IONOS

Sustainability Report 2024

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FOREWORD

As the European market leader in web hosting[1], we are aware of our responsibility as a corporate citizen. Sustainability is a core element of our corporate ethos, guiding our commitment to not only reduce our environmental footprint but also to cultivate a culture of inclusivity and digital responsibility. Our data centers, powered by 100% renewable electricity, have embodied our dedication to environmental sustainability and energy efficiency for many years.

In 2024, we continue to build on this foundation. Our climate strategy has been further strengthened with the introduction of an externally certified environmental management system across all own data centers, complementing our already certified energy management system. This marks another significant step in our ongoing commitment to sustainability.

We also remain deeply committed to fostering inclusivity within our organization. Our in-house diversity program continues to evolve, with new training modules created for leaders and mandatory diversity training for all managers. These initiatives reinforce our focus on building an inclusive workplace where innovation thrives, reflecting the diverse communities and customers we serve.

In addition, we are continuing to fully embrace the future of technology. Our newly launched Artificial Intelligence Academy, coupled with deep-dive training sessions, is designed to prepare our employees to excel in the rapidly evolving field of AI. These efforts ensure that our team is equipped with the skills and knowledge necessary to drive innovation, deliver greater value to our customers, helping them simplify and grow their businesses in the digital age.

Recognizing that a sustainable and equitable digital landscape requires a broader approach, we are steadfast in our commitment to our five pillars of sustainability: Planet, People, Digital Responsibility, Customer, and Responsible Governance. Our journey towards integrating sustainability into every aspect of our operations is ongoing, and we are committed to investing in initiatives that bring us closer to achieving our comprehensive sustainability objectives.

Sincerely,

Achim Weiß

CEO, IONOS Group SE

[1] In terms of the number of hosted domains (approx. 22 million in Europe as at 31.12.2024).

KEY ESG FIGURES

	2020	2021	2022	2023	2024
PLANET (DATA CENTERS)					
Share of renewable electricity (%)	100	100	100	100	100
Share of renewable energy (%)	98,9	99,4	99,3	99,2	99,3
Energy consumption (MWh)	115.133,2	115.087,5	120.751,6	121.016,8	115.063,1
Energy intensity (MWh/€ revenue million)	121,4	104,3	93,4	85,0	73,7
Carbon intensity (Tonnes/€ revenue million)	0,36	0,18	0,18	0,19	0,13
Energy management system ISO 50001 coverage (%)	100	100	100	100	100
Environmental management system ISO 14001 coverage (%)	n/a	n/a	n/a	9,1	100
Power Usage Effectiveness (PUE) weighted	1,48	1,47	1,46	1,43	1,39
Carbon Usage Effectiveness (CUE)	n/a	n/a	n/a	0,002	0,003
Water Usage Effectiveness (WUE)	n/a	n/a	n/a	0,02	0,003
Percentage of waste recycled and reused (%)	n/a	n/a	n/a	96,7	96,2

	2022	2023	2024
PLANET (OFFICES)			
Share of renewable electricity (%)	79,8	82,0	87,7
Energy consumption (MWh)	4.098,5	6.569,5	6.975,8
PLANET (ALL OWN FACILITIES)			
Share of renewable electricity (%)	99,5	99,5	99,5
PEOPLE			
Employee headcount	4.210,0	4.364,0	4.037,0
% Women overall	31,0	31,0	31,3
Women in management (%)	26,0	26,0	24,9
Number of nationalities	69	72	74
Adjusted gender pay gap %	n/a	1,6	2,4
Managers trained on diversity (%)	n/a	75,8	81,0
Average tenure by years	6,0	6,5	7,7

	2023	2024
DIGITAL RESPONSIBILITY		
Information security management system coverage (%)	84,0	84,0
Employees trained on Information Security (%)	n/a	87,0
Employees trained on Data Protection (%)	n/a	85,4
RESPONSIBLE GOVERNANCE		
Employees trained on Code of Conduct (%)	83,5	77,6
Employees trained on Anti-Bribery & Corruption (%)	83,5	77,6

Additional detail on the KPIs can be found in the Facts & Figures section of this report.

IONOS BUSINESS MODEL

IONOS is a global digitalization partner and reliable cloud enabler for small and medium-sized businesses (SMBs), as well as individual users (such as freelancers) and larger enterprise customers. To support this, IONOS offers a comprehensive product portfolio in the areas of Web Presence & Productivity, as well as Cloud Solutions. This portfolio is backed by top-notch customer support and infrastructure. Additionally, IONOS operates an online marketplace for buying, selling, and parking domains.

The products and solutions are developed in IONOS' own development centers or in cooperation with partner companies and are operated on over 100,000 servers in 31 data centers, including 9 owned data centers. IONOS' operational business is divided into two areas: "Digital Solutions & Cloud" and "AdTech".

The "Digital Solutions & Cloud" segment combines the business areas of Web Presence & Productivity and Cloud Solutions. In the Web Presence & Productivity area, IONOS offers professional solutions for online presence, such as domain registration, web hosting, website builders with AI support, and dedicated servers. This is supported by additional productivity products (such as e-commerce, email, and marketing applications) and supplementary services like search engine optimization, business applications, and storage and security solutions.

The Cloud Solutions offering includes both public and private cloud solutions with a wide range of services in the areas of Infrastructure-as-a-Service (IaaS), Platform-as-a-Service (PaaS), and Software-as-a-Service (SaaS). IONOS focuses on providing scalable and high-performance cloud services for SMBs and large customers who are looking for flexible and cost-effective solutions for their web presence and productivity. IONOS' customized Virtual Private Servers, Cloud Servers, and PaaS, IaaS, and SaaS offerings are crucial for the smooth operation and rapid growth of these businesses, with modern hardware and reliable support providing a solid foundation for their digital success.

The "AdTech" segment at IONOS represents the secondary market for trading and further use of domains. The marketing of the product portfolio is mainly carried out through the Sedo brand. The AdTech business enables domain owners to generate revenue from domains they are not currently using. Instead of leaving these domains unused, owners can "park" them by placing advertising links like Google text ads and earn corresponding revenue. This is done by displaying targeted advertising on the domains, with the domain parking provider receiving a payment when visitors click on the ads. IONOS receives a commission on this payment.

Alternatively, domain owners can sell or rent out their domains, with IONOS acting as a broker. IONOS offers suitable solutions through the Sedo brand, which operates a marketplace where domains can be offered at attractive prices or sold in an auction format. With over 22 million listed and registered domains, Sedo operates one of the largest trading platforms for internet addresses. In addition to the classic brokerage business, additional services are offered, such as the brokerage service, domain appraisals, and transfer services. The domain trade is particularly interesting for companies with strong brands, which often need domains to protect their brand and strengthen their online presence.

Furthermore, increasing revenue is being generated through the "RSOC" (Related Search On Content) product offered by Google, where Sedo acts as an intermediary between partners and advertisers, facilitating the sale of advertising space.

OUR APPROACH

SUSTAINABILITY FRAMEWORK

IONOS is committed to embedding sustainability into our business practices because we view this as a long-term creator of value and as a win-win, not only for our business but also for the environment, our employees, our customers, and the communities where we operate.

Our sustainability approach is aligned within five distinct pillars:

- **Planet**:
  We embed environmental sustainability across our operations to continuously reduce our environmental impact.
- **People**:
  We are committed to fostering a diverse and inclusive culture, where employees are valued, can grow professionally whilst striving to create a great place to work.
- **Digital Responsibility**:
  We are committed to ensuring the highest standards for data privacy and information security, whilst contributing to a safer and more accessible web.
- **Customer**:
  We empower and enable small businesses and entrepreneurs to be successful online, helping them to grow whilst providing the best customer and sustainable services possible.
- **Responsible Governance**:
  We enforce stringent governance standards to ensure responsible business practices, aligning with our sustainability commitments.

The United Nation´s Sustainable Development Goals (SDGs) represent a commitment to deliver on global goals for people and the planet by 2030. To support the advancement of sustainable development, IONOS has identified and prioritized four SDGs which align with our business model, sustainability management and where we can have the greatest impact.

- **Climate Action SDG 13:**
  We take urgent action to combat climate change through reducing our carbon emissions and environmental impact from our data center operations.
- **Gender Equality SDG 5**:
  We commit to achieving gender equality and empowering women through a culture of inclusion, increasing women in leadership as well as technical roles.
- **Decent Work & Economic Growth SDG 8**:
  Promoting inclusive and sustainable economic growth by empowering individuals, entrepreneurs, and SMB´s and helping them to succeed online.
- **Industry, Innovation, and Infrastructure SDG 9**:
  Building resilient infrastructure and fostering innovation through our data center infrastructure as facilitators for economic growth and connectivity.

Memberships, Partnerships & External Sustainability Commitments

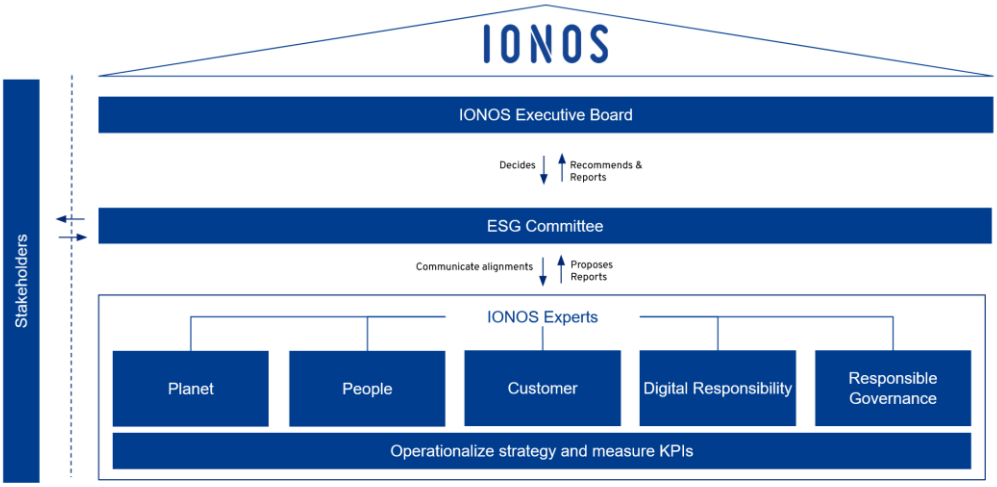
- Carbon Disclosure Project
- Charter of Diversity
- Gaia-X Technical Committee

SUSTAINABILITY MANAGEMENT

IONOS has integrated Environmental, Social, and Governance (ESG) management into its business operations and strategic planning. The Chief Operating Officer (COO) of IONOS Holding SE holds primary responsibility for ESG matters within the organization. The Management Board of IONOS Holding and IONOS Group SE convenes quarterly to discuss ESG, covering various areas such as strategy formulation and target setting.

To ensure effective implementation and oversight of sustainability initiatives, IONOS has established a dedicated ESG Team, which reports directly to the COO. This team plays a key role in advising and supporting various departments across the organization in aligning their activities with ESG objectives.

The execution of ESG objectives is supported by a cross-functional ESG-Committee comprising the ESG Team, Investor Relations, and the TechOps Sustainability Team. The TechOps Sustainability Team operates within the structure of the company's environmental and energy management systems. Investor Relations works with the ESG Team to align on external stakeholder topics. The ESG Team engages with various departments to drive initiatives across all core ESG pillars: Planet, People, Digital Responsibility, Responsible Governance, and Customer. Regular bi-monthly meetings between the ESG Team, TechOps Sustainability Team, and Investor Relations ensure comprehensive integration of ESG-related topics.



OUR TARGETS

In alignment with our sustainability framework, we have defined targets linked to our Environmental, Social, and Governance (ESG) pillars, material topics, and strategic objectives. These serve as the foundation for driving our sustainability initiatives, featuring a mix of short to medium-term actions and targets. Our approach ensures a comprehensive strategy, with activities monitored annually and a review of targets and actions for appropriateness and alignment with evolving sustainability criteria. Progress is measured through Key Performance Indicators (KPIs), enabling us to maintain a clear focus on achieving our sustainability objectives.

