

2 <u>1&1 ESG report 2024/2025</u> Content

### CONTENT

- 3 FOREWORD
- 5 ANCHORING OF SUSTAINABILITY
- **8 OUR CONTRIBUTION TO THE SDGS**

#### 11 STRATEGIC DEVELOPMENTS

- 12 Strategic focus areas
- 13 Decarbonisation
- 8 Material efficiency and circularity
- Responsibility for our employees
- 30 Customer and product experience
- 35 Digital responsibility
- 42 Responsible corporate governance

#### 48 FURTHER FIELDS OF ACTION

- 50 Healthy and secure with 1&1
- 52 United Internet for UNICEF
- 53 ESG performance and political activities
- **57 CONTACT**
- 58 IMPRINT

3 **1&1 ESG report 2024/2025** Foreword

### FOREWORD

4 <u>1&1 ESG report 2024/2025</u> Foreword

#### Dear readers,

With the auction of 5G mobile frequencies in 2019, 1&1 has embarked on a transformation process that also increases our social responsibility. We see sustainability as an integral part of our activities and our corporate culture. Just as our more than 16 million customers, our more than three thousand employees, our shareholders, business partners, politicians, regulators and the general public rightly expect from us.

In spring 2025, we published our key sustainability issues and our greenhouse gas footprint in the Non-Financial Group Report. With this report, we want to build on this and provide further insights and transparency into our sustainability activities. The United Nations Sustainable Development Goals (SDGs) serve as the framework for this.

Last year, we adopted a concrete sustainability strategy for the first time and used it to set binding targets. We want to present these targets in this report.

This ESG report will be published annually from now on, evaluating the goals set here for the first time and addressing strategic progress and new challenges. We look forward to sharing this process with you!

Best regards

Ralph Dommermuth

Sascha D'Avis

Alessandro Nava

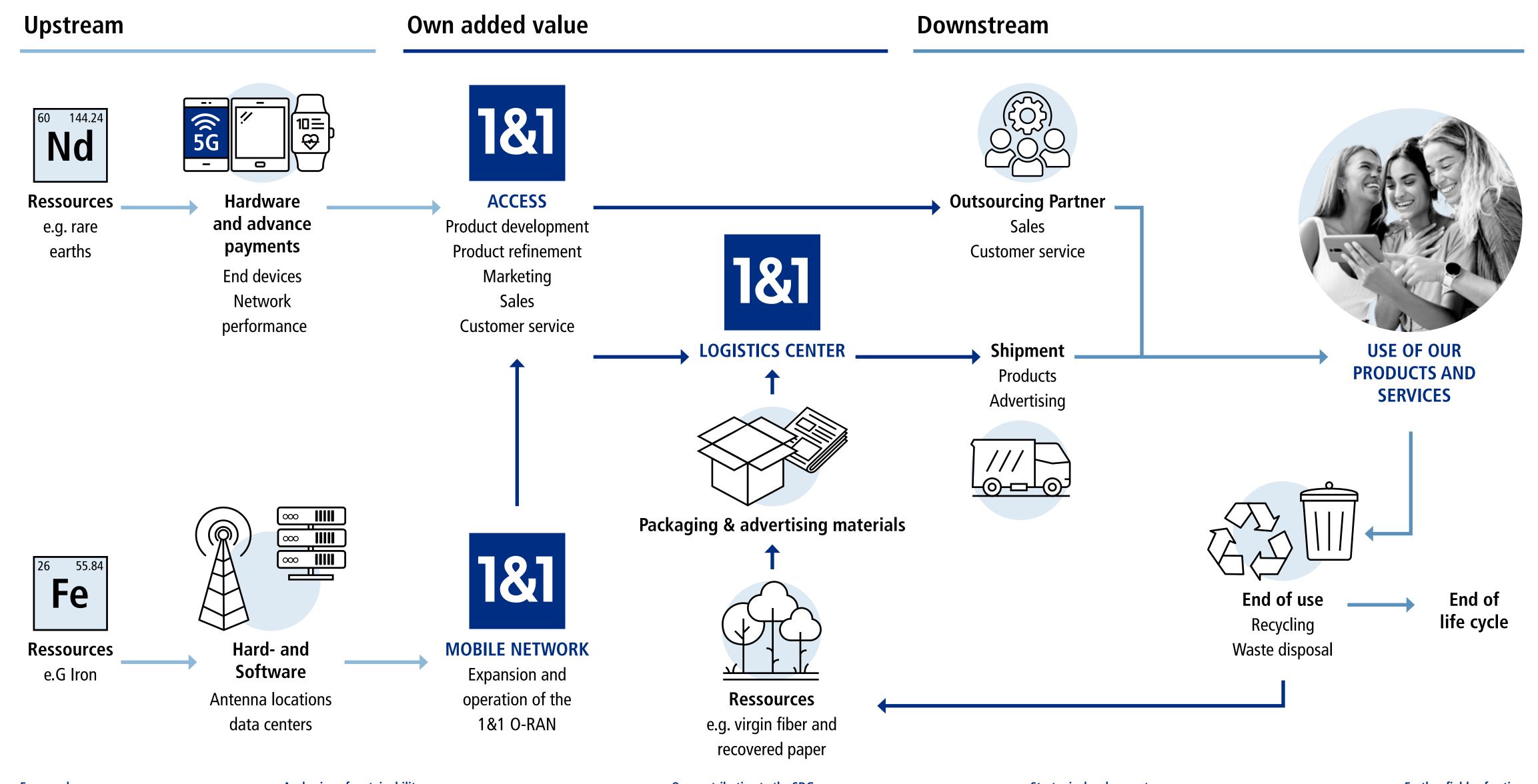


1&1 ESG report 2024/2025
Anchoring of sustainability

### ANCHORING OF SUSTAINABILITY

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Anchoring of sustainability

#### **Supply Chain**



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Anchoring of sustainability

#### **Sustainability management and structure**

Sustainability is an integral part of our business activities and is therefore already firmly anchored in our corporate culture. For this reason, we deal intensively with all dimensions of sustainability in our various business divisions. For us, sustainability means that we continue to develop both structurally and in terms of content, thereby contributing to the long-term success of the company.

At the end of 2022, we initiated a comprehensive and far-reaching strategy process.

An internal structure was created as the basis for the strategic development and, above all, for the appeal of sustainability within the company, which brings together all relevant sustainability interfaces within the company and integrates the sustainability activities already established. In addition to the existing central specialist department for sustainability management, a higher-level sustainability committee was also established for this purpose. This committee, consisting of divisional managers and Management Board members from all relevant departments, ensures that all sustainability functions within the company are integrated and that we are able to make overarching strategic decisions in sustainability management and guarantee targeted implementation and rapid implementation.

In addition to organisational development, we also sharpened our focus in terms of content in the past year. Based on a comprehensive analysis of the environment and numerous internal and external stakeholder dialogues, we identified the sustainability issues that are relevant and, in particular, material to the company. Building on this, we have already developed initial targets and measures over the past few months that relate to the following overarching focus topics, which are presented later in this ESG report.

**Our Focus Topics** 

WE PROMOTE A CLIMATE NEUTRAL FUTURE.

WE ACTIVELY PROMOTE THE CIRCULAR ECONOMY.

WE REMAIN TOP EMPLOYER.

WE OFFER AN INNOVATIVE CUSTOMER AND PRODUCT EXPERIENCE.

1&1 ESG report 2024/2025
Our contribution to the SDGs

# OUR CONTRIBUTION TO THE SDGS

1&1 ESG report 2024/2025
Our contribution to the SDGs



Since their adoption in 2015, the United Nations' seventeen *Sustainable Development Goals (SDGs)* have formed a global framework of reference for sustainable development. They focus on ending poverty, protecting the planet and ensuring prosperity for all.

1&1 aims to make a positive contribution to achieving the Sustainable Development Goals through its sustainability activities. We have therefore analysed all SDGs relevant to the company, assigned them to our activities and integrated them into our strategic sustainability considerations.

The following visualisation reflects the result of our internal SDG analysis and illustrates the contribution made to each individual goal. By graphically integrating the appropriate symbols in the chapters, the report continuously establishes a link to the development goals.

Our contribution to the SDGs











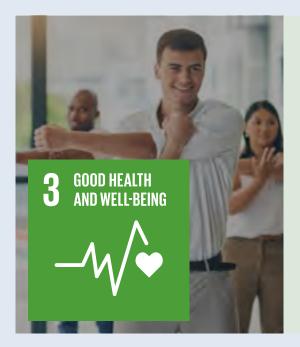












To improve the physical and mental health of our employees, we promote their well-being through comprehensive health programmes, flexible working models and a supportive working environment.



