Integrated annual report **2024**

proximus
Group

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Integrated reporting approach 2024

The purpose of this report is to inform our stakeholders about our role in society. It presents an overview of our strategy, and the progress made toward achieving our goals. Additionally, it includes the full financial, environmental, social and governance statements and notes.

The information in this report refers to Proximus Group, unless otherwise stated. Proximus Group consists of Proximus SA, its affiliates, as well as the Group's interests in associates and joint ventures accounted for under the equity method and joint operations. We refer you to Note 8 of the Consolidated Financial Statements for the list of affiliates, associates, joint ventures and joint operations. Proximus SA is a Limited Liability Company of Public Law, registered in Belgium.

Our reporting process ensures that we disclose sustainability data that is balanced, comparable, accurate, reliable, and in line with the mandatory requirements of the **Corporate Sustainability Reporting Directive (CSRD)**. The structure of the Proximus integrated annual report was developed in accordance with the European Sustainability Reporting Standards (ESRS). This report, covering the 2024 financial year, is our first report compliant with the CSRD.

This report has been prepared in accordance with the current EU Non-Financial Reporting Directive (NFRD), complies with the EU Taxonomy requirements, and outlines how the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) have been applied.

The report has been independently verified by Deloitte. Deloitte's reports on the sustainability statements and the financial information can be found in the Auditor's reports.

Proximus aims to improve its reporting through continuous stakeholder engagement. The main social aspects of the report are shared with the social partners, while the complete document is presented to the shareholders during the Annual General Meeting held in April 2025.

Each year, Proximus completes questionnaires from ESG rating agencies such as CDP, Sustainalytics and EcoVadis. These evaluations enable us to monitor our performance and define actions to further embed Environmental, Social, and Governance (ESG) criteria in our processes, policies, strategy and roadmaps. In 2024, Proximus has been given an "A" score in the climate change category by CDP and has achieved the EcoVadis platinum medal.

Foreword by the CEO and the Chairman

We're in it for the long run

Dear Reader,

In 2024, we navigated in a rapidly changing market, marked by increased competition and the anticipation of changes in our market structure. Despite these challenges, we achieved exceptional operational and strong financial performance, while investing heavily in our future.

We have pursued our ambition to deploy the best networks in Belgium, with the ongoing roll-out of our fiber network set to establish high-speed connectivity for decades to come. In the Benelux, our success was also driven by our multi-brand strategy and growth in IT services. Internationally, the acquisition of Route Mobile and the creation of Proximus Global have reinforced our commitment to sustainable growth, encouraging us to plan not just for the near term, but for years ahead. All of this is underpinned by our ongoing drive to be at the forefront of innovation – particularly in the realms of AI and cybersecurity – that continues to differentiate us, enhancing the customer experience, our offerings, and our efficiency across the Group.

Best networks

In 2024, thanks to the dedication of our employees and partners, we made significant progress on our network ambitions. In the summer, we passed the milestone of 2 million homes and businesses connectable to fiber. Half of these connections have been made in the past two years, which is a remarkable feat, and highlights our substantial gains in efficiency and capacity. At the end of the year, our footprint, combined with that of our partners, brought "fiber in the street" to more than 42% of the Belgian population, and we continue working toward nationwide 5G coverage by 2026. Leveraging the broader spectrum that we acquired in 2022, we are able to offer our customers the highest-quality mobile network. These significant investments underscore our long-term commitment to Belgian society, despite limited government subsidies unlike other European countries.

Outstanding commercial performance

Thanks to our investments in fiber and 5G, we are reinforcing our product leadership in Internet and mobile services. Combined with our ongoing focus on customer experience, these efforts have positively impacted the perception of our brands in the domestic market. This excellent commercial momentum supported our strong financial results, allowing us to raise our guidance twice in 2024. Domestic Revenue, Domestic EBITDA, and Group EBITDA grew by 3.4%, 2.8% and 3.1% respectively, making us one of the fastest-growing incumbents in Europe, despite a highly competitive domestic market.

Partnering to roll out gigabit networks faster and wider

At the end of 2023, the sector regulator – the Belgian Institute for Postal and Telecom Services (BIPT) – and the Belgian Competition Authority expressed openness to collaboration agreements between operators for the deployment of fiber networks. Partnering with others would enable us to extend high-speed access to less densely populated areas, reduce redundant infrastructure, and minimize civil works. In July 2024, we signed a Memorandum of Understanding (MoU) with Wyre/Telenet and Fiberklaar to collaborate on the roll-out of fiber in Flanders. This approach would enable faster and broader fiber coverage, and provide a solution for rural areas in order to offer gigabit access for all. At the end of 2024, parties are continuing to work intensively on the agreement, expecting a positive outcome by the summer of 2025.

Building trust in digital

We are equally committed to making the digital world safe and secure. We continuously invest in protecting our networks and critical infrastructures from potential attacks. We are a key player in the government's "StopPhishing" project, aimed at implementing anti-phishing and anti-fraud platforms. Through co-investment, we implemented an AI-based solution to protect our customers against fraudulent e-mails and SMS, preventing an average of 15 million malicious messages per month from being delivered to our clients. In 2024, we extended this approach to voice calls with Call Shield, our solution to block monthly more than 200,000 fraudulent international voice calls.

Growth ambitions

We are shaping our future by expanding internationally and diversifying the Group's operations.

The acquisition of Route Mobile marked a key moment in our ambition to become a global leader in digital communications. In December, we took another significant step forward by bringing our international activities under one umbrella, Proximus Global. This new organization will allow simplification of the organizational structure and governance, and will drive commercial growth opportunities and leverage the Group's diverse talent and global presence.

On the domestic market, we launched Proximus NXT IT in July 2024, centralizing all our IT activities for our B2B customers into a single entity. This new subsidiary enables us to deliver customized IT solutions faster and more efficiently, and puts us in a good position to exploit the growth potential of this market.

Culture, talents and skills

In our industry, innovation and agility are essential to maintaining market leadership. In order to keep our employees' capacities up to date, we are actively investing in reskilling and upskilling programs. This is crucial in achieving sustainable employment, and creating jobs that are durable and future-proof for both Proximus and its employees.

Moreover, our company has embarked on its transformation into an international group. We aim to create a new corporate culture that unites our employees in Belgium with their international counterparts. This will be a challenge, but we have taken the first step with the launch of Proximus Global.

Share price

Finally, I would like to reflect on the evolution of our share price, which received particular media attention at the end of 2024. In recent years, Belgian telecom companies have faced a significant drop in share value, primarily due to heavy investment cycles in future networks and the announcement of the arrival of a new market entrant. As Belgium lagged in the roll-out of fiber, Proximus accelerated its plans to catch up with its European peers, requiring substantial short-term investments for long-term returns. In 2024, the Proximus share price continued to be overshadowed by these major investments and market structure concerns. However, the fundamentals of Proximus remained strong. As you will read in this report, we have made significant progress on all pillars of the bold2025 strategy, generating long-term value with excellent short-term operating results.

I trust the Proximus team will continue setting the pace and executing our multi-year investment plan with consistency and determination, as it will bear fruit in the long term to the benefit of all our stakeholders and the digital society.
#thinkpossible

Guillaume Boutin
CEO

Note for the reader
On February 7, 2025, before the closing of this annual report, the Proximus Group announced that its CEO, Guillaume Boutin, will be leaving the company by mid-May 2025. This report covers the company's performance and achievements under Guillaume Boutin's leadership in the 2024 reporting period.

Dear Reader,

As I write this introduction on December 31, 2024, I am proud to share in this Annual Report 2024 that Proximus, together with all its employees, has achieved an outstanding year. We delivered excellent operational and financial results for the year, in spite of challenging circumstances. From our technicians and shop staff to our account managers, IT & cybersecurity experts and support services, all played a vital role in making this happen. The results are nothing short of impressive. All figures and parameters are further detailed in this report.

Yet, the value of our share reached an all-time low.

This is the paradox faced by a listed telecom company investing in a long-term strategy, a public-sector company pushing boundaries, and a national leader striving for international growth.

Any transformation requires both a clear vision and steadfast continuity. The Board of Directors has unanimously and unwaveringly supported our CEO, Guillaume Boutin, and his team[1].

Transformation means choosing a new path. In 2025, we look forward to:

1. A new government that speaks with a unified voice and, as a majority shareholder through SFPIM, defines its strategy in collaboration with – and with due regard for – the company itself.
2. The Belgian regulators (BIPT and BCA) confirming an appropriate framework that makes the heavy investments in fiber quickly feasible and affordable for all Belgians, following the first agreements between operators that have already been submitted to them.
3. The launch of Proximus Global, integrating the historical strengths of BICS, Telesign and Route Mobile into a single global provider of digital communications services as of January 1, 2025.
4. Proximus' continued resilience in facing intensified competition in the national market, regardless of the discriminatory advantage granted to a fourth telecom player.

2025 will be particularly challenging, but we remain committed to forging a positive path for Proximus and the growing number of customers we serve.

As I conclude my 12-year mandate, I take immense pride in Proximus' remarkable evolution and the choices we have made for the future. Proximus delivers superior services to all its customers on both its mobile (5G) and fixed (fiber) networks. Beyond being a telecom operator, Proximus has become an IT leader through Proximus NXT, serving corporations and government agencies alike. Proximus is a frontrunner in cybersecurity, plays a critical role in the Belgian innovation ecosystem, and stands as a prominent provider of global and secure digital communication services in the new global economy. Additionally, we are committed to fulfilling our ESG (environmental, social and governance) commitments.

Each and every employee deserves our utmost appreciation and thanks. In a climate of social peace, a Belgian public entity has transformed into a high-performing global enterprise. Within a public-private model – moving from copper to fiber, from hardware to software, from local to global – we have become a pioneering company that is determined to remain firmly anchored in Belgium in the future.

1 The foreword by the Chairman of the Board was written at the end of December 2024. On February 7, 2025, before the closing of this annual report, the Proximus Group announced that its CEO, Guillaume Boutin, will be leaving the company by mid-May 2025.

We will continue sharing our story with all stakeholders, including our shareholders, because we believe in the immense opportunities that lie ahead. We want to deliver the most efficient telecom and IT services to all residents of Belgium while leveraging our knowledge and expertise to keep pace with global technological progress and maintain our leadership as a Belgian company.

This is a legitimate ambition in a world we have always sought to connect.

Stefaan De Clerck
Chairman of the Board of Directors

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About us

Proximus Group (Euronext Brussels: PROX) is a leading provider of future-proof **connectivity, IT and digital services** in the Benelux region, also offering **digital communications services** across global markets.

With nearly a century of experience connecting Belgian society, we currently serve more than 2.8 million residential customers and almost 450,000 businesses across Belgium every day. As a major economic player, we seize every opportunity to **positively impact the world around us**. Our investments in open, fixed and mobile networks are crucial to driving Belgium's economic growth and fostering the development of new digital ecosystems and innovative solutions.

Internationally, Proximus Group aims to become a global leader in digital communications. At the end of 2024, it created **Proximus Global**, integrating its three international affiliates – BICS, Telesign and Route Mobile – under one umbrella. By leveraging BICS's global connectivity footprint, Telesign's leadership in digital identity, and Route Mobile's expertise in customer engagement channels, Proximus Global offers seamless, end-to-end solutions to connect, engage and protect customers through every step of their digital communications journey.

Our 13,862 employees are actively engaged in shaping a fair, trustworthy and inclusive digital world, while at the same time striving for sustainable growth to the benefit of all of our stakeholders.

Trends and events impacting the telecom & ICT market

Belgium's market dynamics

In 2024, the Belgian economy demonstrated resilience despite uncertain circumstances, with increasingly negative consumer confidence and low enterprise confidence. Inflation remained significantly higher than in the rest of Europe. SMEs continued to be concerned about the economy, late payments and profitability.

In anticipation of increasing data consumption, telecom operators are making massive structural investments in high-quality fixed and mobile networks. These include an extensive fiber roll-out, expansion of 5G networks, and upgrades to coaxial infrastructure.

At the same time, the Belgian market structure is becoming more competitive, with the entry of new network operator DIGI Communications Belgium. Additionally, Telenet and Base are expanding nationwide by entering the Walloon market, while VOO's integration into Orange Belgium is also progressing in Wallonia.

Increased adoption of Generative AI

Generative AI is rapidly transforming various industries by enhancing productivity and fostering innovation. Its adoption has surged across multiple sectors. As the technologies evolve, substantial investments in ICT infrastructure are needed to enable new use cases and ensure data security.

Geopolitical context

Geopolitical tensions, armed conflicts, growing cyber threats, and other global instabilities highlight the necessity of strengthening cybersecurity, protecting data, and ensuring digital sovereignty.

Regulatory context

The complexity of the legal and regulatory environment in which Proximus operates is increasing due to additional requirements. More information can be found in the Regulatory framework.

Purpose

Proximus' sense of purpose, "**Boldly building a connected world that people trust, so society blooms**", captures the DNA of our company.

It is built on three dimensions: We are actively building a connected world (1) and have a unique role in ensuring the trustworthiness (2), security and sovereignty of these digital societies. By investing in digital accessibility and inclusiveness, and by taking action in response to global warming, individuals, households, companies and governments will flourish, and society (3) will benefit.

Our purpose is also our compass, guiding us in all we do and defining our nine Environmental, Social and Governance (ESG) commitments in which we describe our societal goals. In 2024, for the first time, we reported in accordance with the CSRD, marking a significant change in the way we report on these ESG commitments, enhancing our transparency and accountability.

More information can be found in the Sustainability Statement.

Strategy and key performance

Proximus shaped its **bold2025** strategy by placing its purpose at the core and embedding its ESG commitments. The strategy relies on these exceptional strengths: our people, our gigabit network, and our technology assets. They enable us to provide long-term value to our customers, society and shareholders.

Below is a visual representation of our strategy:

International expansion

Over the past years, Proximus Group has accomplished a step change in its international activities.

