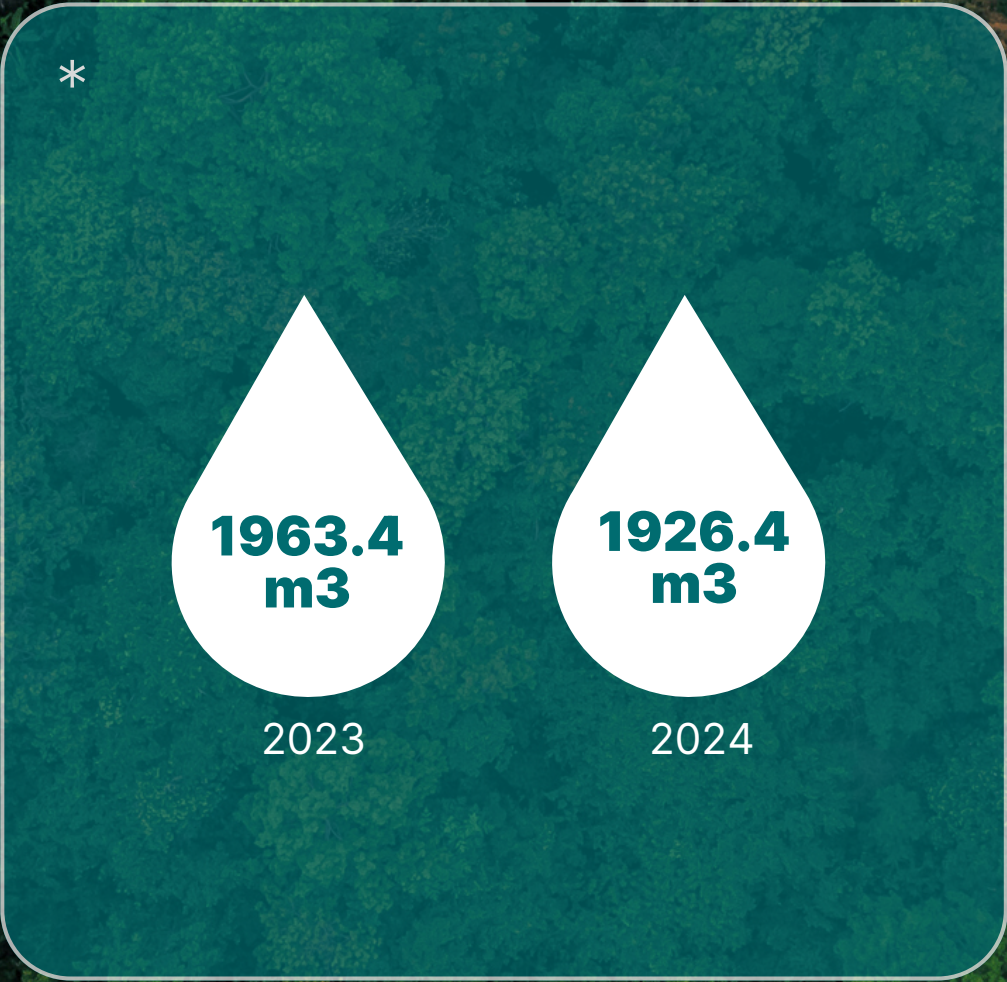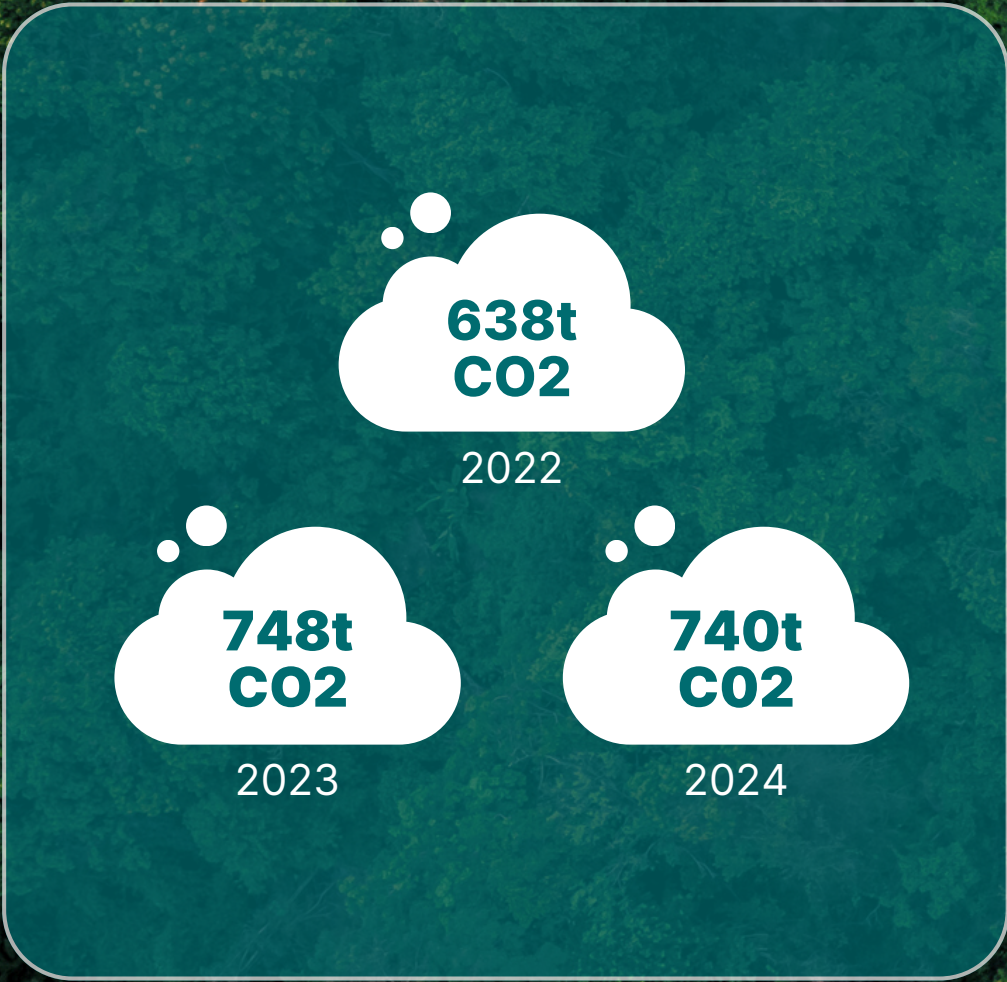- We share both our network growth work and end-user testimonials through the media and digital channels (social networks).
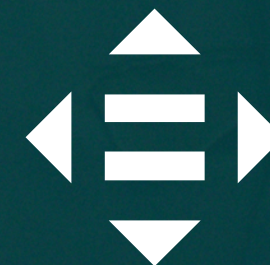
environment.

commitment
to the planet

environmental performance

638t
CO2
2022

748t
CO2
2023

740t
CO2
2024

*

1963.4
m3
2023

1926.4
m3
2024

**

34.38t
2022

43.12t
2023

124.1t
2024

*Calculations based on estimates of consumption in dstelecom's own buildings, together with average consumption per dstgroup employee.

**Exceptional increase in waste production due to network expansion during 2024.

ESRS E4

environmental management

ESRS 2 IRO-1

Topic
Biodiversity

Materiality

● ○ ○

Reduced

Ambition

- Development of a Biodiversity policy in line with IUCN principles.

Risks

- Loss of licences to operate/work stoppages;
- Increased operating costs: fines, customer disputes;
- Noise and visual pollution;
- GHG emissions (during construction).

ESRS E4

environmental management

E4-1 E4-2 E4-3 E4-4

At dstelecom, we prioritise environmental responsibility. We continually look for ways to minimise the environmental impact of our activity and study solutions in line with the circular economy and sustainability.
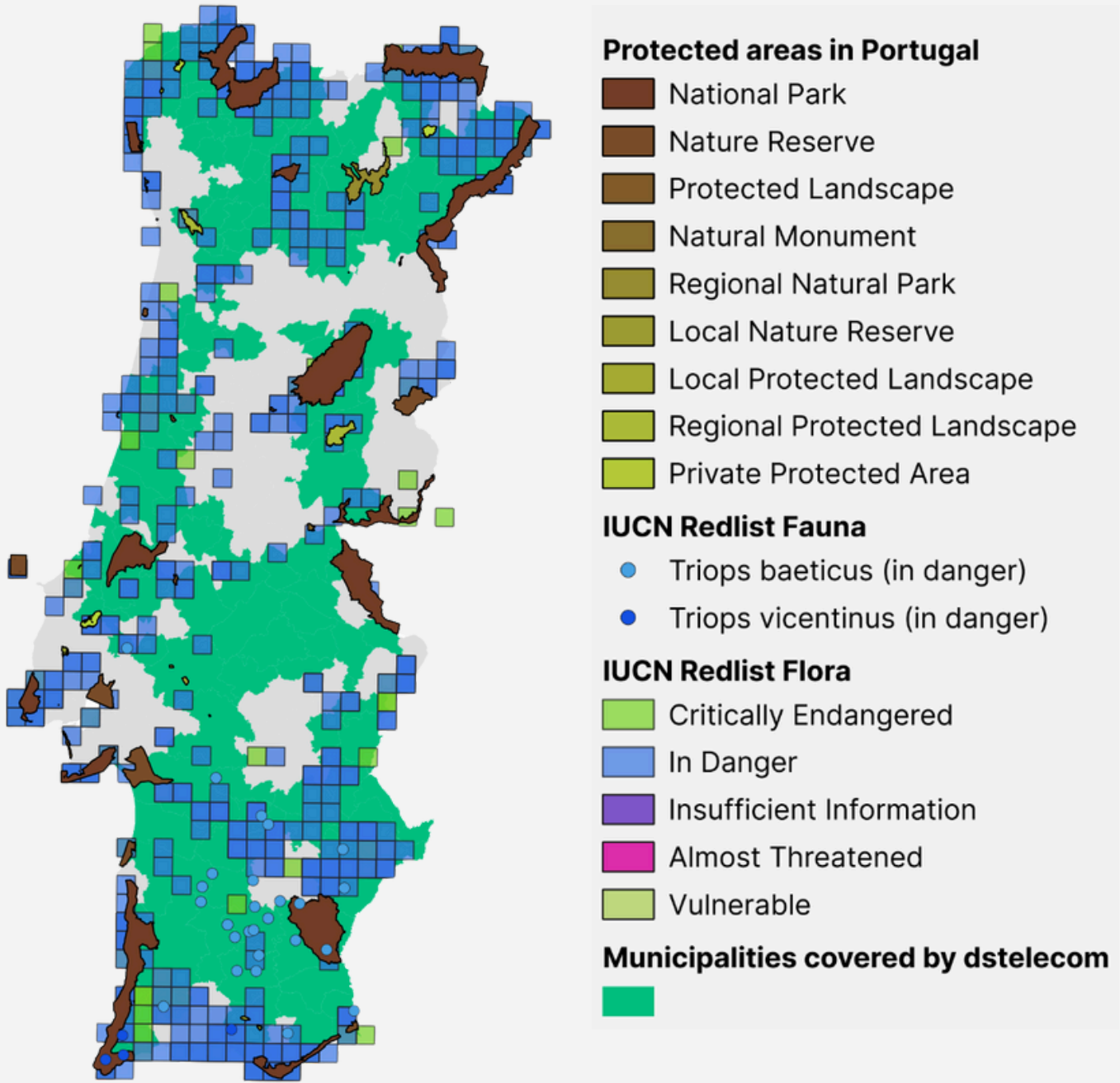
From reducing the consumption of raw materials, resources and energy, to valorising the waste from our operations, we are increasingly investing in clean energy production in order to be less dependent on fossil fuels. Through responsible construction and network management practices, we are committed to minimising our impact on local ecosystems and contributing to environmental sustainability.