We support inclusive, equal and high-quality education with targeted professional development measures, mentoring and coaching programmes and special offers for employees.



We consider diversity to be not only desirable, but also crucial to the success of the company. We are therefore actively committed to equal opportunities and gender equality.



By utilising renewable energies in the expansion of our mobile network, we ensure a sustainable energy supply for our customers.



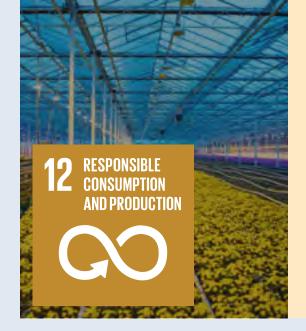
As a company, we offer our employees an innovative, inclusive and safe working environment in which all people are supported as individuals.



We see ourselves as a bridge builder to a sustainable and digital world by creating access to it through our network expansion.



We take responsibility for making mobile communication and digital inclusion possible for everyone.



Through targeted measures, we promote a functioning circular economy and offer our customers sustainable consumption options.



We take active measures to reduce our greenhouse gas emissions, our energy consumption and our use of resources and want to make our contribution to combating climate change.

Strategic developments

# STRATEGIC DEVELOPMENTS

1&1 ESG report 2024/2025
Strategic developments

#### STRATEGIC FOCUS AREAS



#### **Decarbonisation**

As a telecommunications company, avoiding our greenhouse gas emissions is a central component of our sustainability activities. We therefore continuously promote the implementation and optimisation of measures to reduce our greenhouse gas emissions.



#### Material efficiency and circularity

We anchor the principle of the circular economy in all processes and along the entire value chain. One of our tasks is to return end-of-life devices to a recycling loop at the end of their useful life.



#### Responsibility for our employees

We want to remain an attractive and future-oriented employer. In addition to a diverse and inclusive corporate culture, we provide our employees with needs-based working conditions and development opportunities.



#### Customer and product experience

The satisfaction of our customers and their product and service experience are a central component of our business activities. That is why we place the relationship with our customers at the center of our thoughts and actions.



#### **Digital responsibility**

As a telecommunications company, we provide secure and responsible access to a digitalised world. Making this modern and secure is one of our central tasks.



#### Responsible corporate management

Through responsible and longterm corporate management, all committees and employees contribute to sustainable value creation and thus ensure the continued existence of our company.

Decarbonisation



#### **DECARBONISATION**

#### **Fundamental understanding**

As a telecommunications company, decarbonisation is a central component of our sustainability activities. We therefore continuously promote the implementation of energy management systems and energy-saving systems and the exclusive use of renewable energies.

In this way, we minimise direct emissions from our own activities that are associated with the operation of the grid infrastructure, our logistics processes and other business activities. At the same time, we are committed to reducing indirect emissions from upstream and downstream activities so that our climate protection activities are aimed at decarbonising the entire value chain. We also see it as our responsibility to transform the market in the long term by using our services to drive the efficiency of digital solutions in such a way that emission reductions become possible.

**Further information on this topic can be found here:** 

Seperate non-financial Group report 2024, page 16-25

4 <u>1&1 ESG report 2024/2025</u> Decarbonisation

#### **Employee mobility**



#### **Avoidance of business trips**

Due to the modern equipment of meeting rooms and personal workstations with telephone and video conferencing technology, many business trips can be avoided.



#### **Climate-friendly traveling**

As part of the booking process, it is pointed out that rail is the preferred means of travel. In addition, employees can use a carpooling service on the company intranet to join forces for shared journeys.



#### **Company car fleet**

Currently, emissions from the fuel consumption (diesel and petrol) of company cars account for 54.0 % of our total Scope 1 and Scope 2 emissions. To reduce this source of emissions, 1&1 has set itself the goal of electrifying 100 % of its vehicle fleet by 2030.

#### **Mobile network**



#### **Efficiency**

The use of Open-RAN and our private cloud with COTS servers makes it possible to replace individual components in order to always be able to use the latest and most efficient server generation with an optimum ratio of performance and energy consumption.

#### **1&1 Logistic**



#### CO<sub>2</sub>-neutral shipping methods

We provide CO<sub>2</sub>-neutral delivery of all our 1&1 products by avoiding and offsetting emissions through the shipping service providers. We cover the resulting additional costs for our customers in full.



#### **Local suppliers**

Our packaging and print materials are sourced from local suppliers. Avoiding long transportation routes reduces emissions caused by unnecessary fuel consumption.

#### **Own locations**



#### **Green electricity**

We rely entirely on certified green electricity for our antenna sites and data centers as well as in our office and logistics buildings.

5 <u>1&1 ESG report 2024/2025</u> Decarbonisation

**Goals and measures** 

BY 2030, SCOPE 1 AND SCOPE 2 EMISSIONS WILL BE REDUCED IN THE FIRST STEP; UNAVOIDABLE RESIDUAL EMISSIONS WILL THEN BE OFFSET.

Annual survey of Scope 1, 2 and significant Scope 3 emissions in accordance with the GHG Protocol

Status quo: annual survey since 2023

By 2026: Development of a dedicated climate strategy including reduction targets and transition plan

By 2030: 100 % electrification of the vehicle fleet - exceptions require justified approval from the Executive Board

**Status quo:** The conversion of the company car directive to 100 % electrification took place from the beginning of 2025

Permanent use of 100 % certified green electricity for our office buildings and the operation of our own grid

**Status quo:** At our own locations, we rely entirely on certified green electricity. At locations where we have no influence on the electricity we purchase, this is offset by verified certificates where necessary

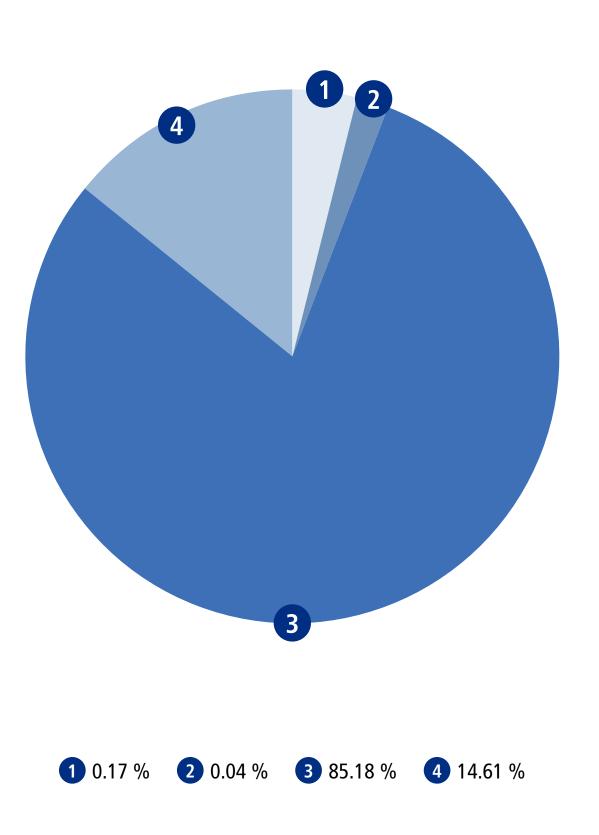
Continuous optimisation of the energy efficiency of our mobile network

16 1&1 ESG report 2024/2025
Decarbonisation

#### **Corporate Carbon Footprint**

The corporate carbon footprint indicates how many greenhouse gas emissions are caused directly or indirectly by a company's activities. By recording our CCF, we can gain a more comprehensive understanding of our environmental impact and take targeted measures to reduce our emissions. In addition to the direct emissions from our own or controlled

sources (Scope 1) and the indirect emissions from the generation of purchased electricity & heat that we consume (Scope 2), the indirect emissions that are significant for 1&1 and that arise in our value chain (Scope 3) were also analysed. The level of emissions for 1&1 for the 2024 financial year can be seen in the following chart:



1 Direct emissions from own or controlled sources

#### Scope 1

2,025.3 tons CO<sub>2</sub>e / 0.17 %

- Operation of own buildings (heat) and own vehicle fleet (fuels)
- 2 Indirect emissions from purchased energy market-based

#### Scope 2

464.8 tons CO<sub>2</sub>e / 0.04 %

- Purchased electricity and district heating
- 3 Upstream emissions within the value chain

#### Scope 3

987,050.2 tons CO<sub>2</sub>e / 85.18 %

- Purchased products and services, capital goods, rented or leased property, plant and equipment, transportation and distribution, energy-related emissions as well as business trips and commuting to work
- 4 Downstream emissions within the value chain

#### Scope 3

169,300.0 tons CO<sub>2</sub>e / 14.61 %

- Use of the products sold
- Dealing with products sold at the end of their life cycle

1&1 ESG report 2024/2025

**Our contribution to the SDGs** 



For us, this means that we rely on the use of 100 % renewable energy and work continuously to make our processes climate-friendly.

