

Environmental and Social Review Summary (ESRS) Telecom Argentina – B Bond

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1. General Information of the Project and Scope of IDB Invest's Environmental and Social Review

Telecom Argentina (“Telecom” or the “Company”) emerged in 2017 from the merger of Cablevisión and Telecom Personal. The Company, which provides nationwide fixed telephony, mobile telephony, cable television, Internet and data transmission services, also operates in Uruguay and Paraguay. Telecom's facilities include: (i) antennas (towers); (ii) fiber optic concentrators or HUBs (the most important ones located in the neighborhood of Barracas, city of Buenos Aires and in Munro, province of Buenos Aires), whose purpose, among others, is to provide capillarity to the fiber optic system; (iii) technical bases (centers for spare parts storage, light repair of equipment and maintenance of own vehicles, etc.); (iv) commercial premises; (v) central warehouses (one located in the neighborhood of Lugano, city of Buenos Aires and another in Martinez, province of Buenos Aires) and (vi) administrative buildings (in Puerto Madero and Barracas, city of Buenos Aires).

This transaction (the “Project”) involves: (i) financing mobile telecommunications and broadband infrastructure projects; (ii) refinancing certain financial obligations; and (iii) providing working capital for general corporate purposes. Through this, the Project aims to support the deployment of the Company's telecommunications infrastructure to achieve greater digital access and a better quality of broadband and connectivity in Argentina, allowing Telecom to expand its subscriber base in the medium term.

The environmental and social due diligence (ESDD) of this transaction, conducted between June and July 2022, focused on the review of available environmental and social documentation, and was complemented by meetings with the personnel responsible for the Company's health, safety, and environmental management.

2. Environmental and Social Categorization and Rationale

The Project has been classified as a Category B operation according with the Environmental and Social Sustainability Policy, since its activities could generate the following risks and impacts: (i) risk of personal accidents when laying telephone and cable transmission lines; (ii) possible traffic accidents due to vehicular movement; (iii) possible pollution of soil and water from waste and hazardous substance handling; and (iv) possible health effects on the population due to any excess of non-ionizing radiation generated by cellular telephone antennas. These risks and impacts are deemed to be of medium-low intensity and they can be managed through standard measures for this type of undertaking.

The project will trigger of the following Performance Standards (“PS”): PS1: Assessment and Management of Environmental and Social Risks and Impacts; PS2: Labor and Working Conditions; PS3: Resource Efficiency and Pollution Prevention; and PS4: Community Health, Safety, and Security.

3. Environmental and Social Context

3.1 General Characteristics of the Project's site

Telecom has national coverage in Argentina. In rural environments, infrastructure is typically installed next to roadways, taking advantage of high elevation terrain where available, while in urban environments, the tops of buildings are typically used to install transmission towers and associated routing structures. Telecom is expanding its infrastructure as required by the legislation in force, having developed a stakeholder participation strategy involving users, suppliers, and the public institutions involved.

3.2 Contextual Risks

The main contextual risk relates to the occurrence of acts of violence due to acts of robbery against individuals or commercial premises and acts of vandalism against the Company's facilities. It should be noted that there has been a recent increase in violence associated with drug trafficking activities at the national level, especially in some cities (such as Rosario, Santa Fe province). Despite the above, in general terms, the risk of violence in the public sphere is considered to be medium.

4. Environmental Risks and Impacts and Proposed Mitigation and Compensation Measures

4.1 Assessment and Management of Environmental and Social Risks and Impacts

4.1.a E&S Assessment and Management System

Telecom's environmental and social management is implemented at the corporate level through its Sustainability Management, which has the following responsibilities: (i) to lead, plan and monitor sustainability actions; (ii) to implement environmental plans and community investment plans; and (iii) to coordinate the preparation of the Integrated Annual Report and focus on achieving maximum economic performance, striking a balance with the impacts and opportunities for society and its surroundings, together with all areas of the Company.

