avenga Technology that matters

Avenga Group Sustainability Report

2024

We believe in technology. It is an ever-evolving resource that enables us to solve our biggest challenges for a better tomorrow. We also believe in following the human mind and heart for a sustainable future. That´s why at Avenga, we use cutting edge technology as a tool, while creative thinking, deeply rooted in our DNA, drives us to solve complex challenges.



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Brighter Minds



Bigger Hearts



Bolder Ideas

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STATUTORY DECLARATION

[BP-1]

Avenga Group (hereinafter referred to as "Avenga" or the "Group") publishes its Non-Financial Information Report for the year 2024, which has been prepared on a consolidated basis for the reporting period from 01.01.2024 to 31.12.2024 in case of Qinshift subsidiary and all its entities and sub-entities. The Avenga subsidiary, which was acquired on February 27, 2024, is included in this consolidated report as of the record date of the acquisition, i.e. February 27, 2024, in all aspects of the facts reported and across all entities and sub-entities of the Avenga subsidiary. The non-financial statement is published on the same scope of consolidation as the financial statements. *BP-1_02*

The Report has been prepared in accordance with the European Sustainability Reporting Standards (hereinafter referred to as "ESRS" or the "Standards"). The disclosure requirements covered in this report cover the Group's own activities and, in part, its upstream and downstream value chain. *BP-1_04*

Although the obligation to report in accordance with the European Sustainability Reporting Standards (ESRS) arises for the Avenga Group only in the 2027 financial year (based on the European Commission's package of measures to simplify regulation, known as the Omnibus), we have decided to voluntarily apply the requirements of these standards to an appropriate extent already now. The reports are therefore based on the structure and key requirements of the ESRS, although some areas are not yet been reported in full.

The Group did not make use of the possibility to omit specific information concerning intellectual property, know-how or innovation results, nor did it apply the exemption for disclosure of information on future developments or matters during the negotiations.

BP-1_05, BP-1_06.

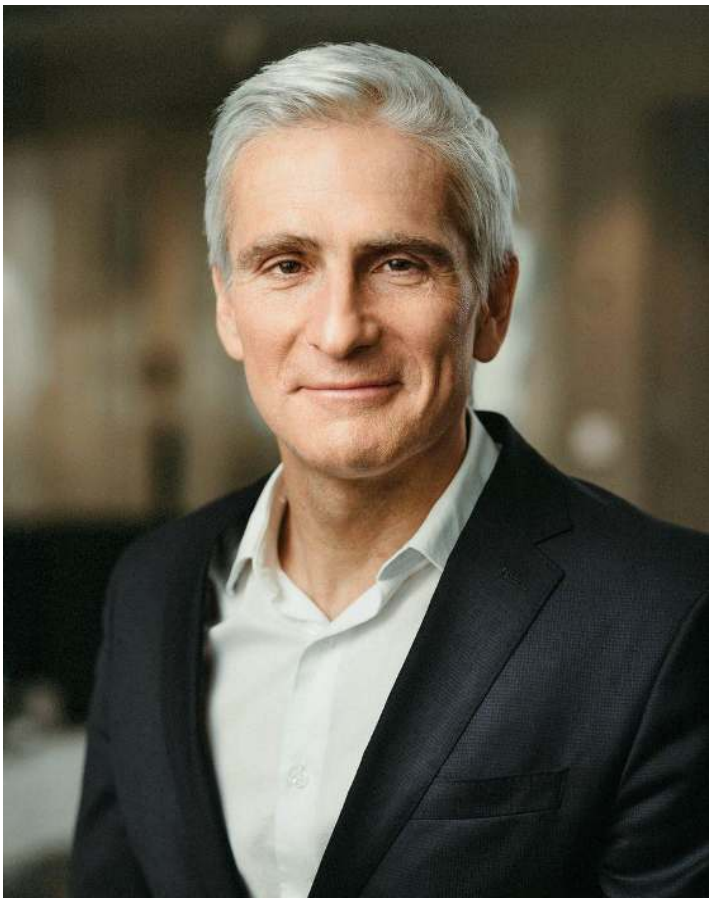
The authority responsible for this report is the Avenga Board of Directors which also hereby declares there have been no subsequent events arising after 31 December 2024 that would have a material impact on these separate non-financial statements.

In Prague,

Ludovic Gaudé
Chief Executive Officer

Ondřej Matuštík
Chief Finance Officer

CEO letter



The year 2024 marked a significant turning point for our company. In late February, two major international players in the field of comprehensive IT services merged: Qinshift, which had separated from another IT company, acquired the international Avenga group, bringing it into the technology pillar of its ultimate parent company, KKCG AG. You are now reading the very first consolidated annual non-financial report of these two newly united entities, which have officially united under common new Avenga brand in May 2025.

Last year also brought notable developments in the realm of sustainability. In 2024, European countries faced more pressing issues, such as the ongoing war in Ukraine, which entered its third year and exposed Europe's acute energy dependence on politically unstable regions.

Europe struggled with declining productivity, a growing technological gap, and diminishing competitiveness compared to other major economies, such as the United States and China. These risks were prominently underscored in Draghi's report, which also highlighted excessive bureaucracy, including intricate and, for many, incomprehensibly complex requirements for reporting sustainable corporate behavior.

At the end of 2024, the European Commission invited comments on the newly introduced ESG reporting regulation. This move followed substantial negative feedback from companies across Europe, many of which were reported for the first time. Based on this feedback, the Commission published preliminary proposals in early 2025 aimed at simplifying, streamlining, and reducing the evidently excessive and disproportionate reporting burden. However, until these changes are officially adopted, companies must continue to report in accordance with the existing regulations.

The Avenga group has voluntarily chosen to comply with these rules. Although we began our journey toward sustainable reporting several years ago, our current sustainability report follows the format outlined in the CSRD and its technical guidelines, which encompass numerous data points presented in highly technical language. In doing so, we aim to provide our stakeholders with transparent, comparable, and, most importantly, reliable information regarding our environmental, social, and governance (ESG) performance.

Moreover, our efforts to prepare for and comply with the CSRD have been instrumental in optimizing and refining our business processes. In the context of the ongoing integration process, this preparation has deepened our understanding of what is necessary for Avenga's business success in the short-, medium-, and long-term horizon.

With our intensified focus on responsible digitalization and our innovative approach to products and platforms, we believe we are well-positioned to become one of the leading players in Europe's ongoing digital transformation.

While the real impact of the Omnibus proposals and whether they will lead to genuine simplification remains uncertain, one thing is evident: in a world where national security, economic prosperity, and democratic values are under threat, adopting a pragmatic approach to ESG issues is crucial, and balancing this with competitiveness is imperative.

At Avenga, we firmly believe that a rational approach to sustainability is vital for securing our future.

Ludovic Gaudé,

CEO

1. ESRS2

1.3. Disclosures in relation to specific circumstances

[BP-1]

Basis for preparation

The Statement has been prepared on a consolidated basis with the same scope as the financial statements. Statement of the Avenga Group (lower mentioned as the Avenga Group, Avenga or the Group) includes the two main subsidairy companies, Qinshift Capital, a.s., registration number 17802733, legal address Vinohradská 1511/230, Prague, Czech Republicand Avenga Holding s.r.o., registration number 19930372, legal address Vinohradská 1511/230, Prague, Czech Republic, with all their subsidairies directly and indirectly controlled by those two companies. The Avenga subsidiary, which was acquired on February 27, 2024, is included in this consolidated report as of the record date of the acquisition, i.e. February 27, 2024, in all aspects of the facts reported and across all entities and sub-entities of the Avenga subsidiary.

The both groups of companies are further part of technical pillar´s ultimate parent company, KKCG Group AG, named KKCG Technologies, s.r.o., with registered office in Evropská 866/71, Vokovice, 160 00 Praha 6, Česká republika, under the company Identification Number 07171234. Ultimate parent company is KKCG Group AG with registered office in Kapellgasse 21, 6004, Switzerland under the company Identification Number CHE 326 367 231The Sustainability Statement covers the core value chain of the Avenga Group, including IROs identified in our upstream, downstream and own operations.

The extend to which individual principles, actions, metrics, and targets exceed Avenga´s own targets depends on the nature of the topic. More in the ESRS2 chapter.
We report on disclosures in relation to specific circumstances alongside the relevant disclosures.

Time horizons

[BP-2]

The time horizons considered in this reporting align with those applied in the financial statements. and in accordance with the ESRS methodology. The definitions of these horizons are as follows:

a) short-term: the period that an enterprise has adopted as the reporting period in its financial statements;
b) medium-term: from the end of the short-term reporting period up to five years;
c) long-term: more than 5 years from the end of the short-term reporting period. *BP-2_01*

Restatements

Restatements are determined based on a judgment of significance. Restatements are clearly indicated in connection with the restated data or information.

External review

The sustainability statements are not covered by limited or reasonable assurance performed by the external Group auditor.

Omission of information

The Avenga Group did not exercise the option to omit information relating to intellectual property, know-how or innovation results in accordance with Section 7.7 of ESRS 1. All relevant information has been included in this Sustainability Report. The Group also did not exercise the option to exempt information relating to future developments or matters currently under discussion, as provided for in Articles 19a (3) and 29a (3) of Directive 2013/34/EU.

Value Chain Estimation

This Report has been prepared using an estimate of the Group's value chain, which may introduce a certain level of uncertainty into the reported data. This uncertainty may arise from different measurement methods used by individual companies or from the use of qualified estimates where data was not available from primary sources or of sufficient quality.

The Report does not include any metrics with data relating to the upstream or downstream value chain or other proxies as permitted under the transitional provision, with the exception of Scope 3 emissions, which have been calculated in accordance with the permitted methodology.
However, the quality of the reported information is continuously improving due to the continuous development of the data collection process. ***BP-2_03, BP-2_04, BP-2_05, BP-2_06***

Sources of uncertainty in estimates and results

The data presented in this Report was in most cases obtained directly from the source. In order to collect them for reporting purposes, relevant experts within the Group were approached. However, in some cases, it was not possible to obtain the required data directly from the source or in sufficient quality, and therefore a calculation or qualified estimate was used, which provides complete information with a degree of uncertainty, the reliability of which is retrospectively verified.

A certain degree of uncertainty may also apply to forward-looking statements that are based on current expectations and assumptions. Actual results may subsequently differ significantly due to a number of factors, including unpredictable market developments, regulatory or technological changes, operational risks or geopolitical events and natural disasters. Given these uncertainties,

the presented projections should be assessed with caution. More details about our data estimates is available in chapter 2.2.1. *BP-2_07, BP-2_08, BP-2_09*

Changes in the preparation or presentation of sustainability information

Operationally, the Avenga Group consists of two groups of companies, Avenga and Qinshift. For the purposes of this report, the Avenga Group is defined as a group of companies owned by KKCG Technologies s.r.o, which includes the entities listed in the "Company Profile" and "Corporate Governance" sections.

The structure of the Group is set out below on page 11. Formally, the Avenga Group consists of several entities of the Company, which have their representatives registered in the relevant commercial registers.

The scope of reporting entities has been determined based on the structure of the A Group as of December 2024 (see below). Unless otherwise stated, the scope of the reports is the same for all material topics.

Avenga Group is publishing its first report dealing with environmental, social and corporate topics. Two separate non-financial reports were published in 2022 and 2023: Avenga Sustainability Report (2022) and Aricoma/Qinshift Non-Financial Report (2022; 2023). In 2023, Qinshift was spun off from Aricoma and subsequently acquired Avenga on xy 2024.

While the Sustainability Report *(Avenga 2022)* and Non-Financial *Report (Aricoma/Qinshift 2022; 2023)* published in 2022 and 2023 provided only basic information on the approach to sustainability and social responsibility, the current report provides a comprehensive picture in a much more detailed manner.

This report is the first report prepared by the Group in accordance with the requirements of the CSRD and ESRS and provides information on topics that were assessed as material under the dual materiality assessment, see SBM-3 Significant impacts, risks and opportunities and their interrelation with the business model. Comparison with previous periods is therefore not possible. *BP-2_10, BP-2_11*

Due to the absence of historical data at Avenga, the base year for future comparisons in the upcoming reporting periods is considered to be 2024. Quantitative data is presented for the entire group, with the exception of entities that are immaterial to the group in all respects (number of employees, key financial indicators, size of operations and materiality of ESG impacts), or where these entities did not exist in 2024 or were acquired by the AVENGA group later than 31 December 2024.

The scope of reporting entities has been determined based on the structure of the Avenga Group as of December 2024. Unless otherwise stated, the scope of reporting is the same for all material topics.

1.4. Company Profile

For the purposes of this report, the Avenga Group is defined as a group of two main companies, Qinshift Capital, a.s., and Avenga Holding s.r.o with all their subsidairies directly and indirectly controlled by those two companies. The both groups of companies are further part of technical pillar´s ultimate parent company, KKCG Group AG, named KKCG Technologies, s.r.o., with registered office in Evropská 866/71, Vokovice, 160 00 Praha 6, Czech Republic, under the company Identification Number 07171234. Ultimate parent company is KKCG Group AG with registered office in Kapellgasse 21, 6004, Switzerland under the company Identification Number CHE 326 367 231.

The Group was formed 27.02.2024 when Qinshift acquired Avenga and the entire group became a new entity of the parent company KKCG Technologies. All entities have their representatives registered in the relevant business registers.

QINSHIFT

Qinshift Capital is a European technology and consulting company that solves business challenges around the world, focusing on custom software development, UX/UI design and product development. The Group was formed through acquisition of several companies, namely Cleverlance (software developer based in the Czech Republic and Slovakia), Seavus (a nearby software development and IT outsourcing company), Stratiteq (a Swedish custom software developer specializing in data analytics and consultative sales), Musala (a Bulgarian software development and IT outsourcing company) and Clearcode (an AdTech & MarTech development company based in Poland).

Qinshift employs more than 3,000 professionals and serves major clients in telecommunications, finance, manufacturing and healthcare. It integrates cutting-edge AI services and is poised for further growth following the merger of six companies.

The company was spun off in July 2023 from another IT company of KKCG Holding, Aricoma. On February 27, 2024, the global consulting company Avenga was acquired. A gradual integration process into one company was then carried out throughout the whole year of 2024.

AVENGA

Avenga is a global engineering and consulting platform with deep industry knowledge, especially in pharma, insurance and finance, and advanced manufacturing. The company's IT specialists operate out of 31 offices worldwide and support global corporations and complex organizations in their digital transformations with projects along the entire digital value chain, from digital

strategy to the implementation of software, user experience, and IT solutions. Avenga's many world-renowned clients include organizations like ABB, Allianz, GSK, Santander, and Volvo.

Avenga specializes in bringing personalization to digitalization. Its approach is not only feasible and grounded but also linked to the specific business objectives of individual clients. Avenga designs tailor-made digital transformation strategies that generate tangible business value.

Together, Avenga and Qinshift employ over 6000 people, operating in 21 countries around the world.

6328

Experts in Avenga Group

Together, Avenga and Qinshift employ over 6000 people, operating in 21 countries around the world

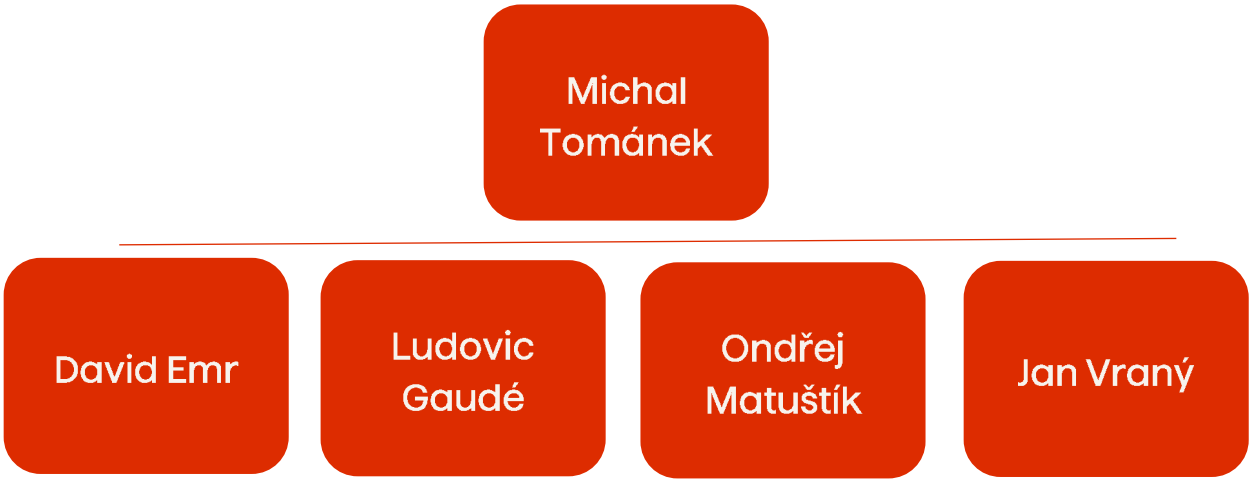
1.4.1. Role of the administrative, management and supervisory bodies

[BP-1]

The Group has a two-tier management system consisting of a Board of Directors and executive management (MLT leadership team), which is responsible for the operation of the entire Group.