Alessandro Nava, COO, 1&1 AG



1&1 ESG report 2024/2025 Material efficiency and circularity



### MATERIAL EFFICIENCY AND CIRCULARITY

#### **Fundamental understanding**

We anchor the principle of the circular economy in all processes and along the entire value chain.

One of our tasks is to ensure that our customers' end devices, internal company IT and any recyclable IT from our own mobile communications network are sensibly returned to a recycling loop at the end of their service life. We also pay attention to a responsible procurement process and use of resources, improved material efficiency and continuous integration into all company processes. The fact that sold, returned products are refurbished with the aim of remarketing also contributes to this.

**Further information on this topic can be found here:** 

Seperate non-financial Group report 2024, page 26-29

1&1 ESG report 2024/2025

Material efficiency and circularity

#### **1&1 Logistics**



#### 1&1 Trade-In

With the 1&1 Trade-In, we offer our customers a transparent model for returning used cell phones, tablets and notebooks. In 2024, over 60,000 old devices were accepted and fed into a sustainable recycling process by 1&1. When ordering a new device, customers can exchange their old device for a bonus.



#### **1&1 Refurbishment**

We offer refurbished appliances. All returned appliances are checked in detail by our "reverse logistics & refurbishment" team and tested for recyclability. Our refurbishment process is shown on page 21.



#### **Efficient shipping packaging**

The (outer) packaging material consists of 75-80 % recycled materials, while the packaging cardboard is already made from 100 % recycled material. The recycling of (outer) packaging materials by our partner Landbell AG saved the equivalent of 296.5 tons of CO<sub>2</sub> emissions in 2024.

#### **Resource-efficient grid infrastructure**



#### **Use of standardised hardware**

The complete virtualisation of the cloud architecture enables the use of standardised hardware in our mobile network and accelerates innovation cycles through efficient, resource-saving and cost-effective software updates. The need for costly updates and conversions of base stations is eliminated. The standardised hardware facilitates the return to the recycling cycle after the end of use.



#### **Use of existing antenna sites**

Existing antenna sites are also used to expand the mobile network. To this end, 1&1 cooperates with radio tower companies that make their antenna sites available on a long-term basis for the installation of high-performance antennas.

1&1 ESG report 2024/2025

Material efficiency and circularity

#### **Goals and measures**

# WE ARE COMMITTED TO PROMOTING THE RECYCLING AND USE OF RECYCLABLE MATERIALS.

By the end of 2025: use of own packaging materials made almost entirely from recycled material [>90 %]

**Status quo:** 75-80 %

By 2025: approx. 60 % of the mobile handset portfolio will also be available to our customers as a refurbishment alternative

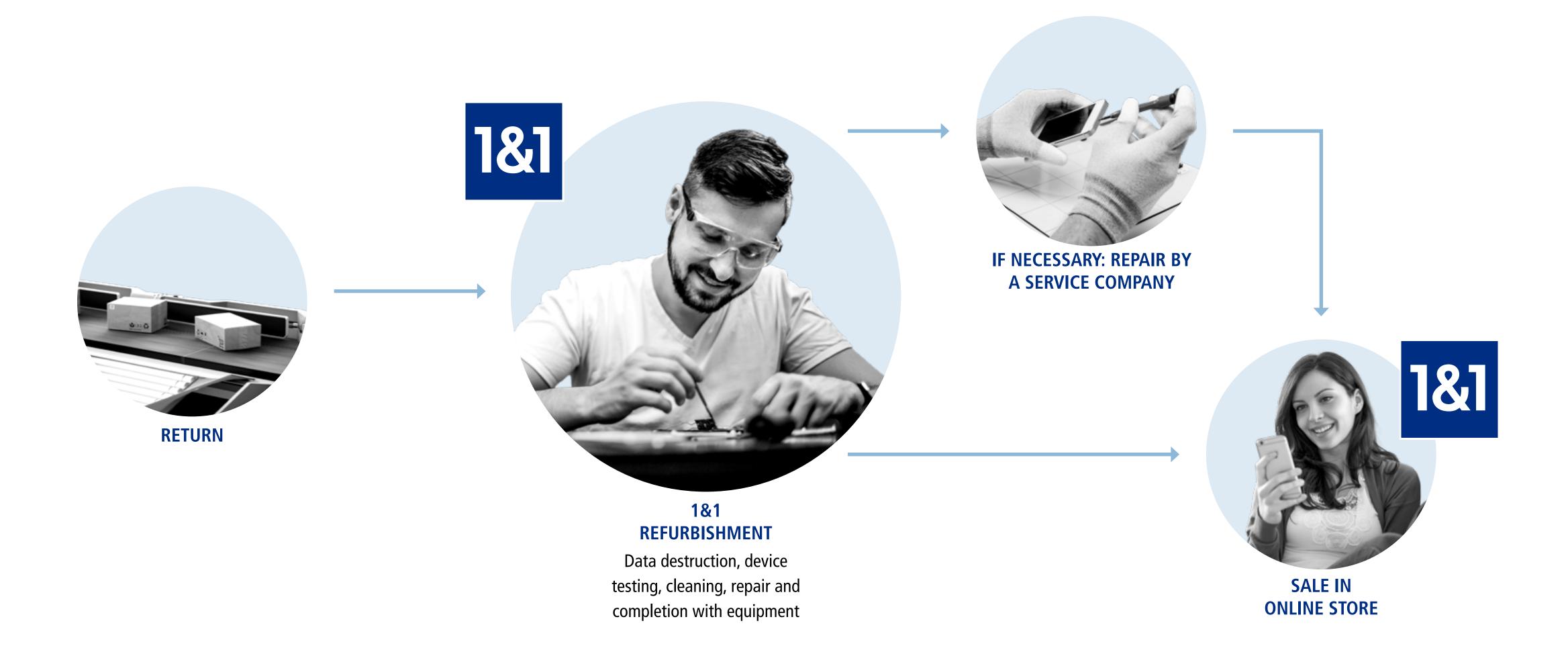
Status quo: achieved

21 181 ESG report 2024/2025 Material efficiency and circularity

#### **1&1 Refurbishment**

Since 2019, our in-house refurbishment has ensured that used and opened goods from the tablets, mobile devices and laptops product groups are carefully checked, refurbished and efficiently returned to the goods cycle.

Refurbishment contributes to the responsible use of resources by extending the life cycle of appliances, reducing electronic waste and conserving valuable raw materials.





### 1&1 LOGISTIK GMBH SUPPLIES 6.5 MILLION CUSTOMERS ANNUALLY.

This success also confronts us with the fact that we work in an industry that sells non-ecological products such as smartphones and tablets. Added to this are the effects of climate change, which the media informs us about and which are finding their way into our everyday lives. All of these factors have made us realise that we need to focus more on the issue of sustainability and, above all, take responsibility. In this way, we are not only fulfilling our personal motivation, but also making a valuable contribution to environmental and climate protection as a company.

Marcell D'Avis, Head of Logistics Management, 1&1 AG



23

### RESPONSIBILITY FOR OUR EMPLOYEES

#### **Fundamental understanding**

As one of the leading telecommunications providers, 1&1 is subject to the defining characteristics of the industry: high dynamics, short innovation cycles and intense competition.

Committed and competent employees and managers are a key factor in successfully mastering these challenges. We want to remain an attractive and future-oriented employer. In addition to a sustainable corporate culture, we provide our employees with working conditions that meet their needs. By offering our employees flexible working time models, we enable them to reconcile their professional and private lives. We express our appreciation for the performance and commitment of our employees through remuneration in line with the market, a wide range of additional benefits and transparent communication. We see our employees as the most important pillar of the company, which is why we rely on flat hierarchies, short decision-making paths and participatory involvement, which make an essential contribution to sustainable corporate success.

At 1&1, we attach great importance to equal rights, anti-discrimination and valuing the diversity of our employees. For the company, this means that we ensure equal opportunities in recruitment and career development at all levels and guarantee fair pay. It is also important to us that different backgrounds are actively incorporated into the design of our corporate culture and that we use gender-sensitive and non-discriminatory (figurative) language. We are convinced that diversity is a key to the company's success. We therefore attach great importance to diversity in our customer approach and take into account the associated market potential in order to position our products and services successfully and attractively.

