

Sustainability-linked Bond Framework

Span d.d.

May 2025

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Introduction

About Span

Span d.d. (“Span” or “Issuer”) was established on 23 March 1993, as a limited liability company, and became a joint stock company on 24 December 2019. Span’s main activities include the provision of services of software asset management and licensing, infrastructure services of design and maintenance of information systems, work in Cloud and Cyber security, management of information technology and technical support service centers, as well as the development of software and business solutions.



Infrastructure Services,
Cloud & Cyber Security



Software Asset Management
and Licensing



Software and Business
Solution Development



Service Center Management
and Technical Support

During the 30 years of operation, Span has developed from an IT system integrator in Croatia, into a group that today operates on the international market. The Issuer is focused on long-term relationships with customers and cooperates with leading global and regional corporations. As a leading expert in Microsoft technologies and leading regional Microsoft partner, Span is continuously working on improving the knowledge of its employees with the aim of providing higher quality solutions to its customers.



for six solution
areas



status for EU/EFTA/Ukraine/
Azerbaijan + BS and CIS



Certified Microsoft Cloud
Services Provider



Google Cloud
Partner



Select Consulting
Partner



Dynatrace
Master Partner



Certified Gold
Partner

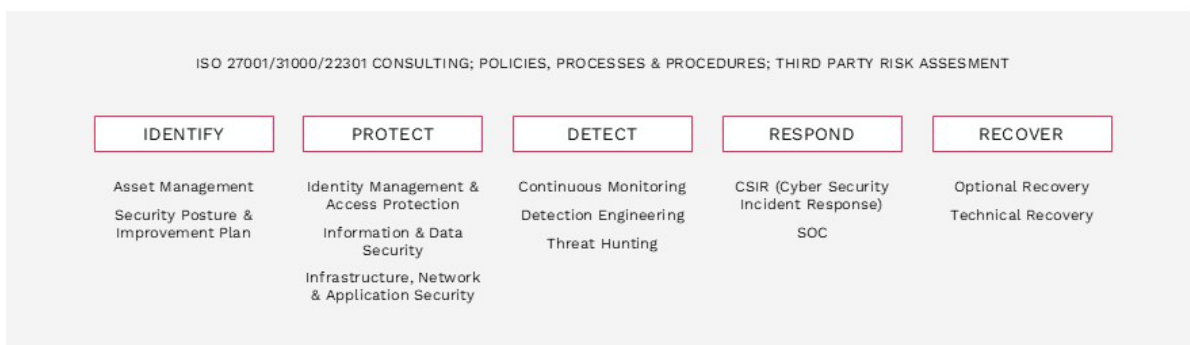
As an IT service provider, Span successfully monitors and responds to trends in the digital transformation of the operation, and through its work and company values, tries to be an example of the responsible and sustainable operation in Croatia. Today Span has more than 850 developers, IT solutions architects, consultants, IT support specialists, business analysts and researchers. Span develops solutions for the fast-evolving digital world, from consultation and implementation with regards to Cloud operation, to Cyber security and support services.

Span has over 20 years of experience in information and cyber security. Our security experts have been on the frontlines of some of the world’s most complex breaches. We have a deep understanding of both existing and emerging threat actors, including their rapidly changing tactics, techniques, and procedures. We have helped customers to make their business highly resilient to the continuously evolving and changing cyber threat landscape:

- by building clear and detailed understanding of what needs to be done to improve their security posture
- through implementation of broad spectrum of security solutions
- supporting them to leverage full value from various security solutions.

Depending on the specific business situation and risk management priorities we perform an assessment of security policies and practices and provide recommendations for activities that will result with fulfilment of various regulatory (GDPR, NIS, ISO 27001 and others) and business requirements. Since 2011, Span has held the ISO/IEC 27001 certification, which confirms our ongoing investment in security measures and data protection. Information security is particularly important given that we have access to confidential client data.

GOVERNANCE



EDUCATION



Span Cyber Security Centre (SCSC) is an adult education center that offers high-quality cyber security education programs, designed to combat threats in the digital age.

The mission of the Span Cyber Security Center is to develop and exchange knowledge and experience in the field of cyber security for organizations of all sizes, with the goal of creating robust defense capabilities. Efficient training of all employees significantly enhances cyber resilience and reduces the organizations' exposure to cyber threats.

The Span Cyber Security Center brings the latest global practices and experiences to Croatia and is committed to sharing knowledge and strengthening the business community, enabling it to respond effectively to increasingly common and sophisticated cyber threats. At the Center, we provide education and training programs, as well as consultation services for employees in both the public and private sectors. Our programs are fully tailored to the specific needs of the participants and organizations and require active participation in advanced exercises that simulate real cyber threats.

Our instructors are experienced specialists with practical, hands-on experience in cyber security and will impart attendees with knowledge and skills that can be applied in real-life situations.

At the beginning of 2025, SCSC has made a new step forward and registered as an adult education institution. The Cyber Security Analyst education program has been verified by the Croatian Ministry of Labor, Pension System, Family and Social Policy as a non-formal education program and has been included in the co-financed education program of the Croatian Employment Service through the Education Vouchers project. The goal of the adult education institution is to have more formal education programs, as well as more programs co-financed by the Croatian Employment Service, to enable a larger number of participants to acquire relevant knowledge and skills needed for competitiveness in the labor market. By developing new formal education programs, SCSC will strive to provide quality and recognized qualifications that will meet the needs of employers and the economy.

Span ESG Strategy

For Span, sustainability is not just a regulatory requirement; it is a strategic opportunity that increases our resilience and strengthens our competitive advantage. Guided by our core values of caring, ahead of the times, honesty and transparency, our ESG strategy will help us actively integrate sustainability into our business decisions. Our employees are the driving force behind this transformation, through their engagement in sustainable initiatives that foster a culture of responsibility and innovation. This is just the beginning of our journey towards long-term resilience, regulatory compliance and continuous value creation for all stakeholders, ensuring that innovation and technological development contribute to a positive impact on society and the environment.

In 2024, we took a significant step forward by conducting a comprehensive Double Materiality Assessment (DMA), which allowed us to better understand the most significant impacts, risks, and opportunities that are crucial for our business and stakeholders. The insights gained from DMA have helped us improve our ESG approach, ensuring our focus includes continuous investment in advanced cyber security and privacy of our clients, proactive climate change mitigation and continuous social initiatives.