The Board of Directors:
The Board of Directors is composed of a group of representative experts with international experience who have the expertise necessary to oversee the overall management of the company and to ensure that the Avenga Group complies with applicable laws and regulations. The Board of Directors supervises and annually evaluates the work, performance and results of the executive management (MLT leadership team)

Two members of the Board of Directors are also members of the executive management (CEO and CFO)



Executive Management:

The executive ELT leadership team consisted of a total of eight VPs, as of December 31, 2024, headed by the CEO, Mr. Ludovic Gaudé. The executive ELT leadership task is to exercise day-to-day management on behalf of the company Avena Group, in accordance with applicable legislation with the overall and strategic direction set by the Board of Directors. Two ELT members (CEO and CFO) are the members of Avenga Board of Directors at the same time.

The tasks of ELT include ensuring compliance with the Articles of Association, the general principles and guidelines and applicable rules and regulations; reporting to the Board of Directors on an on-going basis on Avenga´s activities, financial status and other significant matters; making decisions on resource allocation; and ensuring the sustainability and business operations of Avenga. Division of responsibilities between executive management at the Board of Directors is set out in the Rules of Procedure and the Guidelines for Executive Management. The allocation of responsibilities within Executive Management is then set out in the Authority Matrix which aligns the Avenga and Qishift operations with its strategic objectives and governance policies as well.

Executive Leadership of Avenga/Qinshift:

Position	Name
Chief Executive Officer	Ludovic Gaude
Chief Finance Officer	Ondřej Matuštík
SVP Strategy & Transformation	Jakub Čaloun
Chief People Officer	Tanja Duvander
SVP Information Technology and Security	Dejan Petreski
SVP Engineering	Pavlo Domanski
SVP Delivery	Stanislav Ovcharov

The Avenga/Qinshift Group Structure:

The Avenga/Qinshift Group operates through its total of 49 subsidiaries based in 21 countries and brings together companies focused primarily on the design and construction of customized software solutions. The Group was formed through acquisition of several companies, namely Cleverlance (software developer based in the Czech Republic and Slovakia), Seavus (a nearby software development and IT outsourcing company), Stratiteq (a Swedish custom software developer specializing in data analytics and consultative sales), Musala (a Bulgarian software development and IT outsourcing company) and Clearcode (an AdTech & MarTech development company based in Poland).

The Avenga/Qinshift Group has more than 6000 employees and consultants worldwide, with a total of 3298 employees at reporting companies Qinshift Capital and Avenga Holding and its subgroups stated below as of 31 December 2024. The Group is now focused on further expansion and aims to integrate a leading-edge artificial intelligence service into its comprehensive portfolio. The Group is currently in the process of integration into one global IT company. The merger will be completed in 2025. Both companies are part of KKCG's technology pillar, KKCG Technologies with registered office in Evropská 866/71, Vokovice, 160 00 Praha 6, Czech Republic, under the company Identification Number 07171234.

The ultimate parent company is KKCG Group AG with registered office in Kapellgasse 21, 6004, Switzerland under the company Identification Number CHE 326 367 231.

To simplify the data interpretation, the entities have been divided into the marked main subgroups within this report:

The Group Structure[1]:

Parent company	Reporting Group	Sub -group	Sub-sub-group	Entity	Sub-entity
KKCG Technologies	Qinshift Capital	Qinshift a.s.			
		Qinshift Sweden AB	Qinshift AB (Sweden)	Qinshift USA Inc. (USA)	
				Qinshift LLC (Belarus)[2]	
				Qinshift Software Technologies J.S.C. (Turkey)	

[1] *Entities including the country of operation*
[2] *The FY2025, the process of liquidation of the company will be started*

				Qinshift Switzerland (Switzerland)	
				Qinshift S.R.L. (Moldova)	
				Qinshift DOOEL (Macedonia)	Qinshift Academy DOOEL (North Macedonia)
					Qinshift Academy DOO (Serbia)
					Qinshift DOO (Serbia)
					Qinshift d.o.o. (Bosnia and Herzegovina
			Clearcode Services Sp. z o.o. (Poland)		
			Qinshift Germany GmbH (Germany)		
			Qinshift Czechia s.r.o. (Czech Republic)	Qinshift Slovakia s.r.o. (Slovak Republic)	Avenga s.r.o. (Slovak Republic)
				Qinshift H2B s.r.o.	
			Qinshift España S.L. (Spain)		
			Musala Soft EAD (Bulgaria)	Musala Soft DOOEL (North Macedonia)	Musala Soft Kosovo LLC (Kosovo)
				Musala Services EOOD (Bulgaria)	
				Musala Soft LLC (Egypt)	
			AVENGA LIMITED (UK)		
	Avenga Holding, s.r.o.	Avenga International GmbH (Germany)	Avenga International Holding GmbH (Germany)	LLC Avenga Ukraine (Ukraine)	
				Avenga US Holding Corp (USA)	Incluit LLC (USA)
				Harriague y Asociados SRL (Argentina)	

		Avenga Services sp. z o.o. (Poland)	
		Avenga Portugal, Lda (Portugal) Avenga Platinum Holding I GmbH (Germany)	Avenga Platinum II GmbH (Germany)
	Avenga Germany GmbH (Germany)	Finance-Gate Software GmbH (Germany)	
	Avenga IT Professionals Sp. z o.o. (Poland)	Avenga Malaysia Sdn. Bhd. (Malaysia) Avenga Poland sp. z o.o. (Poland) IT Service sp. z o.o. (Poland)	
	Perfectial Holding Limited (Malta)	Perfectial Solutions Limited (Malta)	
		Perfectial LLC (USA)	
	Avenga AG (Switzerland)		
	ITK Inwestycje sp. z o.o. (Poland)		
		Core Value Global Holding LLC (USA)	Avenga US LLC (USA)
			CoreEmpl Company Inc. (USA)
		LLC ITK Ukraine (Ukraine)	
		LLC ITK Services Ukraine (Ukraine)	

Board Committees:

a) ESG Committee

Preparations for establishing ESG governance in the newly formed group following the January acquisition began in the third quarter of 2024. The Qinshift/Avenga Group approved its ESG Policy and established an ESG Committee as an advisory body to the Board of Directors in April 2025. More details about the ESG Committee are available in chapter 1.4.4.

b) Integrated Management System (IMS) Committee

As a part of Avenga´s commitment to excellence, compliance, and continuous improvement, as well as in line with the requirements of the Group´s ISO certifications, the Integrated Management System (IMS) Committee was formally appointed in June 2025. The IMS Committee´s role is to oversee the integration and effective operation of Avenga´s integrated management systems, ensuring that these systems are aligned with business objectives, regulatory requirements, and international standards. It serves as a central body to coordinate risk management, compliance, improvement initiatives, and internal audits across all certified domains.

1.4.2. ESG governance in the Group: structure and responsibilities

ESG issues are part of the Group´s strategic management and are the responsibility of Avenga´s leadership team and the statutory bodies of the Group companies. Preliminary structures and processes have been established to ensure effective management and coordination of ESG processes and are already responsible for the ESG agenda but are still in the process of being shaped and verified for proper functionality. The Group is working to finalize and formalize these structures and processes to reflect the results of the analysis of the material issues and the lessons learned and experienced from their operation.

Mr. Ondřej Matuštík, Chief Finance Officer and, also a member of the KKCG Technologies Group Board of Directors, has been informally assigned to manage the sustainability agenda, including overseeing the management of impacts, risks and opportunities. To ensure effective governance, an ESG Committee (as a sui generis group) has been established within the Group to provide a platform for planning, managing and monitoring ESG initiatives.

A Group ESG Coordinator has been appointed to coordinate the processes and lead the ESG team. There are staff, referred to as ESG points of contact, in each of the Group companies who represent their respective units in relation to ESG agendas and work with the Group ESG team. Together,

these bodies enable the coordinated and integrated delivery of ESG and CSR commitments in line with the Group's strategic objectives.

Responsibility for the oversight of IROs is embedded within the ESG Committee and Business conduct policies, including our Code of Conduct, which are reviewed and approved annually by the Board of Directors[3].

The following depicts management's role in the control and management of IROs by outlining their reporting lines to the administrative, management, and supervisory bodies, and their integration with other internal functions.

a) Group Finance Department

Finance is the primary body within management levels responsible for the identification, management, and communication of our IROs. This department ensures financial and non-financial compliance through the establishment of appropriate controls and procedures for sustainability data collection, which are integrated with our financial reporting systems and guidelines.

The Finance department also ensures legal compliance with all sustainability matters from a reporting perspective, relevant sustainability standards, and regulatory requirements. Disclosures on environmental matters, upstream and downstream value chain social matters, and overarching sustainability topics are anchored within Group Finance.

b) Group Compliance Department

The Compliance Department provides counsel for the legal compliance of disclosures on sustainability matters from both a reporting perspective and in terms of relevant sustainability standards and legal requirements for specific matters. Disclosures of governance matters are anchored within the Compliance Department, who provides information on governance structures, policies, and procedures to the Finance Department.

[3] *Read more about our Code of Conduct on page 46*

c) Group People & Culture Department

Disclosures on social matters concerning our own workforce are anchored within the Group People & Culture Department, who reports data about our employees and social activities to Group Finance for DMA and reporting purposes.

d) Business units

For research and development of IT services, products, platforms and projects are the responsibility of Engineering and Delivery. The Delivery Department is responsible for the efficiency of the project: managing the gross margin, delivery quality and customer relationship and satisfaction. On account management this department shares responsibility with the Commercial Department.

Avenga Business Verticals:

TMT – Telecommunication, Media, Technology

BFSI – Banking, Financial Services, Insurance

Industrials – Automotive, Manufacturing, Mobility

HLS – Healthcare, Pharma, Life-science

Emerging

The Engineering Department is responsible for the excellence of technical standards and the development of strategic competencies. The department is also responsible for optimized resource allocation and benchmarking.

The teams of Engineering, Delivery and Commercial Departments are divided into 5 business verticals.

e) Executive Management

The Group´s CFO is the individual within the Executive Management responsible for the disclosure and reporting of financial and non-financial matters. The Executive Management participates in meetings with the Board of Directors and use their knowledge and expertise, supported by the administration and the business, to guide the Board of Directors and enable them to make informed decisions on sustainability matters. Final decisions on IROs are made by the Board of Directors

The Board of Directors, Executive Management and the ESG Committee intend to use the processes, controls and results of the DMA as a guide for setting objectives in relation to the Avenga Group's material IROs, whenever relevant.

The Board of Directors, Executive Management and the ESG Committee intend to use the processes, controls and results of the DMA as a quide for setting objectives in relations to the Group´s material IROs.

Targets

The Group currently does not have any strategic targets set in the context of environmental regulation. We have focused our efforts on achieving a good database and effectively building a control environment. The Group plans to set strategic objectives by the end of 2026 and monitor using appropriate qualitative and quantitative indicators.

SBM-1_21

1.4.3. Policies and certifications

Our policies and certifications for each identified material sustainability matter are in place to prevent, mitigate, and remediate actual and potential impacts, address risks, and pursue opportunities. Regarding policies, the most senior person accountable for implementation continuously monitors effectiveness, with actions reported alongside relevant disclosures. Policies related to specific sustainability matters are disclosed under each topic on the following pages.

Regarding ISO certification, the Integrated Management System (IMS) Committee was formally appointed in June 2025. It serves as a central body to coordinate risk management, improvement initiatives, and internal audits across all certified domains. Responsibility over ISO certifications lays with Chief Information Security Officer while members of IMS Committee are Chief Information Officer, VP Business Process Excellence, ESG Director and Chief Compliance Officer.

Avenga ISO Certifications:

ISO	Scope of Coverage
9001	CZ, GE, SK, SWE, USA, BG, MK
10006	CZ, SK
14001	SWE, CZ, SK, GE, BG, MK
20000	CZ, MK, SRB
22301	CZ, SK
27001	SWE, CZ, SRB, MK, SK, GE, USA, BG
37001	GE
45001	BG

Avenga Group Policies:

Policies	Scope of Coverage	Accountable for imple-mentation	Availability
Group Compliance Policy	Group	Compliance Director	Intranet
Procurement Policy	Group	Workplace & Procurement Director	Intranet
ESG Policy	Group	ESG Director	Intranet
CSR Policy	Group	ESG Director	Intranet
Code of Ethics	Group	Compliance Director	Intranet
Whistleblowing[4]	Group	Compliance Director	Intranet
Data Protection Policy	Group	Compliance Director	Intranet
Authority Matrix	Group	Chief Finance Officer	Intranet
Car Policy	Group	Workplace & Procurement Director	Intranet
Travel Policy	Group	Workplace & Procurement Director	Intranet
Payment Policy	Group	Chief Finance Officer	Intranet
AI Policy	Group	Chief Information Security Officer	Intranet
Information Security Policy	Group	Chief Information Security Officer	Intranet

[4] Part of the KKCG Group Compliance System

1.4.4. ESG Committee, Group ESG Team and CSR Subcommittee of Avenga

GOV-1_08, GOV-1_10, GOV-1_11, GOV-1_12

The ESG Committee determines the overall ESG direction of the company, assesses the performance of thematic activities, and provides recommendations, advice and information to the designated Board member. The committee represents the management level of governance and coordination of the ESG agenda, including the management of impacts, risks and opportunities.

The Committee holds primary responsibility for overseeing the organization's Environmental, Social, and Governance (ESG) objectives. It monitors the impacts, risks, opportunities, and related targets associated with ESG. The Committee assesses the materiality of ESG issues, manages related risks, and can issue directives to employees and members of subordinate entities. It may also consult both internal and external experts as needed.

Composition of the ESG Committee:

- Chief Executive Officer
- Chief Finance Officer
- Chief People Officer
- Compliance Director
- SVP Strategy & Transformation
- Director of Procurement & Workplace
- SVP Information Technology and Security
- Director of ESG

GOV-1_04

Position	Name	Industry Experiences
Chief Executive Officer	Ludovic Gaude	More than 15 years' experience in various global management roles in public, fast growing companies such as Nokia and Google, and chief executives' roles in small to mid-size tech companies.
Chief Finance Officer	Ondřej Matuštík	More than 10 years in senior finance roles. He also serves as Group CFO at KKCG Technologies. He previously worked in finance functions at GoodData and the PwC Consulting division. Ondřej holds Ph.D. in IT and MSc. In IT and Finance.
Chief People Officer	Tanja Duvander	20+ years of experience within a wide range of People areas. She has extensive experience in several areas, covering everything from talent acquisition and learning and development, to organizational design and culture-related work.
SVP Strategy & Transformation	Jakub Čaloun	Over 8 years of experience with mergers, integrations, consultancy and strategy-setting projects with large companies across Europe, North America and the Middle East His background is in management consulting at Boston Consulting Group.
Compliance Director	Stanislava Hejnová	More than 15 years of experience in compliance function in banking and finance across Europe and the UK. Stanislava is responsible for compliance on the level of KKCG Technologies. Previously she was

		Head of Compliance of KBC Asset Management Group and Chief Compliance Officer of MONETA Bank.
Director Of Procurement & Workplace	Cmilja Tucakovic	More than 15 years of experience in procurement within multinational IT companies, with a focus on strategic sourcing and procurement process development. Previously held global and regional procurement roles at IBM and Endava. Board member of the Serbian Supply Chain Association.
SVP Information Technology and Security	Dejan Petreski	More than 20+ years' experience in the IT Industry. SVP Information Technology and Cybersecurity; in the previous year's COO Seavus Group, Chief Production /Engineering and Delivery Officer, Director of Software Delivery Services, Chief Products Development Officer, Head of Software and Products Support Services.
Director of ESG	Zuzana Filipová	More than 15 years' experience in Sustainability. She also serves as Head of Group ESG in the ultimate parent company KKCG. Former Chief ESG officer in MONETA Bank, CZE listed bank. Former Minister of Environment Advisory.

Avenga also established a CSR Sub-Committee in 2024 to serve as an advisory body to the ESG Committee. Its main task is to coordinate the Group's voluntary donor activities aimed at integrating social and environmental considerations into corporate operations and community projects.

Composition of the CSR sub-committee:

- Chief Executive Officer
- Chief Finance Officer
- Chief People Officer
- SVP Strategy & Transformation
- Compliance Director

The Group's ESG team provides operational management and coordination of the Group's ESG agenda and is led by the Group's ESG Coordinator. It acts in an advisory, consultative and informative capacity to the ESG Committee and the management of each Group company.

Those responsible for ESG and managing sustainability-related impacts, risks and opportunities have been delegated to their roles based on their expertise and understanding of the issues. The ESG Coordinator and ESG team receive ongoing training and update their knowledge through specialized training, seminars and conferences. GOV-1_16

1.4.5. Information provided to the administrative, management and supervisory bodies of the enterprise and sustainability issues addressed by these bodies

[GOV-2]

The above structure is key in collecting and reporting information for non-financial reporting. In the preparation of this Report, impacts, risks and opportunities were considered by the Board and management of the Company and validated by Avenga's executive leadership.

The administrative, management, and supervisory bodies were informed of significant impacts, risks, and opportunities based on a double materiality assessment carried out in cooperation between the staff responsible for individual areas of sustainability and an external expert organization.

As part of this process, thresholds and rating scales were established, which were discussed and approved by the company's management during a joint meeting. Upon completion of the assessment, the results of the double materiality process, including a proposal for material topics, were presented to the company's management and confirmed and validated by the management at a final meeting in April 2025.

As part of the formalization of the Company's ESG structures and processes, a process will be set up during 2025 to keep the Board informed of the impacts, risks and opportunities and incorporate them into the Group's business strategy. GOV-2_01, GOV-2_02

Details of the individual impacts, risks and opportunities approved by Avenga's executive management for this reporting period are set out in section [SBM-3] *"Significant Impacts, Risks and Opportunities and how they relate to the strategy and business model"*. GOV-2_03

1.4.6. Incorporating sustainability-related performance into an incentive scheme

[GOV-3]

The Group does not currently have an incentive scheme, and financial rewards are not linked to sustainability indicators.