In 2021, by acquiring full ownership of Telesign and BICS, the Group gained access to new markets beyond its traditional carrier activities, fueling a steady journey of organic growth. Completed in May 2024, the acquisition of a major stake in Route Mobile paved the way to reach global scale and create **one of the worldwide leaders in the CPaaS[1] and Digital Identity markets**.

On 17 December 2024, Proximus Group announced the creation of **Proximus Global**, overarching its international activities. Effective as of January 1, 2025, this new organization, with a single, streamlined operating model and unified global leadership team, will allow simplification of the organizational structure and governance. It will drive commercial growth opportunities and leverage the Group's diverse talent and global presence, and facilitate the creation of a global leader in digital communications, while at the same time preparing the organization for a trajectory towards future value crystallization.

Technological and geographical synergies

Proximus Group offers a comprehensive suite of products covering the **entire digital communications value chain** – from person-to-person (P2P) voice and messaging to CPaaS and digital identity – enabling secure, trusted digital experiences and enhancing global customer engagement. From a customer perspective, the Group can now cater to a wide range of clients; from large digital platforms to industry leaders across various sectors, as well as smaller enterprises.

Geographically, Telesign's presence in America, Europe and Latin America, combined with Route Mobile's presence in Asia, Africa and the Middle East, solidifies Proximus as a truly global player. With operations in over 180 countries, we are well-equipped to meet future global challenges.

1 CPaaS stands for Communications Platform as a Service. It is a cloud-based technology that allows businesses to integrate real-time communication features like voice, video, and messaging into their applications using APIs (Application Programming Interfaces). CPaaS enables customizable communication without the need to build a brand-new backend.

Key Performance Indicators

The table below shows our progress towards our ambitions for 2025 and beyond:

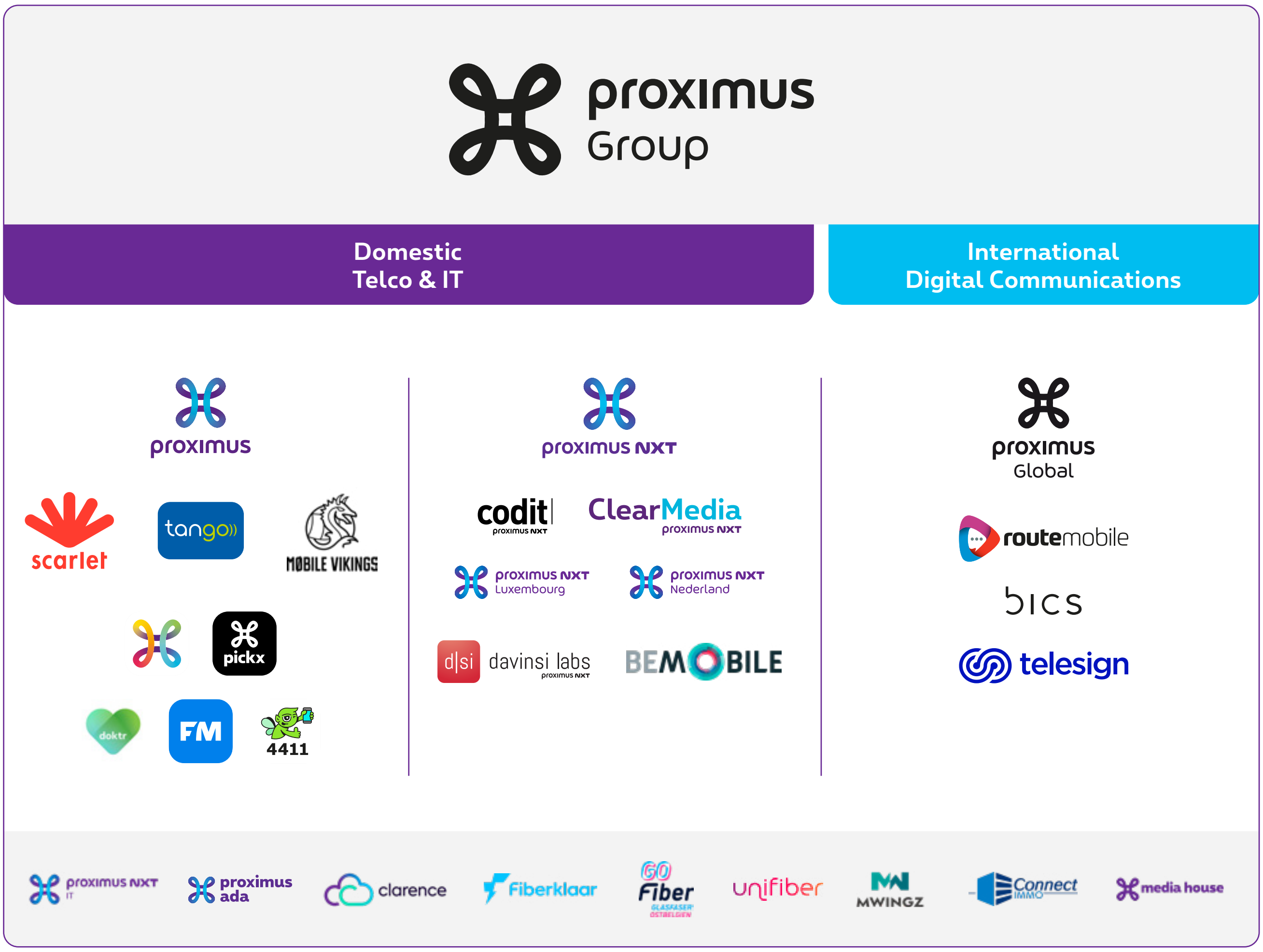
	3 year ambitions	Status 2023	Status 2024
Roll out #1 gigabit network for Belgium	**50% fiber coverage by end 2025 (>3 Mio connectable)**[1]		
	Total % of Belgian premises connectable	29%	>37%
	% "fiber in the street" coverage	34%	>42%
	100% 5G indoor coverage in 2025[1]		
	% indoor coverage	40%	67.6%
Engineer technology assets to enable digital ecosystems	**~ €70 Mio reduction in IT TCO (Total Cost of Ownership) by 2025**[1]		
	Status	on track	on track
	Maintain high cybersecurity resilience[2]		
	% Cybersecurity resilience index[4]	95.9%	99%
Foster an engaging culture and empowering ways of working	**Reach employee engagement at > 75% by 2025**[1]		
	% Employee engagement	77%	76%
	Increase % women in top management functions[3]		
	% of women holding a top management function	24%	25%
	By 2025, 95% of employees will have attended 5 training days or more/year[1]		
	% of employees having attended ≥ 5 training days	63%	82%
Delight customers with unrivalled experience	**Be number 1 in NPS in respective segments**[2]		
	NPS residential convergent customers (Internet + TV + Postpaid)	+11	+13
	NPS Scarlet	+17	+22
	NPS Mobile Vikings	+42	+46
Grow profitably, locally and globally, through strong brands	**More than 1 Mio fiber connections (residential & business)**[1]		
	Fiber connections	397,000	564,000
	Grow domestic revenues[2]		
	% year over year domestic revenues growth	4.2%	3.4%
	Grow domestic EBITDA as of 2024 with 2025 EBITDA back to the 2022 level[2]		
	% year over year domestic EBITDA growth	-1.7%	2.8%
	More than 35% of Enterprise revenues from IT[2]		
	% of Enterprise revenues from IT	33%	22.3%
	Grow international direct margin at high single digit CAGR[3]		
	% year over year international direct margin growth	4.9%	5.2%
Act for an inclusive society and be sustainable in everything we do	**Net zero by 2040**[3]		
	% year over year CO_2 emissions Scope 1+2	-13%	-16%
	% year over year CO_2 emissions Scope 3	+1%	+0.5%
	Truly circular by 2030[3]		
	# refurbished fix devices	799,432	935,378
	# mobile devices collected	128,002	140,587
	Contribute to digital inclusion in Belgium[3]		
	# people trained through digital inclusion projects	15,515	15,138

1 Proximus SA
2 Proximus Domestic
3 Proximus Group
4 The Cybersecurity resilience index represents the ratio of: [the number of major incidents for which a visible business impact was prevented thanks to adequate security controls or for which the CSIRT was able to quickly mitigate the impact] on [the total number of major incidents]. This index is calculated at Group level, excl. BICS, Telesign and Route Mobile.

Brands

Proximus Group is divided into two distinct segments:

- **domestic segment**: our Telco and IT businesses in Belgium, the Netherlands and Luxembourg;
- **international segment**: our global digital communications operations.



Domestic segment – Residential market

Proximus is our reference brand in Belgium, and the leader in converged connectivity services. With Proximus, we help our customers get the most out of the digital world through our superior connectivity solutions, innovative digital platforms, and a superior servicing approach.

Scarlet is a "no-frills" brand for customers looking for simple solutions at the best prices. Scarlet makes quality home and mobile connectivity affordable for all.

Mobile Vikings is a 100%-digital brand offering both mobile and Internet-at-home solutions. Its high-performing and competitively priced solutions appeal to young (at heart) digital-savvy customers.

Tango is the leading alternative operator in Luxembourg, offering fixed and mobile telephony, Internet, and television services to residential customers and small businesses.

The **Proximus+** app allows customers to manage their products and services, and offers features designed to simplify people's daily lives.

Pickx is Proximus' digital TV platform, offering live TV, streaming and on-demand video, available on all customers' screens (mobile, TV, laptop and tablet).

Doktr is a secure and user-friendly video consultation service for patients and healthcare professionals.

The **4411** mobility app and the **Flitsmeister** navigation app are two services that improve the daily mobility of travelers.

Domestic segment – Enterprise market

Proximus NXT is Proximus' convergent B2B ICT umbrella brand for the Benelux region. Together with its ecosystem of partners and affiliates, Proximus NXT helps companies to address the complexities of digitization, such as artificial intelligence, mixed reality and cloudification, securely and sustainably, leveraging its unique expertise in managed IT services and advanced connectivity.

Proximus NXT Luxembourg is a market leader in ICT and telecom services in Luxembourg. Areas of expertise include ICT infrastructure, cloud, fintech solutions, cybersecurity, enterprise applications, managed services and telecom services.

Proximus NXT Netherlands is a strategic IT service provider focused on building safe and reliable ICT infrastructures. It specializes in networking, cloud, cybersecurity and data & AI to help organizations accelerate their digital transformation and ensure business continuity.

Codit designs, builds and manages data-driven cloud solutions. Codit connects and aggregates the data derived from apps, objects and systems, and turns it into value for companies.

Davinsi Labs is one of the leading Digital Security & Intelligence Services players in the Benelux region. It offers cybersecurity and intelligence solutions to protect enterprises against cyberattacks.

ClearMedia provides assets such as Infrastructure-as-a-Service (IaaS), cybersecurity services and digital workplace solutions tailored to the SME market.

Be-Mobile specializes in smart mobility solutions for public authorities, road operators, car manufacturers and enterprises.

International segment

BICS enables global communications for telecom operators and enterprises all around the world by connecting people, applications, and things across borders. It provides solutions ranging from global voice and messaging to roaming and fraud prevention, IoT, and cloud communications. As a major global voice carrier and the leading provider of mobile data services worldwide, BICS is headquartered in Brussels and has a strong presence in Europe, Africa, the Americas, Asia and the Middle East.

Telesign, based in the US, is a fast-growing leader in digital identity and programmable communications solutions, serving eight of the world's ten largest digital enterprises. Telesign helps enterprises connect with their customers, protect online users, and defend them throughout the full customer journey. It provides services in over 180 countries.

Route Mobile, headquartered in India, is a leading global provider of cloud communication services, specializing in CPaaS solutions. Its extensive product and service offerings include SMS, OTT messaging, chatbots, voice, email, SMS filtering, analytics, and monetization. Operating in over 20 countries, it serves more than 3,000 enterprise customers.

Other brands

Proximus NXT IT is a specialized IT services organization, dedicated to delivering end-to-end integrated IT solutions, including consultancy, implementation and managed services, across the Benelux region. It is structured around five core technology practices: Security, Networking, Cloud, Workplace and Data & AI.

Proximus Ada, a fully-owned affiliate of Proximus, is the first Belgian center of excellence combining artificial intelligence and cybersecurity. Proximus Ada's expertise is used to serve the Group's various entities and their customers.

Clarence, a joint venture between Proximus NXT Luxembourg and LuxConnect, aims to market a disconnected sovereign cloud based on the Google Distributed Cloud Hosted (GDCH) offering to our professional customers in the Benelux region.

Fiberklaar, a fully-owned affiliate of Proximus, is in charge of accelerating the fiber deployment in medium-density areas across Flanders.

Unifiber, a joint venture between Proximus and Eurofiber, is in charge of accelerating the fiber deployment in medium-density areas across Wallonia.

GoFiber (Glasfaser Ostbelgien), a public-private partnership between the German-speaking Community of Belgium, Ethias and Proximus, aims to roll out fiber throughout the region.

MWingz, a joint venture between Proximus and Orange Belgium, is dedicated to building and operating a shared mobile access network.

ConnectImmo, a fully-owned affiliate of Proximus, is the real estate company of Proximus Group.

Proximus Media House (PMH), a fully-owned affiliate of Proximus, specializes in content creation, editing, broadcasting, and live production.

Value creation model

Proximus' value creation model gives insights into what inputs we leverage, how we add value, and how we contribute to society.