Although our actions often go unnoticed, we believe that every little effort counts towards a greener and healthier future, and we are dedicated to playing our part in this journey. These actions make up, at their core, a concerted plan to protect our greatest legacy.

ESRS E4-5

environmental protection areas and dstelecom's areas of activity

Protected areas in Portugal
- National Park
- Nature Reserve
- Protected Landscape
- Natural Monument
- Regional Natural Park
- Local Nature Reserve
- Local Protected Landscape
- Regional Protected Landscape
- Private Protected Area

IUCN Redlist Fauna
- Triops baeticus (in danger)
- Triops vicentinus (in danger)

IUCN Redlist Flora
- Critically Endangered
- In Danger
- Insufficient Information
- Almost Threatened
- Vulnerable

Municipalities covered by dstelecom

Hectares of ground covered by dstelecom:
47793 ha

Percentage of the country covered by dstelecom:
53,59%

Protected areas covered by dstelecom:
35

Municipalities with endangered flora species:
149

Number of endangered flora species:
106

Number of critically endangered flora species:
49

Number of endangered fauna species:
2

Number of critically endangered fauna species:
0

E4-6

Recognising that all business activities have an impact on biodiversity, we maintain a constant concern for environmental protection and are always ready to act where necessary. This attitude reflects dstelecom's commitment to sustainable practices and the preservation of flora and fauna in the regions where we operate.

ESRS E4

environmental management tools

Recognising early on the importance of adopting a proactive role in protecting the environment, in 2018 we began implementing an **Environmental Management System** (EMS).

Over the years, this system has expanded and consolidated, implementing various measures to improve our environmental performance. We are pleased to highlight dstelecom's environmental and quality achievements in this sustainability report.
We are proud to say that we are ISO 14001 certified, which emphasises our commitment to operational excellence and environmental responsibility.

We remain focused on continuing our efforts towards sustainability, seeking innovations that benefit not only our company, but also the planet we all share. We thank all our stakeholders for their continued support in this journey towards a more sustainable future. environmental management tools

ISO 14001 certification demonstrates our commitment to responsible environmental management. We are committed to minimizing our impact on the environment by adopting sustainable practices in our production processes and daily operations. This achievement reflects our commitment to promoting environmental conservation and corporate responsibility.

Aware of global climate change, dstelecom is committed to minimizing the environmental impact of its business.

We recognize that our business activities affect society and the environment around us.

We aim to create a lasting future and ensure a positive impact for a more sustainable and prosperous world.

Our donkey called Hortelã.

ESRS E5

value chain

ESRS 2 IRO-1

Topic
Waste and the circular economy

Materiality

●●○

Moderate

Risks

- Increased operating costs due to material price rises and delays due to stock-outs;
- Reputational damage due to inefficient use of resources;
- Failure to meet commitments to clients;
- Increased costs due to fines related to waste treatment.

Ambition

- Development of a Circularity policy based on three principles: extensive analysis of the value chain, greater pressure for recycling and reuse and research into the Cradle to Cradle approach;
- Adoption of ESG criteria in the selection of suppliers;
- Development of a tool to manage plastic waste in a closed loop;
- Reinforcement of awareness campaigns to reduce printing and promote the use of recycled paper;
- Raising workers' awareness of the benefits of extending the life of everyday objects or second-hand markets;
- Introduction of mechanisms to review prices in contracts.

E5-1 E5-2

Sustainable supply chain management at dstelecom

At dstelecom, we recognise that the scarcity of resources and environmental pressures require an urgent transformation in business models. That's why we integrate circularity principles throughout our value chain, from supplier selection to materials and waste management.

Prioritization of recycled/reclaimed materials

- We require suppliers to demonstrate how they incorporate recycled or renewable materials into their products, reducing the extraction of virgin resources.
- Design for longevity and recyclability: we favour modular products that are easy to repair and have a high potential for reuse or recycling at the end of their useful life.
- Reverse logistics system: we implement mechanisms for recovering obsolete equipment, guaranteeing its proper dismantling or reintegration into new production cycles.

Fighting Resource Scarcity

- Efficiency in the use of raw materials: we work with suppliers who adopt optimized production processes, minimizing waste (e.g. reduction of packaging, reuse of by-products).
- Diversification of sustainable sources: we look for alternatives to critical materials or those with a high environmental impact, promoting substitution with renewable or abundant options.
- Partnerships for circular innovation: we collaborate with universities and research centers in the development of new materials and technologies that reduce dependence on non-renewable resources.

Certification and governance

As an ISO 20400-certified organisation, we formalise these commitments through:
- ESG contract clauses: mandatory criteria for suppliers on topics such as circular economy and resource management.
- Ongoing monitoring: periodic audits to check compliance with circularity principles.
- Supplier training: programmes to train partners in adopting circular practices.

E5-3

dstelecom has defined a set of strategic objectives that promote the efficient use of resources and the transition to a circular economy, integrating these principles throughout its value chain. These objectives include encouraging an increase in circular design, through the development, acquisition and implementation of products and services designed to minimise environmental impact throughout their life cycle.

Whenever feasible and available on the market, dstelecom favours the selection of products that are recyclable, biodegradable, composed of circular materials and energy efficient, as well as those with a reduced carbon footprint. Waste management is treated as a priority and practices are adopted to minimise the use of primary raw materials.

E5-6

dstelecom calculates the cost of life of the core products used in its network. This quantitative and qualitative analysis makes it possible to identify, for example, the financial impacts of possible increases in the cost of raw materials, and to identify the potential financial effects of material risks and opportunities associated with the use of resources and circularity.

ESRS E3

water

ESRS 2 IRO-1

In our campus

E3-1 E3-2 E3-3 E3-5

In our complex, our water management strategy is based on the principle of reducing consumption wherever possible. On this basis, we have replaced more than 90% of the taps in our facilities with more efficient ones, thanks to flow reducers and sensory activation. We have also reduced the capacity of the flushing toilets by 50%. With the support of our innovation point company, we have developed an intelligent system that only allows our grounds to be watered when strictly necessary, which has also led to a considerable reduction in water consumption.

In addition, permanent monitoring of our supply networks allows us to detect any signs of leakage as quickly as possible.

And because employees' proactivity and personal awareness are crucial, we have promoted several internal awareness campaigns on the importance of responsible water consumption management.

We have not yet assessed the potential financial effects of the risks and opportunities related to water and marine resources.

Topic
Water

Materiality
● ○ ○
Reduced

Ambition
Developing a water management policy that addresses the following points:
- Reducing consumption;
- Increasing the use of rainwater where possible;
- Increasing the reuse and recycling of water;
- Developing an internal water price;
- Monitoring indicators of the intensity of water consumption on site.

Risks

- Interruption/stoppage of work due to water shortages;
- Reputational damage due to inefficient use of water;
- Increase in operating costs due to rising water prices.

41

ESRS E1

GHG emissions/climate change

ESRS 2 IRO-1

Topic
GHG emissions

Topic
Energy efficiency

Materiality
●●○
Moderate

Materiality
●●○
Moderate

Ambition

- Development of a decarbonisation strategy and an internal carbon price;
- Energy self-sufficiency in our POPs;
- Development of internal office energy efficiency training;
- Increase in the number of electric vehicle charging stations on our campus;
- Study of climate-related risks in the project area;
- Use of waterproof/watertight materials that are resistant to high temperatures.

Risks

- Reduction in projects won due to failure to reduce GHG emissions in line with EU objectives (European Climate Law);
- Interruption of work due to damage to facilities and projects due to environmental disasters;
- Decrease in productivity due to extreme weather conditions;
- Increase in insurance costs, licences related to greenhouse gas emissions.

climate commitment and transition strategies

E1-1 E1-2

dstelecom, part of the dstgroup, shares and monitors the group's strategic actions in favour of energy sustainability. Since 2008, dstgroup has been at the forefront by participating and investing in the Alto Minho Wind Farm, at the time the largest in Europe.

Following this vision, dstelecom has been implementing aligned measures, such as the installation of photovoltaic panels to generate energy at its facilities and in its POPs; the purchase of 100% green energy; and the supervision and monitoring of the Energy Committee.

At the same time, innovative solutions have been adopted, such as applications that optimise the use of the car fleet, reducing kilometres travelled, and more efficient lighting and HVAC systems, helping to reduce the carbon footprint.

E1-3 E1-4

At dstelecom, we realise the urgency of combating climate change and have therefore been implementing proactive energy transition measures, even before they become regulatory requirements. Among these initiatives, we highlight efforts to reduce dependence on energy from non-renewable sources.

This year, we disclosed our scope 1 and 2 carbon emissions for the first time. We also disclosed our scope 3 carbon footprint for the year 2023 (due to delays in calculating it). Based on these results, we intend to develop an improvement plan with realistic targets and initiatives, ensuring consistent progress in line with our climate commitments.

We also recognise our role as agents of change and inspiration in the sector. We therefore share relevant information with our employees, customers and other stakeholders, raising awareness and promoting a collective commitment to sustainability.

production
of clean energy

Currently, 40 per cent of our network is already supported by solar energy. We have invested in solar panels in 36 municipalities, which will represent a reduction of around 20 per cent in energy consumption.

With a total installed capacity of 215 KW, these 36 plants will reduce Co2 emissions by approximately 167 tonnes per year, the equivalent of capturing Co2 from 1086 trees.
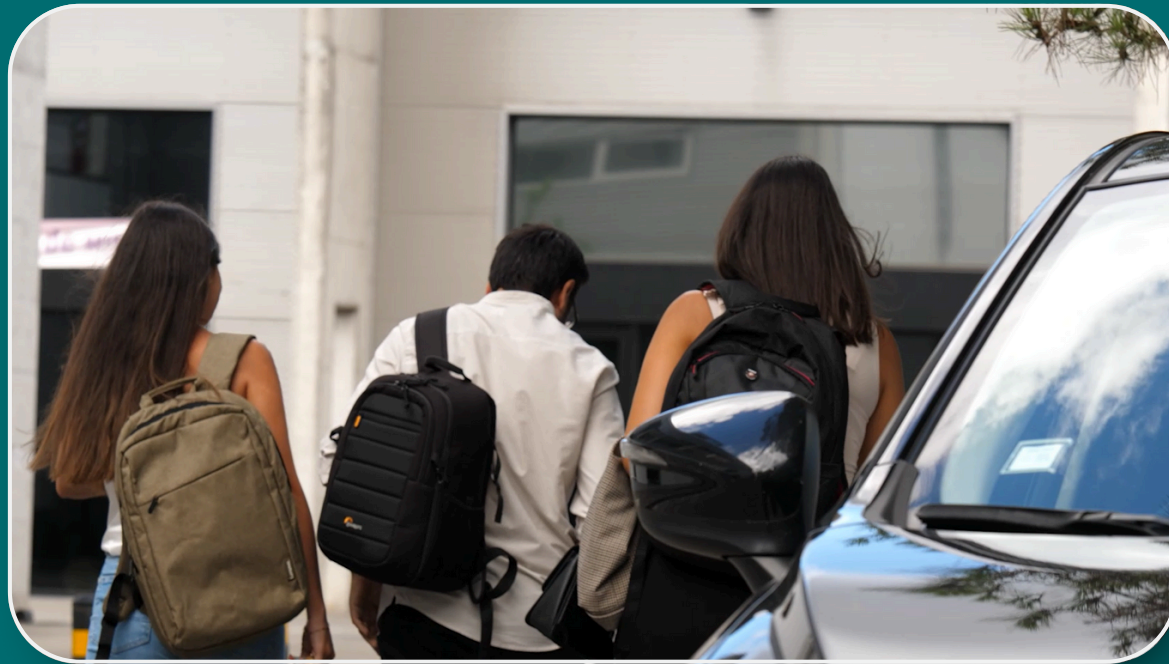
Carsharing

We've been using the dst CarSharing platform since 2017, an idea that emerged from a fruitful debate in our Innovation Box. Developed by innovationpoint, the group's R&D company, CarSharing dst consists of an application that allows employees to share professional or personal journeys.