1.4.7. Declaration of Due Diligence

[GOV-4]

Avenga honors its commitment to human rights, sustainable business, practices and socially responsible behavior in its operations. The Group is working to ensure that honoring these commitments permeates its value chain.

The Group is also currently preparing for the transposition of Directive (EU) 2024/1760 of the European Parliament and of the Council on corporate due diligence into Czech legislation.

Some of the elements of due diligence are already embedded in Avenga's principles and activities. The various elements of the due diligence process are described in the sub-sections of this Report, and their location is indicated in the table below.

GOV-2_04

Basic elements of due diligence	Placement in the Sustainability Report	Page No.
Incorporating due diligence into governance, strategy and business model	GOV-1 Management responsibilities	18
	GOV-1 Oversight of sustainability IROs	34
	GOV-2 Sustainability matters addressed by management	19
	GOV-3 Incentive schemes	20
	SBM-3 Double materiality assessment Sustainability due diligence governance	29
Involvement of affected stakeholders in all key due diligence steps	SBM-2 Stakeholder Overview	31
	GOV-2 Sustainability matters addressed by management	19
	IRO-1 Double Materiality assessment process	34
Identification and assessment of adverse impacts	SBM-3 Double materiality assessment	29
	SBM-3 Double materiality assessment results	32
	IRO-1 Double materiality assessment process Sustainability due diligence	34
Taking measures to address these adverse impacts	E-1 Climate action plans	36
	S-1 – Managing impact on our people	
Monitoring and communicating the effectiveness of these efforts	Sustainability due diligence	21

1.4.8. Risk management and internal control in sustainability reporting

[GOV-5]

Following our partial preliminary implementation CSRD in 2023 (within Qinshift), we have further expanded and developed our internal control systems to cover the full scope of our sustainability reporting process. Our sustainability reporting control systems follow a similar approach to the financial reporting control system.

In the context of the increased scope of sustainability reporting in 2024, we have proceeded with the widespread implementation of internal controls and ongoing risk assessment across the Avenga Group. We are doing this in close collaboration with internal data owners and our external auditors.

In general, sustainability data and reporting risks can be addressed on a case-by-case basis through discussions with data owners, executive management, the ESG Committee or the audit depending on the materiality of the topic.

The main risks identified relate to the value chain data, as we do not create it or have operational control over it. To mitigate the risks, the Group Sustainability Reporting Team is working with internal and external subject matter experts to gain knowledge of operational procedures and implement data governance, data collection and control systems. For the value chain, we are in dialogue with our suppliers to ensure a common understanding of data needs and quality. As the availability of supplier data is also related to our Group's procurement processes, we aim to ensure better availability and quality of sustainability-related information in the future and renegotiate contracts with our suppliers.

The ultimate parent company, KKCG, plans to launch "ESG software" across its entire group in 2025 for more accurate and valid collection and verification of non-financial data, which will enable better control over data. By identifying potential risks, Avenga will continue to analyze the factors affecting sustainability. GOV-5_03

1.5. Strategy, Business Model and Value Chain

[SBM-1]

Avenga Group delivers IT services, solutions and platforms to private and public clients in 21 countries in Europe, North and South America and Asia.

As an IT services company, our significant IROs are primarily located in our own facilities and are related to our own staff and resources used in the operation of the data centers hosting our solutions. In addition, parts of our upstream and downstream value chain include key facilities and services that we depend on to deliver value to our customers and enable responsible digitization.

Some of our key business relationships are in our upstream value chain, primarily hardware and software vendors and data center lessors.

Except to our own employees, these upstream components of our value chain enable us to maintain our strategy and business model. As hardware is a key enabler for our business model, it is another element of our downstream value chain including resource outputs related to decommissioned office hardware.

Our dependencies described above have been carefully considered in conducting our DMA.

1.5.3. Avenga's business model

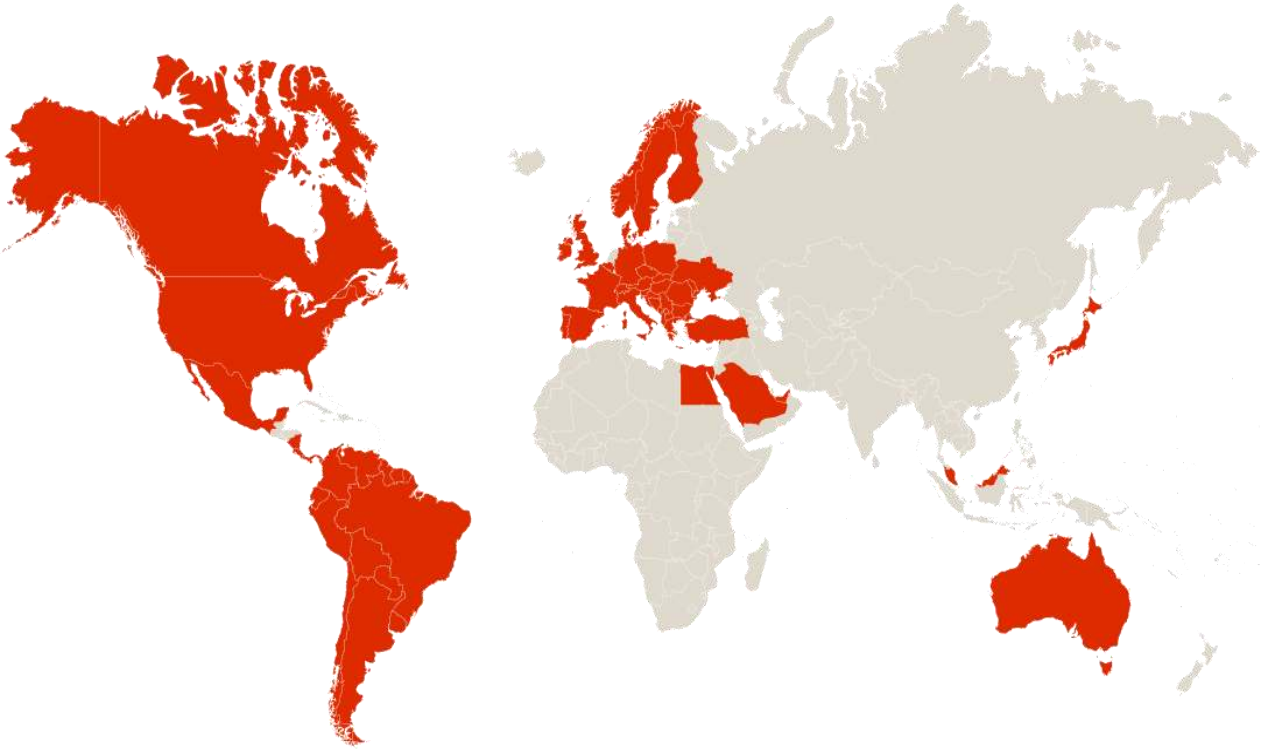
We deliver IT services, solutions, and platforms to private and public clients across the regions we operate. Further details are outlined in our Annual Report 2024.

Our main´s activities are Custom software development, Business digitalization services and Advanced data analytics & consulting

As an IT service company, our material IROs are mainly located in our own operations related to our own workforce and the resources used when operating data centers for hosting our solutions.

In addition, parts of our upstream and downstream value chain include crucial equipment and services that we are dependent on to deliver value to our customers and to enable responsible digitalization. Some of our key business relationships are in our upstream, mainly suppliers' hardware and software, whereas data center suppliers are considered predominantly in the downstream value chain. In addition to our own employees, these upstream components of our value chain enable us to sustain our strategy and business model. With hardware being crucial to our business model, another feature of our downstream value chain includes the resource outputs related to decommissioned data centers and office hardware. Our dependencies described above were carefully considered when performing our DMA.

Avenga regions of business delivery:



Markets served and customer groups:

Vertical Segment	Share (%)
BFSI	27.9
TMT	24.8
Industrials (Automotive, Manufacturing, Mobility)	17.3
Pharma	15.4
Emerging	14.6

Statement on activities in certain areas:

Avenga Group declares that the fossil fuel sector, the manufacture of chemicals, any weapons, and the cultivation and production of tobacco are not relevant to its business.

No products or services offered by the Group are prohibited in the markets in which the Group operates. SBM-1_05

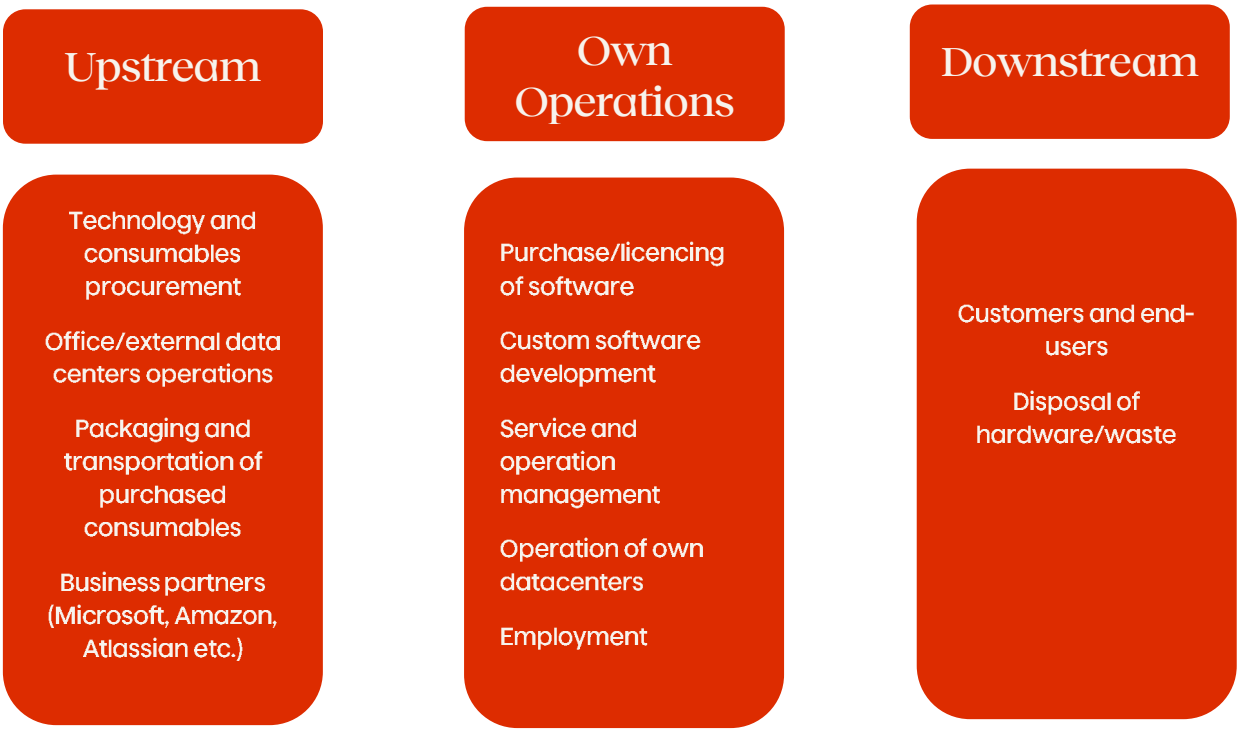
Avenga Group Number of Employees by Geographical Area[5]:

Country	Number of Employees
Czech Republic	296
Slovak Republic	24
USA	6
Argentina	436
Sweden	127
Germany	115
Poland	377
Ukraine	78
Serbia	268
Bulgaria	418
Kosovo	2
Belarus	18
North Macedonia	861
Bosnia&Herzegovina	22
Turkey	78
Egypt	64
Malajsia	44
Switzerland	14
Malta	5
Moldova	45
Spain	4

[5] Only employees with an employment contract were included in the calculation. Contractors were not included in the calculation. The table shows a summary of employees for both main subsidiaries of the Group: Qinshift Capital, a.s. and Avenga, s.r.o and all their entities and sub-entities.

1.5.4. Avenga's Value Chain

SBM-1_25, SBM-1_26, SBM-1_27, SBM-1_28



1.5.5. Interests and Views of stakeholders

[SBM-3]

Avenga has maintained, and intends to continue to maintain, long-term, stable and strong relationships with its stakeholders. This relationship is based on trust, recognition of commitments and legitimate interests, and open communication.

Stakeholders form an important part of the Avenga Group's business. They include individuals, groups and institutions that have a direct or indirect relationship with and institutions that have an indirect relationship with and interest in the Group´s business activities. Regular and effective communication with these stakeholders is fundamental to the Group´s approach to transparency, accountability and building trust.

Our key stakeholders include both internal and external parties who help us create value and for whom we create value. Ongoing dialogue with these stakeholders then provides us with information that is relevant to both our strategic decisions and our day-to-day operations in areas such as employee training and development and diversity, equality and inclusion (DEI) initiatives.

We continually evaluate our clients' needs so that we can adapt to changing market demands. Each of our clients has unique needs and perspectives and our relationships are extremely helpful as they can lead to both positive and negative impacts.

Our goal is to stay informed and act on opportunities and risks identified through our engagement and dialogue with key stakeholders. The views and concerns of our key stakeholders are therefore continually discussed internally within the relevant departments and business teams.

The Board is regularly informed of the dialogue with key stakeholders, at least in connection with the review of the DMA and the results lead to timely actions to ensure the ongoing development of our strategy and business model.

Our approach to stakeholder engagement varies depending on the stakeholder group, using a combination of informal and formal engagement channels and methods to maintain dialogue.

Stakeholder engagement:

Our dialogue with clients includes informal touchpoints throughout the project lifecycle and formal structured meetings. In addition, we are conducting an annual Net Promoter Score (NPS) survey for our most significant clients across from our entities.

Avenga´s Stakeholders:

Management and Employees
Suppliers and Bussiness Partners
Clients
Unions
Regulators, Banks
Certified Authorities

Industry insights and discussions with our clients about their risks and opportunities also inform us about the interests and views of end users. In addition to dialogue with our key stakeholders, we work with internal subject matter experts to understand the IRO. These experts include, for example, key employees with responsibility and insight into specific parts of our business model and operations.

In relation to sustainability matters, we use external advisors who have in-depth knowledge in areas such as environmental issues related to our business model. Stakeholder engagement also plays an important role as part of our ongoing sustainability due diligence efforts.

The interests and opinions of our key stakeholders vary depending on the nature of the relationship. In general, our key stakeholders expect us to act ethically with high standards of business conduct. In turn, our clients expect best-in-class competence and knowledge within our industry.

Our employees' expectations include development and career opportunities, mental and physical well-being, and market-based remuneration. Our DMA and the information in the sustainability statement highlight the most important topics for our stakeholders, considering the identified interdependence, IRO related to our value chain.

Forms of the engagement: *SBM-2_02, SBM-2_03, SBM-2_04, SBM-2_05, SBM-2_06*

Key Stakeholders	Typical form of the engagement	Frequency of the engagement	Focus of the engagement	Value Created
Management and Employees	■ Performance and Development Dialoque ■ Social events ■ Employee Survey	Daily, on demand, twice per year	■ Professional development ■ Sense of inclusion ■ Job satisfaction and wellbeing ■ Clear communication	■ Ensure career advancement and skill development ■ Ensure employee wellbeing, inclusion and safe work environments
Suppliers and Business Partners	■ Meetings ■ Vendor assessment ■ Supplier Performance Review	■Annually ■ On Demand	■ Revenue and growth opportunities ■ Sustainability performance	■ Ensure stable delivery of goods and services while living up to applicable Avenga's client requirements
Clients	■ Formal and informal engagement throughout the client relationship. ■ Formal NPS conducted on our largest clients	■ Annually	■ Value creation and trust ■ Enable clients to address goals and targets ■ Support digital transformation and improve digital infrastructure	■ Ensure contractual obligations and maintain positive client relationships ■ Improving clients' operational efficiency through digitalization
Unions	■ Meetings with engaged employees ■Surveys	■ Monthly ■ Twice a year	N/A	■ Ensure an adequate, reliable information flow
Regulators, Banks	■Regular meetings ■ questionnaire	■ Annually	■ Data Breaches ■ Incidents	■ Data Protection ■ Alignment with Regulation
Certification Authorities (ISO, etc.)	■ Regular external audits	■ Regularly	■ IT Security, ■ Enviroment ■ Quality	■ No Findings Audit Reports

The Group used stakeholder engagement as part of a double materiality analysis, during which it used the available evidence from stakeholder engagement in 2024.

The Group does not currently expect to change its strategy or business model based on the results of the stakeholder engagement. Next steps include greater formalization of the stakeholder engagement process in future years, but this is unlikely to change stakeholder relationships.
SBM-2_08, SBM-2_09, SBM-2_10, SBM-2_11

The Group's bodies were informed of the views and interests of the stakeholders concerned during the validation of the double materiality analysis and, also during the reporting period based on the results of the dialogue. SBM-2_12

1.6. Double Materiality Assessment

[SBM-3]

To identify significant impacts, risks and opportunities, Avenga Group implemented a dual materiality assessment process in 2024/2025.

The development of the DMA methodology and the management of the DMA process was centralized to ensure consistency in the application of scores and thresholds and the use of external subject-matter experts. For our own workforce and business conduct, Group HR and Group Legal, respectively, have conducted their assessment, while the sustainability reporting team has provided sparring and reviewed these parts of the DMA.