Span's ESG strategy encompasses all three dimensions of sustainability assessment: environmental, social, and corporate governance.



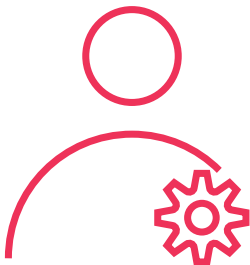
1. Environment

Within the environmental dimension, Span actively addresses climate change mitigation, with a focus of reducing greenhouse gas (GHG) emissions across Scope 1 and Scope 2. This includes efforts to lower emissions from energy consumption related to company vehicles and office operations, while actively transitioning toward energy-efficient technologies, renewable energy sources, and solutions that minimize resource use. Additionally, by optimizing cloud-based services, Span reduces its reliance on individual server infrastructures, which significantly lowers both energy consumption and associated greenhouse gas emissions. While indirect emissions generated across Span's value chain currently play a less central role, the company acknowledges their importance for long-term sustainability. Span plans to gradually expand its efforts to reduce Scope 3 emissions in order to ensure a more comprehensive and responsible approach to lowering its overall environmental footprint.



2. Social

At Span, people are at the center of our success. We are committed to fostering a workplace built on diversity, equal treatment, and respect, ensuring that all employees have equal opportunities for advancement and fair compensation. Beyond internal culture, we understand the importance of mental health and work-life balance, especially for our shift and night workers. In addition, non-compliance with GDPR can lead to breaches of customer and privacy, exposing their personal data to unauthorized access and misuse, resulting in identity theft, financial losses, and a sense of insecurity. Span safeguards employee and customer data privacy, recognizing the risks and responsibilities tied to digital information management. We actively collaborate with educational institutions to support local communities and promote digital literacy among young people, shaping a more inclusive and digitally empowered society. A key part of our business also includes raising awareness about cybersecurity. Through SCSC we are dedicated to intensively educating the market on key aspects of cyber security — raising awareness of digital threats and empowering organizations to protect their operations through expert-led training and knowledge-sharing initiatives.



3. Governance

Span believes that sustainable business growth is only possible through transparent, ethical, and accountable governance. We proactively prevent risks related to corruption, bribery, and data privacy breaches, maintaining compliance with GDPR and best industry standards. Furthermore, the growing demand for cybersecurity solutions has become both a responsibility and a strategic opportunity for Span, driving our innovation efforts in a way that aligns cyber security with sustainability.

Rationale for Issuing a Sustainability-Linked Bond

Span's issuance of a Sustainability-Linked Bond showcases its dedication to sustainability by integrating its financing strategy with its environmental, social, and governance (ESG) objectives. This bond issuance not only facilitates capital raising but also actively drives positive change in key areas that are crucial to Span's core business strategy. By tying the bond's terms to specific sustainability targets, Span highlights its determination to merge the achievement of sustainability goals with financial opportunities. The bond's performance metrics are closely tied to the company's success in meeting its sustainability performance targets, promoting continuous improvement and ensuring accountability.

Alignment with ICMA SLB Principles

Span intends to issue a Sustainability-Linked Bond based on the Span Sustainability-Linked Bond Framework ("Framework"). The Framework is aligned with the Sustainability-Linked Bond Principles published by the International Capital Markets Associations ("ICMA") in June 2024.

The Framework is guided by the following five components as published by ICMA:

1. Selection of Key Performance Indicators (KPIs)
2. Calibration of Sustainability Performance Targets (SPTs)
3. Bond characteristics
4. Reporting
5. Verification

Span Sustainability-Linked Bond Framework

Selection of Key Performance Indicators

In this Sustainability-Linked Bond Framework, Span is focusing on two of its material topics:

Topic: Raising Cyber security Awareness

KPI 1: Total number of beneficiaries of Span's Interactive Cyber Security Course for small and medium enterprises (SMEs)

Topic: Climate Change Mitigation

KPI 2: Absolute GHG emissions Scope 1 and 2

The chosen KPIs are relevant, core and material to Span's business model, as well as aligned with Span's ESG strategy. The KPIs are measurable, quantifiable using consistent methodologies, externally verifiable and can be benchmarked. The KPIs are described in detail below.

Topic 1: Raising cyber security awareness

KPI 1: Total number of beneficiaries of Span's Interactive Cyber Security Course for small and medium enterprises (SMEs)

Rationale

Cyber security has become one of the most pressing and financially significant ESG risks for organizations today.¹ The frequency of cyber-attacks has significantly increased in recent years, along with the financial repercussions of cyber breaches. 64 percent of companies worldwide have been exposed to at least one form of cyber-attack, and 95 percent of these attacks were caused by human error. The growing reliance on digital technologies has increased the interconnectedness of the entire digital ecosystem, underscoring the systemic nature of cyber risks. As organizations integrate more advanced technologies and digital solutions into their operations, they become part of a broader digital ecosystem where vulnerabilities in one area can have cascading effects across multiple sectors and entities. Cyber-attacks can have serious repercussions on organizations, individuals and the environment through privacy breaches, equipment malfunctions and potentially leading to environmental damage and hazards.

Developing a cyber security course tailored to SMEs is important as they face significant cyber security risks while having limited resources to protect themselves. Often viewed as a doorway for hackers to penetrate big enterprises, SMEs are frequent targets of cyber-attacks but they often lack the expertise and budget for advanced security measures. Given their role in global supply chains and economies, a security breach in an SME can have widespread consequences. Strengthening their cyber security knowledge enhances

¹ <https://www.sustainalytics.com/esg-research/resource/investors-esg-blog/cybersecurity-a-growing-esg-and-business-risk>

economic resilience and ensures compliance with evolving regulations. Focusing on SMEs in cybersecurity not only reduces risks but also reinforces a safer, more sustainable digital ecosystem.

This KPI aligns with the Croatian National Cyber Security Strategy² and Action Plan³, directly contributing to the objective of development and awareness raising of safety in the cyber space (KPI: Design and implement coordinated campaigns to raise awareness among all users and owners of publicly accessible systems in Croatia about the importance of cybersecurity). Moreover, by providing dedicated support and upskilling opportunities to SMEs, the KPI directly contributes to the wider EU Cybersecurity Strategy⁴.