Main inputs

Employees
- 13,862 employees
- 25% women holding a top management function
- 98.9% permanent contracts

Suppliers
- 3,200 active suppliers

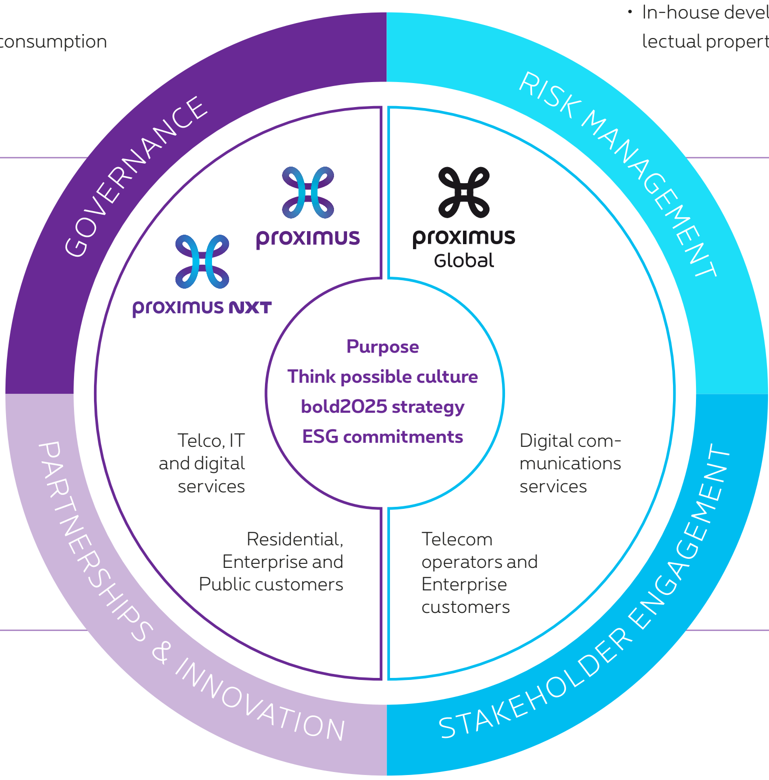
Environment
- 426,250 MWh energy consumption

Operations & society
- Presence in 180+ countries
- Global mobile network reaching 1,000+ destinations
- 5 cyberthreat detection centers worldwide
- >37% of Belgian premises connectable to fiber
- 67.6% 5G indoor coverage in Belgium

Financial assets
- EUR 1,355 million CapEx
- EUR 3,912 million net debt
- 32% sustainable sources of financing on total

Intellectual assets
- Strong and trusted brands
- Strong know-how and expertise
- In-house developments protected by intellectual property rights

Business model



Main outputs

Employees
- Engagement score 76%
- EUR 49.56 million invested in training
- 10% turnover rate

Suppliers
- Supplier Engagement Program with our top 150 supplier
- Supplier Code of Conduct included in all contracts

Environment
- 422,284 tons GHG emissions
- 5,873 tons waste
- >1 million collected mobile phones and refurbished fix devices

Operations & society
- Connecting +5 billion mobile subscribers
- Fraud prevention solutions blocking >666 million fraudulent calls attempts and >127 million phishing messages annually, and preventing the transmission of 30+ million fraudulent transactions each month
- BICS Roaming SMS Translator helping bridge the global digital divide
- Good NPS scores for residential customers in Belgium
- Fastest Internet in Belgium recognized by Ookla

Financial assets
- EUR 1,850 million Group underlying EBITDA
- EUR 0.6 per share dividend
- EUR 57 million tax contribution

Intellectual assets
- BICS: compliant with the GLF Code of Conduct
- Strategic partnerships with start-ups, academia and leading global players
- Pickx content and platform

Impact on SDGs

4 Quality Education · 5 Gender Equality · 8 Decent Work and Economic Growth · 9 Industry, Innovation and Infrastructure · 12 Responsible Consumption and Production · 13 Climate Action · 16 Peace, Justice and Strong Institutions

Main inputs

We consider our diverse **workforce** to be one of our most valuable assets in pursuing our ambitions.

We also view our **suppliers** as key partners in realizing our vision, mission and strategy. Our Procurement department manages our relationship with 3,200 suppliers across 52 countries.

Proximus Group is present in 180+ countries. We connect Belgium through **future-proof gigabit networks** and by strengthening the capacity of our network and IT infrastructure, bringing "fiber in the street" to more than 42% of the Belgian population and achieving 67.6% indoor 5G coverage. Globally, our network of networks is one of our biggest assets, reaching over 1,000 mobile destinations, including more than 500 direct connections to MNOs and MVNOs. We also operate 5 cyberthreat detection centers worldwide. Proximus Group uses 426,250 MWh of **energy** in its operations.

Lastly, our input consists of **financial and intellectual assets**. The financial capital is made available by debt providers, and is predominantly invested in network deployment. Our strong and trusted brands, reputation, and capacity to drive innovation are part of our intellectual capital.

Business model

Our sense of purpose "**Boldly building a connected world that people trust, so society blooms**" acts as our compass. Our **Think possible** culture is a positive mindset through which we see opportunities everywhere. It is also a set of principles and behaviors that guide us in finding the best solutions for our customers.

Our nine **ESG commitments** set out our societal values, while our **bold2025** strategy puts our purpose and commitments into practice. The sustainable value creation model is driven by our business activities.

Through our **leading brands**, we meet the demands of a wide range of customers in the residential, enterprise, public sector and wholesale markets, both in the Benelux region and internationally.

At the global level, we invest in the domain of digital communications. We **connect** customers across the world and enable enterprises and organizations to **engage** with their end-users across a variety of channels, while providing high levels of **protection** against fraud.

Good governance, effective **risk management** and **active stakeholder engagement** are essential to sustainable governance. The corporate governance statement and sustainability statement describe in detail how all of this is organized and embedded within Proximus. The risk management report describes Proximus' main risks and how these are mitigated. Innovative **partnerships** and a mindset open to **innovation** help unlock new business opportunities that have a positive impact on the planet and society.

Main outputs

The value Proximus creates for its stakeholders is measured by **financial** return, **social** return, and **environmental** and social indicators. More information on social and environmental returns and indicators can be found in the Sustainability Statement.

In terms of social indicators, Proximus measures the engagement of its employees and turnover rate, among other things.

With regards to our suppliers, supplier engagement in CO2 emission reduction and adherence to our Supplier Code of Conduct are closely monitored.

We are committed to building trust in technology by providing high-quality services and products worldwide. This is described in the Report on our activities chapter. We are actively working towards a safer digital society, fighting online fraud and cybercrime, while all the time raising awareness of data security and privacy risks.

Digitalization offers many opportunities, but also poses a series of challenges. We want everyone to be able to use and benefit from digitalization, so that nobody is left behind.

When it comes to the environment, Proximus strives to minimize its impact by reducing its CO2 emissions, adopting circular behaviors, and supporting its enterprise customers in reducing their greenhouse gas emissions.

Our main financial outputs are our EBITDA, dividend, and tax contribution. More information can be found in the Management Report and the Consolidated Financial Statements.

Finally, our strategic partnerships and innovative services make extensive use of intellectual assets.

Impact on SDGs

Proximus' activities contribute to seven of the **Sustainable Development Goals** (SDGs). Details of our contributions can be found in the Annex.

Governance overview

Board of Directors

The Board of Directors is composed of 14 people.

Stefaan De Clerck
Chairman of the Board of Directors of Proximus

- Chairman of the Board of Directors of the Proximus Pension Fund and Proximus Art
- Member of the Board of Directors of Connectimmo and member of the Orientation Council of Euronext and of the Bureau of Eurometropole Lille-Kortrijk-Tournai

Guillaume Boutin
CEO/Managing Director Proximus

- Chairman of the Board of Directors of Telesign, Route Mobile, BICS
- Managing Director of Proximus Global
- Chairman of the Stakeholder Relation Committee and Member of the Corporate Social Responsibility Committee of Route Mobile, Member of the Board of Director Proximus Art, Lead Independent Director Pluxee

Caroline Basyn
Chief Digital & Information Officer Adecco Group

- Board advisor at Shared Services & Outsourcing Network

Cécile Coune
Director of companies

- Member of the Board of Directors QBE Europe, Securex Group, Credendo GSR
- Charity Chairwoman of the Belgian Federation of Philanthropic Foundations

Karel De Gucht

Director of Companies

- Independent Director on the Board of Directors and Audit Risk of ArcelorMittal SA
- Member of the Board of EnergyVision
- Chairman of the Board of Youston
- Member of the Advisory Board of CVC Capital Partners
- CEO of Sas La Macinaia

Béatrice de Mahieu

Executive Director, CEO BeCode.org

- Executive Director BeCode SRL & VZW
- Member of the Board of Directors Fondation les Petits Riens, Akkanto, Chapter Zero Brussels, Slimme Regio Vlaanderen VZW and Belmpact
- Member of the Investment Committee Miles Ahead

Martin De Prycker

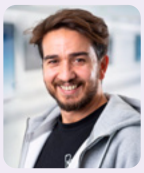
Partner at Qbic

- Member of the Board of Directors of EVS, Arkite, Faktion, Fraudbuster (Paris)
- Observer at the Board of Morrow

Audrey Hanard

Partner Dalberg Global Advisors

- Chairwoman of the Board of Directors bpost
- Member of the Board of Directors Dalberg and Impact Finance Belgium



Ibrahim Ouassari

Founder and Managing Director MolenGeek

- Manager at Urbantech

Catherine Rutten
Vice-President International, Government Affairs & Public Policy Vertex Pharmaceuticals

- Member of the Board of Women on Board

Joachim Sonne
Senior Advisor AustralianSuper Ltd

- Senior Advisor at ErnieApp Ltd, Titanbay Ltd, 1FS Wealth Ltd, Suprafin Ltd, NPL Markets Ltd

Claire Tillekaerts
Director of companies

- President of the Regency Council of the National Bank of Belgium
- Member of the Board of Directors imec, Belgian National Orchesta, International Film Festival Ghent, Raad Het Laatste Nieuws

Catherine Vandenborre
CFO Elia Group

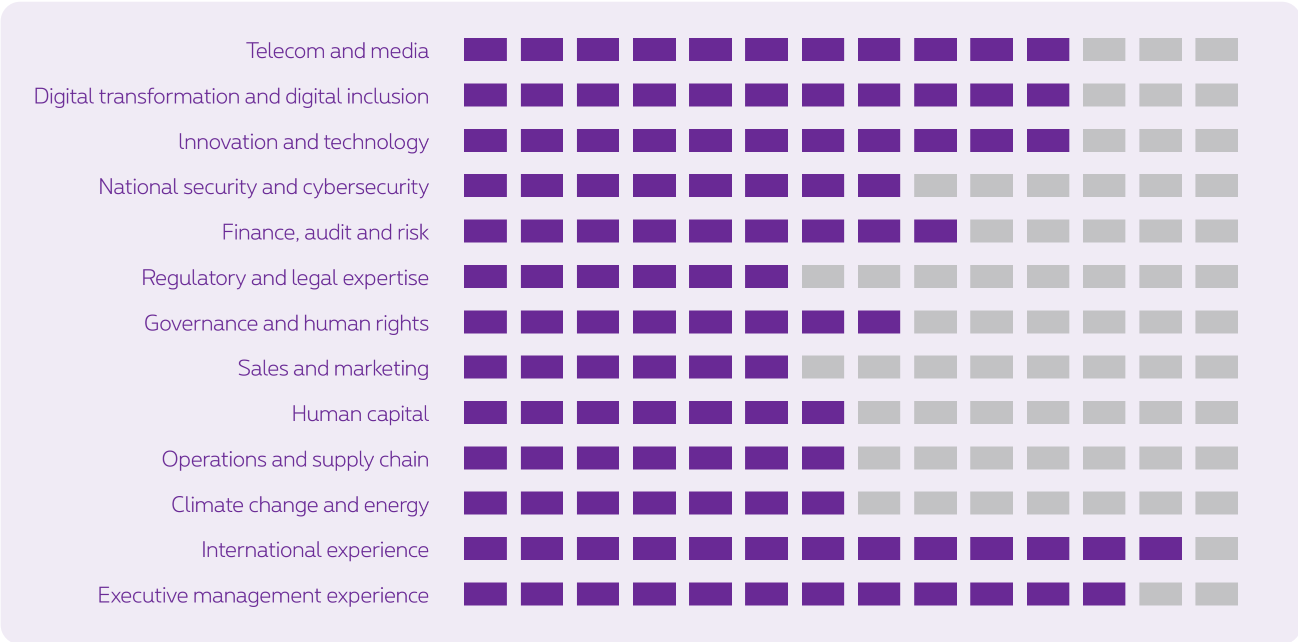
- Member of the Board of Directors and Audit Committee Rexel France and Eurogrid International
- Member of the Board of Directors of Pension Fund Proximus, Eurogrid GmBH, WinGrid, Re.alto-energy SRL and Canel SRL

Luc Van den hove
President & CEO imec

- Member of the Board of Directors Voka
- Member of Technology and Strategy Committee ASML

The members of the Board of Directors bring complementary expertise and skills.

Overview of the competences of the Board of Directors



Proximus Leadership Squad

The role of the **Proximus Leadership Squad (PLS)** is to support the CEO in the day-to-day management of the Group and to act as a team, leading forward all matters related to the Group.

In addition to the CEO, the PLS is composed of eight members.

Guillaume Boutin
CEO

Jan Van Acoleyen
Group HR Lead

Geert Standaert
Network & Wholesale Lead

Mark Reid
Group Finance Lead

Ben Appel
Group Corporate Affairs Lead

Anne-Sophie Lotgering
Enterprise IT Services & Segments Lead

Renaud Tilmans
Enterprise Telco Services & Operations Lead

Jim Casteele
Consumer Market Lead

Antonietta Mastroianni
Digital & IT Lead

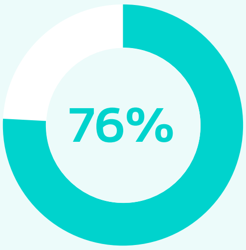
The PLS is assisted by two committees: a Domestic Management Committee (DMC) and an International Management Committee (IMC).
More information can be found in the Corporate governance statement and the Sustainability Statement.