To ensure an understanding of CSRD's legal framework and the identified IROs, the ELT leadership team was presented with a thorough walkthrough of the DMA methodology, thresholds, process, and findings before approving the final DMA.

1.6.3. Significant impacts, risk and opportunities and their interrelationship with strategy and business model

Our identified material IROs are outlined in the DMA process and further described under each topic reported on in the sustainability statements. Overall, our material IROs relate to the core activities of our business model and are primarily concentrated close to our own operations.

IROs relate to our ability to develop and deliver IT services, products, platforms, and projects. IROs affect or are affected by clients and end-users, employees, data center activities, and hardware management. Due to the proximity of our material IROs to our business model, the majority of these IROs are being managed ongoingly throughout our operations, as we can take direct action ourselves.

This includes IROs related to business conduct, own workforce, and some IROs related to climate change and resource use and circular economy. In the case of environmental IROs identified in our upstream and downstream value chain, Avenga's direct influence comes in the shape of strengthening our policies and procedures in procurement and waste management, as well as integrating the processes for identifying and analyzing IROs at our existing Enterprise Risk Management system. The negative effect of our environmental impact cannot be limited to the countries in which we operate, as climate change and the negative effects of resource use due to hardware inflows and outflows are global.

A. Current environmental impacts:

The identified environmental impacts, which are real and negative, relate to the burden that our operations and business model place on the environment in terms of carbon emissions and resource use and are primarily associated with our employees' travel and the generation of e-waste. The identified social impacts are of a predominantly potential negative nature, primarily due to sector challenges such as social protection, privacy, and gaps in diversity and inclusion. However, Avenga has already set up the mitigating actions, including policies, in place to address these potential negative impacts.

If these mitigating actions were discontinued, the potential negative impacts could affect employees, consumers, and end-users.

As an IT service company, we also generate positive impacts. We provide substantial value to our employees through training and skills development and enable digitalization for citizens, businesses, and public institutions. We have also established a philanthropic-circular project in which we donate used IT equipment to people in need.

B. Current financial impacts:

The current financial impacts of the identified significant risks and opportunities are limited.

The resources used to ensure compliance with the CSRD and EU taxonomy are similar to last year, with a slight increase in the number of people working in this area. We have also increased our expenditure on external consultancy and limited assurance due to the implementation of the CSRD.

As our material IROs are related to our core business activities and growth capabilities, our initiatives to improve opportunities and mitigate impacts and risks are embedded in the management structures already in place. As a result, our resilience is considered high over the time horizons applied in the DMA for 2023 and 2024.

The resilience analysis is based on qualitative input from internal experts, including an overall assessment of the mitigating factors implemented across all IROs as collected in the DMA process.

1.6.4. Description of procedures for identifying and assessing significant impact, risks and opportunities

[IRO-1]

For non-financial reporting purposes in accordance with the CSRD and ESG, the Group has identified and assessed the materiality of impacts, risks and opportunities in the context of a double materiality assessment (also referred to as a "DMA"). The Group has assessed impacts, risks and opportunities ("IROs") across environmental, social and corporate governance topics. The identification and subsequent assessment of IROs was conducted based on the activities and in the context of the Group's value chain.

The themes identified are the result not only of expert assessment in terms of impact, risk and opportunity assessment, but also of consultation with internal and external experts. The views of key stakeholders were also considered to identify significant themes.

The resulting material topics were subsequently reviewed and approved by the ESG Committee and subsequently by Avenga Group's executive leadership.

The double materiality assessment process was conducted as follows:



I. GROUP CONTEXT ANALYSIS – PRE-ASSESSMENT

The first step of the process was to analyze the sustainability context, considering the Group's business model, value chain and stakeholders. The aim of this step was to identify and describe the main economic activities, where this identification is a key starting point for mapping impacts, risks and opportunities. The activities were defined through the analysis of relevant internal documents, through guided discussion with those responsible for the most significant areas of the business.

While analyzing the external context, the Group based itself on current and upcoming legislative obligations but also considered various international standards in the area of sustainability. Based on sector standards and publicly available information such as ratings and methodologies of rating agencies (MSCI, S&P and Sustainalytics), the Group carried out benchmarking.

II. IDENTIFICATION OF IMPACT, RISK AND OPORTUNITIES (IROs)

Based on the contextual analysis from the previous step, a preliminary list of impacts, risks and opportunities was developed for the relevant ESRS themes and sub-themes, defined according to the identified activities along the value chain.

III. ASSESSMENT OF POTENTIALLY MATERIAL IMPACTS, RISKS AND OPORTUNITIES

Preliminarily identified IROs were assessed according to ESRS 1 as follows: In case of negative human rights impacts, severity was used for the outcome regardless of likelihood.

Impact Materiality Criteria

Final Evaluation
= Severity x Probability

$$\text{Severity} = \frac{\text{Scale} + \text{Scope} + \text{Irremediability}}{3}$$

Finacial Materiality Criteria

Resulting rating = Magnitude of financial impact
x
Probability of occurrence

1) Impact materiality rating scales

Scale of Evaluation – Impact Rate	
5	Absolute
4	High
3	Medium
2	Low
1	Minimal

a) **Scope** - how wide the benefit/ impact is and the extent (e.g. size of area affected) to which the impact will be felt.

Scale of Evaluation – Impact Rate	
5	Global/Total
4	Widespread
3	Medium
2	Concentrated
1	Limited

b) **Scale** - the magnitude/how significant the positive or negative impact is

Scale of Evaluation – Impact Rate	
5	Irreversible
4	Very difficult to remedy or long term
3	Difficult to remedy or mid-term
2	Remediable with effort (time & cost)
1	Relatively easy to remedy short-term

c) **Irremediability** - whether and to what extent negative impacts can be remedied (e.g. procedural measures)

Scale of Evaluation – Impact Rate	
1	Guaranteed[6]
0.8	Very likely
0.6	Probable
0.4	Possible
0.2	Unlikely (almost never)

d) **Likelihood of occurrence** - the likelihood of impact on the environment and/or people

[6] For real impacts, the probability is rated as 1

2) Financial materiality rating scales

a) **Potential Magnitude of financial impact** - how severe the financial impact of the risk or opportunity should be.

b) **Likelihood of occurrence** - how likely the risk or opportunity is to occur.

Scale of Evaluation – Magnitude of financial impact	
5	Liquidating/extraordinary
4	Major
3	Moderate
2	Minor
1	Superficial

Scale of Evaluation – Likelihood of financial impact	
1	Guaranteed
0,8	Very likely (occurs frequently)
0,6	Probable (recurrent but not frequent)
0,4	Possible (could occur, but uncommon)
0,2	Unlikely (almost never)

To assess the extent of the IRO, available sources of information were considered

1.6.5. Identification of Material Topics

The resulting assessment of the individual IROs identified themes and sub-themes of relevance to the Avenga Group - individual impacts, risks and opportunities were mapped to the corresponding ESRS themes/sub-themes/sub-themes. Where this was not possible, the Group identified specific requirements.

No specific requirements were identified as significant in 2024.
The materiality of IROs depends on the materiality assessment - Avenga Group has set its materiality thresholds and when an IRO exceeds this threshold it is material to the Group along with the ESRS sub-theme/sub-theme/topic.

Thresholds were applied for both the financial and impact assessments. The financial thresholds were applied in the DMA process to assess financial risks and opportunities ensure alignment with how risks are generally evaluated in relation to financial performance.
For the impact assessment, internally developed thresholds were applied, based on inspiration from advisors. These thresholds helped evaluate and identify impacts to satisfy the needs of our stakeholders, including the readers of our sustainability statements.

Threshold for determining material topics:

Materiality	IROs	Materiality Treshold
Impact Materiality	Positive Impact	2,5
	Negative Impact	
Financial Materiality	Opportunities	
	Risks	

In the case of negative human rights impacts (relevant to social and corporate governance topics given Avenga's geographic scope), the threshold for Severity is set at 2.5, in line with the other thresholds. The threshold has been set at 2.5 as it is 50% of the highest possible value achieved.

1.6.6. DMA Results Supervision and Validation

The results of the IRO mapping were validated by the relevant responsible persons from the ESG team involved in the process and subsequently by Avenga's executive leadership team. The results of the analysis were verified and then approved by the Group's Board of Directors.
We expect our DMA to be reviewed and updated annually as relevant data and knowledge about specific IROs expand, considering changes in the factors and inputs we considered when conducting the previous DMA.

In preparing our first disclosure under the ESRS requirements, we carefully assessed all data requirements on a point-by-point basis against the identified IROs and mapped and prepared all material disclosure requirements that are part of the sustainability statement in the annual report. We also assessed data points that are immaterial, carefully considering the content of the requirement, its relevance to our business and the usefulness of the potential decisions to users of our annual reports.

Based on the assessment of dual significance, significant themes (at the granularity of sub-themes and sub-sub-themes) were identified based on significant impacts, risks and opportunities. An overview of the significant themes is provided in the table below.

Avenga Group Double Materiality Assessment Results:

Standard	Topic	Sub-topic	Attributes	Description
E1	Climate change	Climate change mitigation	Negative Actual Impact	Carbon footprint, Scope 1,2,3
				Sc1: Use of cars
				Sc2: Consumption of energy from non-renewable sources
				Sc3: Purchase of services and goods
				Sc3: Business Trips
S1	Own workforce	Working conditions/Secure employment	Negative Actual Impact	Social protection
S1	Own workforce	Working conditions/Work-life balance	Positive Actual Impact	Improving the work-life balance
S1	Own workforce	Equal treatment and opportunities for all	Negative Actual Impact	Differences in remuneration with possible impact on women
S1	Own workforce	Working conditions/Health and safety	Positive Actual Impact	Promoting physical and mental health of own workforce
S1	Own workforce	Other work-related rights/Privacy	Negative Potential Impact	Privacy
G1	Governance	Business conduct	Negative Potential Impact	Corporate culture
G1	Governance	Rule of law violations	Negative Potential Impact	Corruption and Bribery
G1	Governance	Company specific	Negative Potential Impact	Cybersecurity

SBM-3_01, SBM-3_02, SBM-3_03, SBM-3_04, SBM-3_05, SBM-3_06, SBM-3_07, SBM-3_09


E

2. ENVIRONMENTAL SUSTAINABILITY

Our environmental reporting focuses on climate mitigation, the energy impacts of our data centers and minimizing fossil fuel energy consumption. We also address water consumption e-waste with an emphasis on reuse and recycling, compliance with ISO 14001 certification for stakeholder management expectations and support for sustainability.

2.1. ESRS E1 – Climate Change

E1-1

As a growing IT services company and data center user, we recognize the need to reduce the negative climate-related impacts of our business.

The amount of energy required to process and store data is growing rapidly, due to the increasing demand for systems, data centers and network infrastructure, which is increasing the demand for renewable energy deployment.

Climate action is important to our business for three main reasons – we are committed to minimizing our consumption and related impacts to the extent possible. We want to do this by aligning ourselves with the ambitions and expectations of our business partners and we know that we can play an important role in decarbonizing our clients' business.

2.1.1. Measures and resources related to climate change policies

E1- 3

In 2024, the Group did not implement any measures to address the identified impacts, risks or opportunities. When implementing measures, the Group focuses on sustainability issues that are considered most important, also considering the economic demands of the measures.

2.1.2. Transition plan for climate change mitigation

E1-4

Avenga Group does not have a transition plan for climate change mitigation, ensuring the Group´s strategy and business model are compatible with the transition to a sustainable economy and limiting global warming to 1.5 degrees in line with the Paris Agreement. However, the Group has initiated work to assess how to best approach this, based on our first collected emission data for 2024.

2.1.3. Incorporating sustainability-related performance into an incentive system

[GOV-3]

The Avenga Group currently does not have an incentive system and financial rewards are not linked to sustainability indicators.

2.1.4. Environmental IROs

[E1-IRO-1]

Based on the Double Materiality Assessment, 3 risks and 0 opportunities related to climate change and climate risk assessment E1 were assessed as significant (material).

Environmental IROs:

IRO	Impact	Value Chain Location			Time horizon for impacts or actions		
		Upstream	Own Operations	Downstream	Short Term	Medium Term	Long Term
Scope 1 - Car use (own/leased fleet), business trips requiring employees to use fossil fuel consuming vehicles.	Actual Negative		x		x	x	x
Scope 3- Business trips, flights, hotels, renting a car	Actual Negative		x		x	x	x
The consumption of energy from non-renewable sources	Actual Negative	x	x		x	x	x
Purchase of services and goods	Actual Negative	x	x		x	x	

As described in the overall process, Avenga has used a combination of internal dialogues and advisories from external environmental experts to adequately assess the Group´s situation. Avenga Groups concludes that the company has an impact on climate change, but it is not major, considering our GHG footprint.

Avenga supplemented its DMA with an environmental analysis in which the Group has used bespoke tools to assess climate and biodiversity risks, we have established a solid understanding of our current situation. In this regard, Avenga also discussed and evaluated whether scenarios for the future would further expose risks to our business, including activities and assets. Using this basic scenario-like analysis method, the Group have not identified any significant future risks beyond what Avenga reports now.

The Group conducted a Double Materiality Assessment (DMA) to identify relevant and significant impacts, risks and opportunities in the E1 Climate Change area and its sub-themes of Mitigation, Adaptation and Energy. These areas have a significant impact (negative - risks and positive - opportunities) on the amount of greenhouse gases (GHG) emitted. The detailed methodology for assessing dual significance is described in ESRS 2 IRO-1, which focuses on describing the procedures for identifying and assessing significant impacts, risks and opportunities in this report.

In accordance with ESRS requirements, an analysis of the physical risks: chronic and acute (related to temperature, wind, water and hard surfaces) was carried out in the actual operation, upstream and downstream value chain. The analysis was performed in the short-term (status), medium-term (2030) and long-term (2050) time horizons.

In assessing the impacts, risks and opportunities, the business model, all assets and technologies owned, as well as the Group's entire value chain were considered. The assets included include, for example, data centers or car fleets.

The analysis considered the expected technical and moral life of all assets in all defined time horizons, strategic planning horizons as well as (future) capital allocation plans.

E1.IRO-1_01; E1.IRO-1_02; E1.IRO-1_03; E1.IRO-1_04; E1.IRO-1_05

2.1.5. Climate related risks

E1-SBM-3

Avenga has conducted a climate risk analysis based on a dual significance assessment (DMA) for all its assets. In accordance with ESRS standards, physical and transition risks were analyzed under two climate scenarios (RCP4.5–SSP245 and RCP8.5–SSP585) and three-time horizons: short-term (historical – current state), medium-term (2030) and long-term (2050). The objective of the analysis was to determine the level of resilience of the Group's assets and technologies to risks associated with climate change.

Avenga´s Term Horizons:

Short-term (2026)	1 year
Medium-term (2030)	3 -5 years
Long Term (2050)	5+ years

The scope of the resilience analysis included all the Group´s activities and significant parts of the value chain that have a direct impact on its business model. Those parts of the value chin that were not considered significant in terms of physical and transition risks were excluded from the analysis.

(E1.SBM-3_02).

The Group´s long-term objective is to keep risk issues to a minimum, which also applies to climate risks. Clearly defined risk management steps, starting with identification and quantification, continue with analysis and quantification of the exposure to a given risk. Based on these steps, a strategy is individually developed and its implementation into practice is ensured, which should minimize the exposure to risks and their impact on the Group´s financial results.

While no physical risks have been identified as material at this time, their future occurrence together with negative financial impacts on the Group's assets cannot be ruled out. The Group has identified a total of 4 transition climate risks that may have an impact on its business. These risks relate to changes in legislation, technology and markets, as well as to energy transition and the related changes in the prices of non-renewable resources.

The transition climate risks:

	Value Chain Location			Time horizon for impacts or actions		
Transition risk	Upstream	Own operations	Downstream	Short term	Middle term	Long Term
Climate risk related to politics and Law/Technology/Markets	x	x	x		x	x
Regulatory and carbon cost	x	x			x	x
Energy transition/ carbon tax	x	x			x	x
Market (disruption of supply/production of products	x	x			x	x

In our DMA 2024 and related analysis, we assessed the identified IROs, specifically assessing potential climate-related risks or hazards. We have considered our business model and current assets in locations that are considered to have low levels of climate-related risks, and our assessed our resilience as high.

The detailed analysis was carried out from November 2024 to March 2025. During this period, the available databases that were previously presented and approved for this purpose were used. The analysis included the collection, processing and evaluation of data from these databases.
The analysis was carried out for multiple scenarios to ensure comprehensive compliance with the required climate and socio-economic attributes. It was carried out in the short-term time horizon for the analysis of the current situation, in the medium term to 2030 and in the long term to 2050.

The analysis also includes two scenarios of possible climate developments: RCP4.5-SSP245 and RCP8.5-SSP585, which are based on the latest IPCC AR6 report.

Furthermore, the analysis was based on the European Union's long-term plan for 2050, known as Net Zero 2050, which is part of the Green Deal for Europe. This plan is legally enshrined in Regulation (EU) 2021/1119 on achieving climate neutrality, which means achieving net zero emissions by 2050. Avenga does not currently have emission reduction targets.

Uncertainties in the analysis may be based on the following factors:

- The available models do not provide sufficiently detailed data for individual areas within the quadrants covering the relevant territory.

The Group is committed to responsible environmental management, which includes a focus on continuous environmental upgrades of its own data centers, minimizing e-waste, responsible water management and a gradual transition to sustainable energy sources where possible. With this approach, Avenga Group demonstrates its ability to adapt to climate change and contribute to a more sustainable future, even as it faces the challenges of transitioning to a more sustainable business model

(E1.SBM-3_04); (E1.SBM-3_05); (E1.SBM-3_06); (E1.SBM-3_07).

