

ESG Report

Towercom

2022



T O W E R C O M

CEO's foreword

In the very beginning of the year 2022, we found ourselves at a momentous turning point in the battle against the COVID-19 pandemic. Through collective efforts we were firstly able to say that the pandemic would end soon.

Unfortunately at that time we were not aware of the unprecedented changes that were about to be upon us as of February 2022. The Russian invasion of Ukraine has changed the economic, geopolitical & security conditions in Europe even overlapping the whole world.

Once again, the television & radio broadcast has demonstrated its importance in lives of our citizens bringing the latest updates even to the furthest corner of Slovakia. Terrestrial broadcast technology has proved its relevance being one of the most reliable technology to use.

The regional situation had immediate impact on already very volatile energy prices resulting in inflation rates we had not seen in decades.

Nobody within telecommunication sector has remained unaffected by the crisis on the market. Electricity costs that might have once been represented by 20% of the total company's expenditures, have now gained a top position within the costs hierarchy.

We are proud that unlike many other companies we were not forced to decrease the number of our employees on whose know-how & skills the quality of Towercom services depend very much.

This was possible thanks to the fact that Towercom is part of the strong global group, Macquarie European Infrastructure Funds 4.

This unpredictable period has accelerated implemented shifts towards use of renewable energy. We are glad to turn the crisis into new opportunities.

Towercom keeps investing more financial resources, personal capacities & attention into various projects focused on sustainable energy.

We keep successfully adding photovoltaic power plants with our aim to cover significant portion of Towercom's energy needs in the mid-term horizon.

We do not want to fully depend on the solar power. Therefore, we have already started considering and evaluating wind power. Step by step, Towercom is approaching a milestone of becoming carbon neutral company.

More detailed data proving my abovementioned thoughts can be found in this 2022 edition of Towercom Sustainability report which I invite you to read through.



Rudolf Urbánek
CEO
Towercom, a.s.

ESC framework at Towercom

Towercom has been playing its undeniable role in the Slovak society for almost 100 years. Through its infrastructure, it spreads television and radio broadcasting to the most remote areas of the country, thus ensuring that the population is constantly informed about current topics.

In addition to its primary area, in 2021 the company began to actively participate in the informatization of society by building an extensive optical infrastructure across the territory of Slovakia.

In developing its potential, our company honors and follows the previously defined three pillars of a strategy that reflect stakeholder concerns, core competencies, and our commitment to sustainable operation of our business, as depicted. Activities within these pillars are regularly reported on to Management and the Board of Directors.



In 2022 we kept developing key topics, primarily in the field of health and safety and in the field of the use of renewable energy sources.

Governance for health and safety is provided by the Health and Safety Committee, which also includes a shareholder's representative so that the setting and implementation of steps support the defined strategy of the company and the goals of the shareholder.

A project team has been assigned in order to develop the topic of maximizing the use of renewable energy sources. The team regularly informs the Executive Management team about the progress within the allocated projects.



Environment & climate

Despite the fact that Towercom operates distribution technology for television and radio broadcasting with the least impact on the environment and the lowest carbon footprint, we are actively and continuously working to reduce it.

Not only due to the negative development of energy prices, but also due to awareness of the impact on the environment. We have successfully constructed more photovoltaic power plants in Dubník (100 kW), Snina (50 kW) and Laskomer (30 kW).



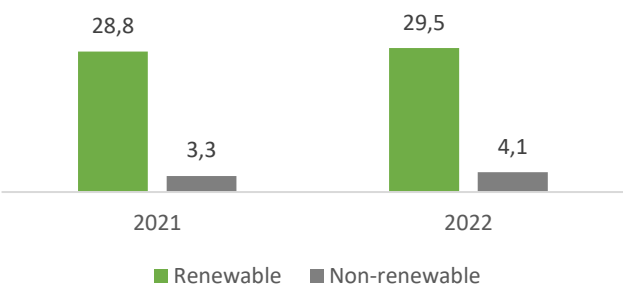
During 2022, already operating power plants based in Nitra-Jarok and Kremnica-Skalica produced a total of more than 85 MWh of electricity. Based on the monitored performance the predicted return on investment is 2 years. In addition to these sub-projects, the company has committed to develop a project for a large photovoltaic power plant in the Rimavská Sobota area, for which a feasibility study has been carried out.