The spirit of CarSharing dst proposes a paradigm shift: instead of 'workers with a car', vehicles are now at the service of workers.
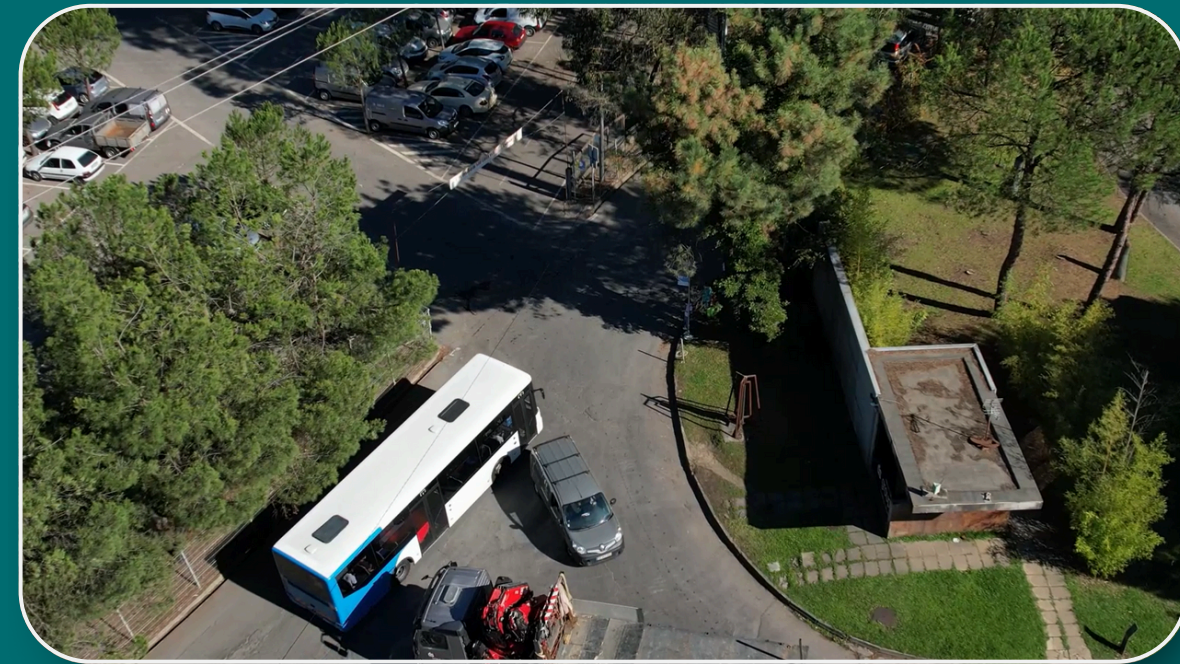
Public transport route

In partnership with TUB (Transportes Urbanos de Braga), we have promoted and designed a bus route dedicated to meeting the needs of the people who work in our company, as well as in the dstgroup complex.

This route makes it easier for our employees, visitors and customers to access convenient and efficient public transport directly to our facilities. This initiative reflects our commitment to improving mobility and accessibility, ensuring that everyone can reach our complex easily and sustainably.

charter of principles

Signatories to the BCSD Charter of Principles Business Council for Sustainable Development Portugal

In 2023, dstelecom reinforced its commitment to sustainability by becoming a member of BCSD Portugal (Business Council for Sustainable Development) and subscribing to this organization's Charter of Principles. This document represents a milestone in the adoption of good business management practices, in line with the highest international standards.

This initiative aims to serve as a voluntary guide for companies of all sectors and sizes, promoting the adoption of sustainable management practices that go beyond mere legal compliance.Signatories to the BCSD Portugal Charter of Principles Business Council for Sustainable Development

The Charter is structured around **six fundamental pillars**:

- Legal Compliance & Ethical Conduct
- Human Rights
- Labor Rights
- Prevention, Health and Safety
- Environment
- Sustainable Management

These principles encourage companies to adopt internationally recognized standards, ensuring that their operations contribute to a fairer, more inclusive and environmentally responsible economy.
A Commitment that Inspires Action

By signing up to this Charter, dstelecom publicly commits to integrating sustainability into all its strategic decisions, reinforcing its mission to be an ethical, transparent and future-oriented company.

Find out more:
Members of BCSD Portugal
Charter of Principles BCSD Portugal

environmental performance indicators

In 2024, dstelecom maintained its commitment to energy sustainability, with renewable energy accounting for 96% of the total imported/purchased. Although there was a slight reduction from 99.74% in 2023, this figure continues to reflect a strong commitment to cleaner energy sources. Renewable energy was predominantly supplied in the form of electricity, totaling 3,588 MWh in 2024.

Our local energy production continued to be entirely based on renewable sources, namely solar energy, which reached 235.70 MWh in 2024. Although this figure represents a slight reduction compared to 246.90 MWh in 2023, it shows that we are continuing our efforts to ensure clean and sustainable energy production.

Total energy consumption increased from 3,620.87 MWh in 2023 to 3,972.7 MWh in 2024. Even so, the proportion of renewable energy consumed remained high at 90.32%, which demonstrates our continued progress in the energy transition. There was, however, an increase in the consumption of non-renewable energy, especially in the form of motor gasoline (generators), which rose from 8.50 MWh in 2023 to 149 MWh in 2024. This variation underlines the importance of strengthening efforts to mitigate the use of non-renewable sources by promoting more efficient and sustainable solutions.

In summary, the 2024 figures reinforce dstelecom's commitment to energy sustainability, reflected in the high percentage of renewable energy used and the continued local production of solar energy, despite the challenges posed by the increase in non-renewable energy consumption.

Imported/purchased energy				
Metrics	Unit	2022	2023	2024
Biofuels	MWh	0	0	0
Renewable hydrogen	MWh	0	0	0
Waste (non-biomass)	MWh	0	0	0
Renewable electricity	MWh	2 725,97	3 612,36	3588
Renewable steam, heating and cooling	MWh	0	0	0
Coal	MWh	0	0	0
Diesel	MWh	0	0	0
LPG, butane or propane	MWh	0	0	0
Petrol for engines	MWh	44,92	8,50698	149
Natural gas	MWh	0	0	0
Non-renewable hydrogen	MWh	0	0	0
Non-renewable electricity	MWh	0	0	0
Non-renewable steam, heating and cooling	MWh	0	0	0
Total energy imported/acquired	MWh	2 770,89	3 373,96	3737
% Renewable electricity imported/purchased	%	98,37	99,74	96

Energy produced from non-fuel sources				
Metrics	Unit	2022	2023	2024
Biofuels (produced on site)	MWh	0	0	0
Geothermal	MWh	0	0	0
Hydroelectric	MWh	0	0	0
Solar	MWh	236,91	246,9	235,7
Wind	MWh	0	0	0
Nuclear	MWh	0	0	0
	MWh	0	0	0
Total energy produced on site	MWh	236,91	246,9	235,7

Energy consumed (summary table)				
Metrics	Unit	2022	2023	2024
Renewable energy consumed	MWh	2 962,88	3 612,36	3588
Non-renewable energy consumption	MWh	44,92	8,5	149
Total energy consumed	MWh	3 007,80	3 620,87	3972,7
% Renewable energy consumed	%	98,5	99,76	90,31641
Total energy produced	MWh	281,83	255,41	250,58

ESRS E2-4

Waste					
Code	**Description**	**Unit**	**2022**	**2023**	**2024**
160216 / 170411	Fiber optic cable	t	23,18	39,06	110
170101	Concrete	t	9,72	0,76	9,74
200138	Wood	t	1,48	2,92	0
170904	Mixtures of construction and demolition waste that do not contain mercury, PCBs or dangerous substances	t	0	0,38	0,003
160601	Batteries	t	0	0	1,26
200140	Metals	t	0	0	1,386
200101	Paper and cardboard	t	0	0	1,235
160214	REE	t	0	0	0,085
150106	Plastic waste	t	0	0	0,08

EIn 2024, we continued our commitment to responsible waste management and the conscious use of water, two essential pillars for the sustainability of dstelecom and the dstgroup.

With regard to waste, there was a significant increase in the production of certain materials, namely concrete, which rose from 0,76 tons in 2023 to 9,74 tons in 2024. This increase is related to the growth in construction and infrastructure activities. On the other hand, no significant quantities of wood or mixtures of construction and demolition waste that do not contain hazardous substances were generated, which demonstrates stricter control of our processes.

ESRS E3-4

Water consumption (general dstgroup value)		
	m3	**Value (€)**
2022	3,809	13 461,58
2023	6,194	19 873,85
2024	6,713	26 214,70

With regard to water consumption, and the fact that we share offices with dstgroup, there has been a slight increase of 519 m³ compared to 2023, totaling 6,713 m³ in 2024. This increase is in line with the company's operational growth. The value associated with consumption also rose, reaching €26,214.70, which reinforces the importance of continuing to optimize the use of this essential resource.

Waste generation (ESRS E5-5)	Unit	2024	2023
Total volume of waste	t	1.241	4.312
Of which dangerous waste	t	0	0
Of which non dangerous waste	t	1.241	4.312
Total volume of waste recovered	t		
Recovery of dangerous waste			
Preparing for reuse	t	0	
Recycling	t	0	
Other recovery operations	t	0	
Recovery of non dangerous waste			
Preparing for reuse	t	974	368
Recycling	t	1.235	
Other recovery operations	t		
Total volume of waste destined for final disposal	t		
Final disposal of dangerous waste			
Incineration (with energy recovery)	t	0	
Incineration (without energy recovery)	t	0	
Confinement in landfill	t	0	
Other disposal operations	t	0	
Final disposal of non dangerous waste			
Incineration (with energy recovery)	t	11.032	3.906
Incineration (without energy recovery)	t	0	
Confinement in landfill	t	0	
Other disposal operations	t	281	38

Resource Entry (ESRS E5-4)	Unit	2024	2023
Total fiber optic consumption	t	122,8	90,6
Total wood consumption	t	6,7	5,6
Total consumption of precast concrete	t	285,1	164,3
Total consumption of ceramic products	t	0	0
Total metal consumption		15,1	10,6
Total consumption of wood and derivatives	t	6,6	6
Recycled materials	t		
Production of recycled aggregates		0	0
Percentage incorporation of recycled aggregates	t	0	0

ESRS E2

poluição

ESRS 2 IRO-1

Topic
Waste

Materiality

● ○ ○

Reduced

Ambition

- Development of a strategy for the efficient recycling of fiber optic cables, reducing the environmental impact and promoting the circular economy;
- Partnership with specialized companies for the reuse and recovery of fiber optic materials;
- Research into new technologies to increase the recycling rate and reduce electronic waste;
- Implementation of ESG criteria in the selection of suppliers that prioritize the recycling of materials.

