

Preparing for sustainability reporting while ensuring the action doesn't stay behind



Catherine Bals
Group Sustainability
Department Lead



The Proximus Group: a company playing a key role in Belgian and global society

International company with Belgian roots and 90+ years of history

10,000+ employees (FTE's) in Belgium and many indirect jobs

Serving 2.8 million Belgian residential customers daily and over 5 billion worldwide

1.4 million Fiber Homes Passed (Q1'23) & largest mobile spectrum holder

> 30 million fraudulent communications blocked per month by Telesign

€6.0 billion revenues (2023 Group underlying revenues)

€1.7 billion EBITDA (2023 Group underlying EBITDA)

€1.3 billion investments (2023 Capex excl. spectrum and football rights)

3.800 direct suppliers

1st Belgian company with NetZero ambitions validated by SBTi

+128.000 mobiles collected, +799.000 fixed devices refurbished

“Boldly building a connected world that people trust so society blooms”



Boldly building...

...a **connected world**...

Building the best **gigabit network** for Belgium

Developing **digital solutions** for everyday life

Connecting people and devices **worldwide**

...that people **trust**...

Ensuring **cybersecurity** for our **customers**

Supporting Europe in achieving **sovereignty**

Embedding highest **ethics and compliance** standards

...so society **blooms**.

Going all in in the **fight against global warming**

Promoting **digital accessibility, inclusiveness and upskilling**

Stimulating an **inspiring and inclusive work environment**

EU Green deal wants to transform the EU into a modern, resource-efficient and competitive economy and society

Objectives

No net emissions of greenhouse gases by 2050

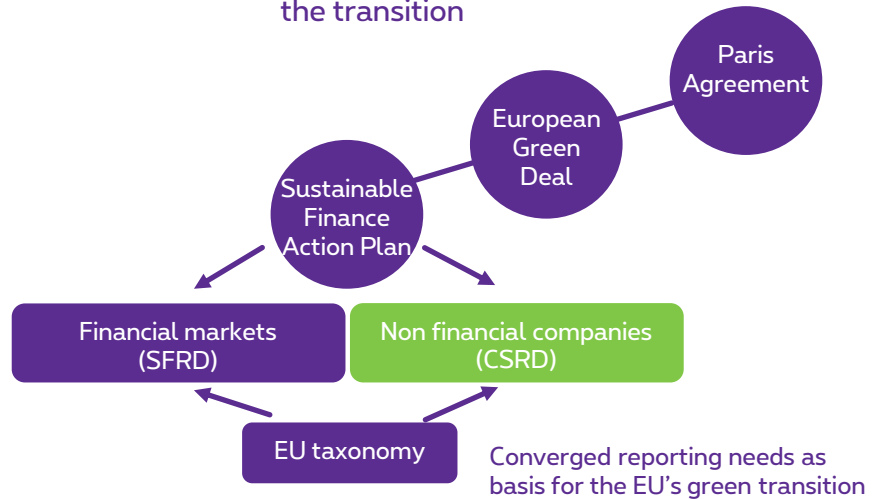
Economic growth decoupled from resource use

No person and no place left behind

↓
Multitude of legislative initiatives



Sustainable finance package at EU level aims at supporting the delivery on the objectives of the EU Green deal **channelling private investments** into the transition



- Insights in which companies are truly sustainable – no greenwashing
- Reporting gives a “licence to operate”

The arrival of CSRD brings a new level of transparency across a company's main material ESG topics

CSRD: What is it?

New EU Directive replacing NFRD (Non-financial Reporting Directive) aiming to:

- Allow transparent and standardized sustainability reporting
- Truly embed sustainability in company decision making