2.1.6. Risk country assessment:

The following countries have been considered in the climate risk analysis:

Country		
Czech Republic	Kosovo	Ukraine
Slovak Republic	Belarus	Serbia
USA	North Macedonia	Bulgaria
Argentina	Bosnia&Herzegovina	Spain
Sweden	Turkey	Switzerland
Germany	Egypt	Malta
Poland	Malajsia	Moldova

The sites cover both the areas of the business itself and the main areas of the supply chain

E-IRO-1_06.

Risk assessment approach used

The Avenga Group uses a systematic approach to risk assessment, which includes identifying risks, analyzing their impact, and assessing the likelihood of their occurrence and the possibility of remediation. Risks are assessed according to the following criteria and scoring system:

Scale of Evaluation – Environmental Risk Assessment	
4	Very High Need
3	High Need
2	Moderate Need
1	Low Need

Sources of Indexes, relevant to ESRS E, are listed below:

Source	Climate Risk Index Report	IEA	UN Global SDG Database	WHO	IQ Air Quality Report	UN Global SDG	World Bank – Waste atb.
Topic	Climate	Stability	water		Air	Soil	Waste
Czech Republic	2	3	1	2	2	2	3
Slovak Republic	2	3	3	2	2	2	4
USA	N/A	4	4	1	1	1	3
Argentina	3	N/A	N/A	2	N/A	N/A	N/A
Sweden	1	2	3	1	1	N/A	2
Germany	4	3	4	2	2	1	2
Poland	2	3	1	2	2	1	3
Kosovo	1	N/A	N/A	2	N/A	N/A	N/A
Belarus	1	N/A	1	2	N/A	N/A	3
North Macedonia	1	2	2	3	3	N/A	4
Bosnia&Herzegovina	3	3	4	3	3	1	N/A
Turkey	3	2	N/A	2	2	3	N/A
Egypt	1	1	N/A	4	3	N/A	4
Malajsia	1	3	N/A	2	2	3	3

Ukraine	2	2	N/A	2	1	N/A	4
Serbia	2	3	1	2	2	1	4
Bulgaria	1	2	2	2	N/A	2	3
Spain	3	2	1	2	2	2	3
Switzerland	2	2	2	1	2	N/A	2
Malta	3	N/A	N/A	2	N/A	N/A	N/A
Moldova	1	2	N/A	2	N/A	1	3

2.2. Avenga FY2024 Carbon Footprint

E1-6

This section of the Sustainability Report provides an overview of gross greenhouse gas emissions for 2024, broken down by Scope 1, Scope 2, and Scope 3, including total emissions. The report is prepared in accordance with the E1-6 requirement of the ESRS standard and is based on the GHG Protocol methodology. The aim is to ensure transparent and comparable reporting of the carbon footprint across all emission categories – from direct emissions arising from our own activities to indirect emissions in the supply chain.

6 224.8

t CO_2e

Scope 1, 2 and 3 by method Market base

In 2024, the total carbon footprint of Avenga in all three emission categories (Scope 1, Scope 2 and Scope 3) landed at 6 224.8 t CO_2e. The results in the maximum achievable granularity, together with the calculation methodology, are described in full detail in the following subchapters.

2.2.1. Calculation Methodology

The aim of the methodology was to establish a uniform and systematic approach to the collection, recording, and evaluation of data needed to calculate greenhouse gas (GHG) emissions in all three categories according to the GHG Protocol standard. Greenhouse gas emissions in each category were determined based on the procedure described below:

Scope 1

Includes all direct greenhouse gas emissions from sources owned or directly controlled by Avenga Group. For the purposes of the GHG inventory, the following emission sources are considered:

- **Leakage of refrigerants** – from stationary air conditioning systems (e.g. split units, central HVAC), where Avenga is responsible for maintenance.
- **Fuel consumption** (petrol, diesel) – from company-owned or leased business vehicles
- **Stationary backup generators** (if operated and fuelled by Avenga at data centres or office sites)

Electricity used for charging electric company cars outside of company facilities is included in Scope 2, not Scope 1. Natural gas is not used by Avenga Group and is therefore excluded from Scope 1.

Although Scope 1 emissions are relatively limited across most Avenga locations, data must be reported wherever company-controlled vehicles or refrigerant-based systems are present.

Scope 2

purchased and consumed by the organization. In the case of Avenga Group, Scope 2 emissions result from the use of electricity and district heating, both supplied by external providers. Identified Scope 2 emission sources include:

- **Purchased electricity** – used to power IT infrastructure, lighting, heating/cooling systems, and office equipment in leased office spaces.
- **Purchased district heating** – primarily used for space heating in buildings that are connected to centralized heat supply networks.

In most Avenga locations, energy is consumed in leased or co-leased buildings. When exact consumption data is not available, emissions are estimated proportionally based on occupied floor area.

Scope 3

Scope 3 includes all other indirect greenhouse gas emissions that occur as a result of the company's activities but originate from sources not owned or directly controlled by Avenga Group. Scope 3 represents the broadest and often most complex category in terms of data availability and calculation effort.

For the 2024 reporting year, the following Scope 3 categories have been identified as relevant for Avenga Group, based on the GHG Protocol standard:

3.1 Purchased goods and services (e.g. water)
3.2 Capital Goods (e.g. monitors, consumers electronics, IT infrastructure, software purchases, software licences)
3.3 Energy and fuel losses outside Scope 1 and 2(e.g. upstream losses in energy and fuel production)
3.5 Waste generated in Operations (e.g. e-waste, paper, plastic, mixed municipal waste)
3.6. Business travel and accommodation (e.g. travel by private car, flights, train, bus, hotel stays)
3.7 Employee commuting (e.g. private cars, public transport, active modes, remote work) in total

The inclusion of additional categories – such as 3.4 Upstream transportation, or 3.15 Investments – will be considered in future phases depending on Group-wide priorities and alignment with **KKCG Group methodology**.

The methodology applies to all legal entities of the Avenga Group and all its branches in 21 countries. Emissions are calculated on an annual basis (data for the calendar year from January 1 to December 31). Data is collected at the individual branch level and then consolidated at the group level.

Greenhouse gas emissions were calculated by an external company, CI3 s.r.o. in accordance with the technical standard ČSN EN ISO 14064-1 and the GHG Protocol methodology. The global warming potential (GWP) values used are based on the IPCC´s 6th Assessment Report (AR6). Emission factors were taken from verified sources such as ČHMÚ, DEFRA, ADEME, Ecoinvent, and others. In cases where a specific factor was not available, it was assessed by experts based on experience and available data.

All greenhouse gas emissions in Scope 1 and Scope 2 come exclusively from the consolidated accounting group. The company has no associated companies, joint ventures or unconsolidated subsidiaries.

2.2.1. Sources of uncertainty and estimates

In cases where complete or accurate data necessary for calculating greenhouse gas emissions was not available, qualified estimates based on available information, average values, or technical parameters were used. The approaches described represent potential sources of uncertainty in reporting and are transparently documented in accordance with the requirements for responsible and consistent ESG reporting.

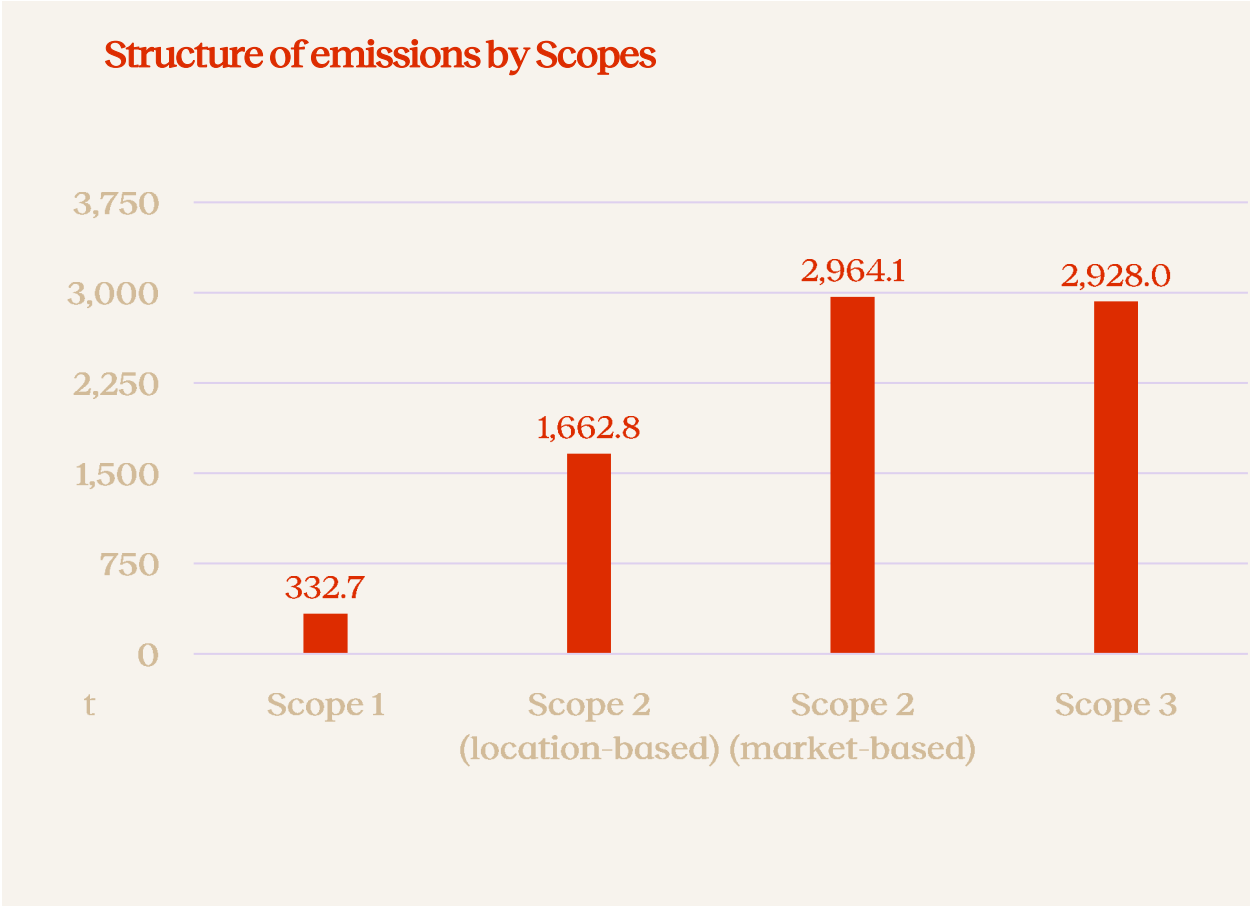
Categorization	Index	Sources of measurement uncertainty	Sources, approximations and judgments used in measurement
Scope 1	-	Leakage of refrigerants[7]	The total reported value from the building shall be multiple by the proportional share of floor area occupied by Avenga within that building
			If refrigerant usage is only reported in CO_2e units, the type of refrigerant and emission factor should be stated where possible
Scope 3	3.7.	Employee Commuting	For public transport, national or regional average emission factors are used
			Remote work emissions are estimated using an average electricity consumption per home – working day, assuming: a) Use of a laptop + monitor, router and lighting b) National grid emission factor for household electricity

2.2.2. Gross Scope 1,2, 3 emissions and total greenhouse gas emissions

In 2024, the total carbon footprint of Avenga in all three emission categories (Scope 1, Scope 2 and Scope 3) landed at 6 224.8 t CO_2e.

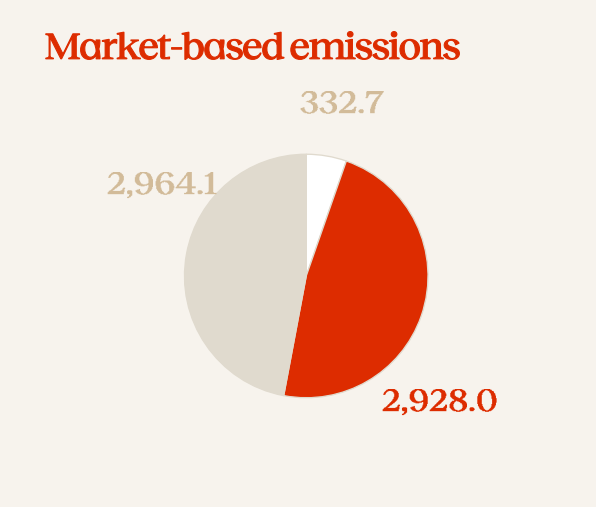
Direct emissions (Scope 1) of the Group reached 332.7 t CO_2e, indirect emissions in Scope 2 achieved 1,662.8 tons of CO_2e calculated using the location-based method and 2,964.1 t CO_2e calculated using the market-based method. The Avenga Group's indirect emissions in Scope 3 for the 2024 financial year amounted to 2,928.0 t CO_2e.

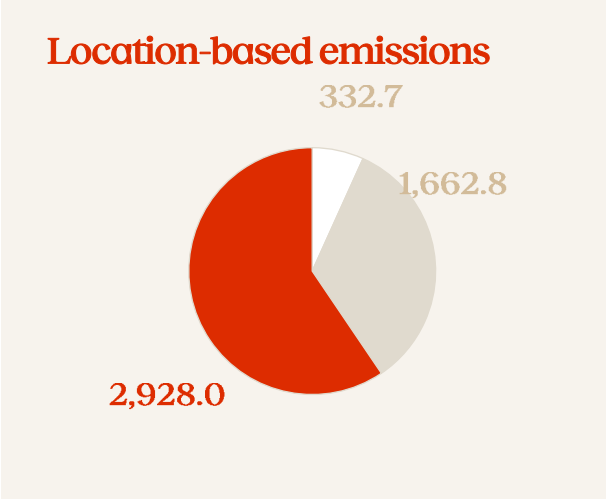
[7] In certain cases, data on refrigerant use or other Scope 1 sources may onle be available for the entire building, within which Avenga occupies a portion of the leased space.



The graphs below show the share of greenhouse gas emissions in metric tons of CO_2 equivalent according to Scope 1, 2, and 3. Scope 2 is additionally reported using two methodologies – location-based and market-based.

The location-based methodology: one of two approaches to reporting emissions from electricity consumption. In this case, emissions are calculated based on the average emission factor corresponding to the national or regional fuel mix for electricity generation. The emission factor may vary from year to year depending on the composition of the sources connected to the energy grid.





The marked-based methodology considers the specific contractual relationship between the company and its electricity suppliers. Emissions are calculated based on the energy mix declared by these suppliers, for example through certificates of origin. In this case, too, the emission factor may vary depending on the quantity and type of electricity purchased.

Emissions distribution in Scope 3:

Indicator	t CO_2e
3.1. Purchased Goods and Services	2.3
3.2. Investment Equipment	546.0
3.3. Energy and Fuel Losses	544.4
3.5. Water and Waste	315.8
3.6. Business trips and Accommodation	513.2
3.7. Employee Commuting	1006.3

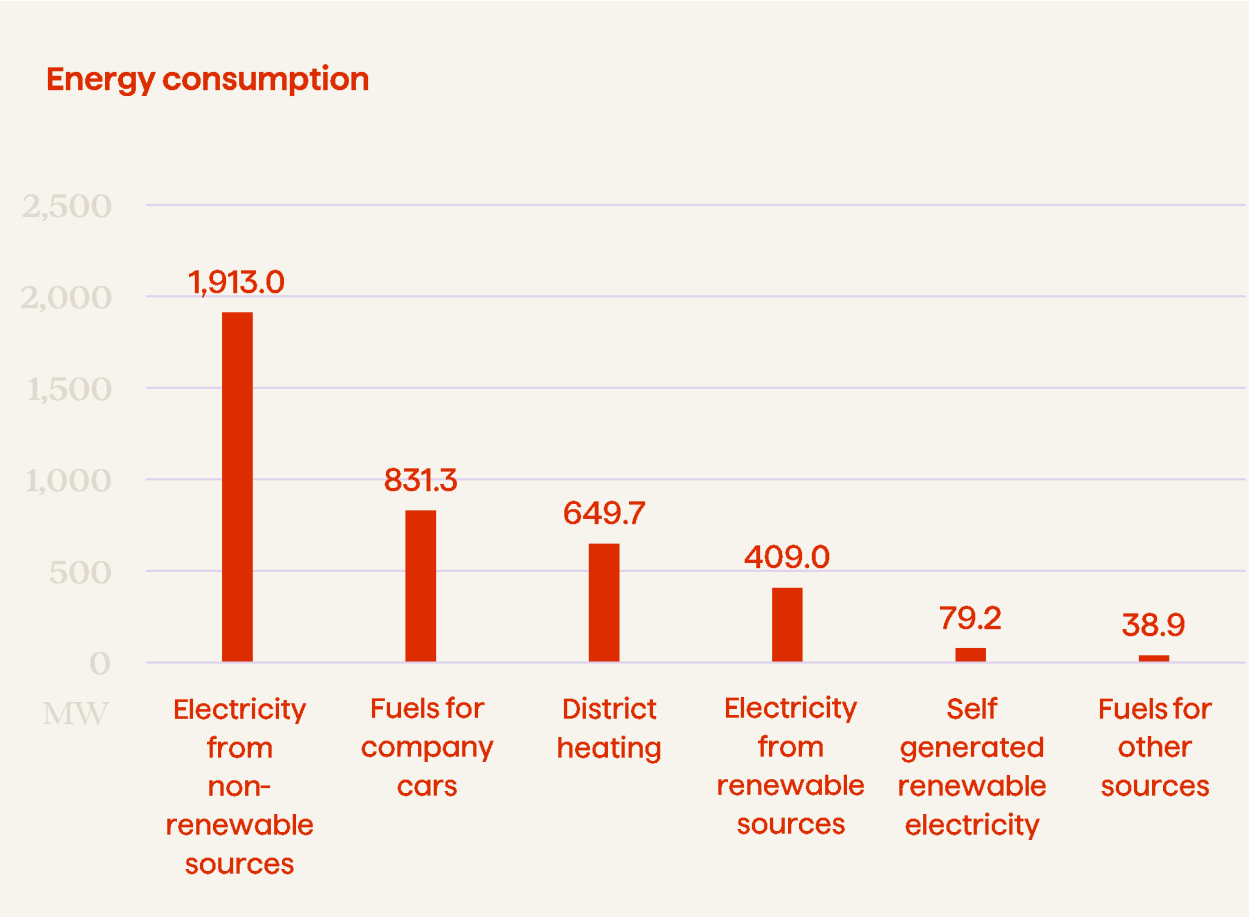
2.2.3. Consumption of Energy and Energy Mix

E1-5

In 2024, the company's total energy consumption was 1,913 MWh. The energy mix was significantly influenced by the predominance of fossil fuels, which accounted for 48.8% of total consumption. The share of electricity sourced from renewable sources was 20.3%. All consumption from renewable sources was electricity from the company's own renewable sources (photovoltaic panels).