Risks

- Difficulty in recycling due to the complex composition of fiber optic cables;
- High costs for advanced recycling processes;
- Possible impact on reputation if fiber optic waste is not managed correctly.

E2-1

We have been successfully implementing the ISO 14001 standard for over 5 years, integrating all aspects of environmental management into our management system. This structured approach allows us to ensure compliance with legislation and best environmental practices at all stages of our projects, from planning to the final phase.

Our system covers all aspects of pollution prevention, from fleet control to rigorous waste management and the circular economy. Each of these elements is formalized in our procedures, guaranteeing continuous improvement in line with the requirements of ISO 14001.

Our environmental policy, which has already been consolidated and is constantly being updated, reflects this commitment and is audited internally and verified by external entities, reinforcing the transparency and effectiveness of our actions.

2-2 E2-3

Over the years, we have done away with water bottles and jugs in our restaurants, a measure that has allowed us to reduce the amount of plastic waste produced by more than 1500 kg. To reinforce this commitment, all employees now use their own coffee cup and metal water bottle, promoting more sustainable habits in everyday life. Other targets and actions to be implemented to meet them will be included in our environmental policy and will cover air, waste and soil.

E2-6

In the Risks and Opportunities matrix, we have identified significant financial impacts arising from pollution-related risks and, as a mitigation measure, we have set up a monetary guarantee with the Portuguese Environment Agency to cover any environmental liabilities.

As part of our planned investments, we have planned to replace the gases used in the POP plants' air conditioning machines with alternatives that have a lower global warming potential, in line with best environmental practices and helping to reduce the associated environmental and financial impacts.

These actions reflect our commitment to proactively managing environmental risks, minimizing future operating costs and aligning our strategy with regulatory requirements and stakeholder expectations.
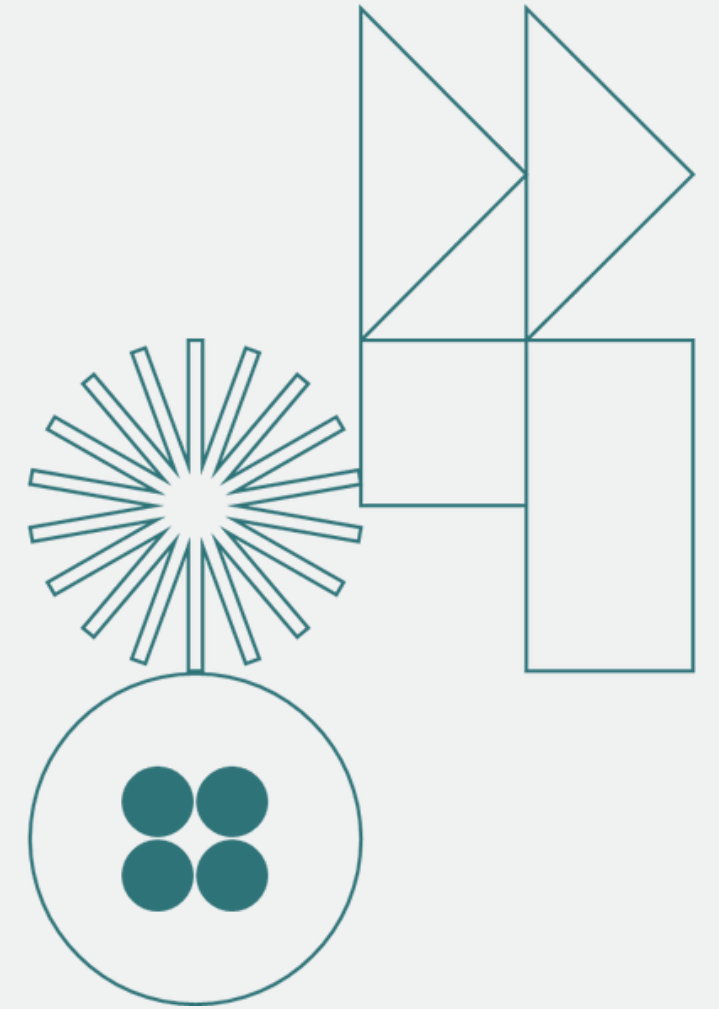
STBI's subscribers

Our commitment to the **Science Based Targets Initiative** (SBTI's) is reflected in our plan to reduce emissions from scopes 1 and 2 (direct emissions) by 46% by 2030, as well as aiming for a 90% reduction in emissions from scopes 1, 2 and 3 by 2050.

These targets not only reflect our determination to mitigate the environmental impacts of our operations, but also demonstrate our leadership in promoting sustainable and low-carbon business practices.
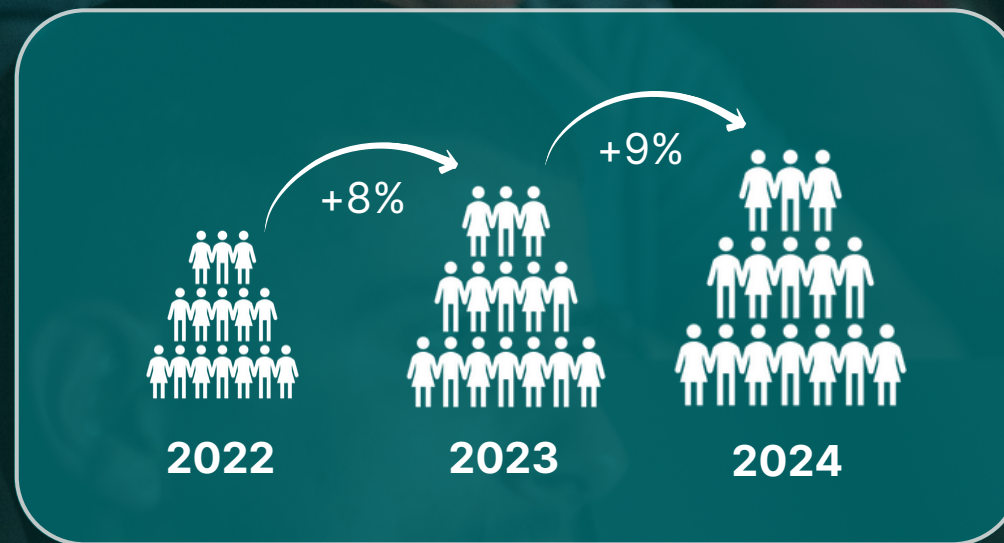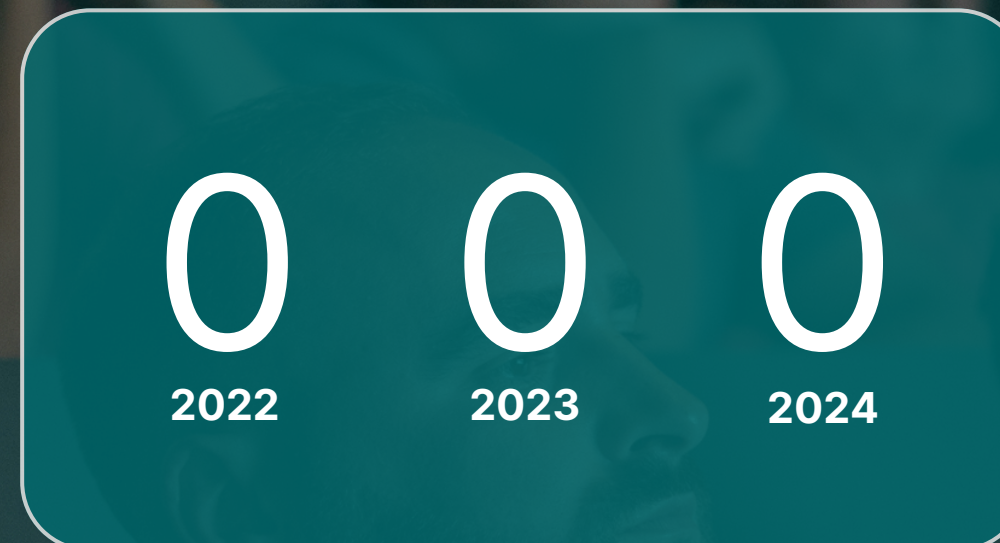
the key to
our success

social performance

Number of employees

+8%
+9%

2022   2023   2024

Fatalities

O   O   O

2022   2023   2024

Training hours

>7.500h

>6.500h   >7.000h

2022   2023   2024
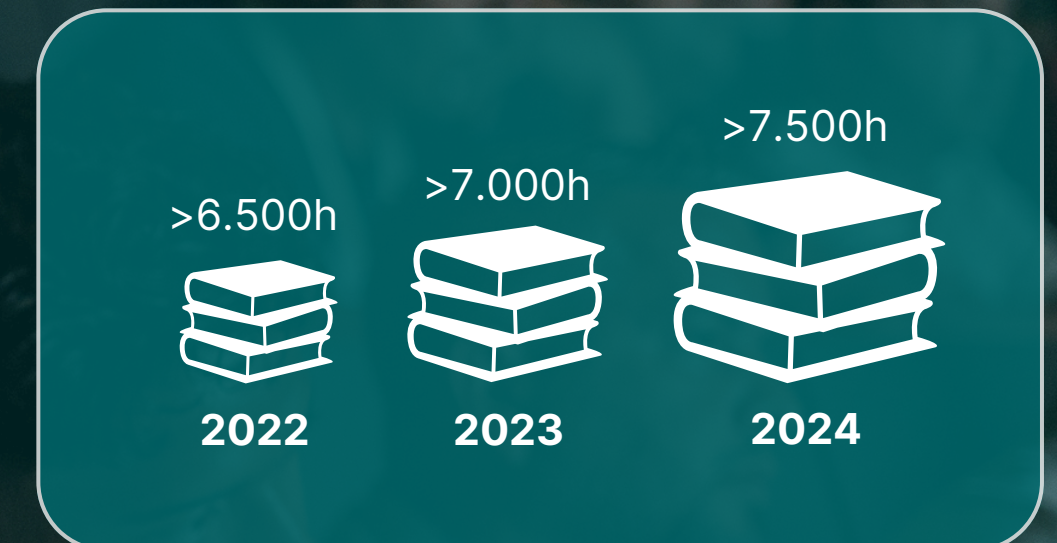
Over the last three years, we have seen consistent growth in our workforce, with increases of 8% in 2023 and 9% in 2024, reflecting the expansion of our operations and our commitment to creating stable employment in the comUnits where we operate.

At the same time, we have maintained an impeccable record in occupational safety, with zero fatalities in the entire period, the result of our strict policies and absolute prioritization of workers' well-being.

In terms of training, there was an increase in investment, from 6,500 hours in 2022 to 7,000 hours in 2023 and more than 7,500 hours in 2024, demonstrating our continued commitment to developing skills and preparing the team for the challenges of a constantly evolving market.