Span recognizes cybersecurity and data privacy as major components of both its ESG and business strategy. As these topics have been identified as material with a significant impact on its business, they are integral to its long-term vision. Moreover, Span has identified the development of cyber security solutions as a material opportunity according to the double materiality assessment (DMA) performed in accordance with European Sustainability Reporting Standards (ESRS), recognizing it as a space for offering innovative solutions to address cyber threats. Additionally, Span acknowledges its positive impact on community investments, particularly through initiatives that enhance digital security awareness and resilience.

By actively developing cyber security solutions, Span is committed to both leveraging opportunities for innovation and mitigating risks related to data privacy and protection.

By 2030, Span is committed not only to enhancing its internal cyber security measures but also extending its expertise to the broader community. This commitment is reflected in its strategic goal to educate its clients and the broader community on cybersecurity matters. As a core business stream, cyber security is fundamental to its value proposition and competitive advantage.

As mentioned in the introduction Span has established SCSC, which provides advanced trainings to industry experts but also aims to make cyber security knowledge accessible to a wider audience. The mission of SCSC is to develop and exchange knowledge and experience in the field of cybersecurity for organizations of all sizes. Training of all employees enhances cyber resilience and reduces the organizations' exposure to cyber threats.

SCSC brings the latest global practices and experiences to Croatia and is committed to sharing knowledge and strengthening the business community. At SCSC, we provide education and training programs, as well as consultation services for employees in both the public and private sectors. Our programs are fully tailored to the specific needs of the participants and organizations and require active participation in advanced exercises that simulate real cyber threats. Our instructors are experienced specialists with practical, hands-on experience in cyber security, sharing knowledge and skills that can be applied in real-life situations.

The ICMA KPI registry⁵, published in June 2024, recognizes Data Privacy and Security (KPI "Compliance with Recognized Cyber Security Protocols") as a secondary material topic for

² https://mup.gov.hr/UserDocImages/minstarstvo/kibernetika/strategija_kibernetika.pdf

³ https://mup.gov.hr/UserDocImages/minstarstvo/kibernetika/akcijski_plan_kibernetika.pdf

⁴ <https://digital-strategy.ec.europa.eu/en/policies/cybersecurity-strategy>
<https://digital-strategy.ec.europa.eu/en/library/eus-cybersecurity-strategy-digital-decade>

⁵ <https://www.icmagroup.org/sustainable-finance/the-principles-guidelines-and-handbooks/sustainability-linked-bond-principles-slbp/>

the Technology (Software) sector. Moreover, SASB Sector Materiality Matrix⁶, S&P Industry Materiality Matrix⁷ and MSCI ESG Industry Materiality Map⁸ list the topics of Data Security/Cybersecurity and Privacy as material in the IT and IT services sector.

This KPI contributes to the following UN Sustainable Development Goals (SDGs) and their respective targets and indicators:

- SDG 4 Quality education
 - Target 4.4: By 2030, substantially increase the number of youth and adults who have relevant skills including technical and vocational skills, for employment, decent jobs and entrepreneurship

Definition	Total (cumulative) number of all beneficiaries of Span’s Interactive Cyber Security Course for SMEs in all countries in which Span has direct operations.
Metric and unit	Number of registered SMEs (beneficiaries)
Scope and perimeter	<p>Geographical scope: The cyber security course will be offered to SMEs in countries in which Span has direct operations, i.e. Croatia, Slovenia, Ukraine, Estonia. This geographical scope is aligned with Span's business model, which focuses on providing tailored and localized services to markets where we have established presence and operational capabilities. By concentrating our efforts in these countries, we can leverage our existing infrastructure, resources, and market knowledge to deliver high-quality and effective cyber security training. This approach ensures that we can provide the necessary support and engagement to SMEs.</p> <p>Target audience: SMEs per EU definition</p> <p>Scope of the course: Complimentary cyber security awareness module designed and developed especially for SMEs’ management staff who can make decisions about the measures that the company will implement to improve its cybersecurity in people, technology and processes. The course delves into best practices tailored for SMEs, drawing on European Network and Information Security Agency (ENISA) recommendations, and focuses on engaging, practical training to enhance cyber security knowledge, drive behavioral change, and encourage SMEs to adopt robust cybersecurity strategies. Through this course, participants will gain awareness that cyber security is not just a concern for large organizations, but a critical consideration for businesses of all sizes. They will develop a deeper understanding of the significant impact cyber security can have on their operations and learn about essential measures and controls that can be enacted to mitigate vulnerabilities and increase cyber resilience.</p> <p>The training will begin by providing participants with an understanding of the impact that cyber security can have on their business. Following this introduction, the session will delve into key cyber security improvements from three critical perspectives: people, technology, and processes. Participants will gain insights into best practices for password management, including multi-factor authentication, the importance of software updates, phishing recognition, and data storage management. Additionally, the training will cover essential business continuity planning and the fundamentals of an incident response plan. A dedicated section will address GDPR compliance, network security, physical security, and the protection of devices used in daily operations. This program will also provide attendees with a concise overview of key security recommendations</p>

⁶ <https://sasb.ifrs.org/standards/materiality-finder/find/?industry%5B0%5D=TC-SI>

⁷ <https://www.spglobal.com/esg/solutions/industry-materiality>

⁸ <https://www.msci.com/our-solutions/esg-investing/esg-industry-materiality-map#>

for employees, which they can easily share within their organization. The course includes a quiz and a completion certificate.

Method of delivery: The course will be provided in the e-learning form and will be available online on a dedicated landing page on SCSC website. The course will be available in Croatian and English.

Calculation methodology	<p>This KPI is calculated as the arithmetic sum of all SMEs which registered to Span’s cyber security course in all participating countries. Annually, the number of registered users will be collected. To ensure an accurate count of the actual number of SMEs benefiting from the cyber security course by the end of the calendar year, only one registration per domain name will be counted, regardless of how many individuals from a single SME register for the course.</p> <p>The number of registered SMEs will be generated through a centralized system with respective information per each country. For the process to be verifiable, online registration records with time stamps will be utilized.</p> <p>The target will be stated in cumulative terms, i.e. total number of all registered SMEs by the end of September 2029. The annual progress will also be reported in cumulative terms, i.e. total number of all registered SMEs by the end of n (where n= reporting year).</p>
Baseline (2024)	0

Baseline

Span will launch the Interactive Cyber Security Course for SMEs in 2026, therefore the initiative has not been implemented in previous years.