The company does not produce its own energy – all consumption is covered by purchases from external suppliers.

The table below shows the breakdown of total energy consumption by source, both in absolute values in MWh and as a percentage share of each source in total energy consumption for 2024.

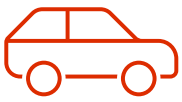


2.2.4. Selected Emission Intensity Indicators

Indicator	Scope 1 + 2	Scope 1 - 3	Units
Emissions per Revenue	6.67	12.6	t CO_2e/mil.EUR
Emissions per Employee	705.35	1331.78	kg CO_2 e /FTE
Emissions per Area	80.28	151.59	kg CO_2 e /m^2

1.33	12.6	151.59
t CO_2e	t CO_2 e	kg CO_2 e
Footprint per one employee	Footprint per € 1 mil. of TO	Footprint per one m^2

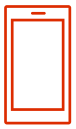
The Company´s carbon footprint per FY2024 (in total of 6 224.8 tCO_2et is comparable, for example to the footprint of the year use of 2 307 average (fuel engine) cars, 2 830 return flights from London (UK) to New York City (USA), 865 thousands of portion of beef meat, production and use of 90 217 mobile phones iPhone 13 or consumption of energy in 2 289 average households in EU for one year.



year use of
2 307
average cars



return flight
2 830
from LON to NYC



production and use
90 217
iPhone 13



year use of
2 289
average cars

2.3. Policies

[E1-IRO-2]

Our environmental policies address our need for renewable energy sources and energy conservation by actively pursuing the use of clean and renewable energy sources in network and data center operations and equipment management. Our policies address efforts to use available low-energy technologies whenever possible. Our policy aims to ensure that modern, energy-efficient infrastructure is in place across our entities and that the most energy-efficient hardware available is used. We strive to reduce the overall energy consumption in our buildings by optimizing heating and cooling, and we work with our data center partners to ensure that our external server capacity meets the highest environmental standards.

Our policies address the identified financial risk of failing to meet existing and potential client requirements for climate mitigation measures by addressing our carbon footprint associated with business travel.

Our policies address the identified financial risk of failing to meet existing and potential client requirements for climate mitigation measures by addressing our carbon footprint related to business travel. The policy states that our employees should consider environmentally friendly telecommunications solutions as an alternative to travel. If travel is necessary for business reasons, alternative modes of transport should be considered, where it is effective.

Although we have already taken important steps, our journey to reduce carbon emissions is just beginning. In 2024, the first consolidated carbon footprint measurement across the entire group was carried out, with Avenga and all its subsidiaries included in the calculation as of the acquisition date, i.e. February 27, 2024.

Avenga´s Environmental Policy Overview:

Policies	Scope of Coverage	Accountable for implementation	Availability
Group Compliance Policy	Group	Compliance Director	Intranet
Procurement Policy	Group	Workplace & Procurement Director	Intranet
ESG Policy	Group	ESG Director	Intranet
Code of Ethics	Group	Compliance Director	Intranet
Car Policy	Group	Workplace & Procurement Director	Intranet
Travel Policy	Group	Workplace & Procurement Director	Intranet

2.4. Measures and resources related to climate change policies

[E1- 3]

In 2024, the Group did not implement any measures to address the identified impacts, risks or opportunities. When implementing measures, the Group focuses on sustainability issues that are considered most important, also considering the economic demands of the measures.


S

3. SOCIAL SUSTAINABILITY

3.1. Own workforce

[ESRS – S1]

Employees are one of the most important stakeholders within the Group. The Group makes efforts to ensure that their views and comments are heard and respected in the context of the Group's day-to-day operations, including decision-making processes. These efforts include consulting and gathering feedback from employees, which is then used to develop policies and procedures. The Group focuses on maintaining long-term, stable and strong relationships with employees based on trust, recognition of commitments and legitimate interests and open communication.

The Group believes that open and constructive dialogue is the key to lasting and stable relationships with employees. Regular and effective communication with them is fundamental to the Group's approach to transparency, accountability and trust building. Employees are a key part of the Group's business and their involvement in consultation processes is therefore essential.
The Group acts responsibly and is committed to building relationships based on ethics, integrity and respect for human rights. It provides truthful, complete and relevant information in all forms of communication and encourages employee involvement in consultation processes.

During the double materiality assessment, the Group identified 3 negative and 2 positive impacts in the areas of working conditions and equal treatment and opportunities for all. These impacts relate exclusively to the Group's own operations along the value chain. All employees in the Group have been considered, regardless of geographical location, type of employment or entity.

Most of the Group´s companies also comply with international standards, such as ISO 45001, which are written into the classification. Regular auditing of these standards ensures an adequate level of health and safety in the workplace. All employees are made aware of the risks associated with their positions upon joining.

Most of the Group's workforce are non-employees (IT experts) who bill the Group for time (man-hours worked) depending on the project. The Group does not employ agency workers.

The Group offers its employees a superior number of benefits that exceed the legal requirements in the respective countries

The Group operates in 21 countries where it is subject to complex local legal frameworks and legislation. The Group is headquartered in the Czech Republic, whose legal framework enforces strict standards for the protection of human and employee rights. The Group's activities are therefore in

compliance with these national requirements and obligations, minimizing the risk of forced and child labor.

Countries in which the Group operates that have been identified as being at risk of forced labor according to the UNEP Corporate Impact Analysis Tool are Turkey, Belarus, Moldova, Serbia, Bosnia & Herzegovina, Ukraine and North Macedonia.

At the same time, the Group offers its employees a superior number of benefits that exceed the legal requirements in the respective countries. There is also a regular social dialogue across the Group, which takes place both formally and informally through various communication channels.
S1.SBM-3_01, S1.SBM-3_02; S1.SBM-3_11; S1.SBM-3_07, S1.SBM-3_08, S1.SBM-3_09, S1.SBM-3_10

3.1.1. Own workforce IROs

S1-SBM-3

Our employees are the core of our business. We are committed to their personal and professional growth and strive to create an inclusive culture where every individual feels valued and supported. We provide career opportunities for all team members, regardless of their gender, age, or location. All our permanent employees, freelancers, and contractors may be exposed to different impacts due to our operations, as shown in the IRO table.

The challenges of the IT service industry may introduce potential negative impacts, while our positive initiatives aim to benefit the entire workforce. The material topics covered in this ESRS include privacy, working time, and work-life balance, which are identified for their potentially significant impact on our employees. We prioritize diversity, gender equality, equal pay, and inclusion of people with disabilities, recognizing that these issues are essential for underrepresented groups and to foster inclusivity for all.

Identified Social Risk and Opportunities in Avenga:

IRO	Impact	Value Chain Location			Time horizon for impacts or actions		
		Upstream	Own Operations	Downstream	Short Term	Medium Term	Long Term
Insufficient social protection - Failure to provide sufficient social protection for workers within own workforce	Actual Negative	x	x		x	x	x
Improving the work-life balance of own workforce	Actual Positive	x	x		x	x	x
Promoting physical and mental health of your own workforce	Actual Positive	x	x		x	x	x
Gender inequality with a negative impact on the status of women	Actual Negative	x	x		x	x	
Other work-related rights/ Privacy	Potential Negative		x		x	x	x

3.1.2. Risk country assessment:

The following countries have been considered in the social risk analysis:

Country		
Czech Republic	Kosovo	Ukraine
Slovak Republic	Belarus	Serbia
USA	North Macedonia	Bulgaria
Argentina	Bosnia&Herzegovina	Spain
Sweden	Turkey	Switzerland
Germany	Egypt	Malta
Poland	Malajsia	Moldova

The sites cover both the areas of the business itself and the main areas of the supply chain

Risk assessment approach used

The Avenga Group uses a systematic approach to risk assessment, which includes identifying risks, analyzing their impact, and assessing the likelihood of their occurrence and the possibility of remediation. Risks are assessed according to the following criteria and scoring system:

Scale of Evaluation – Social Risk Assessment	
4	Very High Need
3	High Need
2	Moderate Need
1	Low Need

Sources of Indexes, relevant to ESRS S, are listed below:

Topic	Modern Slavery	Child Labour	Data Privacy	Housing	Health care	Edu-cation	Wages	Social Protection
Index	SDG Global Slavery Index	UNICEF	DLA Index	OECD	WHO	UNESCO	World Bank	ILO
Czech Republic	2	1	1	2	2	N/A	1	1
Slovak Republic	3	1	1	3	2	N/A	1	1
USA	1	1	1	2	1	N/A	1	1
Argentina	2	N/A	2	N/A	2	N/A	2	2
Sweden	1	1	1	3	1	N/A	1	1
Germany	1	1	1	3	1	N/A	1	1
Poland	2	1	1	1	2	1	1	1
Kosovo	N/A	N/A	3	N/A	N/A	N/A	2	N/A
Belarus	4	1	3	N/A	2	1	2	3
North Macedonia	4	2	3	N/A	3	1	2	3
Bosnia&Herzegovina	4	N/A	3	N/A	3	1	2	N/A

Turkey	4	N/A	3	N/A	2	1	2	1
Egypt	2	2	2	NN/A	2	2	3	3
Malajsia	2	N/A	2	N/A	2	1	2	3
Ukraine	4	2	3	N/A	2	1	3	2
Serbia	3	3	2	N/A	2	1	2	3
Bulgaria	3	N/A	1	N/A	3	1	2	1
Spain	1	1	1	1	1	1	1	1
Switzerland	1	1	1	N/A	1	N/A	1	1
Malta	N/A	N/A	1	N/A	N/A	N/A	1	N/A
Moldova	3	N/A	3	N/A	3	1	2	3

3.1.3. Policies

S1-1

As the Czech Republic, where the Group is based, is a signatory to most of the major human rights treaties, all fundamental obligations in this sense are a cornerstone of the Czech constitutional framework. Avenga Group therefore strictly complies with applicable laws and regulations, and the protection of human rights is an integral part of all its activities.

Similarly, the Group seeks to ensure that its activities meet EU standards for the protection of human rights in the non-EU countries in which it operates. While there are some differences between the legislative frameworks of these countries (Ukraine, Macedonia, Serbia), the Group actively seeks to compare and harmonize practices to bring the conditions of employees from these countries as close as possible to EU standards.

In some areas, such as leave and employee benefits, these differences are being ironed out, helping to ensure fair and equal working conditions for all employees. In this way, the Group promotes the protection of human rights and ensures that its activities in both countries are in line with international standards and obligations.

There are also several policies across the Group that strongly reflect human rights and a general approach to its own workforce.

S1-1_0, S1-1_03, S1-1_04, S1-1_05, S1-1_06

Own workforce Policy Coverage

Policies	Scope of Coverage	Accountable for implementation	Availability
Code of Ethics	Group	Compliance Director	Intranet
OHS Policy	Group	Workplace & Procurement Director	Intranet
Work Rules	Group	Chief People Officer	Intranet
CSR Policy	Group	ESG Director	Intranet
Data Protection Policy	Group	Compliance Director	Intranet
Collective Agreements	SWE, MK, GE	Chief People Officer	Intranet

I. Avenga Group Code of Ethics

The Group's Code of Conduct explicitly does not allow discrimination, in particular discrimination based on gender, disability, marital status, sexual orientation, age, political opinion, race, religion or origin. It also explicitly does not accept any form of workplace harassment, forced or illegal labor, employment of children, etc. Neither Avenga's Code of Conduct nor other Group policies are explicitly aimed at reinforcing positive actions towards certain groups of employees who are more likely to be affected by negative impacts.

This policy is implemented in the Group through employee training and its effectiveness is monitored through both the Avenga Group's Compliance Program and KKCG's overarching Compliance System. The Avenga Group Code of Conduct is detailed in section G1.

S1-1_11; S1-1_08; S1-1_12; S1-1_12; S1-1_11; S1-1_08; S1-1_12; S1-S_13

II. Occupational Health and Safety ("OHS")

The Group places great emphasis on ensuring occupational health and safety, which is embedded in its OHS system. Employees are required to conduct themselves in the workplace in a manner that does not endanger their own or others' safety and health, to comply with established work procedures, regulations and employer instructions, and to use designated work equipment and protective equipment. The OSH policy also includes mandatory training of employees and subsequent verification of their knowledge, informing supervisors of defects and hazards found in the workplace and reporting workplace accidents. The OHS system is in accordance with ISO 450011 standards and is part of an integrated management system.

Responsibility for implementation and compliance with the OHS policy lies with the Director of the Workplace & Procurement. She works with the Group management to formulate the Group's OHS policy and objectives, approves internal regulatory documents, mandates health and safety inspections at all company sites and provides resources to maintain and improve the OHS management system. MDR-P_03

The OHS policy applies to all employees of the Group as well as to all people who are present at the Group's workplaces with knowledge of the employer. This ensures that occupational health and safety is an integral part of all Group activities and that all employees are aware of their obligations and rights in this area.

S1-1_09; MDR-PC01; MDR-P_02

III. Work Rules

The Group places great emphasis on compliance with the Working Regulations, which are binding on all employees and employers. Work rules are issued to improve work organization, internal order and to strengthen work discipline. These rules cover a wide range of duties and responsibilities for both employees and managers of the respective Group companies.

The Work Rules and related by laws cover various aspects of the employment relationship, including working hours, occupational health and safety, qualification and training of employees, as well as rules of conduct in the workplace.

Responsibility for issuing, implementing and updating the working rules lies with Chief People & Culture Officer.

The Work Rules are not aimed at any group of employees but apply to all employees across all companies. MDR-P_02 This ensures that occupational health and safety is an integral part of all company activities and that all employees are aware of their obligations and rights in this area.

IV. Data Protection Policy

The Group is governed by the applicable European legislation in personal data protection, which sets out the rules for the protection and processing of personal data, of employees, as well as of other people, in accordance with Regulation (EU) 2016/679 of the European Parliament and of the Council (GDPR). Rights of data subjects (both internal and external) are described in the Data Privacy Notice. It is also governed by the applicable generally binding regulations in this area that are relevant in the countries in which the Group operates, which are defined in the Avenga Group Compliance Policy.

Both Data Protection Policy and The Avenga Group Compliance Policy are binding on all Group employees and contractors who, in the course of their work, handle or otherwise meet the personal data of other Group employees or other people who provide the Group with their personal data.

Avenga Key Principles of Personal Data Care:

Fair and transparent processing
Legitimate collecting
Adequacy and Relevance
Accuracy
Not longer storage than necessary
Appropriate security

The Group organizes regular training and conducts regular reviews of this policy. The responsibility for the document lies with the Director of Compliance of the Avenga Group who is also the Group Data Protection Officer.

MDR-P_01; MDR-P_03; MDR-P_02; MDR-P_03

V. Collective Agreements

Avenga is a part of trade unions via its subsidiary Qinshift AB and has a collective bargaining agreement as a member of Almega with three union counterparts (Unionen, Sveriges Ingenjörer & Akavia). Communication with the trade unions is carried out via the People department in Qinshift AB. Similarly, Qinshift DOOEL is bound by the General collective bargaining agreement for the private sector in accordance with applicable Macedonian Law.

Despite there being no official agreements in most locations, freedom of association is not limited by any means and transparent communication channels between employees and company are in place. Our employees are encouraged to ask questions and express their concerns, comments or suggestions for improvements.

3.2. Dialog with employees

Employee engagement survey – eNPS

Our employee engagement survey is administered to quantify employee engagement using the employee Net Promoter Score (eNPS), assessed on a scale from 1 – 5. Following the acquisitions of Qinshift and Avenga, the first two eNPS surveys were conducted in 2024 among employees across the Group. The company's overall engagement score for employees and b2b-suppliers landed at 4.0 out of 5.

The data was based on ratings for all questions included and represents a good result. It is on par with benchmark data from other technology companies using Eletive, our platform for measuring engagement going forward.

3.3. Employment characteristics

The geographic distribution of employees is calculated by aggregating the total headcount of employees within the specific geographical locations where our entities are located. This calculation is based on actual situation as of 31.12. 2024.