Our personnel and organisational development promotes employees in line with their needs and creates prospects for sustainable success - because the entire organisation grows with the knowledge of the individual. We also offer a wide range of training, education and university courses as well as various programs to promote young talent at an early stage. We see learning and development as a continuous, joint process that strengthens both individual potential and 1&1's future viability.

#### Further information on this topic can be found here:

Seperate non-financial Group report 2024, page 35-44



#### Training and further education



25

#### School, training and university programs

Training at 1&1 is carried out by United Internet Sourcing & Apprenticeship GmbH with uniformly high standards. To promote young talent, we cooperate with schools and universities and offer internships, dual study programs and career guidance.



#### Internal training and skills development

With the Campus, we offer a central further education platform that bundles education, training and e-learning and provides easy access to a wide range of learning opportunities. An overview of the most important programs can be found on page 28.

#### **Diversity**



#### **Charter of Diversity**

1&1 has been a signatory of the Charta der Vielfalt e.V. – Germany's largest employer initiative promoting diversity in the workplace – since June 2023, thereby demonstrating a clear commitment to the importance of diversity within the company.



#### **Diversity Days**

In May 2024, we organised a five-day virtual in-house conference "Diversity Days" on the topic of diversity, at which 43 dedicated speakers gave 35 presentations and almost 800 employees took part in the discussion.

#### **Working conditions**



#### Performance-related & attractive remuneration

We structure our remuneration fairly, transparently and in accordance with the law - regardless of gender or other non-functional or specialist characteristics. In addition to performance-related pay, we offer attractive additional benefits such as a company pension scheme, discount programs and a subsidised "Deutschlandticket".



#### Flexible working time models for work-life balance

We promote work-life balance through flexible working time models - including the option to work up to 40 % remotely or - in certain IT roles - completely remotely if desired. With our Employee Assistance Program, we offer all employees confidential support around the clock in the areas of family, care and personal life situations.



#### High level of transparency and communication within the company

We promote transparency and open communication through a variety of co-design formats - from sounding boards and creative workshops to a company-wide ideas forum. Through regular updates, a 5G blog and a broad organisational development program, we actively involve our employees in the development of a future-oriented corporate culture.

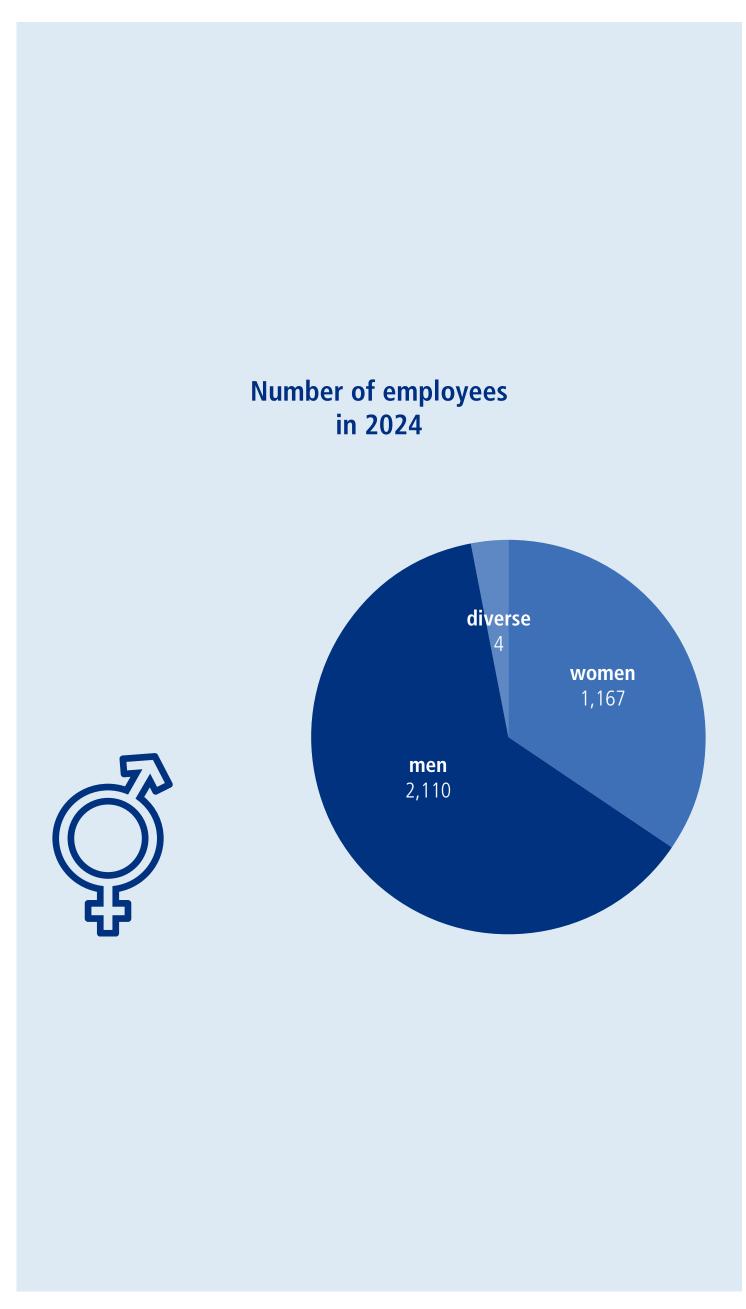
**Goals and Measures** 

# WE IMPROVE THE SATISFACTION OF OUR EMPLOYEES AND ARE COMMITTED TO DIVERSITY WITHIN THE COMPANY.

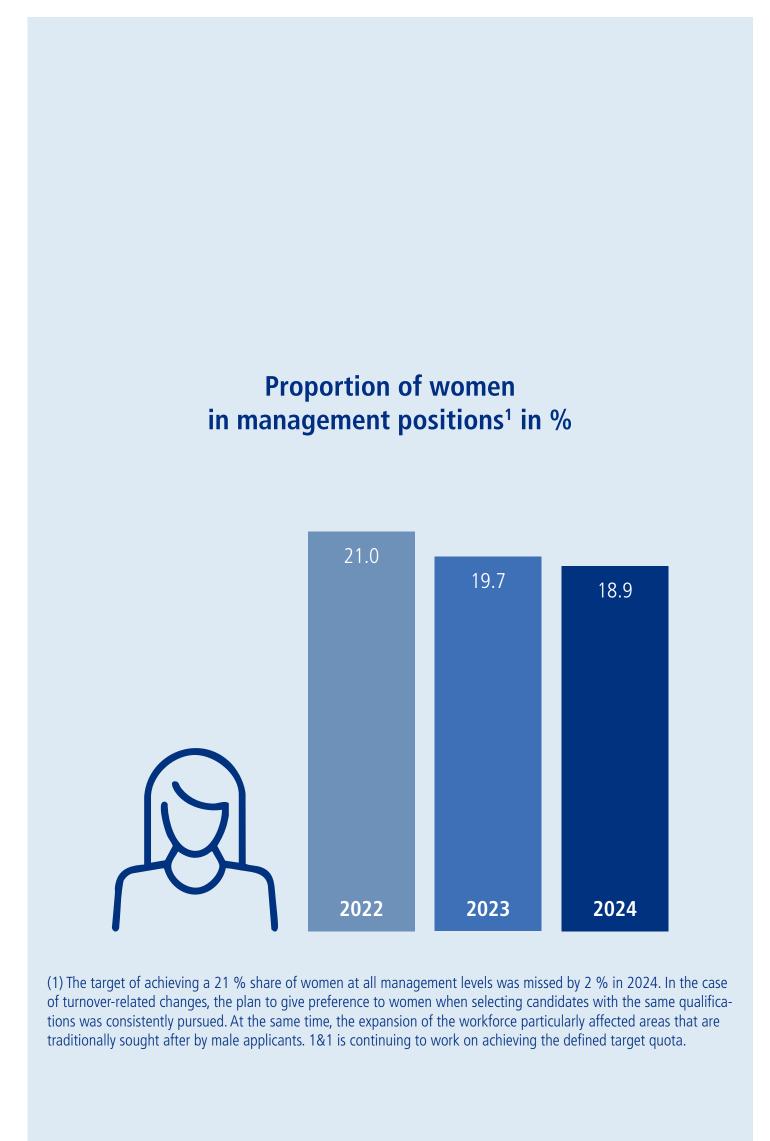
- By the end of 2025:
  Establishment of a1&1 "Women Leadership Program"
- By the end of 2025:

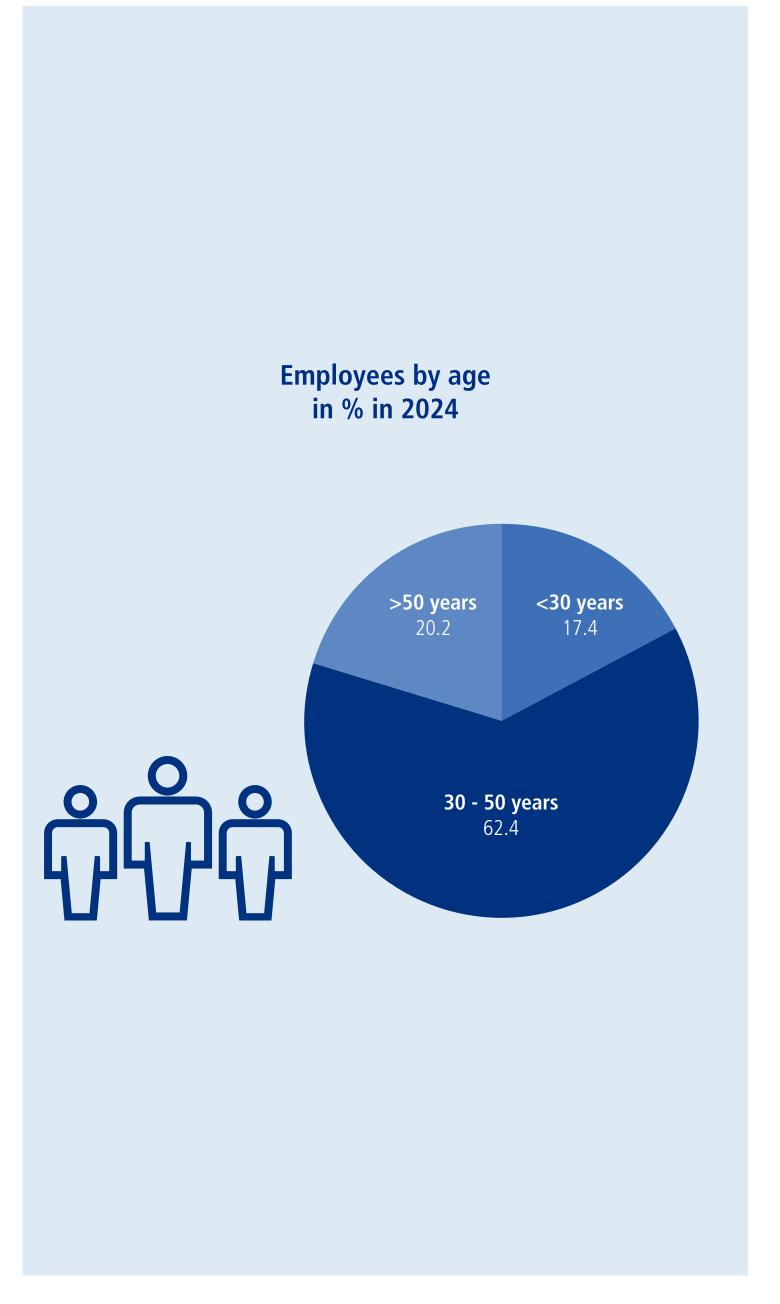
  Mandatory e-learning courses on diversity and sustainability

**Status quo:** e-learning on the topic of diversity was already introduced in 2024. E-learning on the topic of sustainability will follow by the end of 2025.



27





#### TRAINING AND SKILLS DEVELOPMENT PROGRAMS

#### **Programs (Selection)**

	Description
My Way <sup>™</sup>	Supporting aspiring managers in their career development through a curriculum consisting of mandatory basic modules and optional supplementary modules
Navigate	Promoting talent in entrepreneurial thinking and the acquisition of essential soft skills
Womens Explore	Empowerment of women through networking opportunities and targeted support in pursuing their own career ambitions
Discovery & Development Camp	Further development of the expertise of experienced senior employees and active involvement in the company
Leadership Next Level	Mid-level management programme to prepare for the skills and challenges of the next management level
Future Leaders	Offer for junior managers to further develop skills for future leadership roles and network with experienced managers
Goldfisch-Initiative	Development programme for talents to strengthen key competencies, promote interdisciplinary skills and enable active participation in the corporate culture
Development programme for assistants	Exchange, networking and expansion of the competence profile of assistants for cross-departmental collaboration
LinkedIn Learning	LinkedIn's online learning platform with a wide range of professional online courses to bring development closer to employees' everyday working lives
Employee Academy	Collaborative learning, discussion, networking on business-relevant topics and future skills taught by internal experts





Anette Kreitel-Suciu, Head of Group HR, 1&1 AG



Foreword Anchoring of sustainability Our contribution to the SDGs

1&1 ESG report 2024/2025 Customer and product experience



30

### CUSTOMER AND PRODUCT EXPERIENCE

#### **Fundamental understanding**

The demands on telecommunications and Internet access are constantly growing and must therefore be continuously considered in order to ensure the long-term satisfaction of our customers.

The satisfaction of our customers and their product and service experience are a central component of our business activities and are essential to the sustainable operation of our company. This is why we place the relationship with our customers at the centre of our thoughts and actions. We create an innovative customer experience by continuously developing our service and product offerings and incorporating the interests and wishes of our customers.

**Further information on this topic can be found here:** 

Seperate non-financial Group report 2024, page 32

1&1 ESG report 2024/2025

Customer and product experience

#### **Customer satisfaction**



31

#### **Customer Journeys**

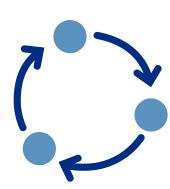
Customer satisfaction is regularly evaluated within the customer journeys and relevant contact points and measures and strategic fields of action are derived from these findings.



#### **Customer sentiment score**

The customer sentiment score (CSS) is used as the key performance indicator for measuring customer satisfaction. Over the years, 1&1 has recorded a continuous increase in customer satisfaction since the survey began in 2010.

#### Reliable service and product availability



- Personal customer support in the case of faults
- Implementation of the tariff migration to the mobile network, including a survey of migration customers and close monitoring of network satisfaction
- Review and revision of the onboarding process to ensure consistent, error-free and comprehensible communication
- Derivation of optimisation potential with the help of our monthly online surveys with feedback from around 90,000 customers on average

1&1 ESG report 2024/2025

Customer and product experience

#### **Goals and measures**

## WE MAINTAIN A LEADING POSITION IN THE FIELD OF CUSTOMER SATISFACTION.

[Target Value CSS\* 2024 = 73]

\*Customer sentiment score (from 100 very satisfied to 0 very dissatisfied)

Improving service quality

Integration of sustainability aspects in customer surveys and market research

Increasing transparency about the sustainability aspects of mobile devices for customers

Customer and product experience 1&1 ESG report 2024/2025

#### **Getting closer to an inspiring** customer experience with every step

33

Analysing customer journeys is a decisive factor in the sustainable development of our customer and product experience. By understanding the entire customer journey from the first impression to the order to daily use - we can take targeted measures to increase customer satisfaction and at the same time assume environmental and social responsibility.

This not only leads to more satisfied and loyal customers, but also to a positive perception of our brand and sustainable value creation. We put the needs and expectations of our customers at the centre of everything we do, aim to inspire them with our service and keep improving for them.

#### **OBTAINING DIRECT CUSTOMER FEEDBACK**

In interviews and surveys, we listen carefully - to people who have really experienced the journey.

#### **CUSTOMER COMMUNICA-**TION ON THE TEST BENCH

We check all touchpoints for comprehensibility, logic and a coherent overall picture.

#### **EXPERIENCE LIVE TEST ORDERS**

Customer experience and product managers go through the customer journey themselves for personal, first-hand insights.

#### **STAY ON**

We are constantly evolving getting better and better.

#### **MEASURING SUCCESS**

We monitor the impact with regular satisfaction surveys.

#### **GAINING DATA-BASED INSIGHTS**

We supplement the journey with operational key figures, performance data and analyse what triggers good and bad experiences.

#### **IMPROVING TOGETHER**

In workshops with teams from different areas, we develop concrete ideas for optimisation.

#### **IMPLEMENTING MEASURES**

Our best ideas are put into practice - for tangible improvements in the customer and product experience.





WE WANT TO MAKE A DIFFERENCE FOR OUR CUSTOMERS. BETTER AND BETTER - WITH EVERY EXPERIENCE AND EVERY CONTACT WITH US.

Cecile Euchenhofer, Head of Customer Experience, 1&1 AG

1&1 ESG report 2024/2025

Digital responsibility



35

#### **DIGITAL RESPONSIBILITY**

#### **Fundamental understanding**

As a telecommunications company, we provide access to a digitalised world. Making this modern and secure is one of our central tasks.