Historical comparison

	2022	2023	2024 (Baseline)
Number of beneficiaries of Span’s Interactive Cyber Security Course for SMEs	0	0	0

Span will launch the Interactive Cyber Security Course for SMEs in 2026. Consequently, the historical data for this KPI is zero. Historical data has not been externally verified.

Back-up mechanisms in case the KPI cannot be calculated

In the event the KPI cannot be calculated or observed due to significant changes or potential exceptional events or circumstances (extreme events such as force majeure events, significant changes in perimeters due to material M&A activities, regulatory changes, availability of data or other circumstances which may affect the KPI or SPT), the baseline, SPT or KPI may be recalculated, adjusted or restated. These circumstances, as well as the conditions for recalculations, adjustments and restatements, will be specified in the recalculation policy in the prospectus relating to the issuance of this SLB (Prospectus). Any amendments to the KPI, baseline or SPT shall be published in the annual report or a performance report, and separately on the issuer’s website. In the event these amendments are significant, they will be subject to a Second Party Opinion.

Topic 2: Climate change mitigation

KPI 2: Absolute GHG emissions Scope 1 and 2

Rationale

Addressing climate change stands as one of the most critical and pressing challenges confronting humanity today. Its far-reaching impacts touch upon every corner of the globe, bringing about severe consequences and irreversible damage if not acted upon. Effectively managing this global issue demands a coordinated, multi-faceted response encompassing efforts from all sectors of society to safeguard the planet's future.

The IT sector's role in the global effort to reduce greenhouse gas (GHG) emissions is twofold. Firstly, it has to act on minimizing its own carbon footprint and addressing its substantial energy consumption. Secondly it serves as a catalyst for broader emissions reductions across other industries by developing and deploying cutting-edge technologies. The IT industry has a unique position to drive innovation and provide solutions that can help other sectors reduce their carbon footprints. By both curbing its own emissions and empowering other industries to do the same, the IT sector is pivotal in driving comprehensive climate change mitigation efforts.

The IT sector's global carbon emissions are estimated to be around 1.4% and 3.6% of global electricity consumption.⁹ However, due to a lack of regulated emissions reporting, these figures are likely conservative and often overlooked in national climate action plans. This landscape is evolving rapidly as digitalization accelerates and underscores the pivotal role of the IT sector.

In 2024, Span conducted its first double materiality assessment (DMA) according to the ESRS. The DMA analysis identified climate change mitigation and GHG emissions as material sustainability matters for Span, reinforcing its commitment in this area. Span's environmental approach is anchored in two key pillars. Firstly, its internal operations focus on enhancing energy efficiency and optimizing resource efficiency, including energy efficiency of the cloud and actively working on reducing its GHG emissions. Recognizing the critical importance of GHG emissions reduction for large enterprises within the IT and software sector, Span is steadfast in its journey towards minimizing its carbon footprint.

Secondly, beyond addressing its own emissions, Span is committed to empowering its clients in their green transition. This involves offering innovative solutions such as cloud migration and resource-efficient technologies that facilitate sustainable practices. The transition to Cloud solutions reduces the use of individual servers, thereby decreasing overall energy consumption and greenhouse gas emissions. Additionally, the redesign of system architecture includes replacing platform resources such as virtual servers with more efficient resources that automatically scale based on their load or use newer types of resources that provide higher performance with lower emissions. Through these efforts,

⁹ <https://www.edie.net/partner-content/digital-decarbonisation-the-key-enabler-for-corporate-decarbonisation/>

Span not only advances its own environmental goals but also supports its clients in achieving theirs.

Scope 3 emissions, encompassing a broad range of Span's indirect emissions, are not included in the current KPI. In 2024, Span calculated its Scope 3 GHG emissions for the first time, and these calculations have been externally verified. The results indicated that Scope 3 emissions are relatively small, with Category 7 – Employee Commuting emerging as the most significant contributor. Due to the complex interactions within the value chain, it is not feasible to include Scope 3 emissions in the KPI at this time. Furthermore, reducing emissions in Category 7 heavily depends on individual employee commuting choices, and gathering accurate data on commuting methods presents challenges. Consequently, Span requires additional time to establish a Scope 3 reduction target.

Despite excluding Scope 3 emissions from the current KPI, Span will address these indirect emissions as part of its broader ESG strategy. The company will focus on setting targets and collaborating with stakeholders across the value chain. Meanwhile, Scope 1 and 2 emissions account for 26,73% of total emissions, representing a significant portion that Span intends to address with this KPI.

The ICMA KPI registry¹⁰, published in June 2024, recognizes the KPI “Scope 1, 2 and 3 GHG emissions (absolute in CO₂e)” as a material (primary or secondary) sector-agnostic KPI. Moreover, SASB Sector Materiality Matrix¹¹, S&P Industry Materiality Matrix¹², Sustainalytics Material ESG Issues Resources¹³ and MSCI ESG Industry Materiality Map¹⁴ list the following topics as material in the IT industry: Energy Management, Clean-tech Opportunities, GHG Emissions, Climate Transition and Physical Risks, and Energy.