S1-6; S1-7

Avenga Employees by geographic area[8]:

Country	Number of Employees
Czech Republic	296
Slovak Republic	24
USA	6
Argentina	436
Sweden	127
Germany	115
Poland	377
Ukraine	78
Serbia	268
Bulgaria	418
Kosovo	2
Belarus	18
North Macedonia	861
Bosnia&Herzegovina	22
Turkey	78
Egypt	64
Malaysia	44
Switzerland	14

[8] Only employees with an employment contract were included in the calculation. Contractors were not included in the calculation. The table shows a summary of employees for both main subsidiaries of the Group: Qinshift Capital, a.s. and Avenga, s.r.o and all their entities and sub-entities.

Malta	5
Moldova	45
Spain	4

Accounting principles of our workforce composition are as follows:

a) **Permanent Employees** - are defined as the number of employees with a contract without a fixed end date. The number of permanent employees in the Avenga Group is stated as of 31.12. of the reporting year.

b) **Temporary Employees** - are defined as the number of employees whose employment relationship is conditional on the completion of a specific project or has a predetermined duration. This includes interns but excludes freelancers and contractors. Number of temporary employees in the Avenga Group is reported as of 31.12.2024

c) **Non-guaranteed Hours Employees** - non-guaranteed hours are defined as the number of employees who are employed without contractually guaranteed minimum or specified number of working hours. In the context of the legislative environment of the Czech Republic and the Slovak Republic, in which the Avenga Group operates, this category also includes employees with a so-called Performance Work Agreement (PWA) and Work Activity Agreement (WAA)

d) **Freelancers and contractors** - are classified as non-employees. They are individuals whose labor contributes to Avenga Group but do not hold an employment contract with us. The total number of freelancers and contractors is reported as of 31.12.2024

Avenga Employee & Non-employee Characteristics:

No. of Headcounts	2024				
	Female	Male	Other	Not Reported	TOTAL
Employees	1260	2038	0	0	3298
Permanent Employees	1222	1873	0	0	3095
Temporary Employees	164	39	0	0	203
Not Guaranteed Hours Employees	8	4	0	0	12
Freelance & Contractors	540	2449	0	0	2989

3.3.1. Employee´s tenure and turnover

A significant portion of our teams have been with the company for 2 to 5 years, showcasing a stable and experienced workforce with substantial growth potential. Furthermore, over 700 employees with more than 10 years of tenure show strong loyalty and possess deep institutional knowledge, contributing to long-term stability.

4.26

years

Average Company Tenure

Employee Turnover:

Employee Turnover	2024
Number of Employees	534
Rate	17.8

3.3.2. Collective bargaining and social dialogue

Avenga Group has on collective bargaining agreement within the European Economic Area (EEA) We do not have representation agreements by European Works Counsil (EWC), Societas Europaea (SE) Works Council, or Societas Cooperativa Europaea (SCE) Works Council in place.

Collective bargaining					2024
Total percentage employees covered by collective bargaining agreements					
Coverage rate (for countries with >50 employees representing >10% of total employees)	0-19%	20-39%	40-59%	60-79%	80-100%
Collective bargaining coverage	X				
Employees – EEA coverage rate	X				
Employees – non-EEA coverage rate	X				
Social dialogue					
Workplace representation (EEA only)	X				

3.3.3. Gender and Age Distribution

S1-9

Gender distribution in management and top management:

The Top management in Avenga Group is defined as two levels under administrative management and supervisors. The gender breakdown of the Avenga Group is as follows calculated by summing the total aggregated number of women and men in senior management, excluding external staff and contractors.

These aggregate numbers of senior executives are divided by the total number of female and male employees in senior management to calculate the distribution of the share for each gender. This calculation is based on the situation as of 31 December 2024.

Gender distribution in Top management[9]:

Employees in Top Management in Gender	Headcount FY 2024	Share FY2024
Male	55	1.7%
Female	30	0.9%
Total Employees	3298	2.6%

The Management in Avenga Group is defined as three levels below the administrative management and supervisory bodies. Gender distribution at Avenga Group is calculated by summing the total aggregated headcount of both women and men, respectively, in management, excluding freelancers and contractors.

These aggregated numbers in headcount are divided by the total combined headcount for women and men in management to calculate the distribution share for each gender. This calculation is based on the situation as of 31 December 2024.

Gender distribution in management[10]:

Employees in Management in Gender	Headcount FY 2024	Share FY 2024
Male	148	4.5%
Female	128	3.9%
Total Employees	3298	8.4%

[9] Only employees with an employment contract were included in the calculation. Contractors were not included in the calculation. The table shows a summary of top management employees for both main subsidiaries of the Group: Qinshift Capital, a.s. and Avenga, s.r.o and all their entities and sub-entities.

[10] Only employees with an employment contract were included in the calculation. Contractors were not included in the calculation. The table shows a summary of employees in managerial role for both main subsidiaries of the Group: Qinshift Capital, a.s. and Avenga, s.r.o and all their entities and sub-entities.

Age distribution in Avenga:
The age distribution of employees is calculated by aggregating the total headcount of employees under 30 (29 or younger), employees between 30 and 50 (30 to 49), and employees aged 50 or above, excluding freelancers and contractors. This calculation is based on the situation as of December 31, FY 2024

Age distribution in Avenga Group:

Age distribution of employees in headcount

<30	660
30 - 50	2404
>50	234
Total	3298

3.4. Social Protection

S1-11

Avenga Group operates in 21 countries where it is subject to complex local legal frameworks and legislation. The group is headquartered in the Czech Republic, whose legal framework enforces strict standards for the social protection for employees with all types of the employee contract. We ensure that our employees are covered against loss of income due to major life-changing events, such as sickness, occupational injury, parental leave, and retirement, in accordance with employment terms and conditions described in employee contracts.

However, due to the type of business model of our company (IT, custom business digitalization services, advanced data analytics & consulting), the company has contractual relationships with non-employees (contractors) for whom it does not provide any social protection. However, it is important to add that the remuneration under such contracts is well above the local average wages in all countries where the company operates.

Social protection in Avenga Group:

Social Protection

No. of headcounts

	Female	Male	Total	TOTAL Covered	TOTAL Not covered
Employees (Permanent & Temporary)	1252	2034	3286	**3286**	**0**
Not Guaranteed Hours Employees	8	4	12	**12**	**0**
Freelance & Contractors	540	2449	2989	**0**	**2989**

52%

of the people with any type of working contract is under the social protection against loss of income

100%

of the people with employee contract is fully under the social protection against loss of income

3.5. People with disabilities

S1-12

Due to legal restrictions under the EU General Data Protection Regulation (GDPR) covering all EU member states and EEA countries, as well as similar principles of personal data protection through national legislation in the countries we operate outside the EU and EEA, we are unable to report on the number of people with disabilities within our organization.

3.6. Training and skills development

S1-13

Training hours are defined as time spent on training and skills development. Training and skills development involves various methodologies such as on-site training, online courses, workshops, certification programs, educational opportunities, pop-up courses, and adherence to a Code of Conduct.

It does not include our trainee programs, the development of courses, or the time instructors spend teaching. Training hours per employee and by gender are calculated by dividing the total recorded training hours in Avenga Group by the headcount for each gender. This calculation is based on the

situation as of December 31, FY2024 and includes all employees in headcounts within Avenga Group, excluding freelancers and contractors.

Participation in performance valuation:

Training and skills development[11]	Percentage of employees participating in performance valuation 2024	Average number of training hours 2024
Men	1535	1734
Women	767	808
Total	2330	2542

3.7. Health and safety

S1-14

Our workplace is not characterized by frequent work-related injuries, as the nature of our work does not impose heavy physical strain on our employees or on our freelancers and contractors. All employees are covered by our health and safety management system. In 2024, we recorded no occupational fatalities among our employees or any workers operating on our sites.

Additionally, to support the wellbeing of our people, Avenga Group organizes a wide variety of social and sports activities (wellness days, yoga, sport challenges, marathons, social gatherings), as well as provide additional benefits connected to maintaining and improving mental health, incl. webinars, psychological support (in some regions, e.g. Bulgaria, Macedonia, Poland etc.)

Health and Safety Indicators:

Health and Safety	FY 2024	
	No.	%
Percentage of employees covered by health and safety management system	-	98.3
Percentage of freelancers and contractors covered by health and safety management system	-	46.3
Number of work-related accidents	0	-
Rate of recordable work-related accidents		0
Number of cases of recordable work-related ill health	2	-
Number of days lost due to work-related injuries from work-related accidents	10	-
Number of fatalities as a result of work-related injuries/ill health	0	-

[11] Only employees with an employment contract were included in the calculation. Contractors were not included in the calculation. The table shows a summary of employees, participating on training and skills programs for both main subsidiaries of the Group: Qinshift Capital, a.s. and Avenga, s.r.o and all their entities and sub-entities.

3.8. Work life balance

S1-15

We ensure that our employees are entitled to take family-related leave in accordance with employment terms and conditions described in employee contracts.

Work-life Balance Indicators:

Family-related leave	FY 2024
Number of males that took family-related leave	276
Number of females that took family-related leave	158
Total	434

3.9. Discrimination incidents reported and complaints field

S1-17

We address all discrimination incidents and complaints filed within our organization through formal channels. Given the sensitive nature of these matters, we do not disclose details about the incidents. Each report or complaint is handled with the highest level of confidentiality.

Our grievance mechanisms ensure that employees can report any incident confidently and securely. We monitor any fines and penalties to ensure they are promptly identified and addressed. No fines and penalties related to discrimination were registered in 2024. We remain dedicated to complying with all relevant regulations and upholding the integrity of our business practices.

In 2024, no severe human rights incidents relating to our workforce occurred, and consequently, no fines, penalties, or compensation related to severe human rights incidents were registered.

Avenga FY2024 Discrimination incidents reported:

Discrimination incidents reported, and complaints filed	FY 2024
Discrimination incidents reported	0
Complaints filed	0
Fines, penalties and compensation – relating to discrimination	0
Number of severe human rights incidents	0
Cases of non-respect of UN GP/OECD frameworks	0
Fines, penalties and compensation – relating to severe human rights incidents	0


G

4. GOVERNANCE

4.1. Business Conduct IROs

[G1-IRO-1]

Business conduct is essential to our business model, the majority of which is dependent on our own workforce and workers in our value chain. Compliance with relevant legislation and international guidelines on ethical business conduct is a priority both because of the potential immediate legal and in turn economic consequences of non-compliance but also because of its effects on our ability to reach our goals regarding the maintenance of an efficient, competent workforce.

The fostering of a corporate culture which attempts to protect employees and other stakeholders against potential human rights impacts, prevent incidents of corruption, and protect whistleblowers who report on these or any other issues, is not only strictly necessary from a legal perspective and in terms of gaining license-to-operate, but also vital to our internal social strategy and commercial goals.

As a global actor with increasing influence and bargaining power, responsible and transparent payment practices are also a key component of the standard for business practice, which we are expected to adhere to.

Avenga Group has applied a double materiality assessment (DMA) to identify material topics. For more information on the DMA process, see ESRS 2 (see chap. "ESRS 2 - [IRO-1] Description of the procedures for identifying and assessing material impacts, risks and opportunities").
The assessment of material impacts, risks and opportunities also considered the level of maturity of the legal systems of the countries in which Avenga operates. The Group conducts its business activities in accordance with the laws and regulations and other internal regulations, as applicable.

Impacts, risks, and opportunities (IROs):

		Value Chain Location			Time horizon for impacts or actions		
		Upstream	Own Operations	Downstream	Short Term	Medium Term	Long Term
Business Conduct - Addressing the integration of financial objectives with ethical considerations, a competition and workplace behavior within the corporate culture, and alignment of business practices with transparent governance and integrity.	Negative Potential Impact	x	x	x		x	x
Corruption & Bribery - corruption and bribery: Lack of adherence to anti-bribery and corruption legislation and ethical standards could potentially lead to an impact on people and governance through the result of disciplinary actions, imprisonment, employee satisfaction, the legitimacy of management, and a negative impact on the corporate culture in Avenga Group	Potential Negative Impact	x	x	x		x	x
Cyber Security - Insufficient procedures and practices implemented to prevent data breaches, loss of data and a loss of sensitive information, including 3rd party data	Potential Negative Impact	x	x	x		x	x

4.1.1. Risk country assessment:

The following countries have been considered in the governmental risk analysis:

Country		
Czech Republic	Kosovo	Ukraine
Slovak Republic	Belarus	Serbia
USA	North Macedonia	Bulgaria
Argentina	Bosnia&Herzegovina	Spain
Sweden	Turkey	Switzerland
Germany	Egypt	Malta
Poland	Malajsia	Moldova

The sites cover both the areas of the business itself and the main areas of the supply chain

Risk assessment approach used:

The Avenga Group uses a systematic approach to risk assessment, which includes identifying risks, analyzing their impact, and assessing the likelihood of their occurrence and the possibility of remediation. Risks are assessed according to the following criteria and scoring system:

Scale of Evaluation – Governmental Risk Assessment	
4	Very High Need
3	High Need
2	Moderate Need
1	Low Need

Sources of Indexes, relevant to ESRS G, are listed below:

Topic	Rule of Law		Civil Liberties
Index	World Justice Rule of Law Index	Transparency International	World Bank
Czech Republic	1	2	1
Slovak Republic	1	2	2
USA	1	2	1
Argentina	2	3	N/A
Sweden	1	1	1
Germany	1	1	1
Poland	1	2	2
Kosovo	2	2	N/A
Belarus	3	3	3
North Macedonia	2	3	N/A
Bosnia&Herzegovina	2	3	2
Turkey	3	3	3
Egypt	4	3	3
Malajsia	2	2	2
Ukraine	2	3	2
Serbia	3	3	2
Bulgaria	2	2	2
Spain	1	2	1
Switzerland	N/A	1	1
Malta	1	2	N/A
Moldova	2	3	2

4.2. Role of Administrative, Supervisory and Management Bodies

GOV-1

Avenga Group's Board of Directors and executive leadership team ensure responsible business practices, oversee corporate ethics, legal compliance and compliance with relevant internal corporate conduct guidelines.

Statutory bodies are regularly informed about the situation in the respective Group company and about any identified risks related to corporate behavior. The statutory bodies further align business conduct with the Group's vision and objectives, drawing on their academic qualifications and extensive experience.

G1.GOV-1_01; G1.GOV-1_02

4.2.1. Sustainable governance

GOV-1_08, GOV-1_10, GOV-1_11, GOV-1_12

ESG issues are part of the Group's strategic management and are the responsibility of Avenga's leadership team and the statutory bodies of the Group companies. Preliminary structures and processes have been established to ensure effective management and coordination of ESG processes and are already responsible for the ESG agenda but are still in the process of being shaped and verified for proper functionality.

Mr. Ondřej Matuštík, Chief Finance Officer and, also a member of the KKCG Technologies Group Board of Directors, has been informally assigned to manage the sustainability agenda, including overseeing the management of impacts, risks and opportunities. To ensure effective governance, an ESG Committee (as a sui generis group) has been established within the Group to provide a platform for planning, managing and monitoring ESG initiatives.

A Group ESG Coordinator has been appointed to coordinate the processes and lead the ESG team. There are staff, referred to as ESG points of contact, in each of the Group companies who represent their respective units in relation to ESG agendas and work with the Group ESG team. Together, these bodies enable the coordinated and integrated delivery of ESG and CSR commitments in line with the Group's strategic objectives.

Responsibility for the oversight of IROs is embedded within the ESG Committee and Business conduct policies, including our Code of Conduct, which are reviewed and approved annually by the Board of Directors[12].

[12] Read more about our Code of Conduct on page 46

The ESG Committee

GOV-1_04

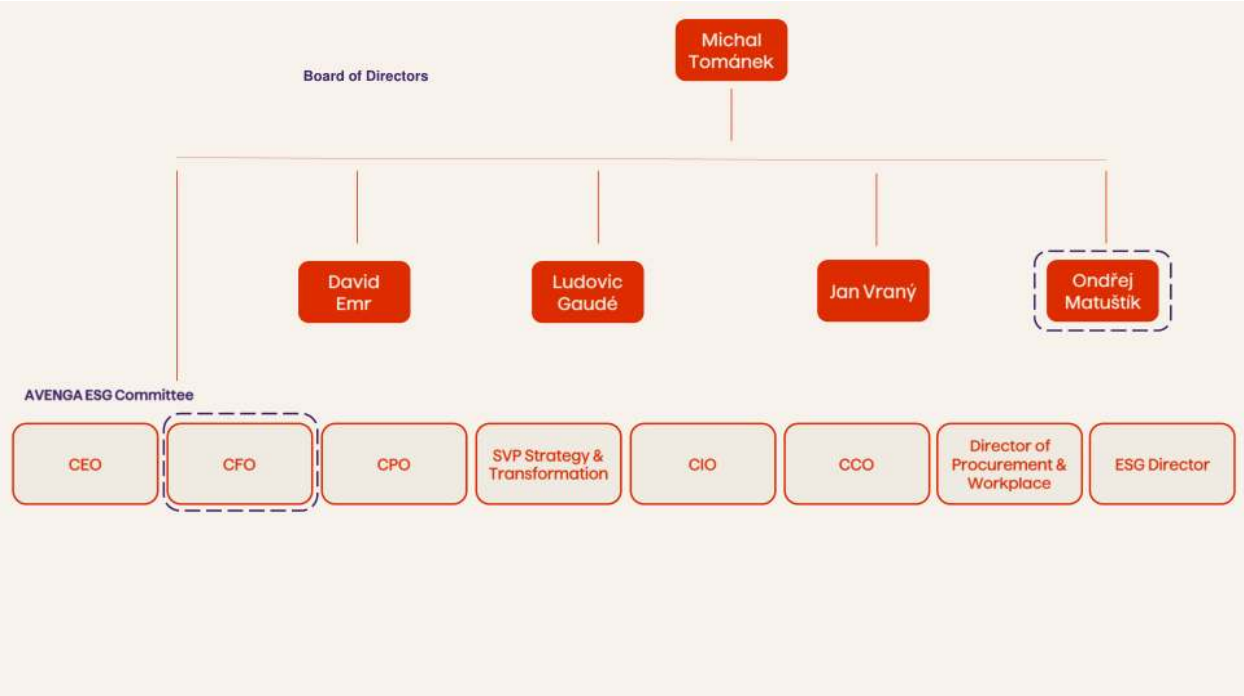
The ESG Committee determines the overall ESG direction of the company, assesses the performance of thematic activities, and provides recommendations, advice and information to the designated Board member. The committee represents the management level of governance and coordination of the ESG agenda, including the management of impacts, risks and opportunities.