Telecom manages health and safety risks through a system based on ISO standards' continuous improvement cycle, with preventive observation and behavior-based safety as key elements. The Company's health and safety management system covers its own personnel and, exceptionally, contracted third parties, and closely monitors the occurrence of accidents or serious incidents (electrical hazards, falls from heights, road hazards, or life-threatening COVID-19 hazards). Health and safety management is led by the Occupational Health and Safety Division, which reports to the Human Capital Department.

4.1.b Environmental, Social, Health and Safety Policy

Telecom's Environmental Policy includes premises of the United Nations Global Compact and the United Nations Sustainable Development Goals, and is based on the following strategic principles: (i) risk management and minimization; (ii) regulatory compliance; (iii) implementation of technology aimed at reducing natural resource consumption and emissions; (iv) implementation of actions that contribute to reducing the effects of climate change; (v) performance monitoring through the use of

key performance indicators ("KPIs") and implementation of continuous improvement actions; (vi) promotion of resource consumption efficiency; (vii) responsible waste management; (viii) promotion of internal awareness of proper environmental management; (ix) involvement of suppliers of goods and services in the company's environmental strategy; and (x) transparent communication of environmental management results to stakeholders.

Telecom's Health and Safety Policy establishes Senior Management's commitment to developing effective health and safety management, establishing safe work methodologies and healthy habits, preventing accidents, injuries and occupational illnesses, and promoting well-being and improving the quality of working life. The strategic pillars adopted through the Health and Safety Policy are: (i) risk prevention; (ii) staff communication and training; (iii) managerial commitment and leadership; (iv) implementation of continuous improvement based on an integrative and participatory approach; and (v) legal compliance and the values and principles of the Code of Ethics and Conduct.

4.1.c Identification of Risks and Impacts

Environmental aspects are identified and evaluated using specific matrices, which include an analysis of the tasks or activities to be carried out, the possible impacts they will generate, and the corresponding control actions. Key sustainability management issues are identified through a materiality analysis using the Global Reporting Initiative¹ ("GRI") Standards and the Integrated Reporting Framework² ("IIRC").

Occupational health and safety risks are identified and assessed using an occupational safety risk matrix. The risk analysis is carried out by job type (e.g., technical tasks on the public highway, at company establishments, administrative facilities, in commercial activities, etc.). The matrices indicate the level of criticality of each risk and the corresponding control measures.

4.1.c.i Direct and Indirect Impacts and Risks

The results of the materiality matrix identify the following aspects as potentially generating environmental impacts: (i) electronic waste; (ii) energy efficiency; (iii) renewable energies; (iv) climate change; (v) life cycle of products and services; and (vi) environmental awareness. The occupational safety risk matrix indicates that the most significant occupational risks are associated with the hazards of falling from working at heights, electrical contact, Covid-19 contagion, and fire and explosion hazards.

4.1.c.ii Identification of legal aspects

Legal aspects are identified through a specific matrix. TELECOM will incorporate the environmental and social requirements of the loan agreement with IDB Invest into the legal aspects identification matrix.

¹ <https://www.globalreporting.org/>

² <https://www.integratedreporting.org/>

4.1.c.iii Analysis of Alternatives

Since the Project does not involve any substantial modifications to its current implementation, an alternatives analysis was not performed.

4.1.c.iv Cumulative Impacts

The project will not generate incremental material impacts.

4.1.c.v Gender Risks

In Latin America and the Caribbean, there is a significant gender gap, defined as differential and unequal access to economic, educational, occupational and political participation opportunities based on sex or gender. This gap is reinforced by pervasive cultural norms regarding acceptable roles for men and women and exacerbated by weak legal protections or inadequate social response. The gender gap leads to gender discrimination, unequal access to public services, educational differences, wage and employment gaps, and lagging political participation rates. The gender gap index for Argentina is tied with three other countries at 0.75.³

Gender-based violence and harassment ("GBVH") is also a significant problem in Latin America and the Caribbean, which has the highest rate in the world. In 2021 there were 256 reported femicides in Argentina, surpassed only by Mexico (958) and Brazil (1738).⁴ GBVH has been exacerbated by the COVID-19 pandemic. The most recent report on Argentina by the United Nations Committee on the Elimination of Discrimination against Women indicates that the country has made progress in recent years in terms of laws and government programs, although there are still areas of concern.⁵

With regard to gender risk management, it is worth noting that Telecom adheres to the United Nations Women's Empowerment Principles. The Company has a Protocol Against Workplace Violence and Sexual Harassment, a tool that establishes criteria for action in the event of situations of workplace or sexual violence or harassment, including procedures to provide support, guidance, orientation and resolution of such situations. To strengthen the implementation of the protocol, in 2021 Telecom conducted an internal dissemination campaign and an awareness-raising strategy targeting the teams involved in the process. Dissemination of the protocol to the Company's leaders is scheduled to take place in 2022.