This KPI contributes to the following UN Sustainable Development Goals (SDGs) and their respective targets and indicators:

- SDG 7 Affordable and Clean Energy
 - Target 7.2.: By 2030, increase substantially the share of renewable energy in the global energy mix
 - Target 7.3.: By 2030, double the global rate of improvement in energy efficiency
- SDG 13 Climate Action
 - Indicator 13.2.2.: Total greenhouse gas emissions per year

¹⁰ <https://www.icmagroup.org/sustainable-finance/the-principles-guidelines-and-handbooks/sustainability-linked-bond-principles-slbp/>

¹¹ <https://sasb.ifrs.org/standards/materiality-finder/find/?industry%5B0%5D=TC-SI>

¹² <https://www.spglobal.com/esg/solutions/industry-materiality>

¹³ <https://www.sustainalytics.com/material-esg-issues-resource-center>

¹⁴ <https://www.msci.com/our-solutions/esg-investing/esg-industry-materiality-map#>

Definition	Percentage of reduction of absolute Scope 1 and 2 GHG emissions
Metric and unit	Percentage of reduction of tons of CO ₂ equivalents (“tCO ₂ ”)
Scope and perimeter	<p>This KPI includes:</p> <ul style="list-style-type: none"> absolute Scope 1 emissions (which occur at locations and under the control of the company, and these are emissions due to fuel combustion in stationary and mobile energy sources and due to refrigerant leaks in refrigeration systems) absolute Scope 2 emissions (which arise outside the company's locations and are related to the purchase and consumption of electricity and heat). <p>It encompasses all Scope 1 and 2 emissions as per the Greenhouse gas inventory, following the guidelines of the Greenhouse Gas Protocol.</p> <p>In the calculation of Scope 1 and Scope 2 emissions, we excluded subsidiaries that do not have employees or no physical office spaces. This decision was made to ensure the accuracy and relevance of our emissions data, as such entities do not generate direct or indirect energy-related emissions within our operational boundaries. Entities in scope in Croatia: Span d.d. and its subsidiaries Span Inkubator kibernetičke sigurnosti d.o.o., BonsAI d.o.o., Ekobit d.o.o., and TRILIX d.o.o. (* Bonsai and Ekobit were merged to Span, d.d. in July 2024). Subsidiaries in scope outside of Croatia: Span d.o.o. Ljubljana, TOV Span Ukraine, Span Azerbaijan LLC, , GT Tarkvara Estonia. The remaining six subsidiaries of Span - Span IT Limited Great Britain, Span GmbH Germany, Span USA Inc., SPAN-IT SRL Moldavia, Span LLC Georgia and Span Swiss AG, have no employees or no offices and are, therefore, excluded from the calculations.</p>
Calculation methodology	<p>The methodology includes the calculation of carbon dioxide equivalent (CO₂e) emissions at the Span Group level, based on the Greenhouse Gas (GHG) Protocol. The calculation includes greenhouse gas emissions of CO₂, N₂O, and CH₄ in Scope 1 and 2 categories, while emissions of fluorinated gases such as PFCs, SF₆, and NF₃ are not recognized in Span Group's business processes and are therefore not included in the calculation. The Global Warming Potentials (GWP) for the working substances used in Span Group's business units are taken from the 6th IPCC report (Intergovernmental Panel on Climate Change).</p> <p>Relevant emission factors were applied in the calculation of emissions, taking into account national, international, and industry-recognized databases, such as:</p> <ul style="list-style-type: none"> CDP15 Technical Note: Conversion of fuel data to MWh, 2024 Croatian Rulebook on the system for monitoring, measuring and verifying energy savings (Official Gazette 98/2021) WLTP (Worldwide Harmonised Light Vehicle Test Procedure) Croatian Database of National Greenhouse Gas Emissions and Removals Factors - Updated August 2024 for fossil and biogenic fuels, electricity, thermal energy and steam French emission factor databases. <p>GHG emissions data for 2024 has been externally verified.</p> <p>Scope 1 emissions include direct emissions from sources owned or under the operational control of the Span Group. This includes emissions from mobile sources (company vehicles), emissions from stationary sources (fuel consumption for heating), and direct fugitive emissions. Span Group has no direct process emissions.</p> <p>Scope 2 emissions include indirect emissions from the consumption of purchased electricity, heating, and cooling. Data on electricity consumption for all business units have been collected. Emission factors for electricity have been obtained from national references and applied to calculate emissions.</p>

¹⁵ [CDP is a global non-profit that runs the world's environmental disclosure system for organizations including capital markets, companies, cities and governments to assess their impact and take urgent action to build a truly sustainable economy](#)

Market-based approach has been used in the calculation. Emission factors for electricity have been obtained from national sources and applied to calculate emissions.

Baseline in tCO₂e (2024) 403,64

Baseline

The most critical consideration in choosing a baseline year is the availability of accurate, comprehensive, and reliable data. For Span, the year 2024 marks a milestone, as it is the first time the company's GHG emissions data underwent external verification. Notably, the 2024 dataset is the most complete, incorporating Scope 3 emissions, hence allowing for comparison with respect to total emissions. By calculating total GHG emissions in 2024 in accordance with the GHG Protocol across all locations and activities and externally verifying them, Span has laid the foundation for setting strategic long-term reduction targets based on this robust baseline.

Historical comparison

	2022	2023	2024 (Baseline)**
GHG emissions (in tCO ₂ e) – market based	387,47*	401,36	403,64

*Data for 2022 does not include emissions from Estonia, due to the fact that the company in Estonia was acquired in Q2 2023.

** Market based

GHG emissions for 2024 have been externally verified, while the data for 2022 and 2023 have not been externally verified.

Back-up mechanisms in case the KPI cannot be calculated

In the event the KPI cannot be calculated or observed due to significant changes or potential exceptional events or circumstances (extreme events such as force majeure events, significant changes in perimeters due to material M&A activities, regulatory changes, availability of data or other circumstances which may affect the KPI or SPT), the baseline, SPT or KPI may be recalculated, adjusted or restated. These circumstances, as well as the conditions for recalculations, adjustments and restatements, will be specified in the recalculation policy in the Prospectus. Any amendments to the KPI, baseline or SPT shall be published in the annual report or a performance report, and separately on the issuer's website. In the event these amendments are significant, they will be subject to a Second Party Opinion.

Calibration of Sustainability Performance Targets

Topic 1: Raising cyber security awareness

KPI 1: Total number of beneficiaries of Span's Interactive Cyber Security Course for small and medium enterprises (SMEs)

SPT:	Reach a total of 500 beneficiaries of Span's Interactive Cyber Security Course for SMEs by the end of September 2029 (cumulative)
Target Observation Date:	30th of September 2029

Trigger event

A trigger event occurs as a result of the observation whether a KPI has achieved the predefined SPT that may cause a change in the financial and/or structural characteristic of the bond. For the purpose of this Framework, the trigger event will result in a coupon adjustment (interest rate increase) or cumulative step-up (penalty) at maturity in case of non-achievement of the predefined SPTs for each selected KPI at the target observation date. Details regarding the trigger event will be made available in the Prospectus.