The Committee holds primary responsibility for overseeing the organization's Environmental, Social, and Governance (ESG) objectives. It monitors the impacts, risks, opportunities, and related targets associated with ESG. The Committee assesses the materiality of ESG issues, manages related risks, and can issue directives to employees and members of subordinate entities. It may also consult both internal and external experts as needed

Composition of the ESG Committee:

- Chief Executive Officer (CEO)
- Chief Finance Officer (CFO)
- Chief People Officer (CPO)
- SVP Strategy & Transformation
- SVP Information Technology and Security
- Compliance Director (CCO)
- Director of Procurement & Workplace
- Director of ESG

Avenga also established a CSR Sub-Committee in 2024 to serve as an advisory body to the ESG



Committee. Its main task is to coordinate the Group's voluntary donor activities aimed at integrating social and environmental considerations into corporate operations and community projects.

Composition of the CSR sub-committee:

- Chief Executive Officer
- Chief Finance Officer
- Chief People Officer
- SVP Strategy & Transformation
- Compliance Director
- Director of ESG

The Group's ESG team provides operational management and coordination of the Group's ESG agenda and is led by the Group's ESG Coordinator. It acts in an advisory, consultative and informative capacity to the ESG Committee and the management of each Group company.

Those responsible for ESG and managing sustainability-related impacts, risks and opportunities have been delegated to their roles based on their expertise and understanding of the issues. The ESG Coordinator and ESG team receive ongoing training and update their knowledge through specialized training, seminars and conferences. GOV-1_16

4.3. Policies on Corporate Behavior and Corporate Culture

GOV-1]

We have devised, adopted, and disseminated several policies which aim to foster a corporate culture of responsible business conduct throughout our organization. Our policies aim to mirror the ethical standards of internationally recognized guidelines and conventions such as the OECD Guidelines for Multinational Enterprises, UN Guiding Principles on Business and Human Rights and the UN Declaration of Human Rights, ILO Conventions, as well as local legislation when applicable. The Executive Leadership Team (ELT) and the Board of Directors annually review, and amend, when necessary, all policies. This is done in consideration of the results of the sustainability due diligence processes and the DMA, including in response to any significant IROs identified within the value chain.

All Group-level policies are anchored within Avenga Group and applied throughout the entities to ensure the highest possible level of alignment, and to maximize adaptability to changes in internal or external circumstances, achieved through the ease of amending Group-level policies.
As of December 31, 2024, the Avenga Group had the following policies on corporate behavior and corporate culture:

Business Conduct Policies:

Policies	Scope of Coverage	Accountable for implementation	Availability
Group Compliance Policy	Group	Compliance Director	Intranet
Procurement Policy	Group	Workplace & Procurement Director	Intranet
CSR Policy	Group	ESG Director	Intranet
Code of Ethics	Group	Compliance Director	Intranet
Whistleblowing[13]	Group	Compliance Director	Intranet
Data Protection Policy	Group	Compliance Director	Intranet
Authority Matrix	Group	Chief Finance Officer	Intranet
Car Policy	Group	Workplace & Procurement Director	Intranet
Travel Policy	Group	Workplace & Procurement Director	Intranet
Payment Policy	Group	Chief Finance Officer	Intranet
AI Policy	Group	Chief Information Security Officer	Intranet
Information Security Policy	Group	Chief Information Security Officer	Intranet

[13] Part of the KKCG Group Compliance System

Scope of Avenga Business Conduct Policies:

Policy	Corruption & Bribery	Giving and Receiving Gifts	Charitable and Political Contributions	Relationship with suppliers and vendors	Conflict of Interest	Fair Competition	Data Protection	Transparency & Accountability	Whistleblowing	Cybersecurity	AML	Prevention of Discrimination
Compliance Program	X	X	X	X	X	X		X	X		X	
Code of Ethics	X	X	X	X	X	X	X	X	X	X	X	X
Procurement Policy				X				X				
Data Protection Policy							x			X		X
Whistleblowing									X			
Authority Matrix				X				X				
Payment Policy				X		X		X				
AI Policy										X		
IS Policy										X		

In April 2025, the Avenga Board of Directors approved the ESG Group Policy and established the group´s ESG committee as the advisory body to the BoD.

4.3.1. Avenga Group Compliance System

Our compliance program has been compiled based on the ultimate KKCG Group Compliance Program and implemented to ensure that we comply with all applicable laws and regulations and conduct our day-to-day business in an ethical manner. The program includes policies addressing:

- Prevention of bribery and corruption, facilitation payments, gifts, and hospitality
- Anti-money laundering and prevention of terrorist financing, know-your-customer principles (including screening against sanction lists)
- Conflicts of interest
- Rules for charitable contributions and political donations
- Prevention of discrimination

- Whistleblowing
- Fair competition, and other compliance topics
- Personal Data Protection.

These policies are codified in internal guidelines. Breach of compliance policies leads to disciplinary sanctions.
Each entity had in the past their own compliance program which might have differed from the general compliance requirements of KKCG. All procedures were unified in May 2025, when the Board of Directors approved the Avenga Group Compliance Policy applicable to all entities within Avenga Group.

Besides compliance with local legislation in all locations where we operate, policy commitments such as the Paris Agreement, ILO conventions, UN Guiding principles on business and human rights have not been officially articulated; however, these are considered when setting our general ESG direction.

Each company in the Group is required to include standard compliance provisions in its contractual templates with its employees, vendors and customers, and the breach of such provisions can lead to termination of the respective contractual relationships.

Compliance in the Avenga Group is the responsibility of the Director of Compliance.

4.3.2. Avenga Group Code of Ethics

Avenga Group Code of Ethics sets out the basic values, principles, ethical rules and principles of conduct of the Group companies and their employees. The Code of Ethics has been implemented in all Avenga Group companies. In the area of corporate conduct, the Avenga Group Code of Conduct explicitly commits to compliance with all applicable laws and ethical standards. It prohibits corruption and bribery in all forms, regulates the giving and receiving of gifts, charitable and political contributions and governs relationships with suppliers and vendors.

The Code also addresses conflict of interest, fair competition, and data protection, aiming to foster a culture of integrity, transparency, and accountability across the group. The statutory bodies of the Group companies are responsible for the implementation of the policy.
The Group promotes its corporate culture mainly through employee training and updating its policies. Most of the Group's employees are familiar with the Avenga Group Compliance System and the Avenga Group Code of Conduct through training upon joining and annually thereafter.

The Group does not currently have a set mechanism for assessing corporate culture but supports corporate culture by overseeing the completion of related training G1-1_01; G1-1_01; G1-1_10

4.3.3. Whistleblowing

The Group has established processes for identifying, reporting and investigating conduct that would be in breach of legal regulations or the Group's internal rules/policies. Internal channels for whistleblowers are regulated in the Group companies by special internal guidelines that follow on from the implemented Avenga Group Compliance System. The Group companies to which Act No. 171/2023 Coll., on the Protection of Whistleblowers, as amended (the "Act on the Protection of Whistleblowers") applies have also implemented an internal reporting system in accordance with the Act on the Protection of Whistleblowers.

The above-mentioned internal channels for whistleblowers and the related processes (including procedures and responsibilities from receipt of the report to the adoption of the chosen measure) are described in detail in the internal guidelines of the relevant Group companies. The report can be shared via the ethics line (or other internal line), email, telephone, in person, via intranet or web interface. Where relevant, the channels and processes are established in accordance with the requirements of the Whistleblower Protection Act. The policies of the Group companies allow for the receipt of anonymous and named reports, both from employees and from external entities.

The Group, through internal guidelines and rules, excludes the application of retaliatory and other measures against whistleblowers. The Whistleblower Protection Act also excludes retaliatory measures. The Group provides the information necessary for submitting reports or notifications on the intranet and website. The relevant Group companies familiarize their employees with the relevant internal channels for whistleblowers (including reporting corruption and bribery) and related internal guidelines as part of their induction training. Training on the Avenga Group Compliance System includes familiarizing employees with the internal reporting channels established in addition to the reporting system under the Whistleblower Protection Act.

From the processes set out in the internal guidelines on whistleblower protection, it can be assumed that the Group has procedures for the prompt, independent and objective investigation of incidents related to the conduct of the company, including possible cases of corruption and bribery (G1-1_08). No complaints were reported in 2024; all complaints have been investigated or are currently being investigated.

G1-1-06; G1-1-07; G1-1_02; G1-1_05, G1-1_10; G1-1_11.

4.4. Supplier Relationship Management

[G1-2]

Avenga is committed to ethical and responsible supplier management and is currently developing structured methodologies in the purchasing department to implement sustainable parameters in the purchasing processes and business relationships overall.

We recognize our suppliers as essential partners in creating successful services and products for our customers, our supply chain is structured in four primary components: hardware, software, talent acquisition and natural resources. Our suppliers represent a critical upstream of our operations. We are committed to utilizing these resources in a sustainable manner and bring added value to our customers when delivering our downstream products and solutions, such as IT and software infrastructure, IT solutions, digitalization, and data and cloud solutions.

Effective management of supplier relationships is regulated by Avenga Group Procurement Policy

Effective management of supplier relationships, their screening and setting up long-term cooperation is regulated by our Group Procurement Policy. It is designed to ensure that all procurement activities are carried out transparently, in full compliance with applicable regulations, and in an auditable manner, while maintaining the highest standards of integrity and business ethics. All employees participating in the procurement process must follow the core values and principles outlined in the procurement policy, promoting consistent and ethical decision-making throughout the process.

As part of our commitment to sustainable and responsible procurement practices, we adhere to predefined criteria and specifications for supplier selection, as outlined in our policy. These criteria ensure that all acquisitions of goods and services are aligned with the Company's operational needs, budget constraints, quality standards, and regulatory requirements.

The Supplier Risk Management process includes a comprehensive Vendor Screening Process, which is a structured assessment conducted to ensure that all suppliers meet our standards for quality, compliance, financial stability, and security. This procedure applies to both new vendors and existing suppliers, who are subject to an annual evaluation.

The **Risk Assessment** is the first step in this process and includes an evaluation of the following key factors:

1. **Supply Chain Disruption** – We assess the vendor's reputation to identify potential risks of supply chain disruptions.

2. **Quality and Performance Issues** – Vendor reputation is evaluated to ensure consistent product or service quality and performance standards.
3. **Financial Risk** – We examine the financial stability of suppliers to identify risks of bankruptcy or insolvency that may impact the continuity of supply.
4. **Compliance Risk** – A thorough review is conducted on the supplier's legal status, ownership, affiliations, required licenses, certifications, and checks for any history of fraudulent activities, or if the supplier is sanctioned or blacklisted.
5. **Environmental, Social, and Governance (ESG) Compliance** – Suppliers are assessed for their adherence to environmental sustainability practices, social responsibility, and governance standards, ensuring alignment with our ESG values.
6. **Cybersecurity Compliance** – We evaluate suppliers' cybersecurity measures to ensure their systems and data protection protocols meet our standards.

The integrated approach ensures that our supply chain operates with transparency, ethical integrity, and sustainability, contributing to the achievement of our ESG commitments.
Avenga Group plans to publish a Supplier Code of Ethics in the second half of 2025.

4.5. Prevention and Detection of Corruption and Bribery

[G1-3]

We actively work to prevent corruption and bribery, which is why we adopted a Group Compliance System from our ultimate parent company, KKCG, and transposed it into our internal Group Compliance Policy. This document complements our Code of Ethics and ensures a high ethical standard and compliance with relevant laws. The Compliance System provides clear guidelines on offering and receiving gifts and hospitality to ensure they do not serve as attempts to improperly influence decisions, and to encourage transparency in all actions and undertakings.

For the prevention of bribery and corruption within our own operations, we have implemented organizational procedures to maintain constant oversight over company expenses. An integral part of these procedures is our approval system. Every gesture, be it in the form of gifts, meals, or any other form of gift or hospitality, if offered or received, necessitates approval from a designated superior. This not only ensures that every transaction aligns with our principles but also aids in creating an environment of accountability and transparency. Any allegations or incidents indicating potential violations of our Anti-Bribery and Anti-Corruption rules, described in Group Compliance System, as well as any actions subject to the anti-corruption and anti-bribery laws, is promptly investigated by Compliance dpt. no matter if reported internally or, if reported through our Whistleblowing System (see Chapter 5.3.3).

If a violation is confirmed, it is promptly addressed, and corrective measures are taken. Furthermore, all outcomes, findings, and decisions relating to an investigation are reported to the relevant

individual or department within the management, and to the Board of Directors. Incidents of corruption and bribery identified within the value chain are reported to the Board of Directors in accordance with regular internal sustainability reporting.

4.5.1. Compliance training

Each new joiner is required to undergo standardized compliance training. These compliance training courses are provided regularly to ensure identified issues are properly addressed. Since 2024, compliance training has been conducted through a new, universal, group-wide training platform that provides us with real-time information about training completeness across the whole group. At the end of each training course a test must be passed to prove the knowledge. Specific training sessions are organized for dedicated groups of employees based on the risk of their positions or business. As an example, training on dawn raid process, anti-trust principles, anti-corruption principles, etc. Avenga Group aims to join all its employees into the regular compliance e-learning or tailor-made training sessions from Q2 2025.

As of 1st February 2024, the new role of Director of Compliance was established at the Avenga Group level to reflect the specifics of compliance within the IT business. The Director of Compliance defines a compliance strategy and builds a compliance culture within the Company. The Director of Compliance's main task is to identify areas exposed to compliance risk and to coordinate mitigation. As a support role to senior management, the Director of Compliance provides advisory, monitoring, training and reporting in compliance domains mentioned above. The Director of Compliance coordinates activities with the parent company KKCG Technologies to secure a minimum standard of compliance policies and principles.

The Director of Compliance is an independent function which reports directly to the Board of Directors of KKCG Technologies. Compliance Program is based on policies and principles defined by KKCG Group that set a minimum standard obligatory for the Avenga Group. In 2024, the Board of Directors of KKCG Technologies approved the Compliance Framework (Compliance Management System) which was implemented across the Avenga Group in the course of 2024. As a next step the new set of policies and principles will be introduced and training updated in the course of 2025 year.

Whistleblowing mechanisms allow internal and external stakeholders to raise concerns about misconduct or violations in the organization's operations or business relationships, irrespective of whether the stakeholders themselves are harmed.

4.6. Incidents of Corruption or Bribery, Whistleblower Reports

[G1-4]

No significant instances of non-compliance with laws and regulations or anti-corruption principles were confirmed in 2024.

Corruption and Bribery Incidents	2024
Number of convictions for violation of anti-corruption and anti-bribe	0
Fines for violation of anti-corruption and anti-bribery laws	0

In 2024, 0 reports were submitted via the Whistleblower System. 0 of them are still active and thus not closed. None of the reports concerned corruption or bribery.

Whistleblower Reports	2024
Number of reports	0
Not closed yet	0

4.7. Cybersecurity

Although protective measures are in place, the nature of the business presents a high likelihood of cyberattacks. If such an impact were to occur, the consequences would have an immediate effect not only on the organization but also on its employees. Currently, this risk has been minimized to the greatest extent possible.

Because our solutions are often part of the company and used by the authorities, companies or citizens, the potential negative impacts of material impacts can be both widespread and severe related to individual incidents of cyber-attacks. The potential impact related to data leakage, or the availability of our solutions may affect both our own operations and our clients.

Therefore, policies, methods and measures to protect sensitive information related to our business, practices and security include Procedures for maintaining a high level of security and data protection, which are the foundation of for our legitimacy and existence as an IT services company. The relevancy of information security processes, technical and organizational controls are confirmed by ISO27001:2022 certification for most of our delivery centers.

REPORT SUMMARY

This Sustainability Report summarizes the key activities, approaches, and results of the Avenga Group in the areas of environmental, social, and governance responsibility for 2024. It is the first standalone Sustainability Report prepared exclusively for the Avenga Group.

In 2019–2023, non-financial information was primarily disclosed in accordance with GRI standards. Since 2024, the Group has been gradually transitioning to reporting in accordance with the new European ESRS standards, with this transition being implemented gradually and with an emphasis on the quality and comprehensibility of the disclosed data.

During the preparation of this report, there was a change in the European legislative framework – the so-called Omnibus, which postponed the obligation to report under the CSRD from the 2025 financial year to the 2027 financial year. However, the Avenga Group continues to prepare for full compliance with the CSRD and ESRS requirements.

This report has been reviewed by Avenga Group management. We believe it provides a transparent view of our current activities in the area of sustainability and responsible business.

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