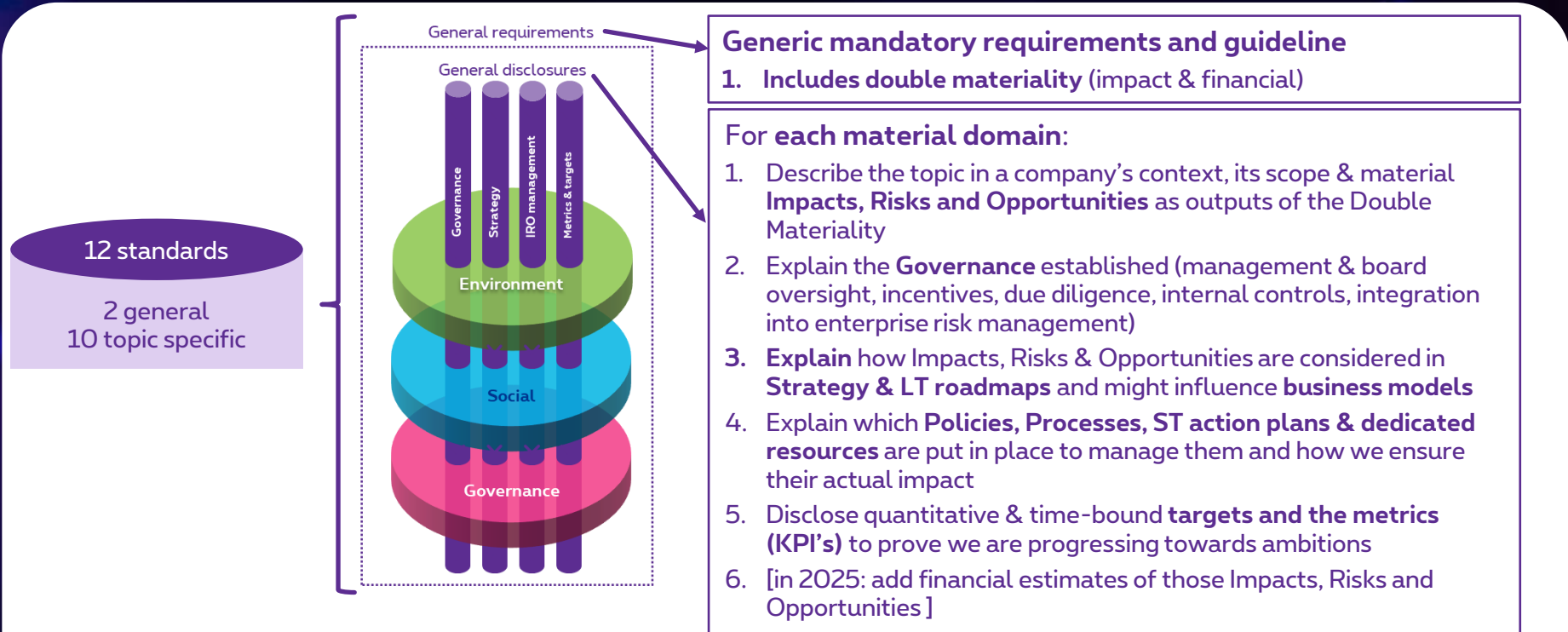
Specificities:

- External audit “limited assurance” required
- Applicable as from Full year 2024 (Annual report 2025) for first wave of companies
- Puts Sustainability at the same level as Financials:
 - Scope: Group
 - Similar exigencies to gather, disclose, audit underlying data as financial reporting

Double Materiality Assessment as foundation



It requires to disclose how you deal with risks, opportunities & impacts & serves as good practice principles to embed ESG into business operations

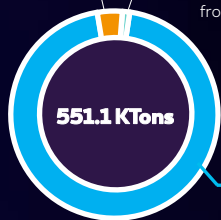


BUT you do not need to be perfect, you only need to be transparent!

In our fight against climate change we have set an SBTi approved Net Zero target for 2040 and want to be truly circular by 2030

Scope 1

5% - 27.4 Ktons
Direct emissions
 from fossil fuel
 combustion and
 refrigerant gases