Telecom has also developed an action protocol for cases of domestic violence in order to provide support to female employees who may find themselves in this situation by granting them a special 15-day leave of absence.

4.1.c.vi Climate Change Exposure

Telecom already conducts a GHG inventory and has identified direct and indirect physical risks associated with climate change. Telecom will present GHG estimates for the following year and the

³ <https://www.statista.com/statistics/803494/latin-america-gender-gap-index-country/>

⁴ Number of femicides in Latin America by country 2019 | Statista.

⁵ CEDAW ARGENTINA

previous year's emissions calculation. The results will be included in the Company's environmental and social compliance reports.

4.1.d Management Programs

Telecom's Occupational Health and Safety Management System establishes the responsibilities and actions necessary to prevent and manage health and safety risks, through specific programs and operating procedures focused on: (i) health and safety; (ii) organizational aspects (identification of roles, functions, and responsibilities); (iii) training specifications; (iv) communication, participation and consultation on occupational health aspects; (v) documentation management; (vi) operational control; (vii) emergency preparedness and response; (viii) performance measurement and monitoring; (ix) evaluation of legal compliance; (x) accident investigation; (xi) non-conformities and preventive and corrective actions; (xii) internal audits; and (xiii) review by management.

The health and safety requirements that Telecom requires of its companies, however, focus only on the occurrence of accidents or serious situations (associated with electrical risk, falls from heights, road risk, or risk to life due to COVID-19).

4.1.e Organizational Capacity and Competency

Internal training on sustainability is addressed through the "Sustainability We Are All" program, an e-learning initiative that disseminates the concepts contained in the United Nations Global Compact ("UNGC") and the UN Sustainable Development Goals, as well as notions of climate change, sustainable mobility, and waste treatment. Telecom's social and environmental actions are also disseminated through this platform.

Health and safety training is addressed through a series of courses defined in the "Occupational Health and Safety Training" procedure for technical and administrative personnel. This procedure includes special risk prevention courses (chemical risk, forklift and hydro-lift operation, electrical risk, confined spaces, etc.) and health courses (first aid and cardiopulmonary resuscitation). The virtual modality includes courses on accident prevention, work at heights, electrical risk, traffic risks, and fire prevention and extinguishing (the virtual modality precedes the on-site modality, until the latter can be implemented).

4.1.f Emergency Preparedness and Response

The "Emergency Preparedness and Response" procedure establishes the general criteria for responding to emergency situations that may occur at Telecom's facilities or in areas such as third-party homes or public roads. These criteria, which rather refer to the response to declared emergency situations, seek to avoid or minimize risks to people, premises, facilities, and equipment.

Nevertheless, the procedure only considers some of the preventive actions that should be implemented to avoid or mitigate an emergency event and does not include other aspects such as preventive actions, institutional coordination requirements, means of communication with the fire department and the active forces of the nearby community, the composition and role descriptions of fire brigade members, and how to manage different types of fire detection and extinguishing systems, among others.

Telecom will update its “Emergency Preparedness and Response” procedure. This procedure must include the minimum contents of the specific emergency plans for each facility, establishing, at least, the following: (i) preventive facilities and actions (e.g., installation and operation of fire detection and extinguishing systems); (ii) the members of the emergency brigades and their respective roles; (iii) internal and external communication channels (with firefighters, medical services, and local public agencies); (iv) actions requiring third-party participation; (v) human and material resources required; (vi) training and education needs; and (vii) processes for investigating, analyzing, and recording emergency events. Emergency scenarios associated with natural causes include those related to floods and significant adverse weather events.