Taken together, these figures paint a clear picture of our commitment to responsible growth, where the human factor occupies a central place, balancing expansion, safety and qualification as strategic pillars of our sustainable development.

ESRS S1

social contract with employees

ESRS 2 IRO-1

Topic
Career Plan

Topic
Remuneration and working conditions

Topic
Impact on communities:
activism and social activities

Topic
Benefits

Materialty
●●●

High

Materialty
●●●

High

Materialty
●●○

Moderate

Ambition

- Continuation of the career plan in order to retain the most talented workers through professional development, training and compensation policies;
- Development of a work-life balance policy;
- Adoption of LivingWage;
- Adaptation of recruitment processes to the company's identity;
- Creation of a childcare centre for employees' children and grandchildren.

Risks

- Increased costs related to non-compliance with commitments to clients (price, quality, deadline) caused by a lack of labour;
- Increased recruitment costs, more time spent searching for talent;
- Decreased ability to bid for projects/tenders;
- Increased costs of fines for legal non-compliance.

social contract with employees

| S1-1 S1-15 | S1-1 S1-8 S1-10 S1-11 | S1-1 | S1-2 S1-3 S1-4 |

career development plan

The career development plan is an essential tool for the company and its employees. By mapping out all the positions, the company makes it easier to place the right people in the right jobs. We also encourage internal mobility and incentivise training for all employees

Our priority of working on a career development plan helps to chart a path and thus manage expectations while avoiding negative feelings such as boredom, stagnation, frustration, stress and conformism.

At dstgroup our ambition is to complete the career development plan that we have already started with our employee assessments, mentoring programme and internal mobility vacancies.

remunerations

We believe that a necessary condition for improving our community and society is to increase wages.

We want to create a movement that will increase salaries at a faster rate than negotiated in social dialogue. We believe that this is the only way to improve people's lives and contribute to the first of the UN's Sustainable Development Goals: eradicating poverty.

social activities

Our values are something we don't negotiate. It's essential that we all feel them. Social activities are a humanising factor in working relationships, they are a way of imprinting our values indelibly on everyone who takes part in them. They are also a way of integrating and feeling the community spirit that exists in our group.

The activities we promote range from sports tournaments to gatherings of classic cars, as well as larger get-togethers such as Christmas dinner, St John's Day, Magusto or Sunset.

We also have a nightclub, called Laboratório, on our campus for our employees to organise parties, and we take care of the catering and production.

working conditions

We know that moments of extreme tension can arise in the workplace, but almost everything has a solution and it is therefore imperative that our relationships do not deteriorate.

Our relationships are governed by the 14 commandments of our Code of Conduct, which can be found here. In addition, we have communication channels so that all interested parties can make their voices heard.

Sometimes digital channels can't replace face-to-face conversations, which is why we created the 'I Need to Talk to You' spot on our campus. It's a place of co-operation and multi-sensory discussion where we'll stop to listen to each other's secrets and where we'll all win.

social contract with employees

ERS S1-13

S1-1

social activism

Throughout our facilities there are mirrors that ask anyone who comes across them 'Why not me?'. This is a question we want all our workers to keep in mind in their daily lives. We want everyone to feel capable of changing the world, their world and everyone else's world.

We continue to encourage reading habits through the 'Furious Reading on Thursdays' series, created in 2021. Every Thursday, Clarisse, our human development manager, and her faithful friend Leopoldo bring our employees excerpts from books, chronicles and articles suggested by the employees themselves to be discussed in a shared reading format. The main purpose is to enrich each person's critical spirit and, consequently, that of the group. Ultimately, we want everyone to feel co-responsible for their neighbour and for society.

regular performance evaluation

We adopt a fair performance appraisal system that recognises individual merit. Our assessment criteria are based on competences and contributions to the work team, ensuring that everyone is assessed in an impartial manner.

In addition, we provide constructive feedback to drive each member's continuous development. To ensure an even more balanced and transparent approach, we carry out 360º evaluations, promoting an environment of mutual improvement, open dialogue and greater alignment with the team's expectations.

gender equality

We are committed to promoting gender parity and equal opportunities in the workplace.

By analysing the results of the annual performance appraisal by gender, we monitor the professional development and recognition of employees in a transparent manner, monitoring any differences and promoting actions that ensure fair and balanced treatment, contributing to an inclusive organisational culture in line with ESG best practices.

Regular performance evaluation	2023	2024
Female permanent workers subject to performance evaluation	67	66
Average rating	75,04	77,99
Permanent male workers subject to performance evaluation	138	161
Average rating	80,46	81,27

benefits

It's impossible for us to fulfil our mission if our teams don't give their best. We know that people thrive when they feel more satisfied.

With that in mind, we offer a range of benefits to our employees so that they can live healthier, more active, more cultured, happier and less hurried lives. Our benefits programme is reviewed regularly to adapt to the needs of our employees.

active life
- Football pitches
- Tennis courts
- Paddle courts
- Fitness classes available on campus
- Free gym places
- Protocols with golf clubs

health and well-being
- Community garden
- Protocol with PROVE (baskets of vegetables produced by local producers)
- Manicure service
- Hairdressing services

benefits

education

Protocols with:
- Nurseries and public schools
- Programming technology schools for children and young people
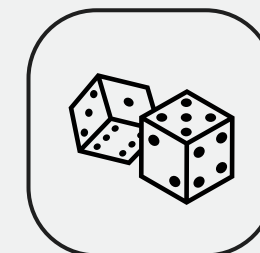
ócio, lazer e cultura

- Disco lab on campus
- Holiday camps for our workers' children
- Book offer and library with thousands of books
- Tickets for shows at Theatro Circo
- Free access to the zet gallery
- Hundreds of works of art scattered around the campus
- Protocols with travel agencies, hotels and restaurants
- Protocols with bookshops
- Protocol with the Serralves FoundationCreches and public schools
- Programming technology schools for children and young people
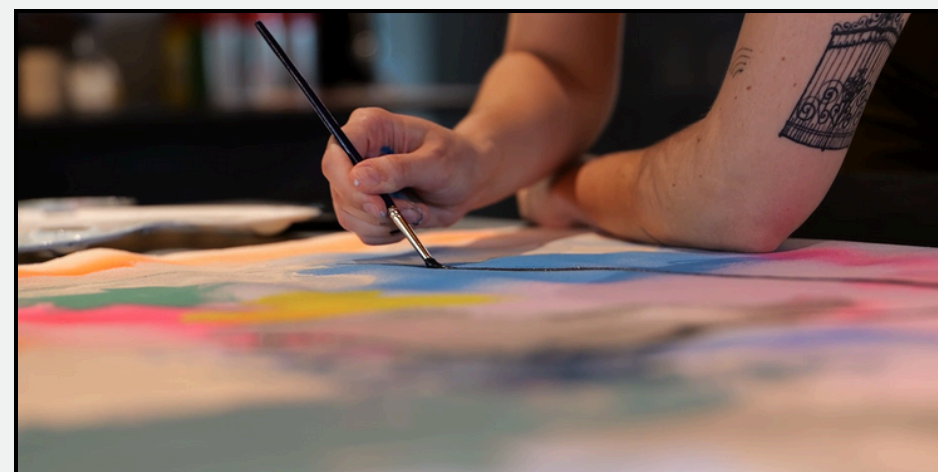
ESRS S1-9

social performance indicators

In 2024, we took important steps towards building a safer and more inclusive working environment.

Safety:
Zero fatalities: we have maintained our commitment to safety, recording zero fatalities, which demonstrates our focus on protecting our employees.

Commitment to wellbeing:
Lost time due to illness: despite a slight increase in the number of days lost due to illness, we are investing in health and wellbeing programmes to promote the health of our workers and reduce absenteeism.

Employees	2023	2024
Total number of employees	226	247
Employees under 30	74	65
Employees between 30 and 50 years old	138	170
Employees over 50	14	12
New employees	35	36
Employees who left	18	16
% Female employees	34%	32%
% Male employees	66%	68%
% of male leadership positions	70%	70%
% of female leadership positions	30%	30%

Employees				
Metrics	Unit	2022	2023	2024
Fatalities	Número	0	0	0
Lost time injuries	Número	5	7	9
Total registered injuries	Número	5	8	16
Near miss incidents	Número	2	4	1
Hours worked	Número	376416	359506	471860
Number of days lost due to accidents at work (including injuries and deaths)	Número	127	145	229
Sick leave	Número	369	530	685
Medical appointments	Número	NA	152	166
Number of days lost due to illness (except maternity and paternity leave)	Número	496	549	685
Number of days lost without justified absence	Número	0	0	0

We believe that the safety, diversity and well-being of our employees are fundamental pillars for the success of our company.
We will continue to invest in initiatives that promote a positive and inspiring work environment.

ESRS S1

people management

ESRS 2 IRO-1

Topic
Human rights

Topic
Attracting and retaining talent

Materiality

● ● ○

Moderate

Materiality

● ● ○

Moderate

Ambition

- Continued efforts to integrate young people into the job market through partnerships with universities;
- Development of a work-life balance policy.

Risks

- Reduced productivity due to absence of workers due to mental health;
- Increased absenteeism rate;
- Loss of innovation inherent in young people.

people management

The best thing we can do is invest in those who work with us. In fact, the success of any organisation depends on a clear and intelligent people management policy.

In today's highly volatile environment, we are committed to stable employment policies that give our workers security, favouring open-ended contracts. We want to ensure good financial conditions that allow us to improve the quality of life of our workers and their families - guaranteeing, first and foremost, that all our workers earn more than the national minimum wage. We have carried out questionnaires and audits of suppliers to ensure ethical practices and responsible behaviour.

S1-17

We did not record any incidents, complaints or serious human rights impacts and incidents in 2024.

0%
incidentes sobre direitos humanos em 2024

100%
dos nossos trabalhadores recebem salário superior ao mínimo nacional humanos em 2024

ESRS S3 S4

customer experience

ESRS 2 IRO-1

Topic
Protection and customer service

Materiality

● ○ ○

Reduced

Ambition

- Being leaders in customer experience, offering a personalised and efficient service;
- Investing in advanced technologies to guarantee maximum protection for our customers data.

Risks

- The increase in cyber threats can jeopardise the security of customer data;
- Service failures can result in a loss of customer trust and loyalty;
- Not complying with regulations such as the GDPR.

customer experience

At dstelecom, protection and customer service are more than just responsibilities, they are fundamental pillars of our identity. We are committed to excellence in every interaction, always putting our customers' interests and security first. Although we are in the B2B business, we understand the importance of understanding the needs of both the end-user and the operators who are our customers, in order to promote fibre services and develop services that add value to everyone involved. That's why we consider ourselves to be in the B2BC (business-to-business-to-consumer) business. We invest in providing excellent service not only to our customers (operators), but also to our customers' customers (end-users). With the aim of mitigating digital illiteracy and aligning the interests of end-user customers with operators, we have set up a customer service and support for end-user customers, whether via the website, email or telephone, to clarify coverage doubts, support contact with operators or even help contract services with our customers.

We strive to offer exceptional service, trusting that with each advance we will strengthen our position as a reliable company in the market. With service levels of excellence, aligned with the values of ethics and transparency that guide dstelecom, we are creating value and an exceptional experience for the end-user.

ESRS S1

diversity, equality and inclusion

ESRS 2 IRO-1

Topic
Diversity, equality and inclusion

Materiality
●●○
Moderate

Ambition

- Continuous improvement of all the issues addressed by our DEI Committee.