That is why, as a new mobile network operator, we have relied on the latest technology right from the start with the construction of Europe's first fully virtualised mobile network based on innovative Open RAN technology. Information security is a top priority throughout our extensive product landscape in order to protect information from unauthorised access and misuse. The information to be protected includes not only the electronic data of our customers and employees, but also information on the company's own processes, systems and products.

1&1 ESG report 2024/2025

Digital responsibility

We are expressly committed to the outstanding importance of data privacy, which is also guaranteed by fundamental rights, and take this into account on an ongoing basis in our day-to-day business. Through appropriate measures and the use of management systems, we are constantly committed to the data privacy concerns of our customers, partners and employees and embed data privacy requirements throughout the Group in our in-house systems, processes and products. We maintain the highest security standards and thus minimise the risk of personal data breaches for customers. This includes enabling the use of the latest technologies that support the continuous review of data privacy and other legal requirements and continuously training employees in data privacy and sensitising them to this issue. Data privacy requirements are also integrated into product and process development at an early stage. Through these measures, we are constantly investing in improving data privacy.

#### **Further information on this topic can be found here:**

Seperate non-financial Group report 2024, page 51-60

36



1&1 ESG report 2024/2025

## Openness for more digital sovereignty with the 1&1 O-RAN



37

## **Flexibility**

Due to the high flexibility of the 1&1 O-RAN, we can always work with the best and most secure manufacturers.



## **Innovative strength**

We are independent of the innovation cycles of dominant equipment suppliers.



## Security

Our high safety standards are regularly audited internally and by independent organisations.



## Inspection

We attach great importance to transparency on the basis of documented standards.

## **Digital participation**



## **Pioneer of digitalisation**

As a telecommunications company, 1&1 provides a large part of society with access to a digitalised world and thus makes an important contribution to the digital transformation.

## **Information security & data privacy**



## **Information security management**

Our information security is based on an information security management system (ISMS) that complies with internationally recognised standards such as ISO 27001 and BSI IT-Grundschutz.



## **Data privacy**

We are expressly committed to the outstanding importance of data privacy, which is also guaranteed by fundamental rights, and take this into account on an ongoing basis in our day-to-day business.



**Goals and measures** 

WE OPERATE AN INNOVATIVE MOBILE NETWORK BASED ON THE NEW OPEN-RAN TECHNOLOGY.

WE PROVIDE SECURE ACCESS TO OUR DIGITAL SERVICES.

WE GUARANTEE DATA PRIVACY THROUGHOUT THE GROUP AND EMBED IT IN OUR SYSTEMS AND PROCESSES.

**Our contribution to the SDGs** Strategic developments **Further fields of action**  39 **1&1 ESG report 2024/2025** Digital responsibility

## Network design

Our virtualised Open RAN network is a hybrid 4G and 5G network with gigabit antennas connected to fibre optics. All network functions are realised with software on a private cloud with standard hardware.

4 core data centres, 24 decentralised edge data centres and more than 200 of a total of over 500 regional far-edge data centres planned by 2030 are already in operation. Our gigabit antennas are connected to these via fibre optics and over distances of no more than 10 kilometres. This gives us a particularly future-proof network architecture that will change the mobile communications landscape. This is exactly what we have set out to do as the fourth mobile network operator - for more lively competition and innovations that benefit all consumers.



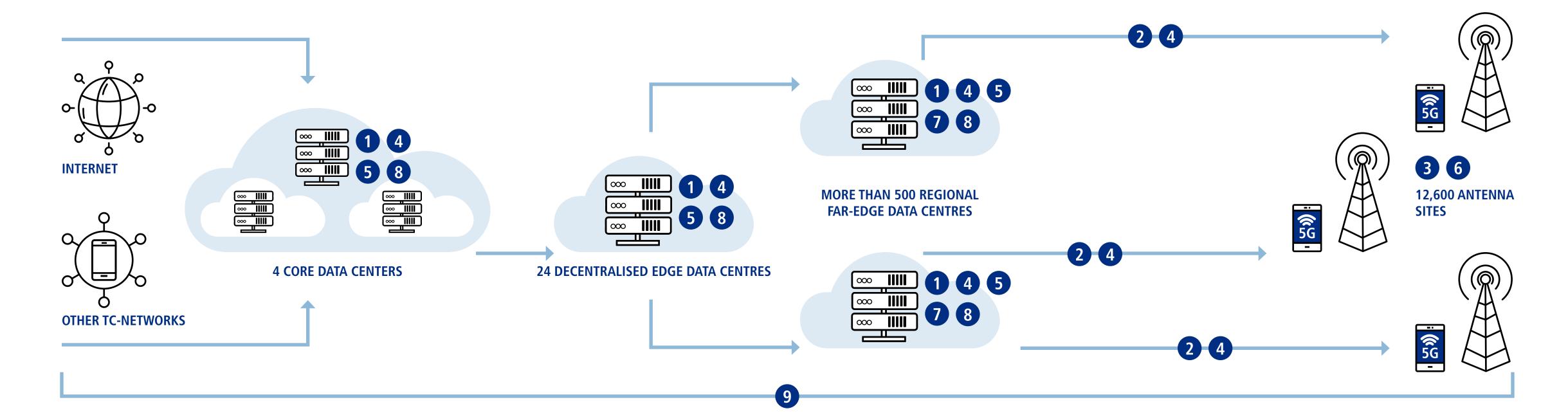




**1&1-CONFIGURATION** 

0 <u>1&1 ESG report 2024/2025</u> Digital responsibility

## Innovative mobile network expansion and operation



- 1 DC operation of the servers in the data centres
  - Increasing energy efficiency
  - Reduction of operating costs
- 2 Very short latency times thanks to fibre optic connection of all antenna locations and short distance (max. 10 km) to far-edge data centres
  - Enables real-time communication
- 3 Existing antenna sites are also utilised in the construction process (CoLocation)

- 4 Free cooling mode and cold/hot aisle concept
  - Minimising energy consumption
- 5 Use of lead-gel batteries for emergency operation at technical sites.
  - Complete recycling possible
  - Cost efficiency and durabilit

- 6 DC operation at all antenna locations
  - No rectifier and inverter required for battery operation
  - High efficiency (96-98 %)
  - Increase in energy efficiency
  - Reduction in operating costs
- 7 Increasing energy efficiency by realising a modular design for a large proportion of the distributed units required for the 5G network Distributed Units
  - Lower construction costs

- 8 Complete virtualisation of the cloud architecture enables the use of commercially off-the-shelf (COTS) hardware and accelerates innovation cycles through efficient, resource-saving and cost-effective software updates.
  - Eliminates the need for time-consuming up dating and refitting of the base stations.
  - Easier return to the recycling cycle at the end of use

(Applies to all data centres)

- 9 Wide partner ecosystem
  - Flexible cooperation with various providers on the market enables a wide range of servers and network technology
  - Dispensing with controversial network equipment suppliers such as Huawei

(Applies to active antenna technology, servers and software providers)

1&1 ESG report 2024/2025



# WE OPERATE EUROPE'S FIRST MOBILE NETWORK BASED ON THE NEW OPEN-RAN TECHNOLOGY - FULLY VIRTUALISED AND READY FOR REAL-TIME APPLICATIONS.

With our innovative 5G network, we are making a difference in the German mobile communications market. We have the same high standards when it comes to the environmentally sustainable operation of our network. A key lever for reducing our  $CO_2$  emissions is the electricity consumption for operating our network. At our own sites, we already use 100 % electricity generated from renewable energies. We also use certified green electricity at locations that we use together with cooperation partners. At locations where we have no influence on the electricity we purchase, we may offset this by using verified certificates. We will soon be able to manage our grid capacities in a forward-looking, demand-optimised manner. State-of-the-art energy management systems and special analysis mechanisms based on artificial intelligence will be used for this purpose. Our aim is to continuously improve and become even more efficient.

Michael Martin, CEO, 1&1 Mobilfunk GmbH

1&1 ESG report 2024/2025
Responsible corporate governance



## RESPONSIBLE CORPORATE GOVERNANCE

## **Fundamental understanding**

The Management Board and Supervisory Board of 1&1 AG ensure the continued existence of our company and sustainable value creation through responsible, long-term corporate management.

We link remuneration models for the Management Board to sustainability criteria and establish ESG topics in our Group-wide risk management system. We also ensure that all relevant laws, regulations, standards and ethical practices are complied with. In order to ensure fair and respectful dealings with one another and prevent corrupt business practices, our company-wide values, our management guidelines and our Code of Conduct form the basis for our daily work. We also see transparent communication with our stakeholders and the promotion of external knowledge sharing as a corporate responsibility.