Baseline

Baseline (2024):	0
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The year 2024 was chosen as the baseline year against which the cumulative number of beneficiaries of Span's Interactive Cybersecurity Course for SMEs will be measured. The count reflects the number of SMEs registered for the Course. The initiative will be rolled out in 2026, hence the baseline is zero.

Motivation for the SPT

The target is to reach a cumulative total of 500 beneficiaries of Span's Interactive Cyber Security Course for SMEs by the end of September 2029, from a baseline of 0 in 2024.

To accurately reflect the program's impact, beneficiaries will be counted as the number of SMEs that register for the course, rather than the number of individual participants. This approach ensures that the target truly represents the SMEs benefiting from the program.

The ambitious nature of this target is best represented by the effort needed to set the foundations of this initiative. Reaching this target will require significant investment, resources, know-how and effort from Span in developing and rolling out the course, as well as to market it to potential beneficiaries in various countries. To enhance the promotional efforts for this campaign, Span will increase its usual marketing budget by 50% to boost awareness of the course among SMEs. The program will be rolled out in countries in which Span has direct operations, i.e. Croatia, Slovenia, Estonia and Ukraine. Reaching 500 SMEs entails implementing an extensive awareness raising strategy tailored to each country, as

well as building partnerships, leveraging local networks and effectively communicating the value of the course.

Through SCSC we are dedicated to intensively educating the market on key aspects of cyber security — raising awareness of digital threats and empowering organizations to protect their operations through expert-led training and knowledge-sharing initiatives. Historically, the largest share of Span’s clients are large companies. With this initiative, Span is primarily acting on the safety of SMEs. Equipping SMEs with the knowledge to stay protected against cyber threats also enhances the security of larger companies and the entire community.

Historical performance and target

	2022	2023	2024 (Baseline)	2029*
Total number of beneficiaries of Span’s Interactive Cybersecurity Course for SMEs	0	0	0	500

*30th of September 2029

Beneficiaries are counted as the number of SMEs. Historical data has not been externally verified.

Firm-wide long-term targets linked to the KPI occurring after the observation date

The cybersecurity course designed for SMEs is a key pillar in Span’s long-term ESG outlook. Developing the cybersecurity course for SMEs and reaching 500 beneficiaries can be seen as a starting point of Span’s broader ESG strategy. Long term target is to maintain public access to the online cybersecurity learning module beyond the initial 5-year term, ensuring its continued relevance by updating the content annually. Updates will incorporate insights gathered from SME engagement, evolving legal and regulatory requirements, and changes in the cybersecurity threat landscape. Additionally, further content development will be pursued in a resource-efficient manner, with a focus on deepening practical knowledge for SMBs and supporting their ongoing cyber resilience. Span is committed to continually expanding its reach, equipping more SMEs with cybersecurity knowledge and thereby making the entire community safer.

Action plan for the achievement of the SPT

To achieve the target of reaching the beneficiaries of the Cyber Security Course for SMEs, Span first has to develop and deploy the course, making it fully functional, available and visible for beneficiaries. Following the development and deployment of the course, Span will implement an awareness raising campaign in each country, as well as build partnerships and leverage local networks to communicate the value of the course. Key resources are divided in two phases and described below:

1. CREATING AND DEVELOPING COURSE:

- **Human resources**

- Subject matter experts who provide expertise on the content of the course, curriculum development and educational materials
- Programmers and developers who will build the online platform and infrastructural components necessary for hosting, and optimizing the course platform

- **Technological resources**

- Online platform to host the course and track participant progress
- Software licenses
- Infrastructure necessary for online platform and making analytics

2. MAINTENANCE, PROMOTION, AND VISIBILITY OF THE COURSE:

- **Maintenance:**

Yearly financial resources:

- Salaries for experts that monitor and ensure the course is following legal and regulatory requirements continuously
- Software licenses:
 - License for the Storyline tool used to create all content
 - SSL certificate
 - Domain
 - Cookiebot
 - Cloud infrastructure for website hosting

- **Promotion and visibility: Develop a complete communication strategy**

To increase promotion and visibility of the course Span will develop complete communication strategy, such as: at least 3 different online channels with a minimum of 10 activities per year (web, email, social media), at least 1 onsite event in each of the 4 countries, and at least 1 paid press release in each of the 4 countries:

- Paid Advertising (PPC - Pay Per Click)
 - Google Ads
 - LinkedIn Ads
 - Meta Ads
 - Reddit Ads
- SEO¹⁶ and Content Marketing
 - Website SEO optimization
 - Email marketing (Newsletter campaigns)
 - Affiliate marketing (commission-based third-party model)
- Onsite Promotions
 - Onsite events in each country
 - Outdoor advertising

¹⁶ [SEO - Search Engine Optimization](#)

- Media Costs
 - Native advertising
 - Paid press
- Production of Promotional Materials
 - Video
 - Graphic content
- **Human resources:**
 - Marketing experts for who be responsible for promoting the education
 - Subject matter experts who will develop materials for on-site events

Risks that may affect the ability to meet the SPT

- **Force majeure events:** Unforeseen and extraordinary events that can disrupt planned activities and operations, such as natural disasters, pandemics, or political unrest, impacting the ability to deliver the course to intended beneficiaries by causing delays, cancellations, or shifts in resources.
- **Reaching beneficiaries:** Challenges may arise in effectively reaching the target audience due to lack of awareness or limited marketing channels, thereby resulting in lower enrollment numbers and affecting the overall impact and success of the course.
- **Regulatory issues:** Regulatory hurdles in different countries can delay the course launch or require modifications to the program content, affecting the timely delivery and accessibility for SMEs.
- **Operational and logistical challenges:** Issues related to inadequate staffing, technological setbacks or budget constraints can hamper operations, leading to compromised quality of the course delivery and delays.
- **Willingness of SMEs to invest time in learning:** The achievement of target relies on the willingness of SMEs' IT directors to invest time in learning through the module.