Planet targets

	KEY TARGETS	BASELINE	2024
DATA CENTERS	100% renewable electricity use long-term (2030)	100% (2019)	100%
	>50% data centers using solar energy on-site (2030)	0% (2019)	33%
	> 55% reduction in diesel lifecycle emissions (tons) (2030)	324,7 (2019)	179,2
	1,41 PUE weighted average[1] (2024)	1,52 (2019)	1,39
	100% externally certified environmental management system ISO 14001 (2024)	n/a	100%
OFFICES	100% renewable electricity use (2030)	79,8 (2022)	87,7%
	100% electric vehicles in carpool (2030)	0,7% (2022)	11,9%
VALUE CHAIN	100% renewable electricity use in colocations (2030)	81,1% (2022)	89,6%
	90% data center suppliers by spend committed to climate targets[2] (2030)	n/a	n/a

1) 2025 PUE target to be defined.
2) Baseline to be defined.

Planet Actions

KEY TARGETS	KEY LEVERS	KEY ACTIONS	PLANNED ACTIONS
100% renewable electricity use	Renewable energy sourcing	100% renewable electricity use	Long-term commitment to maintain target
50% data centers using solar energy on-site	Onsite photovolatics	UK data center (2022) USA data center (2023) French data center (2023)	Continued evaluation of photovoltaics installation at existing and new data centers
55% reduction in diesel lifecycle emissions	Renewable fuel switching	UK data center (2022)	Continued evaluation of biofuels use at existing and new sites
PUE weighted average (annual targets)	Energy efficiency measures	New energy efficient UK data center (2022) Modernizations of cooling systems at multiple data centers (2023 & 2024) Closure of two legacy data centers (2024)	Continued operation of energy management system with related targets and measures
Establish environmental metrics beyond energy and carbon for data centers	Environmental management system roll-out	ISO 14001 Spanish Data Center (2023) ISO 14001 all own Data Centers (2024) Water Use Efficiency & Carbon Use efficiency KPIs established (2024)	All actions achieved
100% renewable electricity use	Renewable energy sourcing	USA office (2022)	Feasibility evaluation of locations to switch to renewable electricity where and when possible
100% electric vehicles in carpool	Switching to electric vehicles	n/a	Establishment of new sustainable company car policy
100% renewable electricity use in colocation data centers	Renewable energy sourcing	Colocations evaluated for current and future renewable electricity use (2023) Renewable energy certificates purchased for two colocations (2023)	Long-term switch to colocation suppliers only using 100% renewable electricity Short-term favoring colocations with renewable electricity or related targets
90% data center suppliers by spend committed to climate targets	Suppliers committing to climate targets	Collection of supplier data in sustainability supplier platform (2023)	Utilise supplier sustainability software to assess suppliers for climate relevant information
Measure and mitigate Scope 3 carbon in areas of significant data center impact	Establish Scope 3 baselines	Scope 3 emissions baselines established (2024)	Identification of approaches to mitigate material Scope 3 emissions areas Continue to build upon and improve scope and quality of Scope 3 data

ESG Targets & Actions

TOPIC	TARGET	KEY ACTIONS CURRENT & PLANNED	TARGET	TARGET YEAR	2024
DIVERSITY & INCLUSION	Leadership trained on diversity & inclusion	Development and roll-out of first module (2023) Development and roll-out of second module (2024)	80,0%	Annual	81,0%
	Women in management	Unconscious bias trainings for HR Women Explore program	28,0%	2030	24,9%
TALENT ATTRACTION & RETENTION	Reducing employee turnover	Continue employee engagement surveys and translate results into measures	Continual improvement	Annual	16,3%
	Increasing employee engagement survey participation	Continue employee engagement surveys and translate results into measures	Continual improvement	Annual	86,0%
INFORMATION SECURITY	Employees trained on information security	Ongoing information security trainings for employees	80,0%	Annual	87,0%
ARTIFICIAL INTELLIGENCE	Employees trained on artificial intelligence (AI)	Development and roll-out of AI training (2024)	25,0%	2024	51,9%
CORPORATE GOVERNANCE	Employees trained on code of conduct	Ongoing employee trainings for code of conduct	80,0%	Annual	77,6%
	Employees trained on anti-bribery & corruption	Ongoing employee trainings for anti-bribery and corruption	80,0%	Annual	77,6%

STAKEHOLDER ENGAGEMENT

Our long-term success is rooted in our ability to engage effectively with a diverse set of stakeholders. We employ multiple platforms and methods to foster transparent and meaningful dialogues with our stakeholders.

Key stakeholders for IONOS include:

Customers

Our long-term business success begins with our customers. Our engagement with customers is continuous, multi-faceted and plays a significant role in how we run our business. We prioritize their needs and seek their feedback through various channels, notably customer surveys, customer focus groups, user experience tests, and AI driven insights.

Investors

Our Investor Relations (IR) team and the Management Board maintain open lines of communication with investors and analysts. We hold regular analyst and investor conferences, and roadshows, participate in conferences, and hold Annual General Meetings (AGMs) to keep them updated on our performance and future plans. IR also keeps shareholders informed through compulsory announcements, the Annual Report, and quarterly statements.

Employees

Our employees are the backbone of IONOS. We gauge their satisfaction and identify areas for improvement through regular employee surveys, "Ask the Board" sessions, and questionnaires. Our Management Board also holds regular "All Hands" meetings and utilizes virtual communication platforms for direct dialogues. A constant inflow of new talents is vital to our continued push for excellence, our recruitment process approaches candidates via various channels, including job boards, our careers page and job fairs. We actively seek feedback from candidates in our recruiting processes and from employer evaluation platforms.

Business Partners and Suppliers

We maintain strong relationships with our business partners and suppliers, including hardware suppliers and data center service providers. Direct dialogues, exchanges via the EcoVadis assessment platform and our market observations are a key component of these relationships.

General Public

We keep the general public informed through various external communication channels and publications, actively engaging with the media and prospective employees.

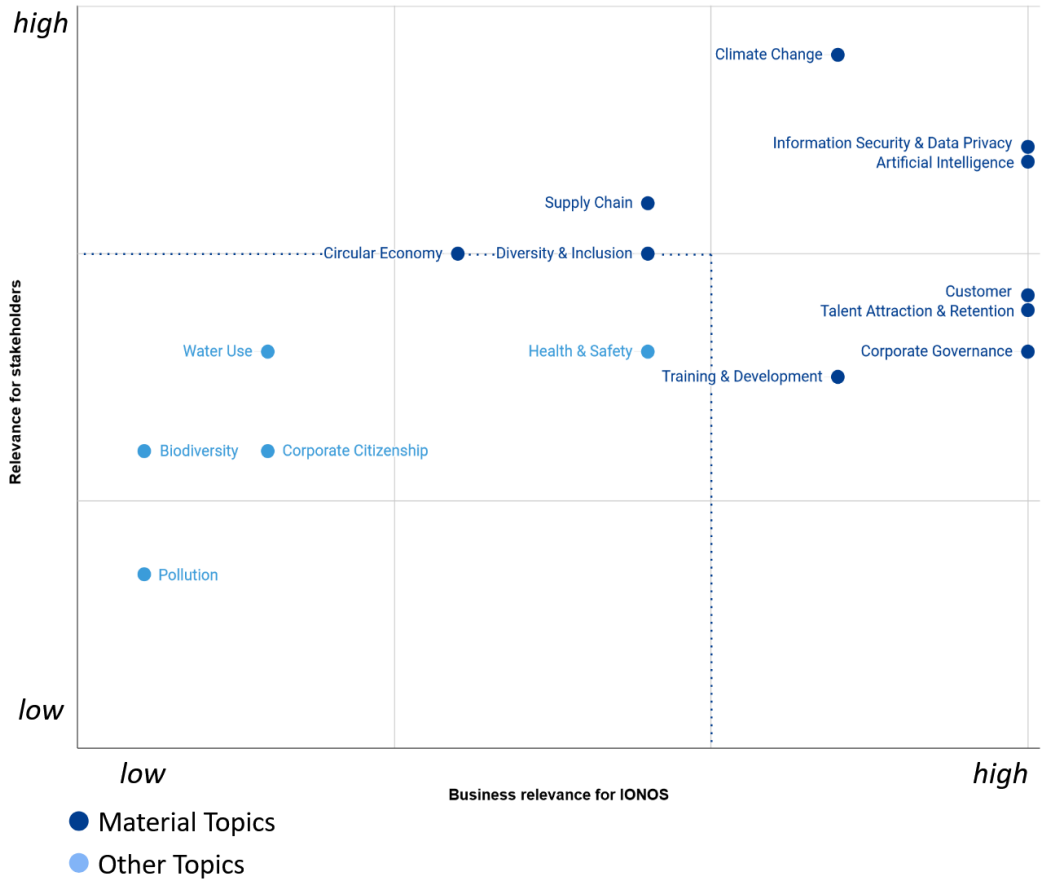
ESG MATERIALITY

Defining our material topics

The materiality analysis forms the basis for our overall sustainability approach. We use the analysis to systematically identify and prioritize our ESG topics. We prioritize our material ESG topics through a double materiality assessment, identifying the topics which have significant impact on IONOS, and the topics which have significant impact upon on our stakeholders.

We engage in interviews with our board members, leadership, sustainability experts and employees spanning all relevant departments. In addition, internal experts provide valuable feedback on the viewpoints of external stakeholders such as investors, customers, and partners. These interviews are used to identify material topics and assess the associated risks, opportunities, and impacts.

The following materiality matrix gives an overview of our material topics.



Defining our climate risks and opportunities

In parallel, we assess all climate-related risks, including climate risks such as water stress, flooding, extreme weather events, and transitional risks such as legislative, market, technological, reputational and financial factors. This involves analyzing the geographical locations of our current and potential future operations, including data centers, colocation facilities, and offices. This risk prioritization targets key areas like future flood risk, water stress risk, temperature increases, extreme weather events, carbon pricing, and legislative risks. Each risk is assessed based on its financial, reputational, operational, and legislative impact, guiding us to make informed decisions to mitigate, control, or accept these risks.

Additionally, IONOS evaluates these risks under the RCP (Representative Concentration Pathways) scenarios 4.5, 6.0, and 8.5 (high emissions climate scenario) for the timeframes 2030 to 2050. The RCP scenarios are greenhouse gas concentration trajectories used by the Intergovernmental Panel on Climate Change (IPCC). Our analysis covers our own data centers and offices as well as colocation data centers. We utilize publicly available tools like the WRI Water Risk Atlas, IPCC Scenarios map, and climate change temperature scenarios maps. These resources are instrumental in enhancing our understanding of water-related risks, climate change projections, and potential temperature shifts in various regions. Further information outlining our risks and opportunities in detail is available in the ESG Risks & Opportunities section.

PLANET

OUR APPROACH

We integrate environmental sustainability across the lifecycle of our data center operations, through concentrating on four key areas: renewable energy, sustainable design, sustainable operations and contributing to a circular economy. We have been long committed to carbon & energy management at our data centers sourcing 100% renewable electricity and operating an externally certified energy management system.

With our newly certified environmental management system, we are strengthening our approach to environmental sustainability, with a focus on improving waste management and water efficiency. The IONOS 2030 Climate Strategy reinforces these efforts, advancing our actions to mitigate climate change and reduce our environmental impact.

RENEWABLE ENERGY

IONOS has sourced 100% renewable electricity for our own data centers for many years this is and remains the most significant lever for reducing carbon emissions in our own operations. In line with this, we have a long-term goal to continue to use 100% renewable electricity in our own data centers. While representing a smaller proportion of our overall energy use, IONOS has also committed to targeting 100% renewable electricity in our offices globally and within our colocation data centers by 2030.

Furthermore, as to our renewable energy commitments, IONOS is committed to generating renewable electricity on-site at our own data centers through the use of photovoltaics where feasible. In 2024, 3 of our 9 own data centers had photovoltaics on-site which resulted in 2.1 GWh of renewable energy generated.

Case Study: Agriculture meets Renewable Energy, Niederlauterbach, France

IONOS' photovoltaic installation at our data center in Niederlauterbach, France goes beyond a traditional renewable energy project. It innovates through a partnership with a local sheep farmer creating, a sustainable dual use of the land for sheep grazing and renewable energy. Studies show that solar panels provide shade, reducing water consumption, the use of chemicals for grass maintenance and, consequently reducing operational costs and promoting soil quality and biodiversity.

SUSTAINABLE DESIGN

Sustainable design serves as a key starting lever, reducing energy consumption, carbon emissions, and resource use in our data center operations while simultaneously contributing to operational efficiencies. The IONOS Data Center Engineering Department supports the design, construction, and upgrading of our existing facilities to meet our sustainability objectives.