Risks

- Increased costs with fines for legal non-compliance (pay gap, parity, human rights);
- Reputational damage for not adopting equality policies;
- Loss of competitiveness.

diversity, equality and inclusion

S1-1

dstelecom has Diversity, Equality and Inclusion (DEI) in its DNA. We believe in the power of diversity to strengthen the company and we promote equal opportunities, regardless of gender, race, religion, sexual orientation or physical limitations.

We value a heterogeneous work environment, where different life experiences enrich the team and drive innovation. This commitment is essential to attracting and retaining talent, ensuring that everyone is treated with respect, dignity and fairness. From the outset, dstelecom has fought discrimination and promoted an inclusive workplace where everyone can give their best. Our approach is based on three fundamental principles:

- **Diversity**: More than acceptance, we value each person as an individual with their own personality, experiences and culture. Our drive for innovation and success is driven by our ability to embrace diversity, different perspectives and approaches. We believe and advocate that everyone should feel free to have their say and be valued for their contributions.

- **Equality**: We promote equal opportunities, remove barriers, eliminate discrimination and guarantee equal access for all employees, regardless of race, gender or age.

- **Inclusion:** We create a work culture where differences are not merely accepted, but valued. Everyone has the opportunity to develop consistently and adhere to dstelecom's Values. Our goal is to be a company where people feel respected, valued, involved and connected to our success.

S1-6

Diversity and inclusion	2023	2024
Total number of disabled employees	3	3
Proportion of employees with disabilities	1%	1%
New hires for disabled employees	1	0

health and safety

It is our constant concern that our employees feel safe and healthy in the workplace. In some of our business areas, this is an issue of particular importance due to the additional safety risk that the activity itself represents.

In accordance with the conventional and specific legal framework applicable to Safety, Hygiene and Health at Work, we have defined a prevention and protection policy that favours active attitudes towards identifying, analysing and assessing occupational safety and health conditions. To this end, the most foreseeable risk situations are analysed in advance and the corresponding preventive measures are implemented, with a focus on training and making all employees responsible. To this end, and in order to minimise accidents at work, Risk Prevention campaigns and training sessions are held frequently, with a special focus on identifying hazards and associated risks and on operational control measures relating to collective and individual protection. Various drills and internal awareness and educational campaigns are also organised.

As far as health is concerned, our focus is on promoting health and preventing illness for all our employees. To this end, we have a health centre, the 'Centro de Saúde Vânia Xisto', which offers full time monitoring by a doctor and a nurse in the field of curative medicine and general medicine, as well as dental medicine, completely free of charge for all employees, and nutrition and psychology consultations. Life insurance and health insurance are also provided for everyone.

At the same time, we also work on prevention, promoting physical exercise. For this reason, the group has signed protocols with gyms from the north to the south of the country (considering our displaced employees), as well as providing an aerobic maintenance circuit and free access to outdoor classes on our campus with a personal trainer.

Maria Ondina Braga Room

The breastfeeding room continues to provide the greatest comfort for mums. The room is equipped with a fridge, microwave, nappy changing station, television and armchairs.

With this intervention, we want to ensure that there are no barriers to breastfeeding, even after parental leave has ended.

"Toda a Saúde" campaign

The in-house campaign 'Toda a Saúde' runs for a month and, through various initiatives, seeks to make our employees aware of the need to take care of their health. This year we wanted to focus on mental health.

According to the WHO, more than 1 billion people in the world suffer from some kind of mental disorder. According to the same study, the number of people with depression and anxiety increased by more than 25 per cent during the first year of the pandemic. Treatment for mental illness is not only still stigmatised, it is also practically inaccessible for many. In Portugal, the average waiting time for a speciality consultation in the National Health Service is often more than 60 days.

Realising this, we brought in various specialists to talk to us about the symptoms, how to identify them, how to prevent them and how to act. Our concern for mental health doesn't end there, however. This year, we became members of the Portuguese Alliance for the Promotion of Mental Health in the Workplace and we also offer free psychology consultations at our Vânia Xisto health centre.

ESRS S1

training

ESRS 2 IRO-1

Professional training is a key investment for business development. The performance of professionals with further training or experience is essential for an organisation to achieve its goals and is a critical factor in the success of knowledge-based businesses.

At dstelecom, we deeply value the continuous development of our employees. We believe that excellence in training is the basis for innovation and the quality of our services. We provide robust, personalised development programmes that not only enhance technical and management skills, but also promote personal growth and leadership.

>7.500h
training our employees

Topic
Training

Ambition

- Increasing the number of hours of training per employee;
- Promoting postgraduate training, vocational master's degrees, doctorates and CTeSPs among employees.

Risks

- Decreased ability to bid for projects/tenders;
- Increased costs related to non-compliance with commitments to clients (price, quality, deadline) caused by a lack of labour or unskilled labour.

partnerships with educational institutions

We foster a close relationship and close collaboration with the Academy, through which multidisciplinary teams are created that catalyse other projects in the organisation.

The partnership with the University of Minho, which dates back to 2017 with various initiatives to support research, is renewed annually with the presentation of challenges for research projects and the hosting of internships to integrate research into the real needs of day-to-day operations.

In addition, and with a long-term perspective, we have signed co-operation protocols with vocational education entities in order to strengthen the training offer with technical resources and know-how suited to the demands of the networks of the future, as well as other professional areas, such as the Moura School Association, Vila Viçosa School Association, Braga Vocational School and Amar Terra Verde Vocational School, where, in addition to hosting internships, the inclusion of training activities in the school calendar is considered.

In partnership with the Polytechnic Institute of Cávado and Ave, we created the Higher Professional Technical Course (CTeSP) in Network Management and Advanced Telecommunications, with content based on the dstelecom network architecture, but also capable of handling other fibre optic network architectures, which began its second edition in 2024.

training as a solution

We believe in the benefits of lifelong learning - not only of technical knowledge, but also of transversal skills that result in stimulating each employee's real abilities and, ultimately, their self-confidence.

The annual training plan, drawn up on the basis of a survey of employees' training needs, is the cornerstone of training management. The training solutions developed focus not only on hard skills, but also on soft skills:

- Postgraduate Diploma in Philosophy;
- Training in Neuroscience;
- Training in Leadership;
- Training in Mental Health.

Also as a way of fostering a culture of innovation and learning, within the scope of training and qualifications, we invest in training programmes in various areas of knowledge - finance, management, strategy and humanities - with the Porto Business School, the Portuguese Catholic University and the University of Minho's Executive School. In addition, we promote free access to specialised master's and doctoral programmes.

The feedback we get from our employees is very positive: they all agree that training is essential for better professional performance and, consequently, for expected career progression.

training indicators

At dstelecom, we believe that investing in the development of our employees is fundamental to our long-term success and sustainability.

During 2024, we implemented an extensive training programme that reflects our commitment to continuous learning and professional growth. Our training programme covered a wide range of topics, from occupational safety and sector-specific technical skills to personal development and well-being.

Looking ahead, we will continue to evaluate and adapt our training programme to ensure that we are preparing our team for the constantly evolving challenges of our sector, always with the aim of promoting sustainable growth and shared success.

Total hours	Type	Ex.
2094	Hard skills	912H - RC Operational Training 163H - Corrective Training - Client Network 144H - DRedes 360°: Team Diagnosis and Development
1507	Soft skills	494H - Neuroscience: understanding the brain 468H - Face-to-face, telephone and assertive communication 150H - Psychosocial risk management 40H - First aid in mental illness
1060	Certification	525H - Safety Certification 238H - Behavioural Certification 168H - Technical Certification
860	Institutional	860H - State of the nation
787	Welcoming	787H - Welcoming
667	IT	416H - Excel 125H - SQL Language 100H - Pyton
456	Foreign language	456H - English
278	Management	216H – Project management
243	Security	112H - First Aid 96H - Handling fire extinguishers

governance.
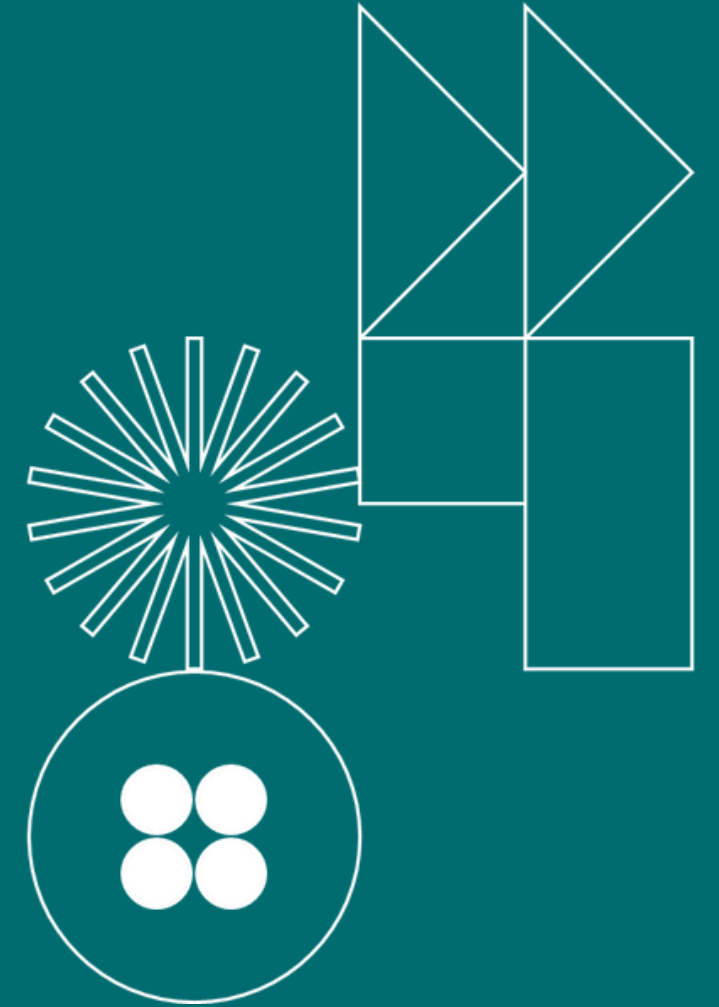
management beyond duty

ESRS G1

ethics and integrity

ESRS 2 IRO-1

Topic
Privacy and processing
of personal data

Materiality
●●○
Moderate

Topic
Compliance with environmental
and socio-economic legislation

Topic
Anti-corruption policies

Topic
Mechanisms against
market manipulation

Topic
Cybersecurity

Topic
Accessibility and quality
of services

Materiality
●●○
Moderate

Topic
Governance
and corporate culture

Materiality
●○○
Reduced

Topic
Transparency
and good governance

Ambition

- Training plan specifically related to ethics in order to prevent irregularities, especially corruption;
- Inclusion in insurance policies of cover against cyber-incidents;
- Training and awareness-raising plan on cybersecurity;
- Analysis of new markets;
- Development of a cybersecurity management model;
- Development of a medium/long-term ethics strategy;
- Creation of an internal channel for employees to raise their doubts and concerns, fostering an open culture;
- Creation of a day dedicated to ethics;
- Training in Corruption and ESG matters.