Highlights 2024

proximus Global

Creation of Proximus Global, overarching our international activities

Group underlying revenue[2]	EUR 6,430 million	CapEx[3]	EUR 1,355 million
Group underlying EBITDA[2]	EUR 1,850 million	Free Cash Flow (adjusted)[4]	EUR 58 million



Employee engagement

5G indoor coverage

Fiber in the street

Awarded the EcoVadis Platinum medal

140,587

mobile devices collected for recycling

935,378

refurbished fix devices

"A" score in the climate change category from CDP

Acquisition of a majority stake in Route Mobile

Acquisition of full ownership of Fiberklaar

Launch of affiliate Proximus NXT IT

Release of the Proximus+ app

Partnership with Infosys to leverage Digital Identity (DI) and Communications Platform as a Service (CPaaS) solutions

Partnership with Microsoft for collaboration on digital communications and cloud

2 The definition of the Group underlying revenue and EBITDA can be found in the Management discussion and analysis of financial results.

3 Excl. spectrum and football rights

4 Excl. M&A transactions and M&A related transaction costs.

Report on our activities[1]

Domestic activities	27
International activities	39

Domestic activities

Rolling out the best gigabit network for Belgium

Rolling out the best gigabit network for Belgium is one of Proximus' main strategic priorities. Together with our partners, we are committed to investing in a future-proof network that guarantees a **secure and fast connection for everyone at all times**. High-speed gigabit networks are crucial to stimulating innovation, strengthening our economy and allowing citizens to keep up with the ever-evolving digitalization. To that effect, fiber and 5G are undisputed superior technologies.

Proximus aims for 100% of Belgian households and businesses to have access to gigabit connectivity.

We foster a level playing field for competitors, as our gigabit network is a **fully open-access platform** on which all other service providers are welcome to offer their own services to their end customers.

Fiber network

In 2024, Proximus and its partners continued to roll out the fiber network at a high pace, with one home or business being added every 13 seconds. At the end of the year, the fiber footprint reached more than 37% of total Belgian premises, representing 2.2 million homes and businesses connectable to fiber. Our footprint, combined with that of our partners, brings "fiber in the street" to more than 42% of the Belgian population. Moreover, 66% of enterprises inside industrial zonings were connectable, and fiber works were ongoing in 171 cities and municipalities.

In May 2024, Ookla®, a world-renowned independent provider of speed tests, confirmed that Proximus fiber is **the fastest Internet in Belgium**.

Strategic steps in the deployment in Flanders

At the end of July 2024, we announced two separate agreements that mark significant strategic milestones in the fiber roll-out across Flanders. Firstly, we signed a Memorandum of Understanding (MoU) on fiber collaboration with Wyre/Telenet and Fiberklaar. Secondly, we acquired 100% of Fiberklaar, in which we previously held an approximately 50% minority stake.

Memorandum of Understanding

The MoU with **Wyre/Telenet** and **Fiberklaar** sets out the key terms for a potential future collaboration on faster and broader deployment of (predominantly fiber) gigabit networks to approximately 2.7 million homes in areas with medium-to-low population density in Flanders:

- In the medium-density areas, Wyre and Fiberklaar would build complementary fiber networks for approximately 2 million homes (of which 60% by Wyre and 40% by Fiberklaar).
- In the more rural areas, covering approximately 700,000 homes, Proximus would have access to Wyre's open Hybrid Fiber-Coax (HFC) network.

The objective is to maximize the utilization of fiber networks while ensuring broader fiber coverage at an accelerated pace.

- **Faster and broader coverage**: With the envisaged collaboration, 80% of our customers in Flanders would benefit from ultra-fast Internet, largely fiber-based.
- **Cost efficiency**: We could significantly reduce our total investment in less densely populated regions, while keeping public works for municipalities and citizens to a minimum.

1 For detailed information on our commercial and financial performance, refer to the Management discussion and analysis of financial results. Detailed information on our ESG performance can be found in the Sustainability Statement.

- **Advocate of smart collaboration**: Collaboration between operators can optimize deployment and maximize the use of networks. This would benefit consumers, all stakeholders, and the competitiveness of our country.

The realization of the collaboration is dependent on the parties reaching a final agreement and obtaining regulatory & antitrust approvals, and is also subject to no adverse regulatory findings or impacts.

Full acquisition of Fiberklaar
Established in 2021 as a joint venture with EQT Infrastructure, Fiberklaar has grown from a start-up to a strong partner. Now, it plays a crucial role in **accelerating our fiber roll-out in Flanders**. In July 2024, we reached an agreement with EQT Infrastructure on the acquisition of its majority stake, making Proximus the full owner of Fiberklaar. Through the future integration of Fiberklaar operations, we secured full ownership economics of the network, ensuring enhanced strategic autonomy, with synergies expected through the optimization of funding and operating costs.

Steady progress in Brussels and Wallonia

In 2024, we also continued to roll out fiber ourselves in densely populated areas in Flanders and in Brussels, and with our partner **Unifiber** in Wallonia and **GoFiber** (Glasfaser Ostbelgien) in the German-speaking community with steady progress.

Mobile network

We have a strong track record in pioneering mobile communications to deliver the best possible mobile experience to our customers. We aim to build on this by further strengthening our mobile network.

5G is essential for this progress: its speed – up to ten times faster than 4G – ultra-low latency, and expanded capacity enable new applications and ways of working. Notably, we have observed a significant increase in Net Promoter Score (NPS) among customers using 5G. More information can be found in the following sections of this chapter.

Mobile leadership

During the spectrum auction of 2022, Proximus acquired the **largest share of the spectrum** compared to its competitors, securing this advantage for the next 20 years. This investment has created optimal conditions for Proximus to roll out 5G and offer the best mobile experience in Belgium.

In April 2024, Proximus also purchased the 5G spectrum acquired by IT services company NRB at the same auction.

For Proximus, the acquisition of additional 5G spectrum will further enhance the mobile experience it offers its customers. It will enable Proximus to add more capacity when needed, and allow it to serve more customers simultaneously. In this way, it greatly reduces any risk of saturation of its mobile network.

In 2023, 5G was mainly available across Flanders. Thanks to the positive evolution of the legal framework, we were also able to accelerate our roll-out in Wallonia and the Brussels Region throughout the course of 2024. By the end of the year, 5G was available in more than 2/3 of the cities and municipalities, with **national indoor coverage of 67.6%**.

We invest where it matters for our customers. This explains why, in the BIPT 5G coverage maps of 2024, we held the first place for 5G indoor coverage (where the majority of the customer experience happens) and the second position for 5G outdoor coverage. This is complementary to our undisputed **4G coverage leadership** where we offer our customers the best reach in Belgium, including in unfavorable areas such as trains.

Our continued investments in our network are paying off. According to the BIPT 2024 annual test campaign, Proximus network scores best for both 4G and 5G download speed, and has the lead in mobile coverage. On the international scene, OpenSignal, a leading independent analyst of consumer mobile experience, also recognizes Proximus as the **leader in 5G download speeds**.

Partnerships

Our joint venture with Orange Belgium, **MWingz**, aims to develop a mobile access network by **sharing telecom equipment**. The spectrum licenses and our core networks remain discrete, however. Sharing equipment allows us to reduce each operator's number of mobile sites by 40% by 2026, while simultaneously improving the coverage of the shared network by 20%. The main benefits for end users and society will be a better overall mobile experience thanks to wider coverage, deeper indoor coverage, and a faster 5G roll-out with fewer mobile sites.

At the end of 2024, a total of 580 sites were dismantled through MWingz.

Proximus is also modernizing its mobile network together with major European partners. Through our partnership with **Nokia**, we are upgrading our Mobile Radio Access Network (RAN) equipment. Our partnership with **Ericsson** is aimed at upgrading and modernizing our Mobile Data Core Network.

Technological innovation

Together with Nokia and Ericsson, we continue to work on technological innovations that will lead to new opportunities for our customers. An example of this is **5G slicing**, which allows the network to be broken down into "slices" (or "virtual networks") and assigned to specific applications, such as emergency services in the event of a particular incident. With its ecosystem of partners, Proximus continues to develop innovative 5G applications that address societal and business needs. More information can be found in the Corporate Market section of this chapter.

As a leader in innovation and cybersecurity, Proximus is exploring with KU Leuven the possibility of establishing a chair in Quantum Technology.

Record-high data traffic during events

In 2024, Proximus had a presence at more than 90 events, deploying a temporary mobile network in order to offer its customers a qualitative experience. More than 725 TB of data traffic was exchanged, representing an increase of around 34% compared to 2023. 5G was available at every event, and has already captured over 30% of the total data traffic. Finally, 2024 also marked a turning point for Proximus, as 80% of our temporary sites were powered by biofuels, demonstrating our commitment to sustainability.

Residential market

Business context

Belgium remains a highly convergent residential market, with offers addressing all customer segments; from complete convergent offers including multi-mobile cards and entertainment packages to low-cost bundles and stand-alone offers.

Cord-cutting of TVs and a decrease in Fixed Voice lines continues, reflecting the gradual evolution of customer needs. Customers are increasingly fulfilling their content needs via streaming platforms and replacing their Fixed Voice subscriptions with a mobile solution.

While the Fixed Internet market is growing slowly, fiber connectivity is creating more and more opportunities.

Operators generally applied selective price increases for fixed and convergent offers in line with inflation. At the same time, in anticipation of the arrival of the fourth operator, pricing for the main mobile offering has remained more cautious, with increasing data allowances. All operators in Belgium are applying a multi-brand strategy, with B brands in particular adjusting their prices downwards.

Multi-brand strategy

In Belgium, we build and maintain strong brands: Proximus, Mobile Vikings and Scarlet. We address the needs of each customer segment in the market, from premium seekers to price-conscious consumers.

We also strive for every interaction our customers have with our respective brands resulting in great customer satisfaction, with this in turn contributing to a higher NPS.

Proximus

Proximus is our premium brand for customers looking for the total experience. It offers access to the latest and best network technologies, a wide range of premium telecom products and services, a series of customized digital experiences with Pickx and the "Proximus for you" program. Proximus customers enjoy a personalized support and sales experience, both through digital and physical channels.

Scarlet

Scarlet is our brand for customers looking for basic products and the lowest rates. Its mission is to provide affordable telecom to all Belgian households. It proposes a limited offer tuned to meet basic telecom needs, at the lowest price within Proximus Group.

Mobile Vikings

Mobile Vikings is our 100% digital brand, the smartest choice for customers looking for innovative digital experiences. It offers both mobile and Internet-at-home, and delivers the best data offers. Thanks to the "Viking Deals" smart service, customers can easily get reductions on their bills.

In 2024, we were highly active in the Belgian market with our three brands, launching new offers, promotions, and strong commercial campaigns. We continued to build our brands through impactful and recognizable communication campaigns. Our "I've got the fiber" campaign was awarded a Gold Effie award and a Gold AMMA (Annual Master in Media Awards) award.

Tango (Luxembourg)

As the second largest telecom operator in Luxembourg, Tango achieved significant growth in the mobile segment in 2024, with a remarkable year-on-year increase of 2.5% of its base.
Tango implemented strategic price adjustments in its broadband and mobile portfolios, ensuring competitive offerings for its valued customers. Additionally, Tango set a new benchmark for TV experiences in Luxembourg by adopting the TV platform of Proximus Group. This initiative was backed by a smooth migration from the legacy TV system and a strong marketing campaign.
Furthermore, Tango strengthened its leadership in digital experiences with a redesigned website, focused on intuitive purchasing journeys and self-care options. The upgraded version of the MyTango app allows customers to easily manage their telecom services.

Superior connectivity and product experience

Offering the best networks and products is essential for customer satisfaction and a high NPS.

High-speed Internet

Proximus fiber ensures an ultra-stable Internet connection, with download speeds of up to 8.5 Gbps and upload speeds of 1 Gbps; the **fastest Internet in Belgium**. This advantage sets us apart from the competition, providing us with a significant growth driver in the market. While the fiber technology is available both as stand-alone Internet and in our Flex packs, the best experience is available in our Flex packs.

Fiber technology is also available on our Scarlet and Mobile Vikings brands, with product specifications in line with the brands' positioning.

We continued to communicate the fact that the fastest Internet is delivered via Proximus fiber through advertising campaigns, strengthening the association between Proximus and fiber. Simultaneously, we further enhanced customers' experience when surfing on the Internet via Wi-Fi at home. In July 2024, we were the first operator in Belgium to introduce Wi-Fi 6E technology into our new **Internet Box**, further improving our customers' experience with faster speeds, ultra-reliable connection and greater in-home security.

This combination of high speeds, increased stability and improved in-home experience translated into sustained NPS scores.

Mobile network experience

5G is crucial for enhancing the mobile experience. NPS data show that customers using 5G exhibit greater enthusiasm for its stability, sound quality, and performance on the move. This also drives customer acquisition.

5G is available for Proximus and Mobile Vikings brands, with a speed tiering differentiation.

Device partnerships

Proximus collaborates closely with device manufacturers to offer the latest and most relevant devices and accessories on the Belgian market. We successfully launched flagship models like the Samsung S24, Flip 6, and Fold 6. Our exclusive operator launch of the Google Pixel 9 and 9 Pro, featuring advanced AI capabilities, further strengthened our partnership with Google. Additionally, we introduced the iPhone 16 range and offered an attractive year-end promotion with exceptional gifts.

Proximus digital platforms

To stay relevant to our customers, we must provide them with the best digital experiences on the platforms they use every day.

Proximus Pickx and premium content

To position Pickx as an all-in-one platform where users can easily find their favorite content, we continuously innovate with new content and new features.

In 2024, we transitioned to a modern, flexible, and future-proof **TV platform** to further enhance the viewing experience. This new back-end will bring about significant improvements for customers, ensuring a seamless viewing experience across all their screens.

We also launched a powerful, energy-efficient **Android TV Box** equipped with Wi-Fi 6 technology. This new TV Box consumes 20% to 40% less electricity and uses 20% less plastic compared to its predecessor. More information can be found in the Sustainability Statement: "Circular economy and waste".

We also worked on improving the accessibility of our platforms and content. More information can be found in the Sustainability Statement: "Digital inclusion".

We renewed our partnerships with local **sports leagues**, including basketball, volleyball, and cyclocross, to continue offering the best Belgian sports competitions. Additionally, we extended our long-standing partnership with the Royal Belgian Football Association until 2028, reaffirming Proximus' commitment to supporting Belgian football at all levels, from amateurs and young talents to the national teams, including the Red Devils and the Red Flames.