In addition to investments in photovoltaic power plants, we are actively developing the topic of wind power plants in qualified locations. With these steps, our company contributes significantly to the fulfilment of the net zero decarbonization goals by 2040 with interim target by 2030.





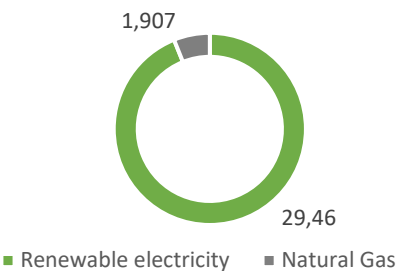
Renewable Energy Usage in GWh



Our company is recertified for the ISO 14001 Environment Management System, which confirms the continuous improvement and proper setting of processes in the field of Environmental Management.

Also in 2022, we continued our strategy and fulfilling our commitment to increase the share of clean energy in our consumption. Electricity and natural gas continue to account for the largest share of total energy consumption.

Our Energy Mix in GWh



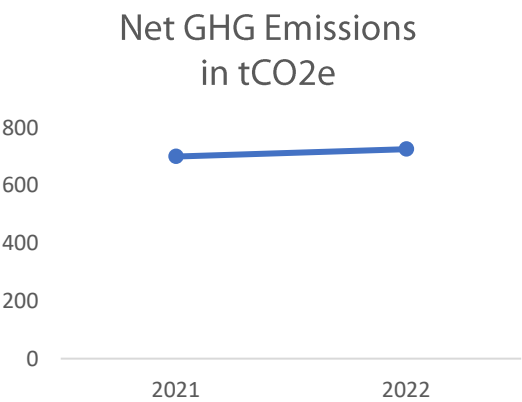
During 2022 and onwards, we plan to build photovoltaic power plants in another eight locations, with a total annual output of approx. 400 MWh.

Towercom is aware of its position as one of the largest infrastructure players on the Slovak market and at the same time has accepted the obligations arising from this position.

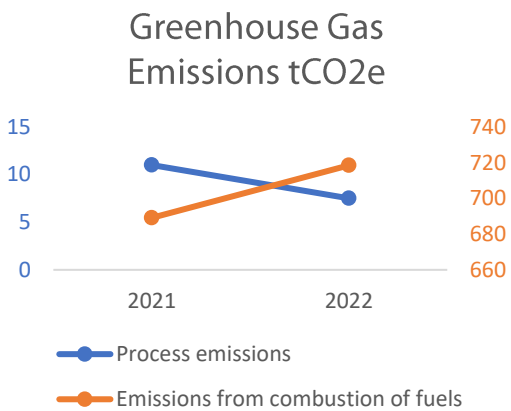
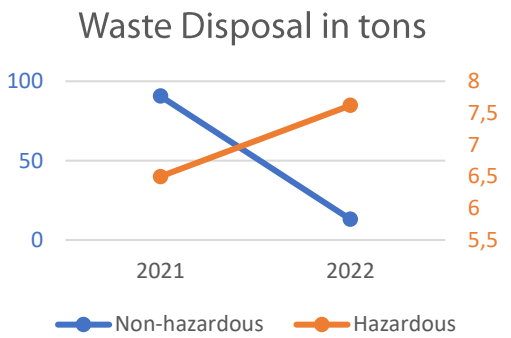
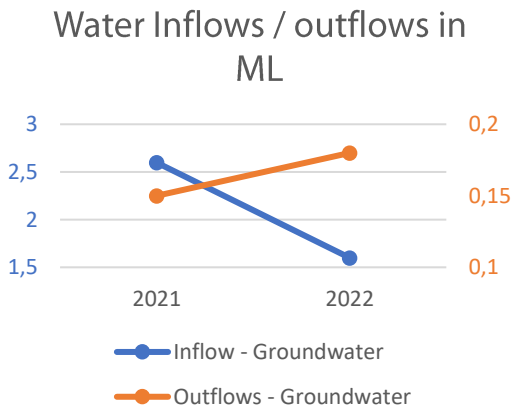
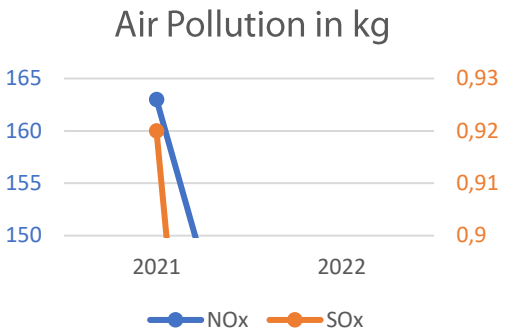
We have been working for a long time to reduce emissions from our own activities, which also supports our country's commitments to achieving climate goals.