4.1.g Monitoring and Review

The environmental aspects and occupational risks identified by Telecom are monitored to ensure compliance with the legislation in force and other environmental and social requirements applicable to the Company.

The Monitoring Plan will be updated to include the measurement and monitoring of environmental, social, and health and safety parameters that satisfy the applicable legislation and internationally accepted threshold values.⁶

4.1.h Stakeholder Engagement

The demands or claims from the community (civil society organizations, chambers, the private sector, opinion leaders, institutions, universities, and other organizations) to Telecom are managed by its External Communications, Sustainability, and Media Department.

Telecom continuously identifies stakeholders. By establishing specific communication channels, the Company maintains an ongoing dialog with stakeholders or their representatives, seeking to know their expectations, include them in the materiality analysis⁷, and identify and provide solutions to priority issues.

Telecom directly manages complaints and grievances associated with possible damage to health caused by cell phone antennas. Thus, all facilities comply with national regulations and international standards regarding the emission of non-ionizing radiation ("NIR"); at the time each facility is put into service, the NIR intensity is measured by Telecom and reported to the regulatory agency (ENACOM)⁸ in a sworn statement. In some cases, NIR emissions are periodically measured by authorized organizations (INTI,⁹ ITBA,¹⁰ universities, etc.) and their results are checked against the regulations in force. Telecom offers informative talks, generally organized and coordinated by the municipality of each community, to respond to the concerns of community members. The External Communication,

⁶ <https://www.ifc.org/wps/wcm/connect/eb6fddc1-a3e3-4be5-a3da-bc3e0e919b6e/General%2BEHS%2B-%2BSpanish%2B-%2BFinal%2Brev%2Bcc.pdf?MOD=AJPERES&CVID=nPtgG1I>

⁷ A Materiality Analysis is conducted every two years through an online survey addressed to all stakeholders, which seeks to detect public expectations with regard to the Company's sustainability strategy and evaluate material issues to guide the implementation of this strategy.

⁸ ENACOM – National Communications Agency

⁹ INTI – National Institute of Industrial Technology

¹⁰ ITBA – Buenos Aires Technological Institute

Sustainability, and Media Department has disseminated newsletters and explanatory videos on this topic, using social media or specific dissemination campaigns.

4.1.h.i Disclosure of Information

Through its External Communications, Sustainability, and Media Department, Telecom disseminates all communications to satisfy the concerns of third parties. It also publishes an annual Integrated Sustainability Report, which discloses institutional and strategic aspects, as well as the results of its management, lines of action in environmental, social, and health and safety issues, and economic and corporate governance results.

4.1.h.ii Informed Consultation and Participation

Since the project is a working capital financing operation, it did not require a consultation and participation process.

4.1.h.iii Indigenous Peoples

Telecom's premises are located in urbanized areas that do not intersect Indigenous territories or areas of interest. In this regard, no effects on Indigenous populations are expected.

4.1.h.iv Private Sector Responsibilities Under Government-Led Stakeholder Engagement

The Project, given its characteristics, does not require a government-led stakeholder participation process.

4.1.i External Communication and Grievance Mechanisms

4.1.i.i External Communication

External environmental and social communications associated with the Project are managed by Telecom's External Communications, Sustainability, and Media Department.

4.1.i.ii Grievance Mechanisms for Affected Communities

The mechanisms for responding to complaints are managed by Telecom's External Communications, Sustainability, and Media Department.

Telecom will implement a mechanism for capturing and resolving third-party complaints and grievances, including anonymous complaints or grievances and not limited to the quality of service, but to any aspect associated with the Company's activities, and will define internal responsibilities for their resolution and response times.

4.1.i.iii Provisions for addressing vulnerable groups' grievances

Although the Project is not expected to affect vulnerable groups, Telecom will attend to and respond to any complaints made by vulnerable groups through its External Communications, Sustainability, and Media Department.

4.1.i.iv Ongoing Reporting to Affected Communities

Any potential impact (real or suspected) on the community caused by Telecom's activities will be addressed by the Company through its External Communications, Sustainability, and Media Department.