Topic 2: Climate change mitigation

KPI 2: Absolute GHG emissions Scope 1 and 2

SPT: **22,5% reduction of absolute Scope 1&2 GHG emissions by the end of September 2029 from the baseline year 2024**

Target Observation Date: 30th of September 2029

Trigger event

A trigger event occurs as a result of the observation whether a KPI has achieved the predefined SPT that may cause a change in the financial and/or structural characteristic of the bond. For the purpose of this Framework, the trigger event will result in a coupon adjustment (interest rate increase) or cumulative step-up (penalty) at maturity in case of non-achievement of the predefined SPTs for each selected KPI at the target observation date. Details regarding the trigger event will be made available in the Prospectus.

Baseline in tCO₂e (2024): 403,64

Year 2024 will be taken as the baseline year against which absolute Scope 1 and 2 GHG emissions reduction will be measured. Baseline GHG emissions have been externally verified.

Motivation for the SPT

Span's commitment to achieve a 22,5% reduction in GHG emissions scope 1 and 2 by the end of September 2029 with respect to the 2024 baseline is in alignment with its ESG strategy and direction. This target reflects Span's proactive approach to climate change mitigation and its dedication to embedding environmental responsibility into everyday operations. By setting clear and measurable goals, Span not only ensures regulatory compliance but also supports the transition to a low-carbon economy — reinforcing its ambition to create long-term value for all stakeholders while minimizing its environmental footprint.

This target directly contributes to Croatia's National Strategy for Climate Adaptation¹⁷ and is aligned with the broader goals of the European Green Deal, demonstrating Span's commitment to global sustainability efforts. In accordance with Regulation (EU) 2023/857, the European Union has set a target to reduce greenhouse gas emissions by 40% by the year 2030, using 2005 levels as a baseline. As part of this collective effort, Croatia has been assigned a target of reducing its emissions by 16.7%. Given that most of Span's emissions are in Croatia (87%), this commitment to a 22,5% reduction will represent a substantial contribution to national targets. Setting this target is a key step in Span's long term

¹⁷ [Climate change adaptation strategy.pdf](#)

emissions reduction journey signaling continuous improvement with a final net-zero destination in mind. This target shall be used as a starting point for setting a decarbonization strategy and aligning future targets with the Paris Agreement under UNFCCC to hold the increase in the global average temperature below 2 degrees Celsius above pre-industrial levels and is a starting point to pursue the efforts to limit the temperature increase to 1.5 degrees Celsius above pre-industrial levels.

By setting this target, Span solidifies its position as a regional IT services leader in sustainability, driving change across the sector and advocating for adoption of sustainable practices while remaining at the forefront of innovation and development.

Historical performance and target

	2022	2023	2024 (Baseline)	2029*
GHG emissions (in tCO ₂ e)	387,47**	401,36	403,64***	312,82***
Percentage reduction with respect to the baseline				-22,5%

*30th of September 2029

**data for 2022 does not include emissions from Estonia, due to the fact that the company in Estonia was acquired in Q2 2023.

*** market based

Firm-wide long-term targets linked to the KPI occurring after the observation date

The target of a 22,5% reduction of GHG emissions Scope 1 and 2 by the end of September 2029 will serve as a foundation for developing a decarbonization strategy. Establishing this objective marks a crucial milestone in Span's efforts to cut emissions with the ultimate goal of reaching net-zero emissions by 2050.

The Scope 1 and 2 reduction target is only the beginning of Span's ongoing efforts. Our long-term strategy acknowledges the importance of addressing emissions across the entire value chain, including Scope 3 emissions, which typically represent the largest share of an organization's climate impact. In the coming years, Span will place a strong focus on identifying and implementing initiatives that will reduce Scope 3 emissions. This includes promoting more sustainable commuting practices for our employees, minimizing emissions from business travel, and scaling up pilot projects aimed at lowering the carbon footprint of our cloud service usage. Additionally, we will engage closely with our suppliers, encouraging them to provide transparent and accurate emissions factors for the products and services we procure, so that we can make more climate-conscious purchasing decisions.

Through these efforts, Span is committed to embedding sustainability into every aspect of its operations, underlining that the 2029 reduction target is not an endpoint but rather a milestone on the path to responsible, long-term climate stewardship.

Action plan for the achievement of the SPT

To achieve a 22,5% reduction in Scope 1 and 2 GHG emissions, Span developed a robust action plan. The roadmap outlined below showcases main initiatives to reduce GHG emissions, thereby supporting Span on its long-term decarbonization journey.

- **Transition to renewable energy:** A cornerstone of Span's strategic plan is the transition towards renewable energy sources. By committing to procure its energy from renewable sources as much as its possible, Span will significantly reduce its carbon footprint. This transition will be facilitated through long-term power purchasing agreements (PPAs) or investments into own solar power plants.
- **Fleet optimization:** Another initiative is the gradual transition to plug-in hybrid vehicles, which will substantially aid in achieving the GHG emissions reduction target. This shift not only underscores Span's commitment to sustainable transportation practices but also aligns with its broader environmental goals.

Risks that may affect the ability to meet the SPT

- **Force majeure events:** Unforeseen and extraordinary events that can disrupt planned activities and operations, such as natural disasters, pandemics, or political unrest, impacting the ability to deliver the course to intended beneficiaries by causing delays, cancellations, or shifts in resources.
- **Challenges relating to power purchasing agreements (PPAs):** Securing power purchasing agreements, fluctuating prices and disadvantageous terms may hinder the ability to transition to renewable energy sources.
- **Infrastructure challenges relating to renewable energy solutions installment:** Construction delays and technical issues could impact the timely rollout of renewable energy solutions.
- **Challenges relating to vehicle electrification:** price volatility, higher costs, lack of charging infrastructure to support the electrification and logistical issues may cause delays in fleet electrification.

Characteristics of Sustainability-Linked Bonds

This Sustainability-Linked bond will have a trigger event which will result in a coupon adjustment (interest rate increase) or cumulative step-up (penalty) at maturity in case of non-achievement of predefined SPTs for each selected KPI at target observation date. The details regarding the trigger event and coupon adjustment or cumulative step-up (penalty) at maturity will be specified in the Prospectus.

The Prospectus will also state the detailed description of the potential variation of the financial and/or structural characteristics of the bond, including applicable coupon variation, the coupon variation date and payment frequency, the bond coupon mechanism for multiple KPIs or maximum cumulative step-up at maturity.