Examples of sustainable design measures currently in use at IONOS data centers include:

Energy Efficiency

- Modular data center design: promoting efficient use of space and resources
- Server virtualization: reducing the number of physical servers
- Energy efficient cooling systems
- Energy efficient hardware
- Free air cooling: utilizing outside air for cooling
- High-efficiency HVAC: optimizing heating, ventilation and air conditioning
- LED lighting

Sustainable Materials & Resource Use

- Low-carbon building materials: reducing embodied carbon in construction
- Water-free cooling systems: reducing reliance on resources
- Biofuel powered generators: fossil fuel alternatives

Climate Resilience & Biodiversity

- Fortified windows, flood-resistant infrastructure: adaptation against extreme weather
- Insect hotels & green roofs: supporting local flora and fauna biodiversity
- Water & grass permeable paving: reduced runoff, improved water quality & biodiversity

Case Study: Sustainable Design, Worcester, UK

Our most sustainable and energy-efficient data center is based in Worcester, UK. At this location, onsite solar power provides for approximately 10% of the site's energy. Biodiesel powered backup generators reduce lifecycle carbon emissions from traditional diesel use by 90%. In addition, we used carbon-neutral (offset) steel as a sustainable construction material.

SUSTAINABLE OPERATIONS

IONOS operates an externally certified energy management system ISO 50001 for 100% of our own data centers. Since 2019 we have reduced our energy consumption relative to turnover by 46.2%.

Our energy management system is supported by a dedicated energy management team, which sets annual energy efficiency and Power Usage Effectiveness (PUE) targets per data center and helps to continually monitor and optimize energy efficiency. In 2024, we also introduced a Carbon Usage Effectiveness (CUE) metric, further enhancing our energy and carbon performance measurement.

In 2024, IONOS achieved external ISO 14001 certification of our environmental management system now covering 100% of our own data centers. Through ISO 14001, we are increasingly focusing on environmental sustainability beyond energy and carbon, introducing new environmental metrics in these areas for the first time.

Beyond our data center operations, we are committed to reducing carbon emissions from our company carpool and are targeting a 100% electric fleet by 2030.

CIRCULAR ECONOMY

To contribute to a circular economy, we focus on reducing resource consumption, minimizing operational waste and extending the lifecycle of IT equipment. When equipment reaches the end of its life, we work with trusted green IT partners to prioritize refurbishment and reuse. Recycling is therefore seen as the last option, and we aim to minimize disposal as much as feasible.

We demonstrate our commitment to minimizing waste through the extended lifespan of our servers, which typically range from four to seven years. This is achieved by assembling servers in-house, allowing for greater control over design, component selection, and facilitating reuse and replacement. Regular monitoring and maintenance further optimize performance and energy efficiency, extending the operational life of each server.

In 2024, IONOS reused or recycled 96.2% of all data center waste through our network of green IT partners, with the remainder primarily consisting of municipal waste. A key partner in these efforts is AfB GmbH, a majority employer of people with disabilities. Since 2019, our collaboration with AfB has enabled the reuse, resale, or recycling of 605.8 tons of waste.

As part of our environmental management system and commitment to reducing resource consumption, IONOS measured its Water Usage Effectiveness (WUE) for the first time in 2024, achieving a WUE of 0.003 99.2% lower than the US industry average of 0.36[2].This reflects our decision to avoid water-intensive cooling systems, recognizing the global challenge of water scarcity, despite a trade-off in energy efficiency.

[2] Berkeley Lab, 2024 United States Data Center Energy Usage Report.

Case Study: Blade Servers contributing to a Circular Economy

In 2024, IONOS introduced bladelike servers at five data centers globally. These servers' compact, modular design reduces the physical footprint, enabling more processing power in less space while lowering cooling and energy requirements. Their modularity simplifies maintenance, allowing easy component replacement, refurbishment, and upgrades. Together, these features extend hardware lifecycles, reduce waste, and minimize resource consumption.

IONOS 2030 CLIMATE STRATEGY

The IONOS 2030 Climate Strategy is aligned with the Science Based Targets Initiative (SBTi) 1.5°C Paris Agreement standards for data centers. Our data center operations are the most material operations in terms of energy use and carbon impact but have a minimal carbon footprint due to our long-term sourcing of 100% renewable electricity. Renewable electricity is and remains our biggest lever to reduce our Scope 1 & 2 carbon footprint across our own operations. Other levers include transitioning to biofuel-powered generators and reducing lifecycle emissions from diesel by 90%.

While our offices are less material in terms of energy and carbon overall, they currently contribute more carbon overall due to our low-carbon data centers. Key levers for reducing office emissions are therefore transitioning to renewable electricity and an electric fleet. In our value chain, we have set targets to work with sustainable suppliers as a means to reduce our Scope 3 emissions. This strategy was approved by the Management Board of IONOS Group SE in 2023 and is integrated into our overall business objectives through annual reviews of targets and performance. In addition, we track our CUE as of 2024. PUE, a key metric of data center energy efficiency is linked to remuneration of the IONOS Group SE Management Board, aligning our climate strategy with our business goals.

PEOPLE

OUR APPROACH

Building a sustainable company starts with our people. With rapid digitalization and increasing demand for skilled professionals in our sector, we are focused on attracting and retaining talent through fostering a diverse and inclusive company culture where our employees have opportunities for development and growth.

In addition, we are committed to providing our employees with a productive, healthy and safe working environment, all while upholding and respecting internationally recognized human rights and providing opportunities for our employees to give back to the communities where we operate.

The People Experience team at IONOS Group, reporting directly to the COO, is in charge of all HR-related activities. This team is composed of dedicated areas, such as the department supervised by the Head of People & Culture, focusing on training, employee engagement, and diversity initiatives. Additionally, there are departments led by the Head of Talent Acquisition and the Head of Business Partner Services.

Memberships & Partnerships

- Charter of Diversity[3]

COMPANY CULTURE & VALUES

Our company culture is brought to life by the IONOS Business Principles. These principles are not just aspirational statements but form the foundation of our people strategy and culture.

IONOS Business Principles

- **Who we are...**
  We are customer champions - We are open-minded and committed - We are innovators - We are passionate about our team - We are curious explorers
- **What we do...**
  We take ownership - We act resourcefully - We get things done - We deliver outstanding results - We pay attention to detail

[3] Signed by our parent company United Internet.

Each principle is supported by toolkits comprised of examples of behaviors, exercises for individuals & teams, FAQs, and the principles are translated into all our local languages. In addition, we bring the principles to life by integrating them into our daily business and our employee journey, some examples of this include:

- Recruitment: Business Principles form the framework for our interview assessment criteria.
- Employee performance: Business Principles form the criteria by which we assess our employees.
- Company Strategy: We align our annual and quarterly targets based upon our Business Principles.

DIVERSITY AND INCLUSION

Diversity and inclusion are key to cultivating a company culture that fosters a sense of belonging, drives creativity, and innovation. Such a culture enhances our understanding of our employees, customers, and markets, essential for our growth and success. In 2024, IONOS hosted 74 nationalities, achieved 24.9% women in management, an adjusted pay gap of 2.36% and 81% of our leaders completed diversity trainings, all of which underscore our commitment to a diverse and inclusive company.

IONOS stands firmly against discrimination based on gender, gender identity, sexual orientation, age, race, ethnicity, national origin, religion, disability, health status and marital status. Our strategy for fostering an inclusive and diverse company centers on three areas: accountability, awareness, and empowerment.

Accountability

IONOS through our parent company has signed and endorsed the Charter of Diversity, committing to embed diversity into our company processes and tracking annual progress. Board members serve as diversity ambassadors, ensuring engagement, promoting, and participating in diversity initiatives. In 2024, we continued to emphasize the responsibility that our leaders have in creating an inclusive workplace and mandated diversity and inclusion e-learnings for our leaders.

Furthermore, a diversity scorecard allows us to monitor key metrics on gender and cultural diversity, steering our diversity roadmap and internal gender diversity targets. In 2024, our adjusted gender pay gap stands at 2.36%, highlighting our ongoing efforts to promote a company culture that values fairness and equal opportunities.

Awareness and know-how

Our annual “Diversity Days” employee-led event, held in cooperation with our parent company, not only educates our employees but gives a voice to the diverse groups across our company. In 2024, the event featured over 35 presentations, discussion panels and events.

Throughout the year, we expand our employees’ diversity know-how by offering a range of diversity trainings and webinars for our employees. This provides our employees with the knowledge they need to action diversity within our company. In 2024 examples included:

Trainings

- Cultural awareness
- Unconscious bias
- Intercultural communication
- Managing diversity within teams

Webinars

- Vietnam-German-Ireland: Navigating between multiple cultures
- Language as a tool: Practical tips for more inclusive communication
- Women Explore: The value of a corporate female development programme

Empowerment

IONOS gives diverse groups a voice through our various employee resource groups (ERGs), these currently include Queer United, International Community, Intergenerational Collaboration, Family & Job Compatibility, and Disability Inclusion. Throughout the year our ERGs host a broad range of meetups and events that create transparency, networking, exchange of experiences and facilitate a more inclusive company.

“Women Explore” an annual program supports the development of our internal female talent through trainings, networking opportunities, examining their career, and networking strategies and support through senior role models. Women Explore therefore supports in the development of and contribution to the increasing proportion of women managers at IONOS.

TRAINING & DEVELOPMENT

IONOS prioritizes continuous learning and skills development for our employees' personal and professional growth, ensuring we stay ahead of industry developments and maintain our competitive edge. In 2024, IONOS delivered 40,167 hours of training to our employees, spending a total of € 1.44 million on training.

Our programs, varying from basic to deep-dive sessions, cover essential skills such as communication, cultural awareness, and project management, alongside more complex topics like stakeholder management and adapting to change. These are supported with alternative shorter learning formats, such as “Lunch & Learns” and “Espresso Trainings”.

We are committed to enhancing our leadership culture. Our broad range of programs in this area includes:

- Manager Onboardings - ensuring new managers are equipped with all necessary skills
- Leadership Foundations - focus on team leadership, adaptability and specialized expertise
- Expert Foundations - addressing common leadership challenges
- 360-degree feedback - employees receive constructive feedback from all stakeholders
- Navigate & MyWayTo - focusing on developing emerging and established leaders

TALENT ATTRACTION & RETENTION

By prioritizing the attraction and retention of top talent, IONOS can build a workforce that´s not only skilled but committed to our company vision, ensuring business growth and adaptability in an evolving tech landscape. Our talent attraction and retention approach focuses on the following key areas: employee engagement, talent acquisition and employee benefits.

As a result of our focus on talent attraction and retention, in 2024, IONOS welcomed 624 new hires and the average tenure among employees stood at 7.7 years in 2024.

In 2024, IONOS collaborated with a reintegration management service provider to strengthen support for employees returning to work after extended absences. The partnership introduces structured processes and expert guidance, complemented by two training sessions to equip managers with the necessary knowledge of the reintegration framework and procedures for effective implementation, contributing to talent retention by fostering a supportive work environment.

Employee engagement

Our annual employee engagement survey offers all our employees a platform to express their views on various aspects such as engagement, leadership, corporate culture, collaboration, and communication. The employee engagement survey serves as a key tool for us to continually enhance our workplace environment and address key areas for improvement.

In 2024, 86% of all employees participated in this survey and revealed insights such as:

- 84% feel that their manager genuinely cares about their wellbeing
- 81% know what they need to do to be successful in their role
- 82% think that their team consistently demonstrates a commitment to delivering results

Moreover, we maintain consistent opportunities for two-way communication with senior leadership, throughout the year, not solely confined to the employee engagement survey. These communication channels include quarterly sessions such as “Ask the Board”, “Global All Hands” and “Departmental All Hands” meetings. This open dialogue fosters a culture of transparency and trust, ensuring that employee voices at all levels are heard and opportunities for feedback and ideas can be shared.

Talent acquisition

We actively participate in employer fairs and collaborate with schools, universities, colleges, and local non-profit organizations to connect with prospective talent.

In Germany, in recent years this has included events at the Pforzheim University of Applied Sciences, TU Darmstadt and sponsorship of the Karlsruhe University of Applied Sciences. In addition, in collaboration with our parent company we support and provide opportunities for apprenticeships and dual degree programs each year.