Risks

- Reduced business opportunities due to non-compliance with ethical and sustainability requirements;
- Reputational damage if confidential information is leaked that exposes business stakeholders;
- Increased costs of fines for non-compliance;
- Theft of know-how and/or intellectual/industrial property and/or confidential information due to cyber-attacks;
- Serious damage to corporate reputation due to compromised stakeholder privacy;
- Impact caused by fraud;
- Increased costs of ransomware and other attacks.

G1-1 G1-3

At dstelecom we place great value on honesty, integrity and transparency in the way we operate.

Every day we work to build relationships of trust and continuity with our stakeholders and all those with whom we interact.

We disapprove of any kind of illicit, immoral or incorrect behaviour, as well as actions and attitudes driven by purely personal interests and/or those of third parties.

We believe that ethics is a fundamental pillar for the sustainability of our business and that only by basing our actions on these principles will we be able to become a sustainable company that is recognised both nationally and internationally.

G1-1 G1-3 G1-4

privacy and processing of personal data

At dstelecom, we realise that the use of personal data requires trust. That is why we have defined a Personal Data Protection Policy. We are subject to the highest privacy standards and use personal data only for clearly identified purposes and in accordance with data protection rights.

The confidentiality and integrity of personal data is one of dstelecom's main concerns. Our Privacy Policy sets out and describes how we use the personal data of stakeholders and other interested parties.privacy and processing of personal data.

Cybersecurity

The presence of digital technologies in our lives has increased exponentially in recent decades. Today, practically every action we take depends on or communicates with a computer system. This scenario is highly prolific for cybercrime and cyberattacks, which are considered to be one of the top ten Risks facing our planet, both in the long and short term. Aware of this, we have defined a cybersecurity roadmap and will be implementing new Security Information and Event Management (SIEM) tools over the next few years. In parallel, we will continue to carry out tests for improper access to our infrastructures, both physical and in the cloud.

This year, we started social engineering actions (phishing simulation) via SMS or emails to create more defences for our employees against this type of attempted attack that can infiltrate our infrastructures.

Ethics provider

We have an Ethics Ombudsman who plays a fundamental role in defining our ethics strategy, as well as developing policies and initiatives that promote ethical behaviour among all our employees.

In addition, the Ethics Ombudsman also has the task of receiving, analysing and guiding all concerns and doubts that our employees may have on any ethical matter, safeguarding the anonymity and confidentiality of any communication.

Governance and corporate culture

At dstelecom, we stand out for our robust governance and exemplary corporate culture. Committed to ethics, transparency and innovation, we adopt management practices that promote sustainability and social responsibility. The active involvement of our employees and our continuous commitment to training and personal development are essential pillars that strengthen our position in the market.

In line with dstgroup's values, we reaffirm our commitment to the future, contributing to a fairer and more sustainable business environment.

Code of Ethics and Business Conduct

At dstelecom we strive to do good business and maintain great relationships with all our stakeholders. To this end, it is essential to always have in mind a set of strong principles that guide us in our professional relationships.

To this end, a Code of Ethics and Conduct has been drawn up, as part of the Supplier Sustainability Manual, which defines the set of business values, principles, practices and attitudes applicable to all dstelecom stakeholders in all their commercial and institutional relationships, whether internal or external.

A fundamental part of the process is that any attitude, behaviour or activity that is in conflict with the values and principles set out in the Code of Ethics can and should be reported as soon as possible, through the mechanisms set out in that document. We ensure that the content of communications received is examined with the utmost confidentiality at all stages of the investigation.

G1-1 G1-3

report of irregularities

dstelecom has set up a Whistleblowing Channel for reporting irregularities. This channel protects the identity of the whistleblower and allows them to contact the group anonymously if they so wish. Only the person responsible for managing the whistleblowing channel has access to the identity. None of the information is shared internally, except when the support of any department of the organisation is required as part of the investigation, in accordance with Law 93/2021. However, even in these cases, the information is shared anonymously.

So far, we haven't received any complaints or reports of irregularities.

anti-corruption policies

Our corporate values, principles, practices and attitudes are based on the rigour and transparency we cultivate in all our interactions. It is our intention to encourage all our partners to share this sustainable development-orientated culture with us.

Our Plan for the Prevention of Risks of Corruption and Related Offences (PPR), which seeks to comply with the guidelines of Decree-Law 109-E/2021, is seen as an opportunity for internal reflection to improve existing practices. This document incorporates a risk management methodology and involves a special effort to implement and constantly update it.

The challenge we face on a daily basis is to publicise it and get all our employees, especially leaders, to identify with our thinking and our plan, becoming active agents in this risk prevention process. The same work of publicising and raising awareness is carried out with all those who work with us, be they suppliers, service providers or other partners.

ESRS G1-3 G1-4 G1-5 G1-6

Governance	2023	2024
The organisation is subject to legal requirements regarding the protection of whistleblowers	Yes	Yes
Existence of policies to protect whistleblowers	Yes	Yes
Percentage of risk functions covered by training programmes	100%	100%
Number of convictions for violating anti-corruption and anti-bribery laws	0	0
Amount of fines for violation of anti-corruption and anti-bribery legislation	0	0
Number of confirmed cases of corruption or bribery	0	0
Number of confirmed cases in which own employees were dismissed or subjected to disciplinary sanctions for acts of corruption or bribery	0	0
Number of confirmed incidents concerning contracts with business partners that were terminated or not renewed due to violations related to corruption or bribery	0	0
Financial political contributions made	0	0
Political contributions in kind made	0	0
Percentage of payments in line with the company's general payment conditions	100%	100%
Legal proceedings currently underway for late payment	0	0

innovation

Within our strategic framework, strengthening our activity in the field of Innovation and Development has been a ubiquitous and essential mission to ensure sustainable and competitive growth.

We believe that innovation must be democratic and come from all our employees.

Topic
Sustainable and innovative offer

Materiality

● ● ○

Moderate

Ambition

- Continuous goal of creating added value that can guarantee business continuity in a sustainable and innovative way;
- Continue to innovate following the methodologies of the 2021 NP 457 standard in Research, Development and Innovation Management, which dstelecom has been certified in since 2024;
- Ensure that all employees actively participate in the company's innovation processes across the board.

Risks

- Not all innovation projects produce the expected results or are mature enough for immediate application in the business.

I&D projects

Culture of innovation

At dstelecom, innovation goes far beyond technology. It represents our dedication to being the technological reference that contributes most to the integral development of low-density population areas, promoting a future where connectivity is a universal right, accessible to all, regardless of their geographic location.

We recognize that the sustainability of our business is intrinsically linked to the ability to enhance the perceived value of our products, processes and services provided to our stakeholders. Our vision is to be a leading innovative company in anticipating and meeting stakeholder expectations, continuously developing and improving innovative, differentiated and customized solutions.

We adopt an innovation strategy that aligns with our global strategy, vision and mission, focusing on growth in different territories - land, sea, air and space - in any region of the planet.
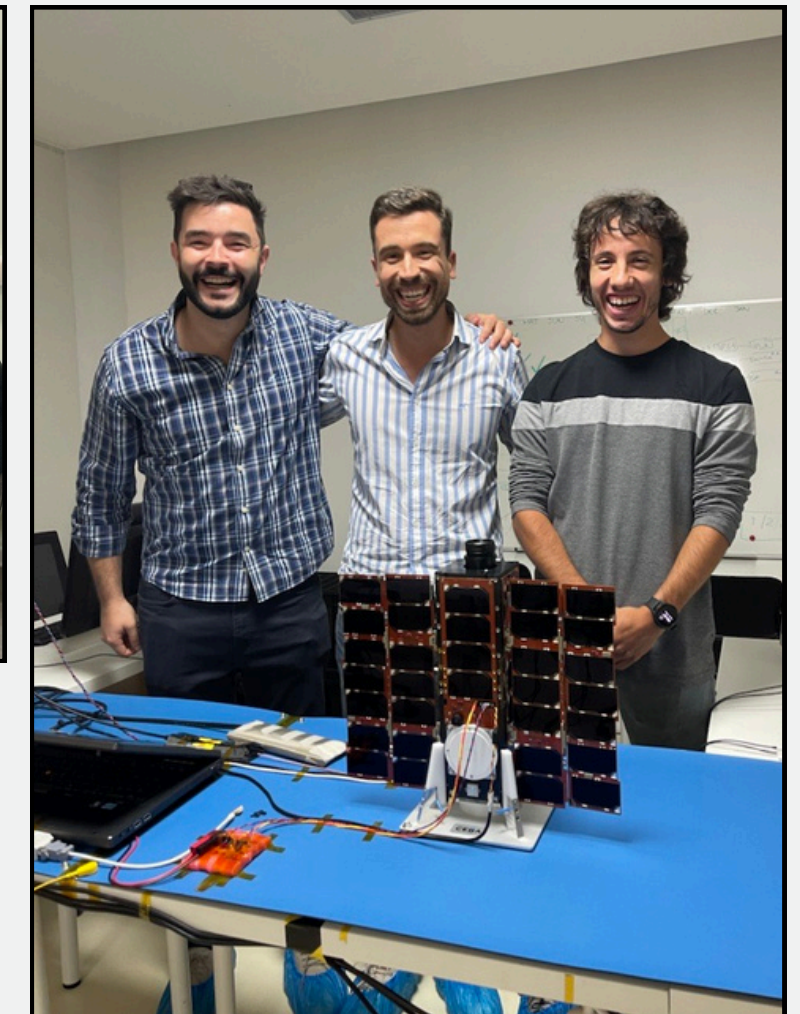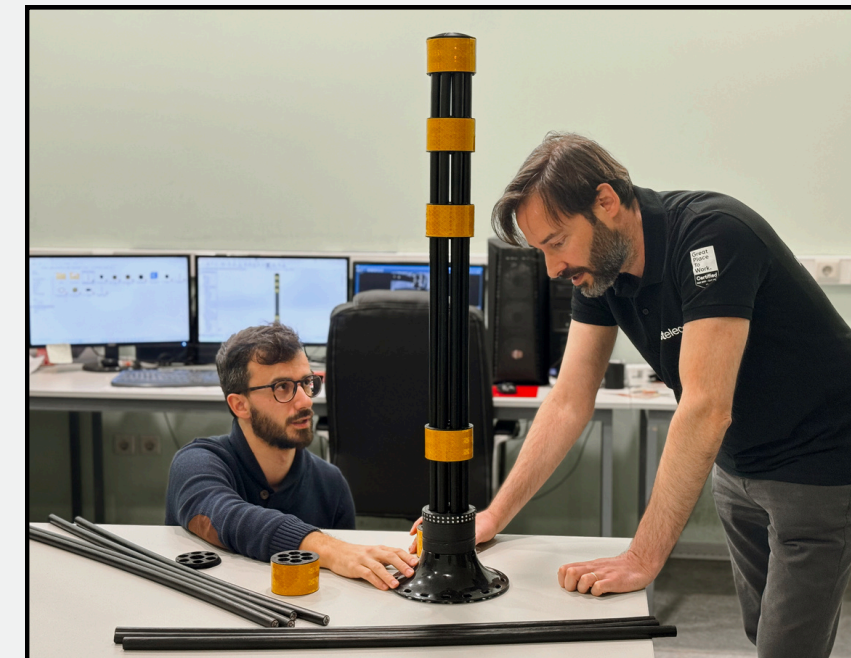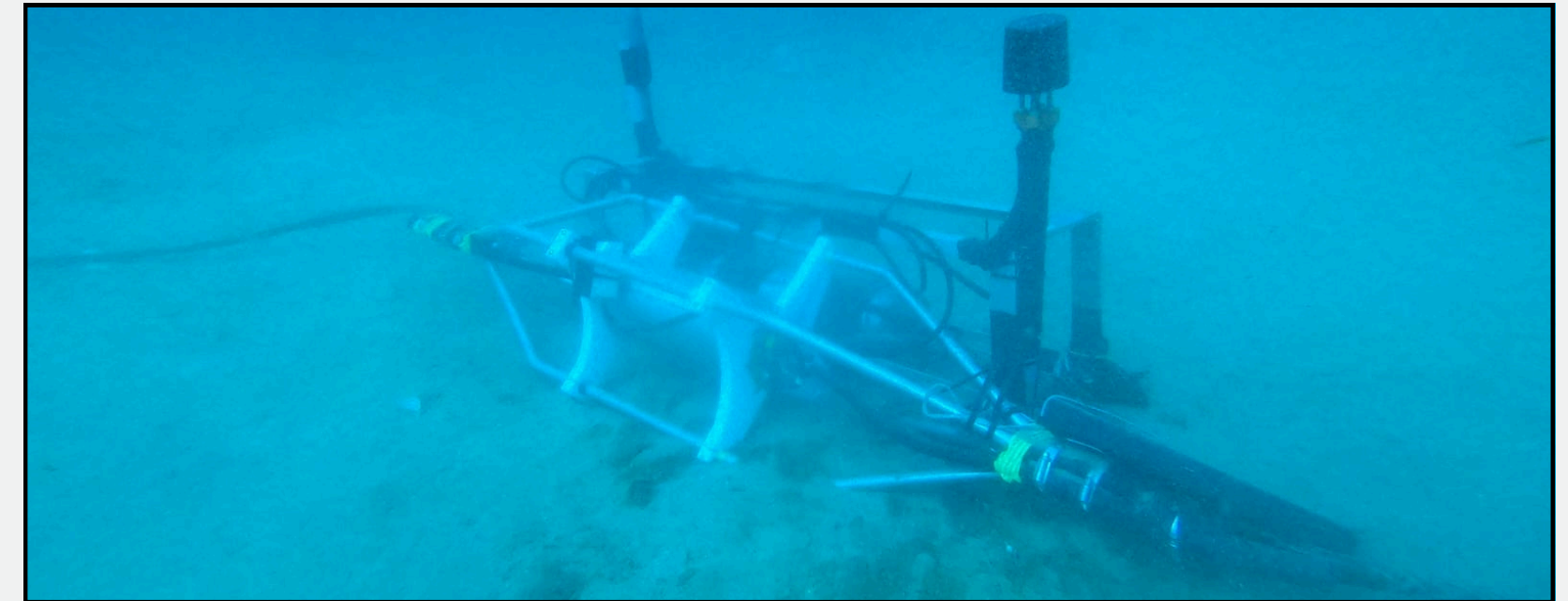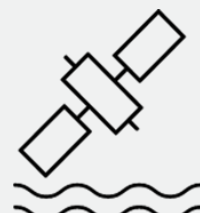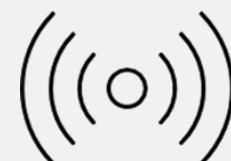