Following the ICMA SLB Principles, the back-up mechanisms in case SPTs cannot be calculated or observed, or not observed in a satisfactory manner, will also be taken into account in the Prospectus. The Prospectus will also include any potential extreme/exceptional events (such as significant change in the perimeters due to material M&A activities or drastic changes in the regulatory environment or extreme events) that could substantially impact the calculation of the KPI, the restatement of the SPT and/or pro-forma adjustments of baselines or KPI scope.

The reporting publication date and the SPT Satisfaction Date can also be found in the Prospectus.

Reporting

The Issuer will publish the performance of each KPI set out in this Framework and the Prospectus against each SPT on an annual basis in the dedicated section of the Annual report or as a separate performance report which will be made available on the Issuer's website. The details regarding the publication date will be available in the Prospectus.

In accordance with the ICMA SLB principles, the report shall include:

- up-to-date information on the performance of the selected KPIs, including baselines
- a verification assurance report relative to the SPT, outlining the performance against SPTs and the related impact and timing of such impact, on the bond's financial and/or structural characteristics
- any information enabling investors to monitor the level of ambition of the SPTs.

If applicable, any recalculation, modification of the SPTs or other material changes shall also be published in the report and separately on the Issuer's website.

Verification

The issuer will obtain a Second Party Opinion at pre-issuance to ensure that ICMA's Sustainability-Linked Bond Principles are respected and that the KPIs and SPTs are material and aligned. The Second Party Opinion will be made publicly available on Span's website.

Moreover, in accordance with the ICMA SLB Principles, Span will seek independent and external verification of the performance against each SPT for each KPI. The verification will be conducted by a qualified external reviewer, such as an auditor or a sustainability consultant, annually or in the event of any adjustment to the SLB's financial and/or structural characteristics until the target is reached or until the maturity of the transaction. The report on the verification conducted by the external reviewer will be included in a dedicated section of Span's Sustainability statement or on its website as a separate report or document.

Update and Amendment of the Framework

Span will occasionally review this Framework in order to ensure alignment with the updated versions of the Sustainability-Linked Bond Principles and best practices on the market. The Framework will also be reviewed in case of material changes in KPIs and/or SPTs. The outcome of reviews may be an amendment of the Framework. Should such amendments be significant, they will be subject to approval by the Second Party Opinion provider. In the event that the amended Framework is required, it shall be published on Span's website and it shall replace this Framework.

Disclaimer

The information, statements and opinions contained in this Framework Document are provided as of the date of its issuance and are subject to change without prior notice. Neither the Issuer nor any member of the Group assumes any responsibility or obligation to update or revise any information, statements or opinions, regardless of whether they are affected by the outcomes of new information, future events or any other factor. This Framework Document reflects the current policy of the Group, is subject to change, and is not intended to, nor should it be relied upon to, create any legal relationships, rights or obligations. It is intended to provide non-exhaustive, general information only.

This Framework Document may contain or refer to public information that has not been separately reviewed, approved or verified by the Issuer or any other member of the Group and, accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility is accepted by the Issuer or any member of the Group as to the accuracy, reasonableness or completeness of such information. This Framework Document may include statements relating to future events and expectations which are considered "forward-looking statements." Forward-looking statements generally can be identified by the use of words such as "aim," "anticipate," "believe," "drive," "estimate," "expect," "goal," "intend," "may," "plan," "project," "strategy," "target" and "will" or similar expressions or variations thereof.

Forward-looking statements inherently involve risks and uncertainties that could cause actual results to differ materially from those expressed or implied by such statements. None of the projections, expectations, estimates or outlooks set forth in this Framework Document should be considered as forecasts or commitments, nor should they be regarded as indications, assurances or guarantees that the assumptions on which such future projections, expectations, estimates or outlooks are based are accurate or exhaustive; in particular, no assurance can be given that all assumptions have been set out in this Framework Document.

No representation is made as to the suitability of the Sustainability-Linked Bonds for satisfying any environmental, social, governance or other sustainability criteria required by prospective investors. Each potential investor in the Sustainability-Linked Bonds should independently determine the relevance of the information referred to or contained in this Framework Document or the Prospectus. However, nothing in this Framework Document is intended to add to or modify any contract or other legally binding obligation undertaken by the Issuer in connection with the Sustainability-Linked Bonds the Issuer may issue under this Framework Document.

This Framework Document does not create any legally enforceable obligations on the Issuer or any other member of the Group; all legal obligations in relation to the Sustainability-Linked Bonds are solely set out in the Prospectus and other documents issued by the Issuer in connection with the public offering of the Sustainability-Linked Bonds. Therefore, unless explicitly stated in the Prospectus or other offering documents issued by the Issuer in relation to the Sustainability-Linked Bonds, failure by the Issuer and/or any other member of the Group to comply with this Framework Document—whether by not achieving the sustainability performance targets described herein, or by being unable (due to lack of reliable information and/or data or otherwise) to report to investors on such sustainability performance targets—shall not be deemed a default or breach of obligations related to the Sustainability-Linked Bonds.

Furthermore, it should be noted that the expected benefits of the sustainability performance targets may not be achieved. Factors including (but not limited to) market, political and economic conditions, changes in government policy (whether under a continued administration or a new one), changes in legislation, rules or regulations may limit the Group's ability to achieve some or all of the anticipated benefits of these initiatives. Any ESG-oriented potential investor should be aware that the sustainability performance targets may not deliver the anticipated environmental, social or sustainability benefits, and may even have adverse effects.

This Framework Document does not constitute a recommendation in relation to the securities of the Issuer or any other member of the Group. It does not contain and should not be regarded as an offer to sell or a solicitation of an offer to buy any securities issued by any member of the Group. In particular, neither this document nor any related materials should be distributed or published in any jurisdiction where such distribution or publication would be unlawful, except under circumstances that will result in compliance with applicable laws and regulations. Persons into whose possession such documents may come must inform themselves about and comply with any applicable restrictions on distribution.

Any decision to purchase Sustainability-Linked Bonds should be made solely based on the information contained in the Prospectus. Potential investors must make their own independent investment decisions.