**Further information on this topic can be found here:** 

Seperate non-financial Group report 2024, page 64-68

1&1 ESG report 2024/2025
Responsible corporate governance

## **Code of Conduct**



Our Code of Conduct combines our corporate values with internal guidelines and shows how we act in accordance with them. It provides specific recommendations for dealing with employees, business partners, investors, competitors, customers and the media.

## Riskmanagement



In addition to traditional risk management, 1&1 also assesses sustainability-related risks, which form the basis for the strategic fields of action.

## **Executive Board remuneration according to ESG criteria**



Incentive systems for the members of 1&1's Management Board integrate ESG criteria as a key component of short-term, variable remuneration (5-20 %).



## **Corporate values**

Our values strengthen our identity and establish the principles we live by. Only through shared convictions can we develop a common mindset and behavior. Our values guide our interactions with each other as well as with customers and business partners.

## DETERMINATION TO SUCCEED

**AGILITY** 

A SOUND APPROACH

**FAIRNESS** 

**OPENNESS** 

RESPONSIBILITY

1&1 ESG report 2024/2025
Responsible corporate governance

**Goals and Measures** 

## WE ANCHOR SUSTAINABILITY IN THE CORPORATE CULTURE.

- From 2025: Employees at all management levels attend anti-corruption training every three years
- From 2026: Integration of ESG targets into variable remuneration at Management Board and first management level among the Management Board members

1&1 ESG report 2024/2025
Responsible corporate governance

## **1&1 Organisational Development Programme**

The 1&1 organisational development programme stands for the passion and commitment of our employees. It reflects our endeavours to achieve continuous improvements through targeted changes and structured measures. Three different strands have been created for this purpose.

## **LEADERSHIP & CHANGE**

In this stream, 1&1's managers focus on noticeably improving the culture of our company, for example through appropriate leadership development programmes.



### **HR-ENABLING PROJECTS**

Based on the results and inspired by the feedback from the last employee survey, HR employees are working in this strand at the heart of the organisation and initiating tangible improvements in employment and the working environment for all 1&1 employees.

## **CULTURAL DEVELOPMENT PROGRAMME (KEP)**

Across a total of nine facets of corporate culture, cross-functional teams from all departments are boldly tackling the key questions: How will we celebrate our successes in the future? How do we manage to remain successful, cooperative and strong at the same time? Or how do we integrate feedback and learning in such a way that our organisation makes sustainable progress?



## AS CFO, I AM RESPONSIBLE FOR ENSURING THAT FINANCIAL DECISIONS ARE IN LINE WITH OUR SUSTAINABILITY GOALS.

Sascha D'Avis, CFO, 1&1 AG

Our contribution to the SDGs Strategic developments Further fields of action

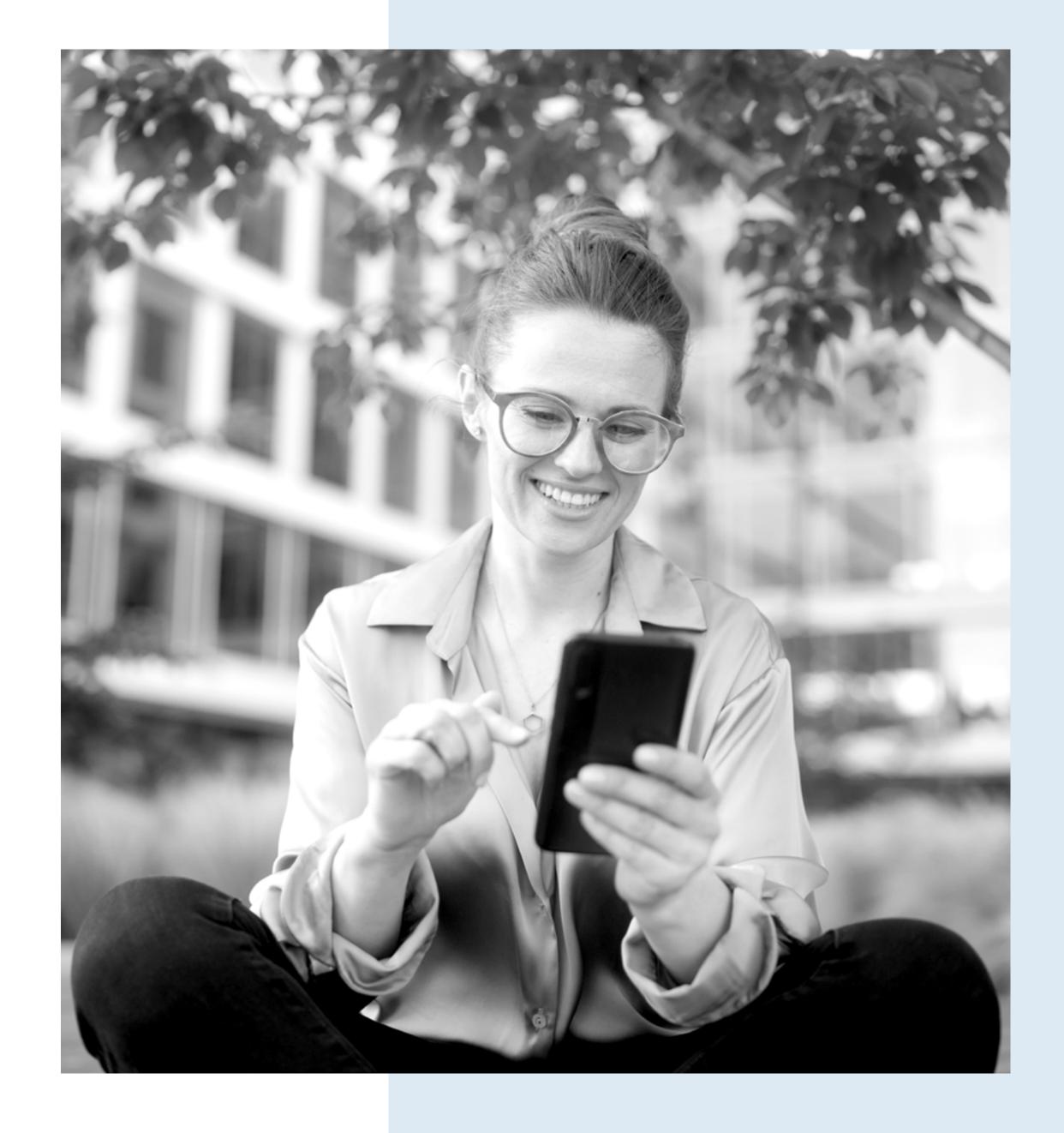
1&1 ESG report 2024/2025
Further fields of action

## FURTHER FIELDS OF ACTION

Further fields of action

As described in the previous chapters, we have further intensified our sustainability activities in recent months and developed a cooperation model with fixed responsibilities that is tailored to our company. In addition to the dynamic regulatory framework, this also takes into account the requirements of our stakeholders.

Although many of our activities are already explained in the separate non-financial Group report, we would like to take a closer look below at other areas of activity at the company that are also highly relevant to us and have not yet been covered in this year's sustainability publications.



1&1 ESG report 2024/2025
Healthy and secure with 1&1



## HEALTHY AND SECURE WITH 1&1

The health and safety of our employees in the workplace are important to us. As a responsible employer, we aim to minimise accidents and risks and promote the health of our employees.

Our company health management (BGM) and occupational safety, including company safety in the data centres, is carried out on behalf of 1&1 by United Internet Corporate Services GmbH. Current topics, the organisation of risk assessments and the fulfillment of legal requirements are discussed at regular meetings.

1&1 ESG report 2024/2025
Healthy and secure with 1&1

## Our company health and safety programme focuses on the following topics, which are primarily aimed at prevention:

51

## **Occupational safety**

We continuously review and improve our occupational safety standards in order to guarantee safe working conditions for our employees and ensure that the occupational safety requirements are met for external services. In addition, we carry out annual safety inspections with experts from BAD GmbH, taking into account statutory regulations, and further develop occupational safety on the basis of government and trade association requirements.

## **Ergonomic measures**

The measures include the regular inspection and adaptation of workstations, the introduction of height-adjustable desks and ergonomic advice and information materials.

## **Risk assessment**

As part of the Group-wide risk assessment of possible stress factors in the workplace, training courses for managers to support employees under psychological stress, resilience training, the organisation of long Covid lectures for managers and HR business partners and first aid training are carried out.