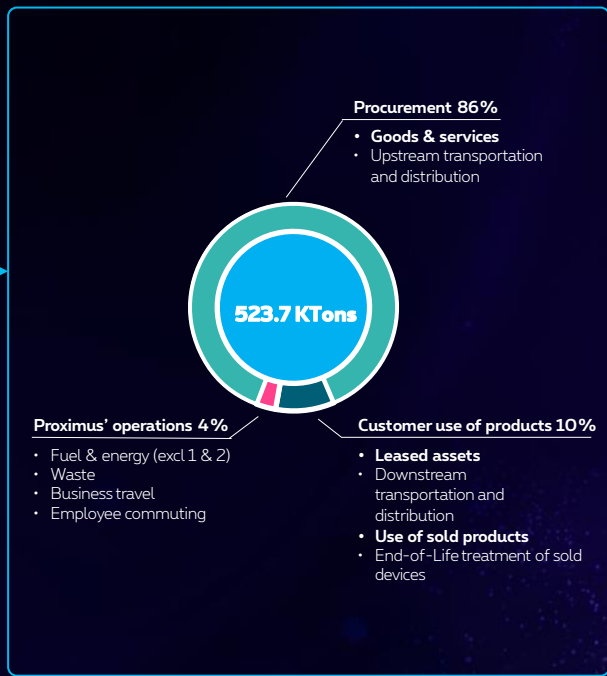


Scope 2

circa 0% - 0 Kton
Own indirect emissions
 from electricity usage

Scope 3

95% - 523.7 Ktons
Proximus' indirect emissions
 in the value chain



Procurement 86%

- Goods & services
- Upstream transportation and distribution

Proximus' operations 4%

- Fuel & energy (excl 1 & 2)
- Waste
- Business travel
- Employee commuting

Customer use of products 10%

- Leased assets
- Downstream transportation and distribution
- Use of sold products
- End-of-Life treatment of sold devices

Proximus Group CO2 footprint in 2023

Targets

vs 2020 baseline

-95%

scope 1&2 by 2030

-60%

scope 3 by 2030

-90%

scope 3 by 2040



While setting out a transition plan on Scope 1 & 2 is more controllable by focusing on renewables & energy efficiency



Keep electricity consumption under control

Efficiencies on fixed networks and buildings to compensate for expected 35% year over year data growth



Move away from fossil fuel in our operations

€17 Mio for fossil free heating in buildings
Electrification of management fleet
(only EV orders and green mobility plan)
Proof of concept for electrical technical fleet
Challenge of alternative for heavy duty vehicles

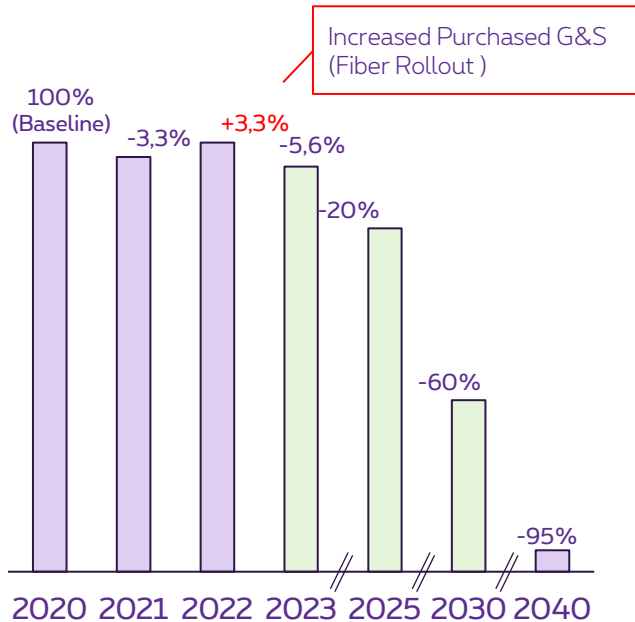


Maintain a strong green electricity sourcing strategy

Maximized self-production (solar panels)
PPA sign-offs (preferably with additionality)
Member of the RE100 initiative

The challenge remains in our Scope 3 where control over the supply chain, business model transformation and circularity are key

Scope 3 - Status and Targets



Scope 3 - Reduction Leverages and Risks

1 - Business Planning



Transformation cycles coming to an end

- Temporary increase expected to naturally come to an end:
- Fiber rollout & Mobile consolidation
 - IT transformation
 - Building outphasing



Carbon intensive new business initiatives

- Examples:
- 6G rollout
 - New business

2 - Sustainable Value Chain & circularity



Supplier Engagement

- Engage and drive change for top suppliers
- Suppliers with SBTs
- Harness supplier/Product specific data



Disruptive Business Models

- Circularity by Design:
- Refuse
 - Reduce
 - Reuse
 - Recycle



Inability to Meet Transformation Pace

- Potential hurdles:
- Competitiveness protection
 - Supply chain disruption
 - ...

Building a transition plan brings along a number of complex challenges linked to market maturity, business integration and data management

Supply chain

Decarbonisation pace of your suppliers and getting to leverage

Circularity

Business transformation alongside customer behaviour

Reporting

Creating a robust data management

CHALLENGES

- Awareness & skillset creation
- Aligning business planning & forecasting CO2
- Complex data management
- Financing transition plan
- Process adaptations & resource intensity
- Embedding it into corporate & operational governance

OPPRUNITIES

- Employee engagement
- Integration of ESG in FIN function
- Use technology (AI/GenAI) for good
- Competitive advantage
- Access to sustainable investors

Thank you