energy

industry 4.0

circular economy

space and sea

digitization and IoT

productivity

public relations

Establishing close relationships with all our stakeholders is essential to the continuation of our activity and the growth of the value of our business.

In all our business areas and in all the initiatives in which we are involved, we are committed to making an impact and leaving a positive mark.

Topic
Value chain reliability: customer satisfaction, positive external image and good relations with stakeholders.

Materiality

● ○ ○

Reduced

Ambition

- Submission of the ESG strategy and report to rating indices in the area;
- Collection of feedback/satisfaction surveys from stakeholders.

Risks

- Reduction in business opportunities due to weak relationships with customers, investors and academies.

Customer satisfaction

One of the objectives of our management policy is the satisfaction of our customers. From commercial performance, to the quality of materials, compliance with deadlines and environmental, health and safety requirements, we are interested in our customers feeling satisfied at every stage of a project in which we are involved. In order to measure our performance, as soon as we have completed our intervention in projects, we ask our customers to respond to a satisfaction survey where they can explain the positive and negative aspects of their experience with us.

Positive external image

Our good reputation is a guarantee of the rigor with which we apply our vision every day. We like to be recognized as a cultured, cosmopolitan and cool company. This image that we project creates a feeling of admiration and trust abroad. However, more important than this feeling, this image is a driving force for a paradigm shift in the business world.

Good relations with stakeholders

Just like our relationships with our employees, our relationships with other stakeholders are also guided by the 14 commandments of our Code of Ethics and Conduct. We believe in dialogue and want to hear what everyone we interact with has to say. In addition to the Materiality consultation, we have open communication channels such as contact forms on our websites, email or social media.

dstelecom is once again among the
top 4 most sustainable operators in Europe

dstelecom has just achieved a score of **95% in the GRESB Infrastructure Asset Benchmark Report 2024**, consolidating its position as one of the 5 most sustainable telecommunications operators in Europe. For the second consecutive year in the Top 5, we secured **4th place in this prestigious ranking**, improving our score compared to the previous year.

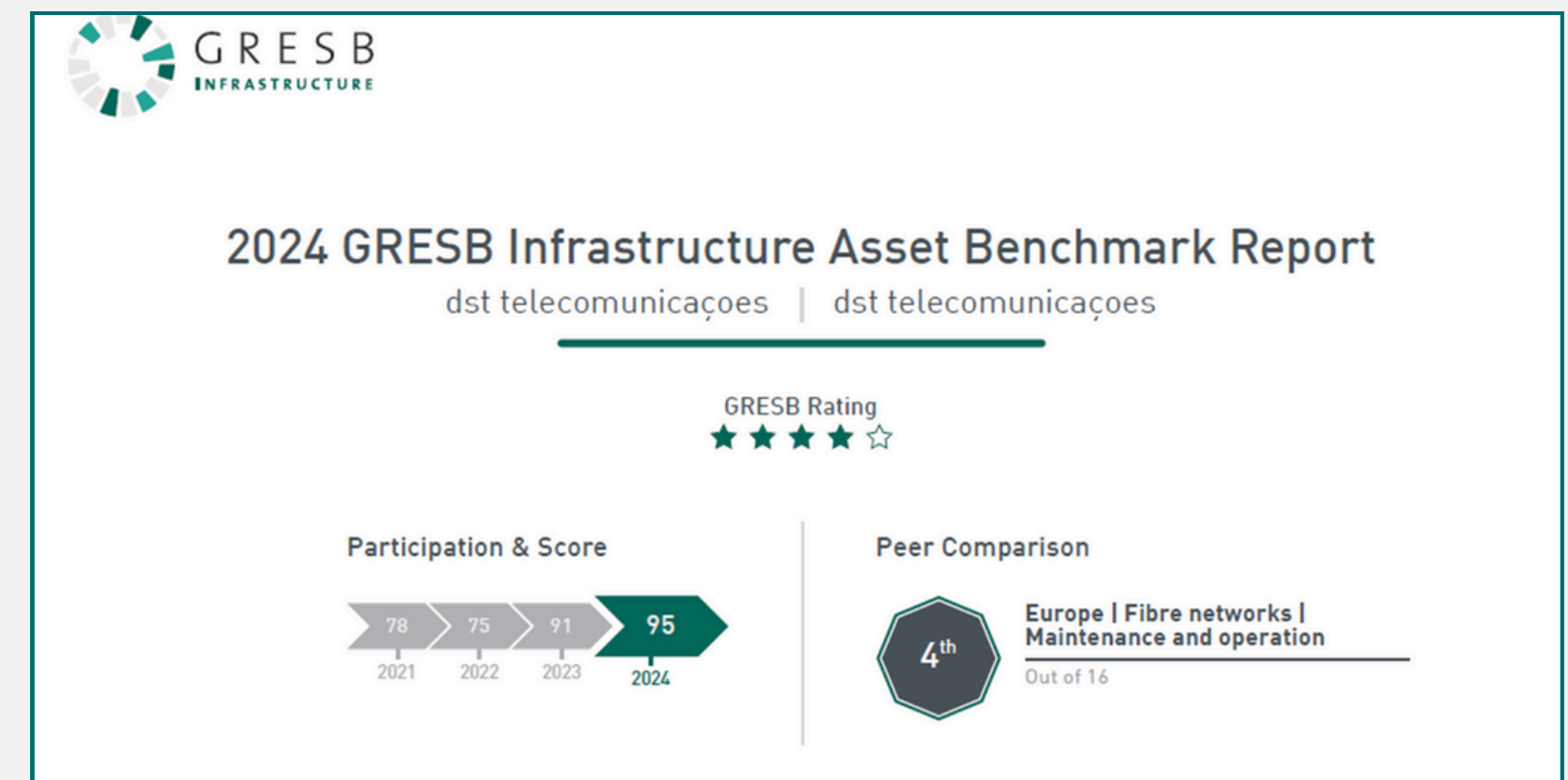## A rigorous and voluntary assessment

The GRESB (Global Real Estate Sustainability Benchmark) ranking is based on a rigorous and independent assessment, to which we voluntarily submit, which demonstrates our commitment to transparency and continuous improvement of our sustainability practices. This analysis measures the management and sustainable performance of companies, covering a wide range of criteria ranging from leadership and corporate governance to risk management, stakeholder engagement and internal policies.

The evaluation process also includes detailed metrics, such as:
- Energy efficiency and resource management;
- Greenhouse gas emissions and air quality;
- Water and waste management;
- Health and safety in the workplace;
- Policies and codes of conduct;
- Certifications and awards that attest to the quality of the practices implemented.

Commitment to sustainability and continuous improvement

Our improved score demonstrates that we not only maintain a high standard of sustainability performance, but that we are continually evolving and improving our practices. This result reflects our commitment to leading the transformation of the telecommunications sector, ensuring an increasingly sustainable approach that is aligned with the environmental and social challenges of the future.

GRESB INFRASTRUCTURE

2024 GRESB Infrastructure Asset Benchmark Report

dst telecomunicaçoes | dst telecomunicaçoes

GRESB Rating
★ ★ ★ ★ ☆

Participation & Score

78 (2021) — 75 (2022) — 91 (2023) — **95 (2024)**

Peer Comparison

4th
Europe | Fibre networks | Maintenance and operation
Out of 16

Pedro Neves

ESG & Sustainability Manager

2024 was a year of consolidation and growth for dstelecom's ESG strategy. With the commitment to integrate sustainability into the core of our operations, we sought to transform intentions into concrete actions, involving the entire organization in a collective and consistent journey. We assumed the responsibility of creating not only economic value, but also environmental and social value.

The publication of our first Sustainability Report was an important milestone, not only as an exercise in transparency, but as a starting point for a culture of continuous improvement.

I would also like to highlight obtaining ISO 20400 certification and creating the Energy Management Committee, initiatives that show that sustainability is not a separate department, but a way of thinking about and managing the business. Throughout this journey, I have had the privilege of working with motivated teams, committed leaders and partners aligned with our values.

To all those who contributed, directly or indirectly, to the construction of this vision, my sincere thanks. We continue together, with pragmatism and ambition, certain that the challenges of sustainability are also opportunities for innovation, positive impact and a shared future.

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people are our greatest and most important asset

dstelecom