Proximus+ app

In March 2024, Proximus launched Proximus+, an application replacing MyProximus and offering a wide range of digital services. Available to everyone, both **customers and non-customers**, Proximus+ integrates the MyProximus services available to existing customers for managing their products, Wi-Fi, support, usage, and invoices. Additionally, it introduces new digital services for energy consumption, mobility, activities in the neighborhood and budgeting, as well as a cashback feature.

Built on low-code technology, Proximus+ enhances service development through improved collaboration between business and development teams. Proximus customers have been successfully migrated to this new app.

Proximus for You program

Proximus for You was launched in June 2024. It can be accessed via the Proximus+ app and MyProximus on the website. It offers an overview of all the **extras and advantages** we offer our customers. They can expect gifts, contests with prizes, exclusive events, live streaming, great deals, tips & tricks, surprises, etc.

Doktr

We continued to expand the ecosystem around the Doktr app. We launched a service with Christelijke Mutualiteit/Mutualité Chrétienne to provide **video consultations** between their members with long-term illnesses and their 'return to work' coordinators. Doktr also launched video consultations with psychologists in both Dutch and French, extending its services to mental health care. At the end of 2024, the Doktr app had more than 125,000 registered users, with a patient satisfaction rate of 95%.

4411 and Flitsmeister

In 2024, our **4411 mobility payment app** handled over 35 million transactions from approximately 900,000 monthly active users across the country, ensuring easy and fast parking payment and seamless train or bus ticket purchases for commuters. In the Netherlands, our **navigation app Flitsmeister** has nearly 3 million monthly active users, driving circa 531 km per month on average while using the app. In mid-2024, we successfully transitioned Flitsmeister from a free to a freemium model, with 370,000 drivers already having taken up the PRO subscription.

Servicing residential customers

Each of our 3 brands offers a service adapted to their customer segment.

Proximus offers premium servicing combining advanced digital capabilities with a premium human touch. We have a network of 121 shops across Belgium, and our extended customer service is accessible across multiple channels at any time, with a digital assistant available 24/7 and advanced digital servicing functionalities on our website and in the Proximus+ app.

Scarlet offers a solid service despite lower prices: customer service via phone or call back with extensive opening hours mainly during the week, digital support via FAQs and the MyScarlet app.

Mobile Vikings offers an efficient digital-first customer service via the Viking app and FAQs, complemented with phone or call back, available in the evening and at weekends for emergencies.

By improving these customer touchpoints and offering hassle-free interactions, we commit to exceeding expectations each time a customer contacts us. Our continuous efforts to optimize our digital tools – while maintaining a human approach – bring us closer to our customers, boost customer experience, and eventually drive up our NPS.

Digital assistance

Proximus **Digital Assistant** is available to our customers via chat (chatbot) and phone (voicebot). This automated support offers our customers even greater flexibility in managing their services, and helps solve technical and administrative issues.

In 2024, we scaled up (Gen) **AI initiatives** to enhance experiences for both customers and employees. For instance, we improved our chatbot and voicebot with Gen AI to better understand customer questions and provide more personalized responses. Additionally, we made our website's FAQ search more user-friendly. Gen AI also helps our agents better understand customer situations and communicate with them more smoothly.

Simultaneously, our IT teams continued to improve the performance and stability of our digital tools and platforms. This is crucial to ensure a fully digitally supported sales and servicing journey for both our customers and customer-facing employees.

Effortless activations

The DIY (Do-It-Yourself) initiative launched in 2023 continued to deliver excellent results in 2024. This DIY process makes it much more convenient for the customer, as they do not need to make an appointment with a technician and achieve a faster activation of their services. We ensure that the installation is easy by pre-selecting the customer configuration that is best suited for a DIY installation.

All this translates into good results in terms of customer experience. The Customer Effort Score (CES) for installations done by customers, which measures how easy it is for customers to install the devices by themselves, was marked as "Excellent" in 2024.

SME market

Business context

The SME market has been confronted with an increasingly competitive environment: operators are seeking to increase their market share, and are even taking proactive measures to cope with the expected new competition by offering more aggressive tariff plans and giving even better value for money. We are increasingly witnessing pricing pressure in the south of the country with a successive number of portfolio moves by Orange Belgium.

As in the residential market, a decline in the number of TV and Fixed Voice subscriptions continues.

The adoption of IT solutions in the Belgian SME market is still moving slowly.

New organization model

Since July 2024, Proximus has implemented a new organization model specifically designed to better serve small- and medium-sized enterprises (SMEs). This large market segment includes self-employed individuals, businesses with up to 200 employees, and large companies with only telecom needs.

To serve these customers, we position Proximus as their trusted partner for their telecom and IT solutions. We aim to be the one-stop-shop for SMEs with convergent offers, leveraging our superior mobile and fiber networks, and ensure an excellent servicing experience.

On the IT side, we offer industrialized IT solutions for smaller enterprises via the partner network of our ClearMedia affiliate, and advanced ICT solutions through our IT partner community for larger enterprises.

Business Flex packs, for instance, include specific guarantees tailored to business needs. In the realm of cybersecurity, Proximus provides successful offers for SME customers, including the Proximus Secure Net solution.

Servicing SME customers

We want to stay as close as possible to our SME customers and provide them with a specific support model tailored to their needs.

Our customer service is organized into **multi-disciplinary teams** with the expertise to assist clients end-to-end, regardless of the issue.

To further enhance our support, we have dedicated **Business Experts**, specifically trained to meet the unique needs of self-employed and small enterprise customers.

Understanding the critical nature of telecom and IT infrastructure for businesses, we ensure **24/7 availability** for technical issues. We offer a range of **Service Level Agreements**, allowing customers to choose options based on their needs, such as repair time, intervention windows, and redundancy.

Proximus continues to enhance its digital channels for professional customers. As described in the next section, we have made significant improvements to MyProximus Enterprise, and redesigned the “quote-to-bill” process to the benefit of our SME customers.

Corporate market

Business context

The IT needs of businesses are constantly growing. The fast pace of developments in cybersecurity, cloud and artificial intelligence, three areas that are seeing spiraling demand, is a case in point. These advanced applications require secure, high-performing and scalable networks. At the same time, enterprises have to deal with huge amounts of data, which must be managed, stored and analyzed. In turn, they are seeking partners to guide them through these digital challenges.

Competitors in this regard are highly diverse; from traditional and emerging telecom operators (Telenet, Orange Belgium, Citymesh) to platform operators (Dstny) and IT integrators (Cegeka, Sopra Steria, NRB, Cronos Group, etc.).

Proximus NXT IT launch

To keep up with this ongoing market evolution, accelerate its growth in the IT market, and continue to innovate in telecom, Proximus restructured its Enterprise division. In 2023, we launched **Proximus NXT**, our **umbrella brand for our telecom and IT services**, to reposition ourselves in the market beyond our traditional telecom services. In 2024, we continued investing in our Proximus NXT brand, and repositioned Telindus to Proximus NXT in the Netherlands and Luxembourg, further strengthening our Benelux market position.

In July 2024, we consolidated our IT expertise into a **new affiliate**, **Proximus NXT IT**, reinforcing our ambition to become the reference IT service provider in the Benelux region, while telecom services remain with the parent company. Both entities collaborate closely to deliver telecom and ICT solutions under the Proximus NXT brand.

This new organization allows us not only to foster our leadership in the telecom sector, but also to expand our IT capabilities through an extensive partner network, enabling us to develop innovative IT solutions that address our customers’ challenges.

Hybrid cloud solutions

In today’s competitive market, businesses need to scale operations efficiently, reduce costs, and enhance their IT infrastructure. Organizations also need to be able to easily move data and workloads between different cloud platforms, based on the level(s) of accessibility and usability of their data, or the data confidentiality and sovereignty required. The latter becomes increasingly important in the face of rising regulatory requirements like the European NIS2 and DORA regulations.

Proximus NXT addresses these needs by developing hybrid cloud strategies tailored to each business, from on-premises datacenters to innovative public and sovereign cloud services.

In 2024, we strengthened our cloud offering with:

- **Multicloud**: We extended our public cloud offering with Google Cloud and AWS.
- **Azure Expert MSP**: We achieved the Microsoft certification for Azure Expert Managed Services Provider (MSP).
- **Microsoft Encrypted Public Cloud**: In June 2024, Proximus NXT was the first in the world to launch a sovereign cloud solution, combining Microsoft Cloud for Sovereignty with a European encryption layer fully secured by Thales and Intel. Agoria, Belgium’s technology industry federation, was one of the first to test this solution.
- **Google Disconnected Cloud**: We have become the first in Europe to offer the Google Distributed Cloud Hosted solution, with data securely stored and operated in our joint venture Clarence in Luxembourg. Our first customer on this solution is Luxembourg’s CSSF (Commission de Surveillance du Secteur Financier).

In October 2024, Proximus reached an agreement with the Belgium-based service provider Datacenter United on the **sale of its datacenter business**. While customers will continue to benefit from state-of-the-art infrastructure, with data stored in Belgium and managed by an expert partner, Proximus NXT will pursue its hybrid cloud strategy and further focus on value-added IT services.

Building cyber resilience

Our Cybersecurity Survey Report 2024 revealed that one in three companies in Belgium and Luxembourg faced at least one cybersecurity incident in 2023, with nearly half reporting decreased productivity as a result.

Proximus NXT provides robust security solutions, including Managed Security Services, to safeguard customers' operations and data.

In 2024, we continued to roll out our **Managed Detection and Response (MDR) solution**, using technologies from leading providers like Fortinet, Palo Alto and Microsoft. We are experiencing rapid market traction, with the Nationale Loterij as one of our customers for this solution.

In addition, Proximus NXT concluded **new partnerships** with leading companies such as Netskope for SASE and Armis for OT Security to cover the growing cyberthreat attack landscape. We also expanded our consultative services to help customers comply with new cybersecurity regulations such as NIS2 and DORA.

Since 2023, our Managed Security Services have been granted the ISAE 3000 SOC 2 Type II attestation, which guarantees strong IT security and privacy.

Fostering the potential of Data and AI

Since 2023, AI – and specifically Gen AI – has dominated technology discussions. With the Group's affiliates **Codit** and **Proximus Ada**, Proximus NXT has invested heavily in these capabilities, building a strong center of excellence.

Proximus NXT helps businesses leverage valuable data insights to improve processes, make strategic decision, optimize efficiency, save costs and improve customer satisfaction. Our experts guide businesses through every step of the process: increasing data quality, connecting data sources, establishing data governance, generating insights, and integrating AI functionalities.

Agoria partnered with Codit and Proximus Ada to create AI applications that improve productivity and member services. These solutions streamline internal tasks and provide faster, more efficient access to information, ensuring long-term value for its over 2,100 members.

Proximus Ada

Proximus Ada is the first **Belgian center of excellence** dedicated to **artificial intelligence (AI) and cybersecurity**. It is designed to be a pillar of innovation and a center of expertise for all the companies of Proximus Group. It enables them to develop and launch new applications, create a more secure digital society, and build trust in the digital economy. Proximus Ada employed 110 experts by the end of 2024.

Proximus Ada further strengthens the cyber resilience of companies that are part of Proximus Group through the **CSIRT** (Cyber Security Incident Response Team). The CSIRT handled 31,170 alerts and 7,340 incidents for Proximus in 2024. Incidents include, for instance, phishing emails to customers or employees in our company's name. With the general increase in the number of phishing attacks, experts from the CSIRT have an important role to play in educating and raising the awareness of our employees. They organize information sessions on cybersecurity threats and trends that are detected within Proximus. They have also performed several simulation exercises to assess Proximus' ability to respond to cyberattacks and define actions for improvement. They closely monitor the Internet to block cybercriminals' attempts to abuse Proximus and its affiliate brands. Finally, the CSIRT extended its services to other enterprises, making 12 interventions against cyberattacks for enterprise customers in 2024.

In the field of AI, Proximus Ada supports Proximus NXT and Codit in offering solutions on the Benelux market, encompassing data foundations, AI algorithms and integration in a fully secured way. In parallel, Proximus Ada continued to develop and enhance its AI models to improve Proximus Group's operational efficiency and customer experience.

Proximus Ada also led two societal projects in 2024 (with these having been initially launched in 2023) to help build trust in the digital world. The first of these is the **"Secure Public Digital Spaces" project**: our cybersecurity experts offer their skills and expertise free of charge to Brussels Digital Public Spaces (DPS) and associations. In these places, our experts provide information and advice to users, who are often the most vulnerable and least digitally equipped citizens. They also deliver basic cybersecurity training to DPS' and associations' employees and conduct security assessments of their infrastructure. Since the project's inception, nearly 20 DPS and associations have benefited from our services, and around 200 people attended our information sessions. In the scope of our second societal project, Proximus Ada data scientists have continued to conduct **AI awareness sessions** for students in secondary schools and for classes visiting the event "Digital Spring 2024".

Driving innovation with 5G

5G is widely considered to be a key enabler of digital transformation in almost every industry, making it a significant long-term growth driver for Proximus. We collaborate with partners to create advanced end-to-end solutions that add significant value for our customers and benefit society.

We have, for instance, established several **5G innovation hubs** in partnership with A6K and Fabriek Logistiek, Howest University of Applied Sciences, and VIVES University of Applied Sciences. In these hubs, industry customers and partners develop and test innovative 5G use cases across various domains, including industrial applications, construction, entertainment, transport & logistics, and healthcare.

We successfully completed nine new proofs of concept, and commenced five pioneering 5G projects, which will be finalized in 2025.

Some examples of projects completed in 2024:

- **AZ Groeninge**: implemented the first private 5G network on a hospital campus, part of the H.E.A.L.T.H. (High-speed Enabled Advanced Life-saving 5G Technological Hospital) project. It focuses on applications relating to remote care, clinical communication, data and training. This includes testing 5G for robotic surgery, patient monitoring with biosensors, and smart alerts for nurses and healthcare providers.
- **Lusta 5G**: deployed a 5G Mobile Private Network (MPN) in the "Port autonome" in Liege for remote crane operation and remote shuttle control, supported by 5G high bandwidth and low latency. Partners include Novandi, Logistics in Wallonia, Multitel, Seafar and EX9.