4.2 Labor and Working Conditions

4.2.a Working Conditions and Management of Worker Relationships

Telecom has: (i) 22,587 own employees, of which 6,281 (27%) are women; (ii) approximately 30,000 contracted employees; (iii) 1,468 owned buildings; iv) 666 leased buildings; and (v) a fleet of 7,860 owned and 154 leased vehicles.

Telecom's Human Capital Department ensures that its own and third-party personnel are hired in compliance with labor legislation, that the work environment is suitable for the health and safety of its employees, and that their health is monitored through its own medical services and those of occupational risk insurers ("OIRs").

The compensation of personnel affiliated with labor unions is updated through negotiations that the Human Capital Department conducts with such organizations. Salary scales for personnel not included in collective bargaining agreements are set by the Human Capital Department based on individual performance and salary market studies, taking into account the country's macroeconomic context.

4.2.a.i Human Resources Policies and Procedures

In line with the principles of the UN Global Compact, Telecom's Code of Ethics prohibits any form of discrimination against its employees based on gender, age, sexual orientation, degree of disability, ethnic or social origin, nationality, language, religion, and political or any other kind of inclination; it also rejects all forms of child labor and forced labor.

4.2.a.ii Working Conditions and Terms of Employment

Wage deductions, working hours, overtime and overtime pay agreements, rest days, and sick, maternity, holiday, or paid annual leave are established pursuant to labor legislation and through negotiations with labor unions. Telecom has 10 lactation rooms for women employees returning from maternity leave.

4.2.a.iii Workers' Organizations

There are 10 trade unions to which Telecom personnel are affiliated.¹¹ The Company and these unions work together to improve health and safety management through the implementation of the Social Agenda Roundtables, whose decisions allow the Company to fine-tune the procedures of the Health and Safety Management System. At these meetings, representatives of the Company and the unions discuss labor issues (health and safety, work organization, assistance and diversity, education and training) and negotiate the corresponding collective bargaining agreements.

4.2.a.iv Non-discrimination and Equal Opportunity

Telecom's Code of Ethics ratifies the Company's commitment to the promotion of equal opportunities in labor relations, prohibiting and sanctioning all forms of discrimination, offensive or intimidating behavior, harassment, or bullying.

4.2.a.v Women's participation

Telecom is a signatory to the United Nations Women's Empowerment Principles. In line with these principles, the Company has held meetings between its women employees and its General Manager and Human Capital Director, to discuss aspects such as personal development, cultural diversity, and future vision. In 2021, nine meetings were held in which 130 female employees participated. The Company also carries out various activities aimed at addressing issues related to women's participation, such as awareness-raising workshops (addressing issues such as bias, gender stereotypes, gender violence, care and co-responsibility, discrimination, sexual diversity, etc.), and training (aimed at achieving more inclusive leadership).

4.2.a.vi Retrenchment

The Project will not hire additional staff. Consequently, after implementation, retrenchment will not be necessary.

4.2.a.vii Grievance Mechanism

As part of its Ethics and Integrity Program, Telecom has: (i) internal whistleblower channels for both its own and third-party personnel; (ii) a whistleblower protection policy against retaliation; and (iii) an internal investigation system that respects the rights of those investigated and imposes effective sanctions for violations of the Code of Ethics.

¹¹ FATTEL (Argentine Federation of Telecommunications Teleworkers); 2. FOEESITRA (Federation of Workers, Specialists, and Employees of Telecommunication Services and Industries of the Republic of Argentina); 3. FOMMTRA (Argentine Federation of Telecommunication Middle Management Organizations); 4. UPJET (Telecommunications Companies Hierarchical Staff Union); 5. SATSAID (Argentine Union of Television, Audiovisual, Interactive and Data Services); 6. SALCo (Argentine Society of Speakers and Communicators); 7. Santa Fe Press Association; 8. FATPREN (Argentine Federation of Press Workers); 9. FUVA (Single Federation of Travelers of Argentina); 10 CISPREN (Cordoba Press and Communications Union Circle).