In the United States, IONOS employees engaged with Hopeworks, a community-based non-profit focused on advancing young adults into living wage careers in the tech industry and participated in the Annual Neighborhood Job Fair, a local event supported by non-profit organizations. In the Philippines, our initiatives included collaborating with local governments and schools for job fairs in Naga City, Danao City, Bantayan Island and at the Cebu Technological University, and supporting career readiness programs such as career talks and job immersion programs at the Sacred Heart School Ateneo de Cebu.

Employee benefits

Our employee benefits are defined country by country including performance-related bonuses, a variety of corporate benefits such as disability insurance, family-related benefits, health benefits, and public transport subsidies. We address the diverse needs of our workforce with flexible working models, including hybrid and remote work options, and opportunities for unpaid leave.

As part of the benefits offered through our parent company in many locations in Germany, we enhance employee well-being with health benefits that cover subsidized meals offering healthy choices, complimentary flu vaccinations, ergonomic office furniture provided upon request, and subsidies for prescription glasses for computer use. We also foster physical wellness with a variety of health courses, sports groups, discounts on gym memberships, and a comprehensive Employee Assistance Program for individual support. Mobility benefits include parking facilities, bike and public transport subsidies, and company cars for qualifying roles. This comprehensive approach ensures our employees receive support that extends beyond the workplace.

HEALTH & SAFETY

Ensuring the health and safety of our employees is paramount, extending to all our data centers globally. We adhere to national legislation and health and safety agency standards in each country. Annual safety inspections are conducted at data centers in collaboration with external experts. Safety training for data center personnel covers emergency response, fire behavior, specialized first aid, and use of automated external defibrillators (AEDs). We also focus on electrical equipment safety and practical training in personal protective equipment. Safety officers, trained under national occupational health standards, oversee these protocols, ensuring adherence and employee awareness through detailed emergency manuals and regular communications.

Additionally, our commitment to health and safety extends to our office locations, with dedicated health & safety and facility managers in key locations such as Germany, UK, USA and the Philippines.

CORPORATE CITIZENSHIP

At IONOS, we're dedicated to corporate citizenship, focusing on community engagement and environmental stewardship. Our 2024 initiatives reflect this across various regions:

- Philadelphia, USA, our team worked with PCs for People to refurbish, give a second life and donate 105 computers to people from low income backgrounds and non-profits.
- Philadelphia, USA, we partner with Techimpact a nonprofit whose mission is to leverage technology to advance social impact, providing access to our products and services.
- Cebu, Philippines, the IONOS CARES initiative donated desktop computers to local schools, supporting educational programs.
- Frankfurt, Germany, the InterNetX team partnered with Frankfurt Galaxy to replace their logo with the MS Awareness logo for one game day, promoting awareness for multiple sclerosis.
- Through our customer referral program and in partnership with Tree-Nation, IONOS supported the planting of 725 trees, contributing to reforestation and biodiversity conservation in multiple countries such as Madagascar, Tanzania and Kenya.

DIGITAL RESPONSIBILITY

OUR APPROACH

For IONOS, digital responsibility encompasses two key aspects: Firstly, it is important to uphold security through our commitment to information security and data protection. Secondly, we aim to stay at the forefront of innovation and integrate digital tools, such as AI systems, into our operations and services. As an IT company, we acknowledge the ongoing risks associated with handling sensitive information. To ensure a comprehensive level of security, we have implemented an ISO 27001 certified information security management. This system also complies with the BSI IT-Grundschutz standards and adheres to the BSI Cloud Computing Compliance Criteria Catalogue (BSI C5), ensuring the security of our products.

In addition, our data protection management enables us to protect the rights and freedoms of individuals and ensures compliance with the EU General Data Protection Regulation (GDPR) and other applicable data protection laws and regulations. The IT-security certifications and adherence to stringent European data protection standards position IONOS with a unique level of protection.

AI systems are changing the way we work, how we interact with our stakeholders and our services. We are in the process of further developing and capitalizing on the new opportunities these tools offer. Whist minimizing the associated risks through our AI policy, AI guidelines, the provision of training for our employees and strict compliance to relevant regulations.

INFORMATION SECURITY

The primary goal of our information security measures is to prevent or restrict events that could threaten the confidentiality, availability, or integrity of IONOS or our stakeholders' information. Our Chief Technology Officer, (CTO) is accountable for overseeing these measures, directing the TechOps Information Security division to continuously improve our Information Security Management System (ISMS). In addition, for our ISMS to be effective, we believe every employee must take individual responsibility in upholding information security.

Our ISMS is designed to continuously enhance security. It follows the objectives set in our information security policy and uses a standardized improvement cycle, in line with those recommended by ISO standards. A central task of our ISMS is to ensure compliance with numerous information security standards and laws. Another key part of our ISMS is managing information security risks. This involves actively identifying and managing risks inside and outside the company, including our supply chain. Based on these risk assessments, we implement organizational and technical measures to maintain our security at the required level.

Among other, these measures include:

- Policies: We provide our employees with clear and annually updated policies covering various topics like cryptography and secure development of software.
- Awareness: Bi-annual information security trainings for all employees form the basis of our security-oriented culture.
- Support: Our security experts function as baseline support for all information security related questions of our employees. A special unit is available for customer support.
- Technical measures: Our technical measures encompass various protections e.g., the geo-redundant operation of our data centers in Europe and the USA. The security of software is ensured through patch management and additionally, we develop and update our own protection software e.g., our DDOS protection shield and the Anti-Malware-Solution "BioFilter".
- Vulnerability Management: In 2024, IONOS enhanced and standardized its vulnerability management. A scanning tool identifies vulnerabilities in software that could be exploited by malicious actors. Identified vulnerabilities are then evaluated and mitigated by asset owners.
- Monitoring: We continuously monitor our technical systems and investigate reported security incidents including criminal activity and infrastructure abuse. In compliance with German critical infrastructure regulation, IONOS has expanded and standardized its attack detection systems. These systems detect potential hacker activity, ending data to a central system that compiles a report and generates alerts. Skilled personnel then ensure timely mitigation of valid alerts.
- Auditing: We perform regular internal and external security audits. Additionally, we assess the performance of measures e.g., through internal phishing campaigns.
- Reporting: TechOps Information Security provides regular reports to our board about the status of security measures and identified vulnerabilities. These reports form the basis for the continuous improvement of our ISMS.

DATA PROTECTION

IONOS has a central data protection organization and local data protection representatives our subsidiaries. These units are led by Data Protection Officers or contact persons, appointed as required by the EU GDPR or local laws. Each board area has a designated data protection coordinator with global responsibility for that area. These coordinators are backed by data protection managers in the respective specialist departments. The central data protection organization of IONOS Group SE is led by the Group Head of Privacy and overseen by the Chief Financial Officer (CFO). The central data protection organization is responsible for managing and continuously improving our data protection management system.

This central organization is supported by local representatives or data protection officers in our subsidiaries. This structure ensures that privacy responsibilities are embedded at all levels of the organization, allowing us to refine our internal procedures to meet the demands of both European and national data protection standards and regulatory guidelines.

Our commitment to data protection is outlined in the new IONOS Group Data Protection Policy. This policy aligns with the EU GDPR, clarifies responsibilities, and explains our data protection practices and our expectations for handling personal data. Alongside the new policy we also launched a new interactive data protection training.

Among others, the IONOS privacy measures include:

- Policies: Our privacy policy is accessible for all employees with additional information and contact information.
- Awareness: The above-mentioned training is provided to our employees covering how we handle personal data and what to do in case of privacy incidents.
- Support: The Privacy Managers support our employees on all questions concerning data protection e.g., EU GDPR compliant data protection agreements with third parties and privacy impact assessments.
- Auditing: The Data Protection Officers regularly audit EU GDPR compliance of the processes in their respective companies, divisions, and their suppliers. In addition, external audits by third parties are performed to gain an outsider's view of our data protection performance and uncover potential for improvement.
- Reporting: All stakeholders can report data protection incidents. Reported data protection incidents are communicated to the responsible supervisory authorities in compliance with our legal obligations. Additionally, our Group Head of Privacy regularly reports to the board about the performance and vulnerabilities of our data protection management, forming the basis for continuous improvements.

ARTIFICIAL INTELLIGENCE

Our focus on Artificial Intelligence (AI) has led to the early adoption of many AI tools. This focus requires us to continuously evaluate whether our processes and services could benefit from AI integration. As a result, we identify and address the risks and opportunities associated with each individual use case.

Our AI policy ensures the responsible use of AI systems at IONOS in alignment with our values. This is ensured through an audit process for newly introduced AI systems, with appropriate risk assessments and a review against our AI principles e.g., protection against algorithmic discrimination. In 2024 we launched our AI Academy and expanded our foundational AI training with a second module. The training modules help our employees gain a deeper understanding of AI systems and to analyze available applications and optimally implement them in their work. Additionally, the AI Academy includes role-specific deep dives, and creates digital spaces as well as meetings organized by our AI community to further expand and spread our experiences and knowledge about AI.

IONOS leverages AI across various aspects of our operations, products, and customer care. Additionally, we support other organizations in the development of new AI systems. Within our operations, we utilize AI tools such as ask.IONOS, our internal alternative to chatGPT that fulfills our high data privacy standards. We also utilize continue.dev, an open-source AI coding assistant that allows our software developers to use privacy and data protection friendly models and infrastructure such as the IONOS cloud model hub. Additionally, AI is integrated into our services e.g. our website generator, streamlining the process of creating custom-designed websites with minimal input. With the AI model hub we have created a platform which gives our customers access to a wide variety of AI tools to use and integrate into their own applications. Other examples include our contribution to the European AI language model OpenGPT-X, the deployment of an openAI GPT-based chatbot to serve as a first-level customer care agent and the integration of AI into our processes for the identification of potential fraudsters.

CUSTOMER

OUR APPROACH

The importance of digitalization for our economy and society is ever increasing. We want to increase access to the digital economy and provide our users with the best in class customer experience. We pride ourselves on the quality of service and care we provide to our customers. We constantly research the needs and wishes of our customers and introduce new initiatives to improve the usability of our products and services and increase customer satisfaction. Through several high-profile research projects IONOS strengthens the opportunities of SMBs in the digital space and contributes to Europe's digital development.

CUSTOMER CARE

As a leading customer-centric web hosting company, our goal is to continue to strengthen our customer focused approach. This goal is integrated into our organizational framework, with customer care, service delivery, and improvement teams operating under the direct supervision of our COO. Our methodology focuses on assessing processes for their intuitiveness, efficiency, and their capacity to positively impact the customer experience. Every customer interaction is considered a critical opportunity to enhance the services we offer and to provide industry leading customer care.

As part of our commitment to customer centricity, our customer care teams received and analyzed exactly 324.840 pieces of customer feedback in 2024. This exceptional number of data points is invaluable to us, providing direct insights into what our customers appreciate and where they wish to see improvements. By placing this feedback at the center of our decision-making, we ensure that our strategies and services are truly aligned with our users' expectations, reinforcing our commitment to a customer-first approach.

Central to our strategy for customer service is the Personal Consultant program. This initiative provides each customer with a dedicated expert, ensuring support is tailored to individual requirements. This program is a key part of our commitment to building supportive relationships with our customers, particularly targeting small enterprises and crafts businesses seeking to develop or expand their online presence.

Our strategy for realizing our customer-centric vision includes comprehensive engagement with our customers and the measurement of satisfaction levels. We utilize various feedback mechanisms and performance metrics to gauge customer needs and preferences effectively. “YourVoice” Surveys and “User Experience Labs” play a significant role in our strategy, enabling us to collect direct feedback on a broad spectrum of topics. This feedback is essential for pinpointing areas needing improvement or innovation. Moreover, Agent Roundtables and Gemba Walks offer valuable platforms for dialogue between our customer service personnel and management, ensuring customer insights directly influence our strategies for service improvement.

AI is employed to analyze feedback across multiple channels, affording us real-time insights into customer experiences and expectations. This application of technology is crucial for promptly identifying and resolving any issues, thereby maintaining high levels of customer satisfaction. These efforts combined with our 360 degree approach to measuring and managing customer satisfaction and quality, have helped us garner us a series of customer awards and earned us excellent ratings from our customers.

DIGITAL PARTICIPATION

IONOS actively participates in initiatives contributing to the Sustainable Development Goals (SDGs), notably SDG 8 (Decent Work and Economic Growth), SDG 9 (Industry, Innovation, and Infrastructure), and SDG 13 (Climate Action).

