

ENT Group Climate Change Mitigation and Adaptation Policy

1. Purpose

This Policy establishes the commitments and principles of the Ericsson Nikola Tesla Group (hereinafter: the ENT Group or the Group) with regard to climate change mitigation and adaptation to its impacts. This Policy forms an integral part of ENT's environmental management system and the recognized material topic of Decarbonization across the value chain.

The Policy is based on:

- the Paris Agreement and the target of limiting global warming to 1.5°C,
- the Greenhouse Gas Protocol (GHG Protocol) as the methodological standard for emissions measurement and the gradual adoption of the ISO 14064 standard as an additional methodological framework for quantification and verification,
- the Science Based Targets initiative (SBTi) as the reference framework for target setting,
- the ENT Group's Integrated Management System (ISO 14001),
- relevant recommendations of the ITU Telecommunication Standardization Sector (ITU-T) for emissions assessment and the energy efficiency of ICT solutions.

2. Scope

This Policy applies to all legal entities comprising the ENT Group and to all business segments. It covers the ENT Group's own operations, as well as the upstream and downstream segments of the value chain, to the extent where the ENT Group has managerial control or a significant indirect influence on emissions.

3. Background and context

The ENT Group measures and discloses its Scope 1, 2 and 3 greenhouse gas emissions annually in accordance with the GHG Protocol. The ENT Group's emissions profile is characterized by the dominant share of Scope 3 emissions, which account for more than 90% of total emissions, with the largest proportion arising from the upstream segment of the value chain.

This emissions structure reflects the ENT Group's business model, which in certain segments involves a high degree of integration with upstream value chain partners. The degree of

managerial control over emission sources therefore varies depending on the business segment, ranging from full control in the development and delivery of proprietary solutions to more limited influence in segments where the ENT Group operates as part of a broader value chain.

As a result, two categories of climate-related commitments have been identified:

Commitments within direct operational control – the ENT Group’s own operations (Scope 1 and 2) and Scope 3 categories over which ENT has a degree of managerial influence (employee commutes, business travel and waste management).

Commitments requiring partner engagement – a significant share of Scope 3 emissions arises outside the ENT Group’s direct operational control. For suppliers within its procurement supply chain, the ENT Group operationally implements climate-related requirements set out in the ENT Group Code of Conduct for Business Partners. With its strategic business partners, the ENT Group engages in partner dialog aimed at ensuring transparency of emissions data and achieving joint progress toward climate objectives.

4. Governance and responsibilities

The implementation of this Policy is organized through a two-tier governance structure established by the Decision on the Establishment of the ENT Group Sustainability Steering Committee and Sustainability Implementation Committee.

The Management Board of ENT is responsible for the adoption of this Policy and for the approval of climate-related targets. The material sustainability topic of Decarbonization across the value chain is taken into consideration by the Management Board when making strategic decisions and within risk management processes and relevant policies.

The Supervisory Board receives an annual progress report in accordance with corporate governance requirements and oversees the implementation of sustainability strategic targets.

The ENT Group Sustainability Steering Committee is responsible for managing the sustainability strategy, overseeing the material sustainability topics adopted through the Management Board Decision on the Adoption of the ENT Group Material Sustainability Topics, approving measures and activities, and ensuring the achievement of targets. The Steering Committee proposes climate-related targets and measures to the Management Board and monitors progress toward their achievement. When evaluating measures, the Steering Committee assesses interdependencies between climate-related targets and business priorities, including potential trade-offs between short-term costs and the long-term reduction of exposure to climate-related risks.

With regard to this Policy, the Steering Committee:

- proposes climate-related targets to the Management Board and monitors progress toward their achievement,
- considers material climate-related risks and opportunities when approving strategic measures and major investments,

- assesses compromises between climate-related targets and business priorities,
- The Steering Committee considers climate-related topics at least once a year. The Chair of the Steering Committee also serves as a member of the Sustainability Implementation Committee and acts as the single point of contact between the two bodies.

The ENT Group Sustainability Implementation Committee is responsible for coordinating and monitoring developments in standards and regulations, integrating climate sustainability compliance requirements into all relevant organizational units, and implementing the measures defined by this Policy at the operational level. It consists of the ESG Coordinator and delegates from the organizational units of the ENT Group.

With regard to this Policy, the Implementation Committee:

- coordinates the preparation of the annual greenhouse gas inventory and ensures the methodological consistency of data,
- monitors the operational implementation of measures and progress toward climate-related targets through the ESG Coordinator for Environment and Climate,
- prepares an annual progress report for the Steering Committee and the Management Board,
- ensures compliance with the disclosure requirements of ESRS E1.

The Implementation Committee considers climate-related matters at least twice a year.

5. Transparency and reporting

The ENT Group annually discloses its Scope 1, 2 and 3 greenhouse gas emissions data, as well as progress toward climate-related targets as part of its regular sustainability reporting. Reporting includes methodological notes on measurement uncertainties, particularly for Scope 3 categories based on econometric estimates, as well as retrospective recalculations of the base year in the event of material methodological changes.

In line with evolving regulatory requirements and market expectations, external assurance of the greenhouse gas inventory will be conducted as needed to provide additional credibility and reliability of the data.

6. Policy review

This Policy is subject to annual review. An extraordinary review shall be initiated in the event of a material change in the business model, a material change in the greenhouse gas inventory, changes to the SBTi methodology, or regulatory requirements that significantly affect greenhouse gas emissions reduction targets.