4.2.b Protecting the Workforce

4.2.b.i Child Labor

Telecom's Code of Ethics for Third Parties, which is part of the General Purchasing Conditions that suppliers of goods and services must comply with, establishes the prohibition of child labor.

4.2.b.ii Forced Labor

Telecom's Code of Ethics for Third Parties establishes the prohibition of forced labor.

4.2.c Occupational Health and Safety

Telecom's Integral Health Program promotes the prevention of chronic non-communicable diseases and the improvement of work life quality. The Company has 34 medical offices distributed regionally (21 in the metropolitan area of Buenos Aires, 7 in the coast, and 6 in the north of the country). The action protocols for the COVID-19 pandemic are shared with the health and safety leaders of contracted companies, to align preventive criteria. Personnel undergo annual medical examinations, and counseling and follow-up plans may be implemented for those who report indicators of potential health problems.

4.2.d Provisions for People with Disabilities

Although some of Telecom's facilities have been adapted for persons with reduced mobility, several of its stores still lack these features. The Company will therefore develop and implement a plan to gradually adapt its administrative offices, cafeterias, and restrooms to accommodate persons with disabilities, and will incorporate emergency procedures that provide for the evacuation of such persons, as a prior step to hiring personnel in this situation.

4.2.e Workers Engaged by Third Parties

Outsourced workers are obliged to comply with all the requirements of the Code of Ethics and Conduct for Third Parties, which includes compliance with the legal requirements of the country and the 10 principles of the United Nations Global Compact in the areas of human rights, labor standards, health and safety, environmental protection, and anti-corruption.

4.2.f Supply Chain

Telecom's suppliers of goods and services can be classified into the following groups: (i) infrastructure and services (support and maintenance services for network equipment, infrastructure, and civil works); (ii) telecommunications (communications products and services, and radio and television supplies); (iii) information technology and computer technology; (iv) services (advertising, collections, security, cleaning, etc.); (v) transportation; and (vi) supply of electrical materials and hardware products. In 2021, Telecom had 3,900 suppliers (including Argentina, Paraguay and Uruguay).

The main conditions for contracting goods and services suppliers include labor, tax, environmental, health and safety, and environmental requirements. Through pre-contracting evaluations, Telecom

ensures that the work to be performed by third parties complies with the regulations in force and that there are no prohibited forms of labor (child or unpaid labor).

Telecom oversees the work performed by contracted third parties, verifying safety documentation and evaluating their activities on site. Nevertheless, to improve the health and safety conditions of contracted personnel responsible for laying cable and fiber optic lines working on public roads, Telecom will convene a specific working committee to identify the root cause of serious accidents suffered by contracted third parties. This activity will consider external risk factors (presence of energized cables in the work environment), contractors' capabilities and Telecom's internal health and safety management aspects and will cover the totality of activities performed by contractors from the tender process, contracting, oversight, corrective action plans, and sanctions applied. In this regard, Telecom will submit a specific report that will include the root cause analysis, the findings, and the proposed corrective action plan, indicating responsibilities and implementation deadlines. The results of this analysis will be used to refine Telecom's current Occupational Accident procedure.

4.3 Resource Efficiency and Pollution Prevention

4.3.a Resource Efficiency

To reduce energy consumption, Telecom has implemented the following: (i) installation of photovoltaic panels equipped with lithium batteries to replace generator equipment, achieving 70% reductions in fuel consumption of generator sets; (ii) connection of facilities that were supplied by electro-generators to the power grid, which has led to a reduction in the number of electro-generators and, consequently, fuel consumption; (iii) implementation of an automatic work order assignment system that prioritizes customer service and assigns the technician closest to the site to ensure compliance with the agreed arrival time, which translates into savings in vehicle fuel consumption; (iv) telemetering of electricity consumption, which makes it possible to remotely and automatically measure electricity use, connect and disconnect service, detect fraud, and determine the nature of faults reported by customers, avoiding the unnecessary mobilization of resources; and (v) remote monitoring of transformer status, for early detection of faults, identification of predictive maintenance actions, and reporting the optimal operating status of the transformer, increasing the energy efficiency of these devices.