To achieve this, we participate in initiatives that drive digitalization and sustainability, such as GAIA-X for federated data infrastructure and IPCEI-CIS for cloud architecture development. By facilitating and supporting digitalization, we enable SMBs online, which in turn supports economic growth, drives innovation and creates opportunities for businesses to succeed.

Advancing Data Sovereignty and Digital Transformation

In its commitment to enhancing data sovereignty, IONOS collaborates on European projects like GAIA-X and engages with the International Data Spaces Association (IDSA) to develop a resilient, interoperable data infrastructure. This supports SDG 9 by fostering innovation and competitive markets. The involvement in the SIMPL project is particularly noteworthy, as it aims to develop an open-source software stack that reinforces data sovereignty through secure data spaces and cloud-to-edge federations. Through SIMPL and its participation in the IPCEI-CIS project, IONOS contributes to SDG 13 by focusing on energy-efficient and climate-neutral technological solutions.

Fostering Innovation through Secure Data Ecosystems

IONOS's support for projects under the GAIA-X initiative and the SIMPL project underlines its dedication to secure, interoperable data ecosystems that facilitate digital transformation across industries. Projects such as Marispace-X, MERLOT, and HEALTH-X dataLOFT exemplify this approach by promoting data sovereignty in various sectors. The SIMPL project, in particular, showcases IONOS's role in developing tools and platforms that enable cloud-to-edge federations, aligning with the SDGs by promoting sustainable innovation and broader digital transformation.

Through strategic participation in these projects, IONOS significantly contributes to digital participation, sustainability, and data sovereignty, playing a crucial role in achieving the SDGs and driving forward Europe's digital transformation.

RESPONSIBLE GOVERNANCE

OUR APPROACH

For IONOS, good corporate governance means taking responsibility to ensure business activities are conducted in a legal and ethical manner and upholding the same standards within our supply chain. This is the foundation for trustworthy business relationships with our stakeholders. This responsibility starts at the top, with the Board including ESG criteria in their remuneration structures. In line with our business principle “we take ownership” we empower all our employees to fulfill all relevant legal obligations and act in accordance with our company ethos. Our code of conduct outlines the key rules, values, and principles that guide IONOS and gives concrete examples to illustrate how they are applied in our daily business operations.

To ensure adherence to our code of conduct and legal obligations, we have established the IONOS Compliance Management System (IONOS CMS). Our risk management system provides transparency on our risks and opportunities, enabling informed decisions aligned with our goals. Additionally, we extend our standards to our suppliers, business partners, and service providers through our IONOS code of conduct for business partners. This is supported by supplier assessment platform, which supports the protection of the human rights of workers within our supply chain.

The following is an overview of our central corporate governance policies:

- Code of Conduct
- Code of Conduct for Business Partners
- Compliance Policy
- Anti-Bribery Policy
- Incentives Policy
- Whistleblower Policy
- Dealing with indications of compliance violations and conducting internal investigations Policy
- Insider Policy
- External Personnel Policy
- Risk Management Handbook
- Business Continuity Policy
- Information Security Policies
- Data Protection Policy
- Artificial Intelligence Policy

CORPORATE GOVERNANCE

Leadership and Company Structure

The Corporate Governance of IONOS Group SE is based on the German Stock Corporation Act as well as the requirements of the German Corporate Governance Code. The Supervisory Board and Management Board report annually on the company's corporate governance in the Corporate Governance Declaration, most recently in December 2024. IONOS Group SE may deviate from the Code but is then obliged to disclose this annually in a declaration of conformity in accordance with §161 of the German Stock Corporation Act and to justify the deviations ("comply or explain").

The dedication and responsibility of our Management and Supervisory Board regarding sustainability is described in chapter 2.5 “Non-financial key figures” of the Combined Management Report. To integrate ESG risks and opportunities into our strategy, the Management Board ensures their identification and consideration. The Supervisory Board supports the Management Board and is itself supported by the Audit and Risk Committee in monitoring the IONOS governance systems as described in the subsection “Working procedures of the Supervisory Board” of chapter 6. “Declaration on company management” of the Combined Management Report. In addition to the regular code of conduct, training courses and workshops were held for the members of the Supervisory Board on particularly relevant topics such as certain aspects of sustainability and the German Corporate Governance Code. An overview of the expertise areas of our supervisory board is available in the skills matrix in the subsection “Composition of the Supervisory Board” of chapter 6. “Declaration on company management” of the Combined Management Report.

ESG Criteria are integrated in the short-term and long-term performance-based remuneration of our Management Board as described in chapter 1.2.2. “Variable remuneration” of the remuneration report. Basic information can be found in the Articles of Association of IONOS Group SE.

Diversity

Diversity in both the Management and Supervisory Boards is a priority at IONOS. Our commitment to diversity includes a 1/3 quota for women in each board, with current compositions reflecting this goal. Our aim is to promote diverse perspectives and expertise to better understand and manage the company's challenges and opportunities.

Compliance Management

Our compliance is centrally managed by the IONOS CMS led by our Head of Legal, who directly reports to our CFO. This structure is supported by a Compliance Team and local Compliance Coordinators, who implement compliance measures in our international sites. Scheduled and ad-hoc meetings between the Compliance Coordinators and our Head of Legal are used to stay on top of constantly developing legal requirements. Additionally, a Group Compliance Committee aligns our compliance efforts with our parent company. All compliance issues are communicated to Board Members on a quarterly and annual basis.

Every quarter, each subsidiary of IONOS GROUP SE performs a compliance risk check. Additionally, on average every two years, this is supplemented with a more detailed compliance risk assessment. Through this, the IONOS CMS identifies risks for corporate and individual misconduct. The findings are used to define and prioritize measures for the prevention, detection of and response to compliance breaches.

Cultivating a Culture of Compliance & Prevention

A fundamental element of prevention is the culture we cultivate through our Code of Conduct and training. These are part of the onboarding of new employees and set expectations for employee interactions, including the prohibition of discrimination, adherence to health and safety standards, treatment of customers, and principles of information security and data protection. They also cover compliance with fair competition, anti-corruption guidelines, conflict of interest policies, and our commitment to responsible supply chain management and sustainability.

As abstract rules and policies are often hard to understand and even harder to remember, our focus is on providing our employees practical and relevant examples. With regards to anti-corruption, we ensure employees review the policy and understand processes on the acceptance and giving of gifts, including when to involve the legal department. This is then supported by testing our employees' knowledge. This familiarizes them with processes and gives them feedback on their abilities to judge and navigate corruption risks. In December 2024, we introduced an additional anti-corruption training for board members, managers, and high-risk roles like sales and purchasing. This training covers corruption risks and how to manage them including dealing with officials, customers and suppliers, and documentation requirements.

The Code of Conduct and trainings are reinforced by a wide range of supplementary policies that delve deeper into particular subjects and provide additional resources for employees. The Head of Legal and the local Compliance Managers also support our employees with all questions relating to compliance.

Detection and Response Mechanisms - Audits and Whistleblowing

The IONOS CMS detects compliance breaches through compliance audits and the anonymous IONOS Integrity Line which is open to all internal and external stakeholders. Whistleblowers using the IONOS Integrity Line are assured anonymity and protected from retaliation in line with EU regulation. To support whistleblowers and provide transparency on our processes we have published a comprehensive guide, accessible on our employee Intranet and company website. All stakeholders also have the option of directly contacting our Compliance Team, their respective Compliance Coordinators or, where available, the Works Council. Reported compliance violations are first reviewed and validated by our Compliance Team. The Whistleblowing Committee then reviews and discusses all relevant reports. The Whistleblowing Committee consists of the IONOS Head of Legal, the compliance representatives from our parent company and other relevant functions as required. The committee makes recommendations for responses to the violations, the implementation of which is decided by our Management Board. To ensure a uniform and legally sound implementation of this process a policy on dealing with indications of compliance violations and conducting internal investigations has been established.

Risk Management

The IONOS Risk Management System is led by our Risk Management Team, overseen by our CFO and aligned with the corporate risk management of our parent company. A company-wide risk management software facilitates collaboration with departments. Regular cross-departmental meetings serve to coordinate efforts and adapt our risk management strategy. Quarterly reports are communicated to the Management and Supervisory Boards, ensuring transparent oversight. Our risk management handbook empowers employees to recognize and manage potential risks in line with our established protocols. The efficacy of our risk management practices is regularly evaluated through both internal and external audits. For non-financial risks, please refer to the risk tables included in this report, and for financial risks, please consult our financial report for further details.

HUMAN RIGHTS & SUPPLY CHAIN

IONOS is committed to respecting and promoting the protection of universally acknowledged human rights, adhering to the principles set forth in the Universal Declaration of Human Rights, United Nations Guiding Principles on Business and Human Rights and the UN Global Compact. IONOS commits to the prohibition of forced, compulsory and child labor, prohibits all form of discrimination and supports the right to freedom of association, fair pay, and equal opportunities for all employees.

This responsibility is something we exercise across all our operations, and processes and we expect our partners to do the same. Our network of suppliers and business partners covers among others hardware, software, energy and colocation data center providers as well as contractors, consultants and specialists supporting our operations. The IONOS Code of Conduct for Business Partners describes our requirements for ethical business practices as well as social and ecological responsibility within our value chain. This includes the prohibition of forced labor and child labor, health and safety regulations and processes for conflict minerals and conflict metals.

To ensure our commitment to human rights a Human Rights Officer, as well as human rights coordinators in relevant functions have been appointed. Risk assessments of our own operations and our supply chain are carried out annually. A potential human rights risk in our operations is unfair pay, especially in the Philippines. We prevent this risk by ensuring wages consistently meet or exceed minimum requirements. Guided by internal compensation guidelines, we conduct annual, market-driven salary reviews, along with performance-based incentives and benefits such as pensions and health programs. Our approach, impartial and focused on role and skill, includes annual market benchmarking to maintain our compensation competitiveness on the market.

The risk analysis of our supply chains is performed using a supplier sustainability assessment platform. This platform provides supplier sustainability assessments in areas like environmental protection, labor and human rights, ethics, and sustainable procurement. Additionally, it evaluates supplier practices and suggests measures and corrective actions to ensure continual improvement of their sustainability performance and mitigation of potential human rights risks.

All internal as well as external stakeholders can report potential violations of our standards by using the IONOS Integrity Line.

EU TAXONOMY

The EU Taxonomy is a classification system designed to identify and label ecologically sustainable business activities, with the goal of redirecting capital flows toward a more sustainable economy. The taxonomy covers six environmental objectives:

- Climate change mitigation
- Climate change adaptation
- Transition to a circular economy
- Sustainable use and protection of water and marine resources
- Pollution prevention and control
- Protection and restoration of biodiversity and ecosystems

For each objective, the EU has defined specific criteria and established a list of activities. These activities are categorized as either "eligible," indicating that the activity could align with EU criteria but lacks verification of alignment, or "aligned," indicating that the activity is verified to meet the EU criteria. In accordance with the requirements of the EU Commission, only the eligibility was determined for the objectives three to six.

The following table indicates our turnover, capital expenditure (CapEx) and operational expenditure (OpEx) in the financial year 2024 and the proportion of these associated with taxonomy eligible activities, the proportion that is not taxonomy eligible and the proportion that is aligned with the taxonomy.

		Turnover		**CapEx**		**OpEx**	
		€ m	*%*	*€ m*	*%*	*€ m*	*%*
Total		**1.560,3**	**100,0**	**91,5**	**100,0**	**32,3**	**100,0**
of which eligible for the taxonomy	6.5 Transport by motorbikes, passenger cars and light commercial vehicles	0,0	0,0	0,7	0,8	0,1	0,4
	7.7 Acquisition and ownership of buildings	0,0	0,0	11,8	12,9	0,0	0,0
	8.1 Data processing, hosting and related activities	1.560,3	100,0	74,3	81,2	17,9	55,5
	Sum	**1.560,3**	**100,0**	**86,8**	**100,0**	**18,1**	**100,0**
of which not eligible for the taxonomy		0,0	0,0	4,6	5,1	14,2	44,1
of which aligned with the taxonomy		0,0	0,0	0,0	0,0	0,0	0,0

The figures in accordance with the EU taxonomy can be found in the Facts & Figures section of this report.