## **Employee Assistance Program**

Balancing work and private life in cooperation with the external and independent pme Family Service. This service includes round-the-clock counselling on childcare, caring for relatives and life coaching. There are various programmes to promote mental and physical health. The service also includes psychotherapeutic emergency or crisis counselling as well as referrals to medical help, therapists or clinics in exceptional personal situations.

## **Health-promoting measures**

The health-promoting measures include flu vaccinations, occupational health care, preventive medical checkups, relaxation and exercise programmes, participation in company runs and a virtual health week in cooperation with the Techniker Krankenkasse health insurance company.

## **Health communication**

Communication on the topic of health takes place via the intranet and as part of onboarding events, where employees are informed about existing health measures and programmes. They also have the opportunity to submit their own suggestions and ideas via a health mailbox and exchange channels on the intranet.

52 1&1 ESG report 2024/2025
United Internet for UNICEF





## UNITED INTERNET FOR UNICEF

As part of the United Internet Group, we work with our customers to support the goals of UNICEF - the United Nations Children's Fund. For almost 20 years, we have been successfully supporting global projects with the 'United Internet for UNICEF' foundation with the aim of improving the well-being of children in crisis regions.

We use our channels to inform our customers about UNICEF programmes - and were thus able to encourage millions of them to follow our appeals for donations, as well as through duplicate donation campaigns. As part of the foundation's appeals, a further € 4.2 million was transferred to UNICEF in the 2024 reporting year. In total, around € 75 million in donations have been collected since the foundation was established in 2006. In this way, we are making a contribution to UNICEF's fight against famine and poverty.

**Further information on this topic can be found here:** 

Helping tohether | Foundation United Internet for UNICEF



53

## ESG PERFORMANCE AND POLITICAL ACTIVITIES

As a listed company, we see it as our responsibility to create transparency for investors about the sustainability measures taken at 1&1 by participating in independent ESG ratings.

The selection of the various ESG ratings is based on their relevance and acceptance in the market environment.

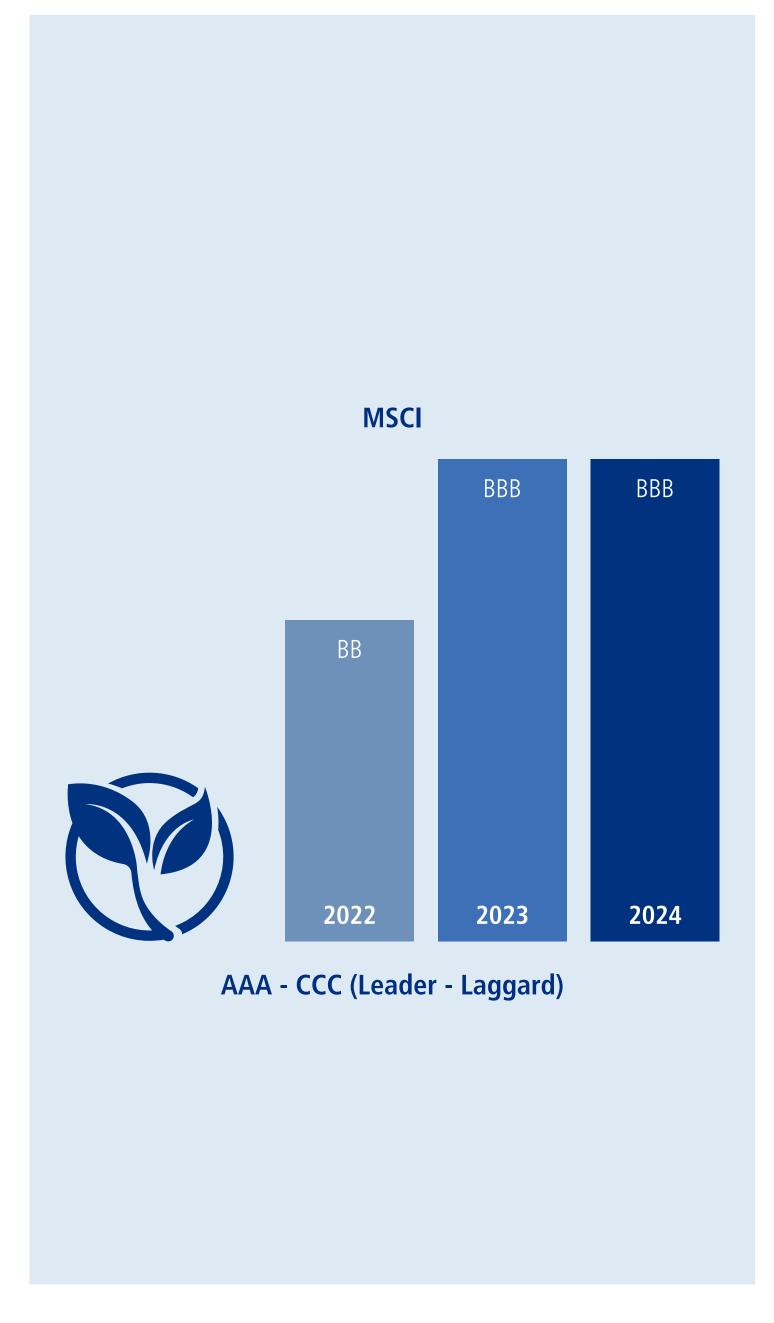
1&1 ESG report 2024/2025 ESG performance and political activities

## **ESG-Ratings**

## Overview

54

	Range of the rating scale	2024	2023	2022
MSCI	AAA - CCC (Leader - Laggard)	BBB	BBB	ВВ
Sustainalytics	0 - 100 (negligible - severe)	27,7	23,1	22,3
CDP	A - D (Leader - Disclosure)	<u>C</u>	<u>D</u>	С
S&P Global	100 - 0	31	31	30



1&1 ESG report 2024/2025 ESG performance and political activities

As part of our lobbying activities, 1&1 focuses on relevant issues affecting the telecommunications sector. The main topics include EU legislation, cyber security, data privacy, frequency policy, information security as well as digitalisation and internet policy. Another focus is on communications and information technology, advertising, consumer protection and competition law. Ensuring competition as a driver of innovation, investment and consumer benefit is at the centre of our efforts.

1&1 attaches great importance to transparency and integrity in political communication. Accordingly, all financial expenditure for political purposes is reported in public registers. These include the lobby register for the representation of interests vis-à-vis the German Bundestag and the federal government, the lobby register of the Bavarian state parliament and the Bavarian state government and the transparency register of the state parliament of Baden-Württemberg. An entry is also made in the Commission's EU Transparency Register at European level. In this way, we ensure that political contributions are always transparent and in line with the applicable standards and laws:

• EU Transparency Register

55

- Lobby register for the representation of interests to the German Bundestag and the Federal Government
- Lobby register of the Bavarian State Parliament and the Bavarian State Government
- Transparency register of the state parliament of Baden-Württemberg

With our entries in the EU Transparency Register, in the Lobby Register for the representation of interests towards the German Bundestag and the Federal Government as well as in the Lobby Register of the Bavarian State Parliament and the Bavarian State Government, we also recognise the applicable codes of conduct.



ESG RATINGS ARE CRUCIAL IN OUR EXTERNAL COMMUNICATIONS IN ORDER TO SHOW HOW WE FULFILL OUR SOCIAL RESPONSIBILITY IN A SUSTAINABLE MANNER.

Oliver Keil, Head of Investor Relations, 1&1 AG

57 **1&1 ESG report 2024/2025** Contact

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58 **1&1 ESG report 2024/2025** Imprint

## **IMPRINT**

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59 **1&1 ESG report 2024/2025** Imprint

## Note:

The generic masculine form is occasionally used in the report for gender-specific designations to simplify readability.

1&1 points out that the use of the generic masculine forms must be explicitly understood to include all genders. Rounding-off differences to the mathematically precise values (monetary units, percentages etc.) may occur in tables and in references because of the applied computational methods.

This report is available in German and English. Both versions can be downloaded from the internet at either www.1und1.de or www.1und1.ag. In case of doubt, the German version prevails.

## **Disclaimer:**

This report contains future-oriented statements that reflect the current views of 1&1 AG's Management Board with regard to future events. These future-oriented statements are based on the plans, estimates and expectations as currently valid. Future-oriented statements are accurate solely in light of circumstances prevailing at the time they are made. Such statements are subject to risks, uncertainties, and other factors that are in many cases beyond 1&1 AG's control and that may lead to substantial deviations of actual results from these statements. These risks, uncertainties and other factors are described in detail in the Risk report in 1&1 AG's annual reports. 1&1 AG does not intend to update any such future projections.



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