- **Proximus Media House (PmH)**: set up a temporary 5G MPN to broadcast sports games in Waterloo and Waremme, demonstrating 5G flexibility for media broadcast.
- **Groove**: connected sensors to the 5G public network to measure air and sound quality in Durbuy and Charleroi, with data analyzed and presented in a dashboard with user recommendations.
- **Lens On Ghent**: developed an augmented reality (AR) app with VisitGent, offering a historical tour of Ghent. The app uses Proximus' 5G network for an optimal user experience.

The innovative and socially relevant nature of these pilot projects, including the pioneering H.E.A.L.T.H. initiative, is recognized by the stakeholders in the field, and is furthermore supported by public authorities.

Servicing corporate customers

We are committed to exceeding customer expectations in every interaction they have with us, whether in-person or digital.

A key driver of our success is our dedicated team of account, success and project managers, who build strong relationships with our customers, fostering new ideas and partnerships. Our Executive Advisory Board, CEO dinners, and customer roundtables exemplify our commitment to engaging at all levels to gather feedback and address key topics.

Over the past three years, we have significantly improved our customers' digital journeys with user-friendly interfaces and dedicated support models.

In 2024, we improved **MyProximus Enterprise** by increasing the availability, performance, incident resolution time and successful transaction rate. We introduced new functionalities, so more and more customer interactions have a digital alternative. This shift allows our agents to focus on more complex issues, increasing customer satisfaction in these cases as well.

We continued to migrate our Enterprise customers to **ServiceNow** for better incident and change management. This platform simplifies customer assistance journeys. In 2024, we launched security and datacenter management capabilities in ServiceNow and onboarded nearly all our ICT customers.

Finally, over the last few years we have been completely redesigning the **"quote-to-bill" journey** to offer a new contract-based ordering experience that ensures speed, predictability, consistency and transparency. This project renews the IT tools used for quoting, ordering and invoicing mobile, fixed and standard ICT solutions to our B2B customers. In 2024, we onboarded customers on mobile solutions. The ongoing pilot for fixed and ICT solutions is showing promising results, with a commercial launch expected in early 2025.

Wholesale market

Proximus' open network welcomes wholesale partners in a non-discriminatory way, fostering a **level playing field** between competitors. Throughout the year, we gave our wholesale partners access to our fiber and 5G technology.

At the end of 2024, over 45 fiber partners and about 10 Mobile Virtual Network Operators (MVNO) use our networks. We have over 700 active roaming agreements, including Voice over LTE (4G), 5G and IoT coverage.

Mobile market

In 2024, Proximus Wholesale supported the launch of two new full MVNOs on the Belgian market: DIGI on the residential market and CityMesh on the B2B market, with CityMesh transitioning from a light MVNO.

We also activated Dstny as a new light MVNO, an operator focusing on the B2B market with a convergent telco/IT value proposal.

Existing MVNO customers in both B2B and B2C continued their steady growth, relying on our superior mobile network.

Roaming

We continued to implement VoLTE roaming agreements, with agreements having been entered into with 147 networks across 63 countries at the end of 2024.

Fixed market

Proximus fiber network is made available to other operators through regulated and commercial wholesale offers.

In 2024, Proximus Wholesale pre-launched e-access, a new type of commercial connectivity for B2B operators featuring a full automated ordering process. A successful proof of concept was conducted with Colt.

Proximus Wholesale also prepared the expansion of its portfolio with a universal CPE offering, which can also be combined with e-access. With a universal CPE, wholesale customers can enhance their offering and reduce operational costs, using Virtual Network Functions (VNFs) such as SDWAN and security.

International activities

Key trends in the digital communications market

Consumers expect companies to engage with them in a hyper-personalized, seamless, omni-channel and trustworthy way.

Hyper-personalized and interactive experiences: tailored interactions are a major driver of consumer preference, with 80% of consumers being more likely to purchase from brands that provide personalized and two-way conversational experiences. Gen AI is boosting these capabilities, enabling brands to deliver even more refined and engaging customer experiences.

Seamless interactions: with 71% of consumers expecting real-time, seamless communication, instant responses and feedback have become essential. Customers want enterprises and brands to engage with them promptly across all touchpoints, creating a fluid and responsive experience.

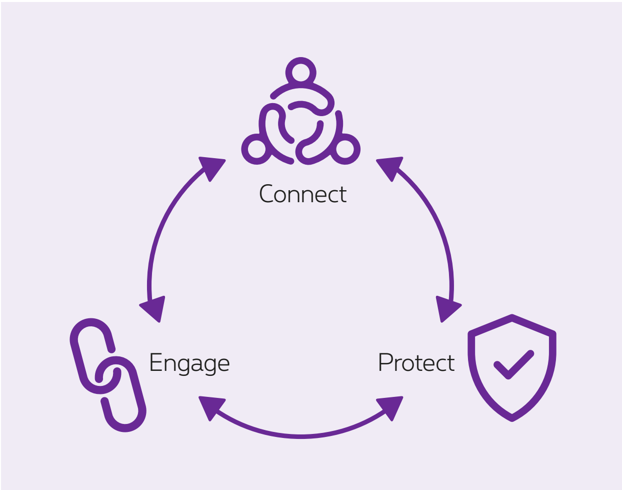
Shift to **omni-channel communication**: today's consumers use a variety of channels – from messaging apps and social media to email and SMS – and expect brands to be available and responsive across each one. They want a seamless, integrated experience that allows them to switch between channels wherever they are, without losing context or quality. Brands that succeed in this build trust and loyalty by putting customer preferences at the forefront of their communication strategy.

Heightened demand for **secure digital communication:** as online fraud and social engineering tactics become more sophisticated with Gen AI, the demand for secure digital communication solutions is surging. With phishing and impersonation increasingly targeting end-users, businesses are under pressure to protect digital identities and secure all of their communication channels.

As companies communicate more frequently with their customers, these trends highlight the growing need for advanced digital communication solutions.

Becoming one of the global leaders in digital communications

Proximus Global, integrating our 3 international brands – BICS, Telesign and Route Mobile – under one umbrella, encompasses the entire value chain of digital communication. We **connect** customers globally, enable enterprises to **engage** with end-users across a variety of channels, and **protect** customers from fraud using digital identity. What makes us truly unique is the fact that our services are mutually reinforcing, providing our customers with a comprehensive product offering through a holistic and integrated "Connect – Engage – Protect" approach:



Having all services under one roof is a compelling benefit, taking into account some of the key trends in the digital communication market.

Connect

As the leading interoperability service provider, we connect with over 500 mobile operators directly, and work with hundreds of the world's enterprises, including the leading digital hyperscalers, to create a **global "network of networks"**. This enables telecom operators to provide their customers with international voice calls, SMS and data roaming services worldwide, and allows enterprises to ensure IoT and connected devices across borders and between operator and private networks.

In 2024, **BICS** carried 7.5 billion text messages and 17.8 billion voice minutes. Data traffic carried across BICS' networks increased by 45% compared to the previous year.

BICS' mobility services securely connect people and devices anywhere in the world. In 2024, we handled around half of the world's data roaming traffic, supporting 762 million roamers. Our anti-fraud solutions blocked 616 million robocall attempts and 48 million attempts of Artificially Inflated Traffic (AIT), and prevented 284 million smishing attacks.

Key projects for 2024:

- We partnered with ENGIE Vianeo to support **smart EV charging stations** by connecting them to the Internet of Things. This solution provides real-time data, improving analytics and troubleshooting and enabling remote maintenance and better decision-making.
- We launched the **"Roaming SMS Translator"** to ensure continuous service for travelers using 2G and 3G messaging technologies while roaming abroad, even if local operators no longer support these networks. This solution prevents connectivity gaps that would otherwise leave devices unconnected.

Engage

The number of touchpoints between enterprises and their customers has grown significantly, with each customer expecting personalized interactions on their preferred channels.

Our **Communications Platform as a Service** (CPaaS) solutions strengthen connections between enterprises and their customers by enabling seamless, personalized interactions across a wide array of communication channels, including SMS, email, WhatsApp, RCS, chatbot, and other OTT platforms. We support enterprises, over-the-top (OTT) players and mobile network operators (MNOs) in driving customer engagement and conversational commerce through consistent and personalized interactions on customer's preferred channel.

In 2024, we processed 140 billion billable transactions and we have direct connections to more than 280 MNOs and access to over 900 MNOs through our network of networks.

Key projects for 2024:

- Route Mobile became India's largest **WhatsApp ticketing enabler** for the metro, serving over 7.5 million daily commuters. To purchase tickets, commuters visit the official WhatsApp account of the respective metro, choose the stations, make the payment and receive tickets directly through WhatsApp.
- Affirm leverages Telesign's phone number intelligence and risk signals to **enhance user verification and fraud prevention**, resulting in higher sales conversions. In 2024, Affirm expanded its SMS usage and entered new European markets, further strengthening its commitment to secure and seamless financial services.

Protect

According to Telesign's 2024 Trust Index, fraud victims in the US lost $8.8 billion in 2022. Beyond financial losses, fraud affects customer loyalty, brand reputation, and trust, as consumers hold brands accountable for protecting their digital privacy.

Our robust **identity verification solutions** secure digital interactions, enabling businesses to build and maintain consumer trust at every stage of the customer journey. At account creation and signup, we help detect bots and fake users, prevent abuse, verify identity information, and reduce unnecessary Know Your Customer (KYC) expenses. At sign-in, we verify device possession with Multi-Factor-

Authentication solutions and identify risk signals for Account Takeover attempts. During the account use, we help confirm and verify identity for high value transactions and interactions. Finally, we help prevent communications fraud, such as spam, robocalling, and phishing.

We serve eight of the world's ten largest digital enterprises. Our solutions block more than 77 million fraudulent transactions per month, such as fake account creations and artificially inflated traffic (AIT) and protect more than 275 million accounts from takeovers per year. In 2024, we verified more than 1.2 billion new accounts using Telesign's global identity verification solutions.

Proximus Group's synergies

Our international expansion strategy puts us in the right position to form key partnerships with major players in the IT and digital sector, such as Microsoft and Infosys. This demonstrates our potential to evolve as a group.

- **Microsoft partnership**: Proximus Group and Microsoft have signed a five-year strategic partnership, allowing both companies to strengthen their digital lead and accelerate their innovative offerings to business and residential customers, both within Belgium and abroad. Microsoft will increase its use of the products of Proximus Global, while Proximus Domestic will accelerate its cloud transformation, leveraging Microsoft Azure Cloud and all innovative AI & Data evolutions it enables.
- **Infosys partnership**: Proximus Group and Infosys announced a five-year strategic partnership focused on two areas. First, the joint development of market solutions that combine Proximus Global's digital communication solutions with Infosys' digital services. Second, the acceleration of our digital transformation in particular by optimizing the Proximus+ app and other digital channels, by leveraging Infosys' tech expertise.

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Corporate governance statement

Proximus governance model

Proximus' corporate governance principles are set forth in its Bylaws, Corporate Governance Charter, Charter of the Board of Directors, Board Committees Charters, and policies.

Proximus has a clear governance model as a limited liability company under public law, imposed by the Law of 21 March 1991 on the reform of certain autonomous economic public companies ("the 1991 Law"). For matters not explicitly regulated by the 1991 Law, Proximus is governed by the Belgian Code of Companies and Associations of 23 March 2019 ("the Belgian Code of Companies and Associations") and the Belgian Corporate Governance Code of 2020. Any deviation from the 2020 Corporate Governance Code is explicitly mentioned in this report. Only two deviations (to provisions 7.6 and 7.9) are currently noted, related to the remuneration of Board members and executives. Indeed, Proximus opted not to introduce share-related remuneration due to the fact that the Belgian State is the majority shareholder.

The **key features** of Proximus' governance model are:

- a Board of Directors, which defines Proximus' general policy and strategy and supervises operational management;
- an Audit & Compliance Committee, a Nomination & Remuneration Committee, a Transformation & Innovation Committee, and an International Committee created by the Board within its structure;
- a Chief Executive Officer (CEO), who takes primary responsibility for operational management, including, but not limited to, day-to-day management;
- a Leadership Squad, which assists the CEO in the execution of his duties.

We not only follow the law but want to ensure every one of our collaborators is aware of the behaviors to follow and to avoid. Therefore, Proximus adopted a **Code of Conduct**, applicable to all employees. Proximus employees must follow mandatory training on the application of the principles of the Code of Conduct. On top of this, we have various **internal policies** to make sure our employees act ethically. More information can be found in the Sustainability Statement: "Business conduct".

Board of Directors

The Board of Directors is composed of no more than fourteen members, including the person appointed as Chief Executive Officer. The CEO is the only executive member of the Board. All other members are non-executive directors and 50% of the members of the Board of Directors are independent directors.

Directors are appointed for a renewable term of up to four years. Proximus does not apply an age limit for its directors, but, in accordance with article 7:87 of the Belgian Code of Companies and Associations and the 2020 Corporate Governance Code, the maximum term for directors is limited to twelve years.

The directors are appointed at the general meeting by the shareholders. The Board of Directors exclusively recommends candidates who have been proposed by the Nomination & Remuneration Committee. The Nomination & Remuneration Committee takes the principle of reasonable representation of significant stable shareholders into account, and any shareholder who holds at least 25% of the shares has the right to nominate directors for appointment pro rata to their shareholding.

On May 24 2024, the Belgian State transferred its shares in Proximus to the Federal Holding and Investment Company (SFPIM). Currently, there are seven directors appointed by the General Shareholders' Meeting upon proposal of the Belgian State through the

SFPIM. All other directors must be independent within the meaning of article 7:87 of the Belgian Code of Companies and Associations and of the 2020 Corporate Governance Code, and at any time, the Board needs to have at least three independent directors.