Determination of eligible activities

In the determination of eligible activities, we focused first on our core business activities. IONOS services include among other Domains, Homepages, Webhosting, Server, Cloud Solutions and E-Shops and Online-Storage. These services fit the activity 8.1 “Data processing, hosting and related activities” which is defined as “storage, manipulation, management, movement, control, display, switching, interchange, transmission or processing of data through data centers, including edge computing” and is relevant for the objective of Climate mitigation. IONOS has identified those activities that focus on hosting and data storage, such as online storage, as eligible activities. No distinction was made between hosting and data storage activities that take place at own and third-party data centers. Other activities that only (marginally) involve the transfer of data are not considered under activity 8.1.

In addition, the cross-sectional and infrastructure activities 6.5 “Transport by motorbikes, passenger cars and light commercial vehicles” and 7.7 “Acquisition and ownership of buildings” were identified in connection with capital and operational expenditures at IONOS. The activities are allocated exclusively to the environmental objective "climate protection", as there are currently no adaptation plans with specific measures and therefore neither capital nor operating expenditure can be allocated to the environmental objective “adaptation to climate change”.

Assessment of alignment

Activity 8.1. Data processing, hosting and related activities

IONOS does not report any aligned activities with the EU criteria. IONOS is operating an ISO 50001 certified energy management system for our own Data Centers, as a result, we partially meet the alignment criteria. However, through engagement with external auditors we believe fulfilling all alignment criteria would result in operations in most cases becoming energy inefficient and act against climate objectives. Our colocation providers have not provided us with sufficient information to verify their compliance with the EU criteria.

Cross-cutting and infrastructure activities

For alignment with the taxonomy when purchasing production from taxonomy-aligned economic activities, the supplying companies must provide evidence of this alignment. For the capital and operational expenditures in connection with activities 6.5 and 7.7, this evidence was not provided. The respective expenditures are therefore reported as non-taxonomy-compliant for the 2024 reporting year.

Note on the figures

In accordance with the Commission notice (C/2023/305 (FAQ)), IONOS Group SE has waived a conformity assessment for activities that are not essential to its business activities due to a lack of data and evidence of compliance with the technical assessment criteria.

Determination of turnover, capex and opex

Turnover

The proportion of the eligible turnover was obtained by dividing the net turnover generated through the eligible activities (numerator) by our total revenue, in accordance with IAS (International Accounting Standards) 1.82 (a), corresponding to the total revenue in the IONOS Group SE Consolidated Financial Statement 2024 in the table "Consolidated statement of comprehensive income" (denominator).

Capital expenditures

The proportion of the eligible capital expenditures was obtained by dividing the relevant capital expenditures (numerator) by the total capital expenditures (denominator). The numerator is based on the capital expenditures related to assets or processes for the performance of the economic eligible activities.

The denominator represents the total capital expenditures based on additions to property, plant and equipment and intangible assets. The period is the financial year under review before depreciation, amortization and any revaluations for the financial year in question and excluding changes in fair value (in particular application of IAS 16, 38, IFRS 16 Leases with right-of-use assets). The taxonomy-relevant capital expenditures are reported in the IONOS Group SE Consolidated Financial Statements 2024 in the table "Development of intangible assets and property, plant and equipment 2024" under "Additions" (denominator).

Operational expenditures

The proportions of the eligible operational expenditures were obtained by dividing the relevant operational expenditures (numerator) by the total capital expenditures (denominator).

The numerator is based on operating expenses in connection with aligned economic activities as well as in connection with the acquisition of production and individual measures that make the target activity low-carbon or reduce greenhouse gas emissions as well as individual building refurbishment measures. The denominator represents the total operating expenses as defined by the taxonomy and relates to non-capitalized costs in connection with research and development, building refurbishment, short-term leases, necessary maintenance and repair of property, plant and equipment by the company or third parties and training costs (in accordance with DelVO 2021/2178).

FACTS & FIGURES

This section presents key performance indicators (KPIs) across various dimensions: Planet, People, Digital Responsibility, Customer, and Responsible Governance. These KPIs are integral to our sustainability strategy, reflecting our commitment to environmental stewardship, social responsibility, and ethical governance. The data depicted here illustrates our progress and ongoing efforts to enhance our sustainability performance.

PLANET ESG METRICS

Environment

DATA CENTERS[1]		2019	2020	2021	2022	2023	2024
Overall energy use	Energy consumption (MWh)	118.157,7	115.133,2	115.087,5	120.751,6	121.016,8	115.063,1
	Share of renewable electricity[2] (%)	100	100	100	100	100	100
	Share of renewable energy (%)	98,9	98,9	99,4	99,3	99,2	99,3
	Renewable energy (MWh)	116.891,7	113.924,1	114.383,7	119.926,6	120.022,4	114.306,9
	Fossil energy (MWh)	1.266,1	1.209,2	703,8	825,0	994,2	756,2
	Nuclear energy (MWh)	0	0	0	0	0	0
Efficiency	Energy efficiency weighted average[3] (PUE)	1,52	1,48	1,47	1,46	1,43	1,39
	Carbon Usage Effectiveness[4] (CUE)	n/a	n/a	n/a	n/a	0.002	0.003
	Water Usage Effectiveness[5] (WUE)	n/a	n/a	n/a	n/a	0,02	0.003
Electricity	Renewable electricity (MWh)	116.876,7	113.910,1	114.371,7	119.910,7	119.990,5	114.279,5
	Non-renewable electricity (fossil) (MWh)	0	0	0	0	0	0
	Non-renewable electricity (nuclear) (MWh)	0	0	0	0	0	0
	Self generated renewable energy[6] (MWh)	0	0	0	5,5	1.170,0	2.141,2
Fuels	Diesel (fossil) MWh)	1.200,9	1.148,2	651,2	783,6	950,3	708,8
	Biofuels (renewable) (MWh)	0	0	0	6,4	21,2	15,7
District heating & cooling[7]	District heat (fossil) (MWh)	65,2	60,9	52,6	41,4	44,0	47,3
	District heat (renewable) (MWh)	15,0	14,0	12,1	9,5	10,7	11,7

1) Data covers all IONOS Group SE own data centers.
2) Directly sourced renewable electricity from utility suppliers.
3) PUE is adjusted to account for photovoltaic energy generation and temperature fluctuations.
4) Measured as kg per kWh.
5) Measured as liters per kWh.
6) Energy generated from photovoltaic systems.
7) The energy mix for district heating & cooling energy (fossil and renewable proportions) is estimated based on national averages.

OFFICES[1]		2022	2023	2024
Overall energy use	Energy consumption (MWh)	4.098,5	6.569,5	6.975,8
	Share of renewable electricity[2] (%)	79,8	82,0	87,7
	Share of renewable energy (%)	62,1	50,6	62,4
	Renewable energy (MWh)	2.546,9	3.322,8	4.352,0
	Fossil energy (MWh)	1.479,7	3.201,7	2.601,6
	Nuclear energy (MWh)	71,9	45,0	22,3
Electricity[3]	Renewable electricity (MWh)	2.546,9	2.836,1	3.969,4
	Non-renewable electricity (fossil) (MWh)	572,3	575,8	536,7
	Non-renewable electricity (nuclear) (MWh)	71,9	45,0	22,3
	Self generated renewable energy (MWh)	0	0	0
Fuels	Natural gas (MWh)	907,4	653,8	515,1
	Heating Oil (MWh)	n/a	n/a	57,5
District heating & cooling[4]	District heat (fossil) (MWh)	n/a	1.972,1	1.492,2
	District heat (renewable) (MWh)	n/a	486,7	382,5

1) Data covers all IONOS Group SE offices where energy is paid for directly either to landlords or utility suppliers.
2) Includes renewable electricity directly sourced and renewable electricity within the country grid mix.
3) Where traditional grid mix electricity is sourced, the energy mix (fossil and renewable) is estimated based on national averages.
4) The energy mix for district heating & cooling energy (fossil and renewable proportions) is estimated based on national averages.

COLOCATION DATA CENTERS		2022	2023	2024
Overall energy use[1]	Energy consumption[2] (MWh)	25.159,4	26.154,9	31.310,9
	Share of renewable electricity[2] (%)	81,1	92,5	89,6

1) Based on actual and estimated data linked to the IONOS energy management system.
2) Calculation accounts for public claims of renewable electricity usage by colocation suppliers, Renewable Energy Certificates (RECs) purchased by IONOS, and averages of the national grid mix where relevant.

ALL OWN FACILITIES[1]		2022	2023	2024
Overall energy use	Energy consumption (MWh)	124.850,1	127.586,3	122.038,9
	Share of renewable electricity (%)	99,5 %	99,5 %	99,5 %
	Share of renewable energy (%)	98,1 %	96,7 %	97,2 %
	Renewable energy (MWh)	122.473,5	123.345,2	118.658,9
	Fossil energy (MWh)	2.304,7	4.195,9	3.357,8
	Nuclear energy (MWh)	71,9	45,0	22,3

1) All own data centers. All offices where energy is paid for directly either to landlords or utility suppliers.

COMPANY CARPOOL	2022	2023	2024
Petrol (litres)	33.591,4	42.527,0	102.059,9
Diesel (litres)	124.675,6	136.597,2	42.737,1
Electricity (MWh)	n/a	27,4	52,3
Electric vehicles in carpool (%)	0,7	8,6	11,9

Climate & Carbon[1,2,3,4]

DATA CENTERS	2019	2020	2021	2022	2023	2024
Scope 1 GHG emissions						
Gross Scope 1 GHG emissions (tCO2 -eq)	324,7	310,5	176,1	212,7	240,2	179,2
Scope 2 GHG emissions						
Gross Scope 2 emissions (tCO2eq)	28,2	26,3	22,7	17,9	19,3	20,8

OFFICES & COMPANY CARPOOL	2023	2024
Scope 1 GHG emissions		
Gross Scope 1 GHG emissions (tCO2 -eq)	1.051,3	941,8
Scope 2 GHG emissions[5]		
Gross Scope 2 emissions (tCO2eq)	2.571,6	1365,9

IONOS GROUP	2023	2024
Total Scope 1 & 2 GHG emissions		
Total emissions tCO2-eq	3.882,4	2.507,6
Total Scope 3 GHG emissions[6]		
3.1 Purchased goods & services	30.020,4	40.285,6
3.2 Capital goods	14.147,0	14.044,9
3.3 Fuel & energy related activities	6.210,3	3.598,4
3.4 Upstream transportation & distribution	5.423,8	5.310,3
3.5 Waste generated in operations	3,9	1,7
3.6 Business travel	1.215,6	1.201,8
3.7 Employee commuting	6.160,8	6.039,1
3.8 Upstream leased assets[7]	2.887,2	2.665,1
3.15 Investments	196,4	215,2

1) Greenhouse gas emissions for Scope 1 & 2 are determined based on group wide energy and fuel & electricity consumption of company vehicles, an operative control approach is used that recognizes leased vehicles under Scope 1 & 2. For energy, in majority of cases actual consumption data is used, where not available estimates have been created based upon previous year data and revenue or headcounts per location. For company vehicles electricity use, we calculate emissions using the national average grid mix per relevant country.
2) The calculation of GHG emissions is primarily based on the DEFRA (Department for Environment, Food & Rural Affairs, UK) emissions factors Additional emissions factors are complemented by Ecoinvent, a lifecycle inventory database and product manufacturer factors.
3) Due to improvements in the data basis and quality, figures may differ from those of prior years.
4) Scope 2 emissions are reported as market based.
5) Significant reduction in Scope 2 emissions resulted from reductions in non-renewable electricity use relative to previous year.
6) Greenhouse gas emissions for Scope 3 are determined based on actual data and spend data. In cases where complete data is not available, we have extrapolated data based upon headcounts to ensure completeness.
7) Data covers colocation data center suppliers and accounts for actual or estimated non-renewable electricity.

Circular economy

	DATA CENTERS[1]	2023	2024
	Total waste generated	232,0	197,3
	of which actual activity data broken down by category		
Hazardous waste	Hazardous waste (recycled) (tons)	136,9	101,1
	Hazardous waste (reused) (tons)	28,1	29,2
	Hazardous waste (disposed of) (tons)	0,0	0,0
Non-hazardous waste	Non-hazardous waste (recycled) (tons)	59,4	59,4
	Non-hazardous waste (disposed of) (tons)	7,6	7,6
Waste disposal	Recycling rate (%)	84,6	81,4
	Reuse rate (%)	12,1	14,8
	Landfill rate (%)	3,3	3,8

1) Data is based upon a waste register linked to the IS014001 environmental management system.