Towercom is committed to a Net Zero plan by 2040, with an interim target by 2030 to reduce emissions by 46 % vs. the 2019 baseline. The 2040 abatement measures address significant decarbonization of -95% of the baseline emissions. With this aim the company has allocated respective CAPEX for initiatives mainly in the area of FVE, Wind PV, Electromobility and Energy Efficiency operational programs.

By on-site renewables, we expect a further reduction in the impact of our business on the environment in the coming period.



Following are the select figures measured and reported within the ESG framework related resource management.



Social responsibility

As the main operator of television and radio terrestrial broadcasting technology in Slovakia, we are aware of our role in society in terms of ensuring the access of residents to up-to-date, true and undistorted information.

Towercom has been performing this role responsibly and properly since 1926.

We believe that education plays key role in deciding what information has value and reflects true state of matters and what information is just a mix of empty words. Towercom therefore wants to enable Slovaks to move forward as a digital nation but also help them to navigate the new reality by equipping them with proper education. We partnered with a renowned organization The Duke of Edinburgh's International Award in nurturing future talent.



Despite of the global pandemic we are committed to never stop seeking for the ways how to get people together and let them exchange know-how and get inspired for example by online forums.

The employees of our company do not forget even the most vulnerable, the children. Every year we organize voluntary collections of clothes for children from an orphanage in central Slovakia.

Towercom helps Ukraine

The company has also run financial collection in order to support Ukraine recognizing the country's economic challenges caused by the invasion. We have successfully collected [amount of more than 12 000€](#). The aid aims to mitigate impacts of the current situation on citizens & local businesses.



Governance

As one of the major infrastructure employers in Slovakia, owning and operating critical infrastructure, we are aware of our duty to Slovak society to operate in a sustainable and transparent manner.

It is critical that our partners, employees and customers trust us and feel secure when using our products and services.

We comply with the relevant laws and regulations; however, we aspire to higher standards and seek to continuously improve our policies and practices through external benchmarking assessments, certifications, and other external validation sources.

Going beyond regulatory demands we keep our operations certified with the following ISO standards:

- ISO 9001 - sets out the criteria for a quality management system ensuring strong customer focus, the motivation and implication of top management, the process approach and continual improvement

- ISO 14001 - sets out the criteria for an environmental management system which maps out a framework that a company or organization can follow to set up an effective environmental management system
- ISO 27001 – sets out the criteria for information security management providing guidance how to manage the security of assets such as financial information, intellectual property, employee details or information entrusted by third parties



Health & safety

Ensuring good employee practices that promote well-being and personal safety has a high priority and is the key to secure that all Towercom employees can fulfill their potential.

Structure and governance

The Health & Safety practice is structured in line with the Slovak legislative framework and based on a Safety management system that defines strategy, risks, and policies.

Health and safety oversight at Towercom is ensured through a dedicated Health and Safety Committee including Board Members to ensure best practices and pursuit of safety culture across the organization.

In line with the overall safety risks, we are glad that the pandemic situation has stabilized and our focus from 2021 related to Covid-19 management has shifted to key WHS risks: as work in heights, electromagnetic radiation and personal safety of our technicians who work in operational area at our


sites/towers.

WHS strategic objectives in 2022

Our main focus in 2022 in WHS included:

- Continuous commitment to developing a positive Health and Safety Culture across the organization
- Zero major/fatal accidents mission claim in practice and low accident rate in general (LTI / LTIFR).
- The engagement of specialist consultants to support Towercom's team for higher-risk mitigations.
- People care and well-being campaigns, including mental health and general well-being of our colleagues.





“We use our infrastructure
and knowledge to support
our partners, to bring people
together and to
enrich their lives.”

Towercom, a.s.
Cesta na Kamzík 14
831 01 Bratislava
Slovenská republika

Kontakty:
Infolinka: 0650 444 400
Telefón: +421 2 4922 0111
info@towercom.sk