Composition of the Board of Directors

Members of the Board of Directors appointed by the General Shareholders' Meeting upon proposal of the Belgian State

Name	Gender*	Age	Position	Term
Stefaan De Clerck	M	73	Chairman	2013–2025
Guillaume Boutin[1]	M	50	Chief Executive Officer	2019–2028
Karel De Gucht	M	71	Director	2015–2025
Béatrice de Mahieu	F	52	Director	2022–2026
Audrey Hanard	F	39	Director	2022–2026
Ibrahim Ouassari	M	46	Director	2021–2025
Claire Tillekaerts	F	68	Director	2022–2026

* F: Female / M: Male
1 By decision of the AGM of 17 April 2024, the mandate of Guillaume Boutin was extended until the AGM of 2028.

Members of the Board of Directors appointed by the General Shareholders' Meeting

Name	Gender*	Age	Position	Term
Caroline Basyn[1]	F	63	Independent Director	2024–2028
Cécile Coune	F	62	Independent Director	2023–2027
Martin De Prycker	M	70	Independent Director	2015–2027
Catherine Rutten	F	56	Independent Director	2019–2027
Joachim Sonne[2]	M	50	Independent Director	2019–2028
Catherine Vandenborre	F	54	Independent Director	2014–2026
Luc Van den hove[2]	M	65	Independent Director	2016–2028

* F: Female / M: Male
1 By decision of the AGM of 17 April 2024, Caroline Basyn was appointed until the AGM of 2028.
2 By decision of the AGM of 17 April 2024, the mandates of Joachim Sonne and Luc Van den hove were extended until the AGM of 2028.

Attendance Board of Directors and Committee meetings

In 2024, 10 meetings of the Board of Directors were held, 6 meetings of the Audit & Compliance Committee, 6 of the Nomination & Remuneration Committee, 2 of the Transformation & Innovation Committee and 2 of the International Committee.

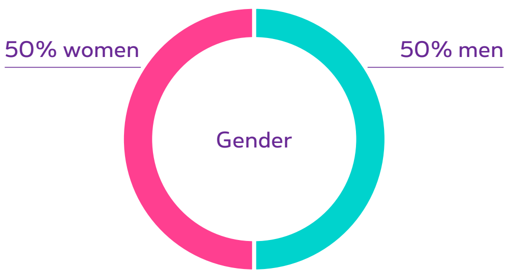
Members of the Board of Directors appointed by the General Shareholders' Meeting

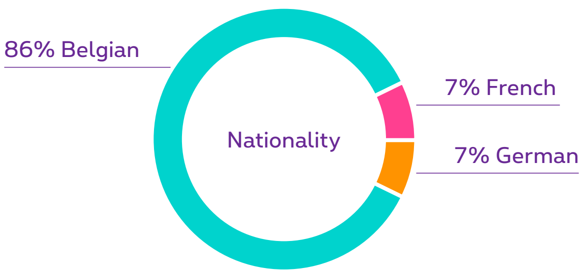
Name	Board (total 10)	ACC (total 6)	NRC (total 6)	TIC (total 2)	IC (total 2)
Stefaan De Clerck	10/10	6/6	6/6	2/2	2/2
Guillaume Boutin	10/10				
Caroline Basyn[1]	9/9				1/1
Cécile Coune	10/10		6/6	2/2	
Karel De Gucht	10/10	6/6			2/2
Béatrice de Mahieu	10/10			2/2	
Martin De Prycker	10/10		6/6	2/2	
Audrey Hanard	10/10			2/2	
Ibrahim Ouassari	10/10			2/2	
Catherine Rutten	9/10	6/6			
Joachim Sonne	10/10	6/6			2/2
Claire Tillekaerts	10/10		6/6		2/2
Catherine Vandenborre	9/10	6/6			
Luc Van den hove	9/10		4/6		2/2

ACC: Audit & Compliance Committee; NRC: Nomination & Remuneration Committee; TIC: Transformation & Innovation Committee; IC: International Committee
(1) Appointed on 17 April 2024.

Diversity at the Board of Directors

The Board of Directors takes into account how it will enhance the diversity of the Board of Directors with respect to gender, age, and nationality when replacements and appointments are considered. The diversity characteristics of the Board of Directors can be visualized as follows:





Proximus is proud to have a gender parity between male (50%) and female (50%) within its Board of Directors. This composition and the complementary expertise and skills of all directors create a dynamic that benefits the good management of the company.

Functioning of the Board of Directors

The Board of Directors meets whenever the interests of the company so require or at the request of at least two directors.

In principle, the Board of Directors holds five regularly scheduled meetings annually, in addition to one meeting dedicated to the affiliates.

The Board of Directors also discusses and evaluates the strategic long-term plan during an additional annual meeting.

In general, the Board's decisions are made by a simple majority of the directors present or represented. However, for certain issues a qualified majority is required.

The Board of Directors has adopted a charter that, together with the charters of the Board Committees, reflects the principles by which the Board of Directors and its Committees operate. These charters are published on the corporate website.

The Board Charter stipulates, among other things, that important decisions should have broad support. This is understood as a qualitative concept indicating effective decision-making within the Board of Directors following a constructive dialogue between directors.

Files on important decisions are prepared by standing or ad hoc Board Committees, with significant representation of non-executive, independent directors, in accordance with article 7:87 of the Belgian Code of Companies and Associations.

Committees of the Board of Directors

Proximus has an Audit & Compliance Committee, a Nomination & Remuneration Committee, a Transformation & Innovation Committee, and an International Committee.

The members of the committees are appointed by the Board of Directors, after consultation with the Nomination & Remuneration Committee, for a renewable term of, in principle, three years (Bylaws & Charters | Proximus Group).

Audit & Compliance Committee

The Audit & Compliance Committee (ACC) consists of five non-executive directors, the majority of whom are independent. In line with its charter, the Committee is chaired by an independent director.

The Audit & Compliance Committee's role is to assist and advise the Board of Directors in its oversight of:

- the financial and non-financial reporting processes;
- the ESG reporting processes;
- the efficiency of the systems for internal control and risk management of the company;
- the company's internal audit function and its efficiency;
- the quality, integrity, and legal control of the statutory and consolidated annual accounts and the financial and non-financial statements of the company, including the follow-up of questions and recommendations made by the auditor;
- the relationship with the company's auditors and the assessment and monitoring of their independence;
- the company's compliance with legal and regulatory requirements;
- internal compliance with the company's Code of Conduct and the Dealing Code.

Critical concerns are communicated to the Board via the Audit & Compliance Committee. External audit reports comprise financial and IT security risks, while internal audit reports address financial, compliance, IT, and network security risks. The Audit & Compliance Committee is informed of all discussions and decisions made by the management within the Risk Management Committee.

The Audit & Compliance Committee meets at least once every quarter.

The members of the Audit & Compliance Committee (composed of non-executive members, of which two are female and three are male) are Catherine Vandenborre (Chairwoman), Stefaan De Clerck, Karel De Gucht, Joachim Sonne, and Catherine Rutten.

Expertise of the Audit & Compliance Committee members

A majority of the members of the Audit & Compliance Committee have extensive expertise in accounting and audit. The Chairwoman of the Audit & Compliance Committee, Catherine Vandenborre, holds a degree in Business Economics as well as degrees in Tax and Financial Risk Management. The Chairwoman and the majority of the members have held several board or executive mandates in large Belgian or international companies.

Nomination & Remuneration Committee

The Nomination & Remuneration Committee (NRC) consists of five directors, the majority of whom are independent. In line with its charter, this Committee is chaired by the Chairman of the Board of Directors, who is an ex-officio member.

The Nomination & Remuneration Committee's role is to assist and advise the Board of Directors regarding:

- the nomination of candidates for appointment to the Board of Directors and the Board Committees;
- the appointment of the CEO and the members of the Leadership Squad on proposal of the CEO;
- the appointment of the Secretary General;
- the remuneration of the members of the Board of Directors and the Board Committees;
- the remuneration of the CEO and members of the Leadership Squad;
- the annual review of the remuneration concept and strategy for all personnel, and specifically the compensation packages of the Leadership Team;
- the oversight of the decisions of the CEO with respect to the appointment, the dismissal, and the compensation of management;
- the preparation of the remuneration report and the presentation of that report at the Annual General Shareholders' Meeting;
- corporate governance matters.

The Nomination & Remuneration Committee meets at least four times per year.

At the beginning of each year, the Committee reviews the performance, budgets for pay-out of bonuses and merits, and long-term and short-term incentive plans. At that meeting, the concept and strategy of the remuneration policy are also discussed. The Committee determines the performance measurement targets of the CEO and the members of the Leadership Squad through Key Performance Indicators.

The members of the Nomination & Remuneration Committee (composed of non-executive members, of which two are female and three are male) are: Stefaan De Clerck (Chairman), Martin De Prycker, Luc Van den hove, Claire Tillekaerts, and Cécile Coune.

Transformation & Innovation Committee

The Transformation & Innovation Committee (TIC) consists of a maximum of six directors. In line with its charter, the Chairman of the Board of Directors is an ex-officio member, and the Committee is chaired by the Chairman of the Board of Directors. Three members are appointed from among the independent directors.

The Transformation & Innovation Committee is a permanent committee of the Board, discussing selected files that need preparatory reflection and need to mature before being brought to the Board for a decision. The topics discussed at the Transformation & Innovation Committee may be diverse and will evolve over time depending on the company's needs. It could deal with matters concerning, among others, technology, network, branding/marketing, sustainability, transformation, HR skills, and digitalization. If appropriate, the Board of Directors can decide to establish a special ad hoc Committee to deal with a specific subject, which is composed of members with the appropriate experience.

The members of the Transformation & Innovation Committee (composed of non-executive members, of which three are female and three are male) are: Stefaan De Clerck (Chairman), Martin De Prycker, Ibrahim Ouassari, Cécile Coune, Béatrice de Mahieu and Audrey Hanard.

International Committee

Given the strong evolution of the international pillar of Proximus, the Board of Directors decided during its meeting of 14 December 2023 to create an International Committee.

The International Committee (IC) consists of a maximum of six directors. In line with its charter, the Chairman of the Board of Directors is an ex-officio member, and the Committee is chaired by the Chairman of the Board of Directors. Three members are appointed from among the independent directors.

The International Committee is a permanent committee of the Board, discussing the integration of international affiliates, the setting of KPIs for international business development, and international acquisitions.

The members of the International Committee (composed of six non-executive members, of which two are female and four are male) are: Stefaan De Clerck (Chairman), Karel De Gucht, Joachim Sonne, Luc Van den hove, Claire Tillekaerts and Caroline Basyn (as of 17 April 2024).

Relationship Agreement

In accordance with article 8.7. of the 2020 Corporate Governance Code, Proximus concluded a Relationship Agreement with its majority shareholder, the Belgian State, in December 2022. This agreement, which does not impact the autonomy of Proximus, nor the competences of its corporate bodies, aims to create a framework for the exchange of information, in full compliance with European and Belgian financial legislation. This agreement was amended in June 2024 with the transfer of the shares of the Belgian State to SFPIM. The Relationship Agreement is published on the company's corporate website.

Conflict of interest

A general policy on conflicts of interest applies within the company. It prohibits the possession of financial interests that may affect personal judgement or professional tasks to the detriment of Proximus Group.

On 24 February 2011, the Board adopted a "related party transactions policy", which was updated in September 2016. This policy governs all transactions or other contractual relationships between the company and its Board members.

The Board and each individual director must respect all the rules relating to conflicts of interest between the company and a director. In case of a conflict of interest, the meeting in which the conflict of interest is reported and the matter that gave rise to the conflict are published in the annual report of the related financial year.

In accordance with article 7:96 of the Belgian Code of Companies and Associations, the CEO, Guillaume Boutin, declared during the Board of Directors of 22 February 2024 to have a conflict of interest in connection with his performance evaluation for 2023, which was an item on the agenda of that Board meeting.

In accordance with article 7:96 of the Code of Companies and Associations, the CEO, Guillaume Boutin, informed the Board of Directors on 25 July 2024 to have a conflict of interest in connection with the renewal of his contract and remuneration package, which was an item on the agenda of that Board meeting.

Proximus has contractual relationships and provides also telephony, Internet, digital and/or ICT services to many of the companies in which Board members have an executive or non-executive mandate. These transactions take place in the ordinary course of business and at arm's length.

Evaluation of the Board

The Board evaluates its performance and interaction with the executive management at least every three years. The Board conducted a new evaluation at the end of 2024, following a previous evaluation in 2021, in collaboration with external partner Guberna. The Board members were invited to complete an extensive questionnaire, followed by an interview between Guberna and each individual Board member. The Board members were asked for their opinion on corporate governance at Proximus. The evaluation focused especially on the creation, scope, composition, and functioning of the committees. This evaluation by Guberna will be concluded in 2025.

Non-executive directors regularly evaluate their interaction with the executive management and meet at least once a year without the CEO. At the beginning of each year, the committee chairs submit their annual reports to the Board.

Leadership Squad

Chief Executive Officer

In its meeting on 27 November 2019, the Board appointed Guillaume Boutin as the new CEO. The CEO is entrusted with day-to-day management and reports to the Board of Directors. Moreover, the Board has delegated broad powers to the CEO.
Guillaume Boutin's contract is a renewable six-year fixed-term contract that started on 1 December 2019 and which was renewed on 26 July 2024 for another term of six years, until 30 June 2030.
The AGM of 17 April 2024 extended his mandate as Board member until the AGM to be held in 2028[1].