	OFFICES[1]	2023	2024
	Total waste generated	7,4	3,6
	of which actual activity data broken down by category		
Hazardous waste	Hazardous waste (recycled) (tons)	1,8	2,7
	Hazardous waste (reused) (tons)	5,6	0,9
	Hazardous waste (disposed of) (tons)	0,0	0,0
Waste disposal	Recycling rate (%)	24,5	74,5
	Reuse rate (%)	75,5	25,5
	Landfill rate (%)	0	0

1) Data is provided by our green IT partner AfB, covering IONOS German operations, comprising office IT equipment.

PEOPLE ESG METRICS

Employee Overview

Metric	2022	2023	2024
Employee Headcount	4.210	4.364	4.037
Employee Full Time Equivalent (FTE)	4.044,7	4.175,2	3.927,7

Employees by Gender

Metric	Male	Female	Gender unspecified	Total
Total Employees	2.774	1.262	1	4.037
Permanent Employees	2.729	1.233	1	3.963
Temporary Employees	45	29	0	74
Full-time Employees	2.637	1.024	0	3.661
Part-time Employees	137	238	1	376

Employees by Country

Metric				Europe				North America	Asia-Pacific
	Germany	*France*	*UK*	*Spain*	*Romania*	*Poland*	*Austria*	*USA*	*Philippines*
Number of Employees	2.079	9	242	441	269	322	58	113	504
Permanent Employees	2.027	9	242	431	269	311	57	113	504
Temporary Employees	52	0	0	10	0	11	1	0	0
Full-time Employees	1.796	7	225	396	268	314	38	113	504
Part-time Employees	283	2	17	45	1	8	20	0	0

Employees by Region

Metric	North America	Europe inc. UK	Asia-Pacific
Number of Employees	113	3.420	504
Permanent Employees	113	3.346	504
Temporary Employees	0	74	0
Full-time Employees	113	3.044	504
Part-time Employees	0	376	0

Diversity & Inclusion

	Metric	2022	2023	2024
Gender	% Women	31,0	31,0	31,3
	% Women Managers Total	26,0	26,0	24,9
	% Women Managers Executives	13,2	9,5	18,3
	% Women Managers Senior	22,1	24,0	22,4
	% Women Managers Mid-Level	28,8	27,6	29,3
	% Women in Tech[1]	16,6	11,6	15,4
	% Women in Non-tech	37,9	35,8	41,9
Nationality[2]	Number of Nationalities	69	72	74
	% Non-National managers	5,4	5,5	8,5
Age	% Age < 30	27,4	28,0	20,9
	% Age 30-50	60,7	59,7	66,0
	% Age > 50	11,9	12,3	13,1
Diversity & Inclusion	% Adjusted Gender Pay Gap[3]	n/a	1,6	2,4
	% Managers Trained in Diversity	n/a	75,8	81,0
	Number of People with Disabilities	59	69	65

1) Represents proportion of women in technical departments rather than technical specific roles.
2) All IONOS Group SE companies excluding Home.pl and World4You.
3) Adjusted gender pay gap considering job level, tenure, location, organizational unit and gender. Data excludes World4You, due to technical availability and comparability of data.

Talent Attraction and Retention

	Metric	2022	2023	2024
Employee Turnover	Employee Turnover	18,2	12,6	16,3
	Male Turnover	13,8	11,5	10,6
	Female Turnover	22,6	13,9	5,7
New Hires	Total Hires Number	578	456	624
	% Male Hires	66,8	64,7	67,5
	% Female Hires	33,2	35,3	32,5
Average Tenure	Average tenure by years	6,0	6,5	7,7
Employee Engagement[1]	% Employee Engagement Survey Participation	n/a	66,0	86,0

1) Data does not include World4You and Home.pl.

Training and Development

Metric	2022	2023	2024
Total Hours Provided[1]	19.768,3	44.165,0	40.166,8
Average Hours Training per Employee	4,7	10,1	10,0
€m Total Spend	1,6	1,6	1,4
% Employees with Career Development Review	n/a	71,1	70,0

1) Data currently covers e-learnings for all IONOS Group and Customer Care trainings in Germany, France, UK, USA and Philippines.

Health and Safety

Metric	2024
Number of work related accidents	9
Number of Fatalities	0

Collective Bargaining

Metric	Collective Bargaining Coverage[1]		Social Dialogue[2]
	Employees in the EEA (european economic area)	*Employees not in the EEA*	*Workplace representation in the EEA*
Coverage 0-19 %	All countries	All regions	All countries
Coverage 20-39 %	-	-	-
Coverage 40-59 %	-	-	-
Coverage 60-79 %	-	-	-
Coverage 80-100 %	-	-	-

1) No collective bargaining agreements are applied at IONOS Group SE.
2) Strato AG has a works council. Overall, however, the proportion of the workforce affected is still >20%.

DIGITAL RESPONSIBILITY METRICS

Data Privacy and Information Security

Metric	2024
% Information Security Management System Coverage[1]	84,0
% Employees completing Information Security training[2]	87,0
% Employees completing Data Protection training	85,4
Number of reported data breaches	6
€ fines and penalties	0

1) Data currently covers our entire parent company United Internet.
2) Covers a period of two years until January 2025.

RESPONSIBLE GOVERNANCE METRICS

Corporate Governance

Topic	Metric	2023	2024
Code of Conduct	% Employees completing Code of Conduct training	83,5	77,6
Anti-Bribery & Corruption	% Employees completing Anti-Bribery & Corruption training	83,5	77,6
	% of Employees in functions at risks completing corruption prevention e-learning	n/a	60,8
	Number of confirmed incidents	0	0
	Of which connected to terminated contracts with business partners	0	0
	Number of convictions for violations	0	0
	€ fines and penalties	0	0
Financial Integrity	Incidents of money laundering or insider trading	0	0
	Incidents of conflicts of interest	0	0
Discrimination	Number of reported incidents including harassment[1]	5	2
	€ fines and penalties	0	0
Human Rights	Number of incidents	0	0
	Of which breaching international agreements	0	0
	€ fines and penalties	0	0

3) As reported via our IONOS Integrity Line.

ESG RISKS & IMPACTS

The following analysis outlines the material Environmental, Social, and Governance (ESG) risks and opportunities that our organization faces as well as the material Impacts, we potentially and actually have on our stakeholders. Identifying and understanding these factors are critical for informed decision-making and strategic planning. This assessment aids in navigating potential challenges and leveraging opportunities to foster sustainability and resilience.

ESG Risks & Impacts

Pillar / Topic	Risk / Material Impact	Description and Mitigation
Planet		
Climate Change *ESRS E1*	*Long-term risk* Lack of decarbonization causing competitive disadvantages	Among growing sensitivity to climate change, failing to decarbonize our operations could lead to competitive disadvantages with investors, customers, and employees. Our plan to mitigate this risk is formulated in the targets and the measures described in the chapters Renewable Energy, Sustainable Design and Sustainable Operations. *Indicators: All own facilities emissions (scope 1-3)*
	Negative long-term impact Energy demand	IONOS operations consume energy, which could lead to an increase of overall energy prices. We minimize this impact through the measures described in the chapters Renewable Energy, Sustainable Design and Sustainable Operations. *Indicator: PUE*
	Negative long-term impact GHG emissions	The energy consumption of our operations could lead to GHG emissions. We minimize this impact through the measures described in the chapters Renewable Energy, Sustainable Design and Sustainable Operations. *Indicators: All own facilities emissions (scope 1-3)*

Circular Economy *ESRS E3*	*Negative mid-term impact* Insufficient management of resource use causing environmental pollution	Failure to adopt circular economy practices in our data center operations and hardware management may lead to negative environmental impacts resulting from raw material use in our value chain and e-waste generation at end of life. We minimize this impact through the measures described in the chapter Circular Economy. Additionally, the chapter Human Rights & Supply Chain describes our expectations regarding, among others, environmental practices of suppliers. *Indicators: IT equipment recycled and refurbished*
People		
Talent Attraction & Retention *ESRS S1*	*Mid-term risk* Declining attractiveness as an employer	Declining attractiveness as an employer for potential employees as well as current employees and increased costs for personnel, driven by intensifying competition for employees, could lead to difficulties recruiting and retaining talent, which would risk the stability of our operations. We tackle this risk through the measures described in the chapter Talent Attraction & Retention. *Indicators: Employee Headcount, Employee Turnover, Average tenure by years*
Training & Development *ESRS S1*	*Long-term risk* Declining employee skills & performance	IONOS success depends on the knowledge and skill of its employees. Failing to develop our human capital would therefore lead to a decline in our performance. We tackle this risk through the measures described in the chapter Training & Development. *Indicators: Total Hours Provided, €m total spend*
Diversity & Inclusion *ESRS S1*	*Negative short-term impact* Harassment of stakeholders	IONOS does not tolerate any form of discrimination or harassment. As with any organization, it is impossible to eliminate the risk of individual incidents. In the chapter Diversity & Inclusion we describe how we foster an inclusive company culture and in the chapter Compliance Management we explain how potential cases can be reported and are handled. *Indicator: Number of reported incidents*
Digital Responsibility		
Information Security & Data Protection *ESRS S1 & S4*	*Short-term risk* Loss of confidentiality	Cybersecurity threats could lead to the loss of confidentiality of IONOS and stakeholder data. This could compromise our operations and strategy, lead to data protection lawsuits, and damage our reputation. The chapters Information Security and Data Protection describe how we monitor and mitigate this risk. *Indicators: Number of reported data breaches, % employees completing Information Security training*
	Short-term risk Loss of availability of data	Cybersecurity threats could lead to the irremediable loss of data. This could entail business disruptions, data protection lawsuits and reputational damages. The chapters Information Security and Data Protection describe how we monitor and mitigate this risk. *Indicators: Number of reported data breaches, % employees completing Information Security training*
	Short-term risk Loss of data integrity	External and internal cybersecurity threats could lead to unnoticed data manipulation. This could lead to business disruptions, data protection lawsuits and reputational damages. The chapters Information Security and Data Protection describe how we monitor and mitigate this risk. *Indicators: Number of reported data breaches, % employees completing Information Security training*
	Negative short-term impact Cyberattacks/incidents affecting stakeholders	As a data center operator, IONOS is responsible for a large amount of data and computing power and is therefore a sought-after target for criminal actors who want to tap into this data or use the computing power for DDOS attacks against third parties, for example. If IONOS does not succeed in preventing these attacks or stopping them promptly, the attackers can also harm IONOS stakeholders such as customers and business partners. The chapters Information Security and Data Protection describe how we monitor and mitigate this potential impact. *Indicator: Number of reported breaches*

Artificial Intelligence	*Long-term risk* Competitors adopt AI faster	AI tools can offer productivity gains. If IONOS doesn't adequately leverage this benefit, it might face a loss of competitive advantage. How we turn this risk into an opportunity is described in the chapter Artificial Intelligence. *Indicator: % Employees completing AI training*
	Long-term risk IONOS not capitalizing on the market chances of AI	Especially in the SME market of IONOS there is a lot of growth potential for AI tools. If IONOS were to not capitalize on these chances it would face severe competitive disadvantages. How we turn this risk into an opportunity is described in the chapter Artificial Intelligence. *Indicators: % Employees completing AI training, Revenue*
	Positive long-term impact Integration of AI in processes and services	While IONOS itself can benefit from the integration of AI in its processes and services, this is also a benefit for IONOS customers, who receive improved services and efficiencies and for IONOS employees, which are less burdened by repetitive and routine tasks. See the chapter Artificial Intelligence for more information. *Indicators: NPS, Revenue*
Responsible Governance		
Corporate Governance *ESRS G1*	*Mid-term risk* Non-Compliance	IONOS operates in a highly regulated sector with even more demanding requirements from customers. This poses the risk of possible non-compliance with legal requirements. In the chapter Compliance Management, we describe how the risk of non-compliance is monitored and mitigated. *Indicators: Number of confirmed incidents, € fines and penalties*
Human Rights & Supply Chain *ESRS G1 & S2*	*Negative short-term impact* Human rights and labor rights violations in the supply chain	The hardware for IONOS data centers is manufactured in our value chain using raw materials sourced globally. These extensive supply chains can extend into regions with limited regulatory oversight, carry the risk of human rights and labor rights violations, affecting workers. In the chapter Human Rights & Supply Chain we describe how this risk is monitored and mitigated. *Indicators: Number of incidents, € fines and penalties*
Customer		
Customer *ESRS S4*	*Mid-term risk* Customer satisfaction decreases	Customer satisfaction is the foundation for our business success. A decline in customer satisfaction could impact future revenue and growth opportunities. Our customer centric approach to turn this risk into an opportunity is described in the chapter Customer Care. *Indicators: NPS, Revenue*