The water and energy consumed by Telecom are mainly provided by public utilities. Although water consumption is not measured, Telecom promotes the efficient use of water through awareness-raising activities by installing automatic shut-off faucets.

4.3.a.i Greenhouse Gases

To contribute to minimizing climate change impacts, Telecom's main objective is to ensure that by the end of 2023, 22% of the total energy consumed by the Company will come from renewable sources. To take the inventory and report Greenhouse Gas emissions as required by the *Carbon Disclosure Project*,¹² Telecom has contracted a specific consulting service.

¹² <https://la-es.cdp.net/>

Telecom will annually calculate GHG emissions for the previous year and estimate those to be generated for the following year.

4.3.b Pollution Prevention

4.3.b.i Waste

In the Company's 59 buildings, Telecom promotes the separation of solid office waste, separating recyclable waste (mainly paper, cardboard, and plastics) and delivering it to 15 urban recycler cooperatives. The Company also encourages the recycling of other items such as printer toners, copper cables, fiber optic cables, poles, and paper, and promotes the recovery of abandoned equipment, seeking to reintroduce them into the market. For this last purpose, the Telecom laboratory evaluates the equipment (such as connectivity modems and TV decoders) and indicates which of them or which components can be reused. During 2021, recovered appliances accounted for 35% of Telecom's active customer equipment.

Non-recyclable waste (including hazardous waste) is transported and managed by companies authorized by the enforcement authorities. Domestic liquid waste is discharged into the sewage system or into cesspools.

To reduce paper consumption, Telecom promotes online electronic invoicing (replacing paper invoices).

Vehicle maintenance is outsourced by Telecom; workshop waste is managed by the contracted companies as required by the regulations in force.

4.3.b.ii Hazardous Materials Management

Hazardous substances are stored in warehouses authorized by the authorities (national, provincial, or local authorization may be required); fire prevention and extinguishing systems are also authorized by the fire department. Any hazardous substance spills are managed through specific procedures.

4.3.b.iii Pesticide Use and Management

Telecom hires qualified pest control companies. Telecom will verify that pest control products do not contain substances classified in categories 1a or 1b, according to the IPCS/WHO toxicological classification (2009). Should they be present, Telecom will implement a plan to replace them.

4.4 Community Health, Safety and Security

4.4.a Community Health and Safety

Telecom's main impact on the health of neighboring communities is the possible emission, at unauthorized levels, of NIR. However, the level of radiation is being adequately controlled by Telecom as required by the legislation in force. To this end, it continuously performs initial and periodic measurements of antenna NIR values, and disseminates this information when required by the community.

4.4.a.i Infrastructure and Equipment Design and Safety

All Telecom's premises have fire detection and extinguishing equipment; some of them have alarms connected to monitoring centers, including manual push buttons, hydrants, pumps connected to diesel generators, and portable fire extinguishers.

For asset security, the Company's premises have alarms connected to monitoring centers with motion detectors, glass-breakage and door-opening sensors, video surveillance, and security personnel.

4.4.a.ii Ecosystem Services

Because Telecom's activities are located on land that has been heavily impacted by human actions, the Project is not expected to materially affect ecosystems.

4.4.a.iii Community Exposure to Disease

Telecom has a stable workforce with low turnover, mostly hired in the localities where it operates, so the likelihood of the Project generating incremental disease exposure to members of the community is very low.

4.4.a.iv Emergency Preparedness and Response

Although emergency events that could affect Telecom are not expected to affect the community, the emergency prevention and response plans of each operating unit include an analysis of the possible effects of an emergency on the neighboring community, as well as the level of involvement of the community's institutions to respond to and control such situations (firefighters, medical emergencies, environmental authorities, police, highway patrol, etc.).

4.4.b Security Personnel

Telecom contracts security services for: (i) asset protection (real estate, equipment, merchandise, vehicles, documentation, physical networks, etc.) on Company property (or leased property) located on public roads; (ii) accompaniment and preventive protection of employees working or walking on public roads; and (iii) emergency response in the Company. Companies that provide security services are authorized as private security service providers (in compliance with Law 12,297), and their personnel may carry firearms. Personnel who carry weapons receive adequate training.

5. Local Access of Project Documentation

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