Climate Risks & Mitigation

Category	Risks	Mitigation & Adaptation
Physical		
Acute	Medium to long-term risk of extreme short-term weather events resulting in property damage and operational disruptions	Evaluation of long-term environmental risks as for new data centers and implementation of related mitigation measures
Chronic	Long term risk of climate impacts leading to higher resource and insurance premium costs in own operations as well as up- and downstream supply chain	Design and construction of energy & resource-efficient data centers Energy efficiency investments in existing data centers Investment in self-generated renewable energy Preference for colocation data center providers with renewable energy or related targets
Transitional		
Policy & Legal	Short to medium term risk of increased regulatory compliance costs associated with carbon reporting, auditing and of related building standards	Integration of carbon reporting within existing management systems
	Short to medium term risk of carbon pricing mechanisms increasing capital and operating costs	Design and construction of energy & resource-efficient data centers Sourcing of renewable energy
Technology	Medium term risk of lack of adoption of newer energy-efficient technologies contributing to increased costs	Design and construction of energy & resource-efficient data centers Energy efficiency investments in existing data centers Investment in self-generated renewable energy
Market	Short to medium term risk of shifts in customer preferences towards suppliers with lower energy and carbon impacts	Sourcing of renewable energy Tracking customer preferences through tender requirements
Reputational	Short to medium term risk of negative stakeholder perceptions from not adequately addressing climate change impacts or from potential greenwashing	Transparent communication with stakeholders regarding climate change current & planned measures

Climate Opportunities & Adaptation

Category	Opportunities	Mitigation & Adaptation
Resource Efficiency	Short to medium-term opportunity of energy efficiency of company's operations reducing costs	Optimization of data center operations for energy efficiency Investment in efficient equipment and infrastructure Dedicated energy management team and management systems
Energy Source	Short-to long-term opportunity of lower-emission through use of renewable sources of energy	Continued use of renewable electricity sources for operations Investment in self-generated renewable energy
Products & Services	Short to medium-term opportunity of shift of consumer preferences towards the company due to sustainable operations	Transparent communication with stakeholders regarding climate change current & planned measures

EU TAXONOMY

This section addresses our alignment with the EU Taxonomy for sustainable activities. It provides an overview of how our operations and investments contribute to environmental objectives as defined by the EU Taxonomy framework.

Turnover

Financial year 2024		Year		Substantial Contribution Criteria						DNSH criteria ('Does Not Significantly Harm') (h)									
Economic Activities (1)	Code (a) (2)	Turnover (3)	Proportion of Turnover, year 2024 (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (4)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguard (17)	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) turnover, Year 2023 (18) [1]	Category enabling activity (19)	Category transitional activity (20)
		€ million	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	J/N	Y/N	Y/N	%	E	T
A. TAXONOMY ELIGIBLE ACTIVITES																			
A.1. Environmentally sustainable activities (taxonomy aligned)																			
Turnover of environmentally sustainable activities (taxonomy aligned) (A.1)		0,0	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	N	N	N	N	N	N	N	0,0%		
Of which enabling activites		0,0	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	N	N	N	N	N	N	N	0,0%	E	
Of which transitional		0,0	0,0%	0,0%						N	N	N	N	N	N	N	0,0%		T
A.2 Taxonomy eligible but not environmentally sustainable activities (not taxonomy aligned activities) (g)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Data processing, hosting and related activites	CCM 8.1	1.560,3	100,0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								100,0%		
Sale of second-hand goods	CE 5.4	0,0	0,0%	N/EL	N/EL	N/EL	N/EL	EL	N/EL								0,0%		
Turnover of taxonomy eligible but not environmentally sustainable activities (not taxonomy aligned activities) (A.2)		1.560,3	100,0%	100,0%	0,0%	0,0%	0,0%	0,0%	0,0%								100,0%		
A. Turnover of taxonomy eligible activites (A.1+A.2)		1.560,3	100,0%	100,0%	0,0%	0,0%	0,0%	0,0%	0,0%								100,0%		
B. NOT TAXONOMY ELIGIBLE ACTIVITIES																			
Turnover of not taxonomy eligible activities		0,0	0,0%																
Total		1.560,3	100,0%																

The code represents the abbreviation of the relevant objective to which the economic activity can make a significant contribution and the number of the section of the activity in the relevant annex that covers the objective, i.e.

- Climate Change Mitigation: CCM
- Circular Economy: CE

Y – Yes, taxonomy eligible and with the relevant environmental objective compliant activity
N – No, taxonomy eligible but not with the relevant environmental objective compliant activity

EL – 'eligible', not taxonomy eligible activity for the respective object
N/EL – 'not eligible", not taxonomy eligible activity for the respective object

Capital Expenditures

Financial year 2024	Year			Substantial Contribution Criteria						DNSH criteria ('Does Not Significantly Harm') (h)									
Economic Activities (1)	Code (a) (2)	CapEx (3)	Proportion of CapEx, year 2024 (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguard (17)	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) CapEx, Year 2023 (18) [1]	Category enabling activity (19)	Category transitional activity (20)
		€ million	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	J/N	Y/N	Y/N	%	E	T
A. TAXONOMY ELIGIBLE ACTIVITES																			
A.1. Environmentally sustainable activities (taxonomy aligned)																			
CapEx of environmentally sustainable activities (taxonomy aligned) (A.1)		**0,0**	**0,0%**	**0,0%**	**0,0%**	**0,0%**	**0,0%**	**0,0%**	**0,0%**	**N**	**N**	**N**	**N**	**N**	**N**	**N**	**0,0%**		
Of which enabling activites		**0,0**	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	N	N	N	N	N	N	N	0,0%	E	
Of which transitional		**0,0**	0,0%	0,0%						N	N	N	N	N	N	N	0,0%		T
A.2 Taxonomy eligible but not environmentally sustainable activities (not taxonomy aligned activities) (g)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	0,7	0,8%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								1,5%		
Acquisition and ownership of buildings	CCM 7.7	11,8	12,9%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								11,1%		
Data processing, hosting and related activites	CCM 8.1	74,3	81,2%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								80,2%		
CapEx of taxonomy eligible but not environmentally sustainable activities (not taxonomy aligned activities)) (A.2)		**86,8**	94,9%	94,9%	0,0%	0,0%	0,0%	0,0%	0,0%								92,8%		
A. CapEx of taxonomy eligible activites (A.1+A.2)		**86,8**	94,9%	94,9%	0,0%	0,0%	0,0%	0,0%	0,0%								92,8%		
B. NOT TAXONOMY ELIGIBLE ACTIVITIES																			
CapEx of not taxonomy eligible activities		**4,6**	**5,1%**																
Total		**91,5**	**100,0%**																

The code represents the abbreviation of the relevant objective to which the economic activity can make a significant contribution and the number of the section of the activity in the relevant annex that covers the objective, i.e.

- Climate Change Mitigation: CCM
- Circular Economy: CE

Y – Yes, taxonomy eligible and with the relevant environmental objective compliant activity
N – No, taxonomy eligible but not with the relevant environmental objective compliant activity

EL – 'eligible', not taxonomy eligible activity for the respective object
N/EL – 'not eligible", not taxonomy eligible activity for the respective object

Operational Expenditure

Financial year 2024		Year		Substantial Contribution Criteria						DNSH criteria ('Does Not Significantly Harm') (h)									
Economic Activities (1)	Code (a) (2)	OpEx (3)	Proportion of OpEx, year 2024 (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safeguard (17)	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) OpEx, Year 2023 (18) [1]	Category enabling activity (19)	Category transitional activity (20)
		€ million	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	J/N	Y/N	Y/N	%	E	T
A. TAXONOMY ELIGIBLE ACTIVITES																			
A.1. Environmentally sustainable activities (taxonomy aligned)																			
OpEx of environmentally sustainable activities (taxonomy aligned) (A.1)		**0,0**	**0,0%**	**0,0%**	**0,0%**	**0,0%**	**0,0%**	**0,0%**	**0,0%**	**N**	**N**	**N**	**N**	**N**	**N**	**N**	**0,0%**		
Of which enabling activites		**0,0**	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	0,0%	N	N	N	N	N	N	N	0,0%	E	
Of which transitional		**0,0**	0,0%	0,0%						N	N	N	N	N	N	N	0,0%		T
A.2 Taxonomy eligible but not environmentally sustainable activities (not taxonomy aligned activities) (g)																			
				EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL	EL; N/EL										
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	0,1	0,4%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0,5%		
Data processing, hosting and related activites	CCM 8.1	17,9	55,5%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								61,8%		
Sale of second-hand goods	CE 5.4	0,0	0,0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0,0%		
OpEx of taxonomy eligible but not environmentally sustainable activities (not taxonomy aligned activities)) (A.2)		**18,1**	55,9%	55,9%	0,0%	0,0%	0,0%	0,0%	0,0%								62,3%		
A. OpEx of taxonomy eligible activites (A.1+A.2)		**18,1**	**55,9%**	55,9%	0,0%	0,0%	0,0%	0,0%	0,0%								62,3%		
B. NOT TAXONOMY ELIGIBLE ACTIVITIES																			
OpEx of not taxonomy eligible activities		**14,2**	**44,1%**																
Total		**32,3**	**100,0%**																

The code represents the abbreviation of the relevant objective to which the economic activity can make a significant contribution and the number of the section of the activity in the relevant annex that covers the objective, i.e.

- Climate Change Mitigation: CCM
- Circular Economy: CE

Y – Yes, taxonomy eligible and with the relevant environmental objective compliant activity
N – No, taxonomy eligible but not with the relevant environmental objective compliant activity

EL – 'eligible', not taxonomy eligible activity for the respective object
N/EL – 'not eligible", not taxonomy eligible activity for the respective object

ABOUT THIS REPORT

This Sustainability Report is intended for anyone who would like to find out more about IONOS Group SE´s sustainability activities. This target group comprises in particular our stakeholders: shareholders, investors, analysts, customers, employees, business partners, NGOs, political representatives and the interested general public.

Reporting Requirements

This sustainability report contains the consolidated non-financial report of IONOS Group SE in alignment with Section 315c HGB. In addition to the non-financial report, a non-financial statement in accordance with Section 289c HGB does not have to be prepared, as the criteria of Section 289b (1) HGB are not fully applicable. This report also considers the requirements from the EU Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS). Furthermore it contains disclosures regarding the material aspects for IONOS Group: environmental matters, employee related matters, social matters, respect for human rights and anti-corruption and bribery matters.

Reporting Period and Scope of Application

IONOS´s report will be published annually going forward. This report covers the financial year from 01 January 2024 to 31 December 2024, as is the case with the financial reporting. Where appropriate prior period figures are presented or outlooks are given.

Since this is the Sustainability Report for IONOS Group SE, the statements it contains apply essentially to all divisions and locations and to all IONOS subsidiaries. This includes all KPIs published in the report. Where the scope of KPIs do not yet apply to all companies, locations and areas covered by this report, this is indicated. We intend to continuously expand the scope of data and quality on which the reporting is based.

Preparation and Publication of the Sustainability Report

The consolidated non-financial report in the form of this Sustainability Report has been prepared and published by IONOS Group SE´s Chief Financial Officer (CFO) on behalf of IONOS Group SE´s Management Board.

CONTACT

Our Investor Relations and Public Relations Department will be happy to answer any questions you may have regarding the IONOS Group Sustainability Report.

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This Sustainability Report is available in German and English. Both versions can also be downloaded from www.ionos-group.com. In all cases of doubt, the German version shall prevail.

Produced in-house with Firesys

Disclaimer: This report contains certain forward-looking statements which reflect the current views of IONOS's Management Board with regard to future events. These forward-looking statements are based on our current plans, estimates, and expectations, and only reflect facts valid at the time when the statements were made. Such statements are subject to certain risks and uncertainties, as well as other factors which IONOS often cannot influence but which might cause our actual results to differ materially from these statements. Such risks, uncertainties, and other factors are described in detail in the Risk Report section of IONOS's Annual Reports. IONOS does not intend to revise or update such forward-looking statements.

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