Leadership Squad members

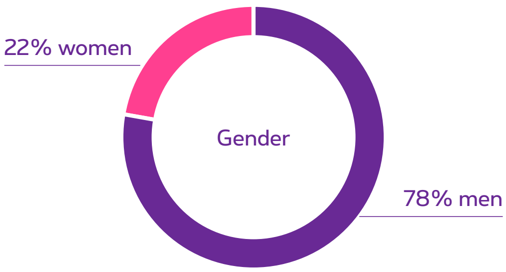
The members of the Leadership Squad are appointed and dismissed by the Board of Directors at the proposal of the CEO, after consultation with the Nomination & Remuneration Committee.
The powers of the Leadership Squad are determined by the CEO. The Leadership Squad's role is to assist the CEO in the execution of his duties.
The Leadership Squad aims to decide by consensus, but in the event of disagreement, the view of the CEO will prevail.
The Leadership Squad generally meets on a weekly basis.
In 2024, the Leadership Squad, in addition to the CEO, was composed of the following members:

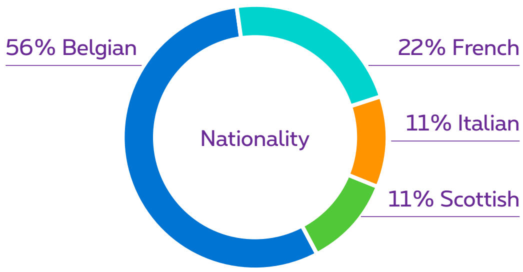
Name	Gender	Age	Position
Jim Casteele	M	53	Consumer Market Lead
Anne-Sophie Lotgering	F	50	Enterprise IT Services & Segments Lead
Ben Appel	M	49	Group Corporate Affairs Lead
Antonietta Mastroianni	F	51	Digital & IT Lead
Mark Reid	M	53	Group Finance Lead
Geert Standaert	M	54	Network & Wholesale Lead
Renaud Tilmans	M	56	Enterprise Telco Services & Operations Lead
Jan Van Acoleyen	M	62	Group HR Lead

1 On February 7, 2025, before the closing of this annual report, the Proximus Group announced that its CEO, Guillaume Boutin, will be leaving the company by mid-May 2025.

Diversity at the Leadership Squad

The diversity characteristics for the Leadership Squad can be visualized as follows:





Board of Auditors

Composition

The Board of Auditors of the company is composed as follows:

- Deloitte Auditors SRL, represented by Koen Neijens, also Chairman of the Board of Auditors;
- Jan Debucquoy, Member of the Court of Auditors;
- Christophe Rappe, Member of the Court of Auditors;
- Luc Callaert SRL, represented by Luc Callaert.

Deloitte Auditors SRL, represented by Koen Neijens and Luc Callaert SRL, represented by Luc Callaert, are responsible for the audit of the consolidated financial statements of Proximus and its affiliates. Deloitte Auditors SRL is also responsible for the review of the sustainability reporting (CSRD).

The other members of the Board of Auditors are, together with Deloitte, entrusted with the audit of the non-consolidated financial statements of Proximus as a parent company.

The mandates of Deloitte Auditors SRL and Luc Callaert SRL for the audit of the consolidated financial statements will expire at the Annual General Shareholders' Meeting in 2025.

Additional fees paid to the auditors

In accordance with the provisions of article 3:65 §3 of the Belgian Code of Companies and Associations, Proximus declares the supplementary fees that it granted during the 2024 financial year to two auditors, members of the Joint Auditors: Deloitte Auditors SRL, and Luc Callaert SRL.

The Group spent an amount of EUR 1,611,075.97 during the year 2024 for non-mandate fees for Deloitte Auditors SRL, the Group's auditors. This amount is detailed as follows:

Amount spent by the Group for non-mandate fees for Deloitte Auditors SRL

(in EUR)	Auditor	Network of auditor
Other mandatory audit missions	166,985.00	704,596.00
Tax advice	0.00	0.00
Other missions	257,120.00	482,374.97
TOTAL	424,105.00	1,186,970.97

In 2024 the Group did spend EUR 1,200 for non-mandate fees to Luc Callaert SRL.

Amount spent by the Group for non-mandate fees for Luc Callaert SRL

(in EUR)	Auditor
Other mandatory audit missions	1,200
Tax advice	
Other missions	
Total	1,200

Sustainability governance

For reporting clarity, we have separated sustainability governance from general governance to consolidate all sustainability content into a single chapter. However, it is important to note that sustainability remains an integral part of our overall governance framework and way of working. More information can be found in the Sustainability Statement.

Internal control system

The Proximus Board of Directors is responsible for the assessment of the systems for internal control and risk management.

Proximus' internal control system is characterized by an organization with a clear definition of responsibilities, alongside sufficient resources and expertise, and also appropriate information systems, procedures, and practices. Even though risks of misuse of assets or misstatements can never be totally eliminated, Proximus organizes a continuous review and follow-up of all the components of its internal controls and risk management systems to ensure they remain adequate.

Proximus gives high importance to the timely and qualitative delivery to all its internal and external stakeholders of complete, reliable, and relevant financial information in conformity with International Financial Reporting Standards (IFRS) and Belgian Generally Accepted Accounting Principles (BGAAP), and sustainability information in conformity with European Sustainability Reporting Standards (ESRS). Therefore, Proximus has organized its internal control and risk management systems in accordance with its financial and sustainability reporting in order to ensure this objective is met.

Organization of internal control

In accordance with the bylaws, Proximus has an Audit & Compliance Committee (ACC), which plays a key role in the organization and oversight of the internal controls and risk management systems. More information can be found in the Sustainability Statement: "Business conduct".

Risk analysis, mitigating factors, and control measures

Major Enterprise risks and uncertainties, mitigating factors, and control measures are reported in the Risk management report.

Information on the ESG IROs can be found in the Sustainability Statement.

Ethics, human rights and business conduct

A Code of Conduct with guiding principles, further elaborated in policies and procedures for all key topics, aim to inform employees and stakeholders and guide daily behaviors. More information can be found in the Sustainability Statement: "Business conduct".

In the financial reporting domain, general and more detailed accounting principles, guidelines, and instructions are summarized in reference material available on the Proximus intranet site. In addition, the Corporate Accounting department regularly organizes internal accounting seminars to update finance and non-finance staff on accounting policies and procedures.

Sustainability reporting roles and responsibilities

More information can be found in the Sustainability Statement: "General information".

Financial reporting roles, responsibilities, and expertise

Most of the accounting records are maintained under IFRS as well as local GAAP. In general, financial information delivered to management and used for budgeting, forecasting, and controlling activities is prepared under IFRS. A common financial language used throughout the organization positively contributes to effective and efficient communication.

Every legal entity, business unit, division, and department has its vision, mission, and responsibilities, while on an individual level, everybody has a clear job description and objectives.

The main role of the Finance Division is to support the legal entities, divisions, and affiliates by providing accurate, reliable, and timely financial information for decision-making, monitoring business profitability, and effectively managing corporate financial services.

The financial results are internally reported and validated at different levels. At the process level, validation meetings are held with the business process owners. At the level of the major affiliates, a validation meeting is organized with the persons responsible for accounting and controlling. At the Proximus Group level, the consolidated results are split per segment. For each segment, the analysis and validation typically include a comparison with historical figures, as well as budget-to-actual and forecast-to-actual analysis. Validation requires any variances to be analyzed and satisfactorily explained.

Afterwards, the financial information is reported and explained to the Proximus Leadership Squad (monthly) and presented to the Audit & Compliance Committee (quarterly).

The Corporate Accounting department team assumes the accounting responsibility for the parent company Proximus and the major Belgian companies. It also provides support to other affiliates. For this centralized support, the organization is structured according to key financial processes. These major processes include capital expenditures and assets, inventories, contracts in progress & revenue recognition, financial accounting, operational expenditures, provisions & litigations, payroll, and post-employment benefits, and taxes. This centralized support, organized around specific processes and IFRS standards, allows for in-depth accounting expertise, and ensures compliance with group guidelines.

The consolidation of all different legal entities into Proximus Group's Consolidated Financial Statements is managed centrally. The Consolidation department defines and distributes information related to the implementation of accounting standards, procedures, principles, and rules. It also monitors changes in regulations to ensure that the financial statements continue to be prepared in accordance with IFRS, as adopted by the European Union. The monthly instructions for consolidation outline not only the schedules for preparing accounting information for reporting purposes but also include detailed deadlines and items requiring particular attention, such as complex issues or new internal guidelines.

A specific mandatory training cycle had been established for financial reporting, for both junior and senior staff. These internally and externally organized accounting seminars cover IFRS, local accounting rules and regulations, and Tax and Company law & regulations. Knowledge and expertise are also kept up to date and extended for more specific domains (revenue assurance, pension administration, financial products, etc.) through seminars and self-study. Additionally, Finance staff attend general training sessions on Proximus' new business products and services.

Supervision and assessment of financial internal controls

The accounting records of Proximus and most of its affiliates are kept on large integrated IT systems. Operational processes are frequently integrated into the same system (e.g. supply chain management, payroll). For the billing systems, which are not integrated, adequate interfaces and a monitoring system have been developed. For consolidation purposes, a specific consolidation tool is used. The organizational setup and access management are designed to ensure adequate segregation of duties, prevent unauthorized access to sensitive information, and prevent unauthorized changes. The system set-up is reviewed regularly by the external auditors and the Internal Audit department.

Each business owner is responsible for regularly reviewing and improving the business activities under their accountability, including the process documentation, reporting on indicators, and monitoring.

Proximus' Internal Audit department conducts regular audits across the Group's operations. More information can be found in the Sustainability Statement: "Business conduct".

The Audit and Compliance Committee reviews the quarterly interim reporting and the specific accounting methods. The main disputes and risks facing the Group are considered; the recommendations of internal audit are followed up; compliance within the Group with the Code of Conduct, Dealing Code, and other key policies is regularly discussed.

Remuneration of Board of Directors and executive management board

The remuneration policies of the Directors and of the Leadership Squad are inspired by current legislation, and by the Belgian Corporate Governance Code 2020 ("the 2020 Corporate Governance Code") as well as by the market practices and trends, but also according to the Proximus context, its specific strategies and its ambition to participate in an inclusive, secure, sustainable and prosperous digital Belgium.

Our company is taking particular care to provide relevant and transparent information on the general principles governing its remuneration policy and the level of remuneration of the members of the Board of Directors and of the Leadership Squad. A slightly adapted version of the Proximus Remuneration Policy has been approved during the General Meeting of Shareholders of Proximus on 17 April 2024 and is available on the corporate website of Proximus (Remuneration policy | Proximus Group). A new version of the Proximus Remuneration Policy will be submitted to the votes of the shareholders at the General Meeting of Shareholders of Proximus on 14 April 2025.

Unless otherwise stated, all amounts in this remuneration report are presented as gross amounts. For employees this is the gross salary (excl. employer's social contribution) and for self-employed employees this is the gross remuneration (excluding VAT), unless the amount of the tax benefit applies.

Remuneration of the members of the Board of Directors

Structure of the remuneration of the members of the Board of Directors

The principle of continuity with the past has been maintained. The remuneration adopted by the General Assembly of 2004 has remained applicable in 2024 and no substantial change of the policy is expected for the coming years.

The Board of Directors is composed of no more than fourteen members, including the Chief Executive Officer ("the CEO"). The CEO is the only executive member at the Board, all other members are non-executive Directors.

Since 2024, the CEO is not remunerated for the exercise of his mandate as member of the Board of Directors and of the Committees, nor for any other mandate within the Group subsidiaries Boards of Directors.

The non-executive Directors are remunerated as follows:

- for the Chairman of the Board of Directors:
  - » an annual fixed compensation of EUR 50,000 granted pro rata temporis of the duration of the mandate;
  - » an attendance fee of EUR 10,000 per attended meeting of the Board of Directors;
  - » an attendance fee of EUR 2,500 per attended meeting as a member of an advisory committee of the Board of Directors. This fee is doubled per attended meeting as chairman of this advisory committee;
  - » an annual fixed allowance of EUR 4,000 for communication costs;
  - » the use of a company car.

- for the other members of the Board of Directors:
  - an annual fixed compensation of EUR 25,000 granted pro rata temporis of the duration of the mandate;
  - an attendance fee of EUR 5,000 per attended meeting of the Board of Directors;
  - an attendance fee of EUR 2,500 per attended meeting as a member of an advisory committee of the Board of Directors. This fee is doubled per attended meeting as chairman of this advisory committee;
  - an annual fixed allowance of EUR 2,000 for communication costs.

Summarized as follows:

	Chairman of the Board of Directors	Non-executive Director
Annual fixed compensation	€50,000	€25,000
Attendance fee to meetings		
Board of Directors	€10,000	€5,000
Committee as Chairman of the Committee	€5,000	€5,000
Committee as member of the Committee	€2,500	€2,500
Allowance for communication costs	€4,000	€2,000

These amounts are paid semi-annually and are not subject to indexation.

For the performance of their Board mandates, the non-executive Directors do not receive any variable performance-based remuneration, nor do they receive benefits linked to complementary pension plans or any other group insurance.

Although the 2020 Corporate Governance Code recommends that non-executive board members should receive part of their remuneration in the form of shares in the company, the company has decided not to comply with this provision taking into account its specific shareholdership, having the Belgian State as majority shareholder.

The Chairman of the Board of Directors is also Chairman of the Joint Committee, the Pension Fund and Proximus ART. He is member of the Board of ConnectImmo, our immo-affiliate. He does not receive any fees for these mandates.

Remuneration granted to the members of the Board of Directors in 2024

The total amount of the remunerations granted in 2024 to all the members of the Board of Directors, Chairman included, is amounting to gross EUR 1,296,068.

Given the strong evolution of the international pillar of Proximus, the Board of Directors decided at its meeting of 19 December 2023 to create an International Committee as of 2024 with the purpose to ensure Board oversight on all international activities of the Group.

Board of Directors

Meetings	Attendance rate
10	98%

Audit & Compliance Committee

Meetings	Attendance rate
6	100%

Transformation & Innovation Committee

Meetings	Attendance rate
2	100%

Nomination & Remuneration Committee

Meetings	Attendance rate
6	93%

International Committee

Meetings	Attendance rate
2	100%

The overview of the individual gross amounts paid out to the Directors in 2024, based on their activities and attendance to Board and Committee meetings, is presented in the following table.

Remuneration granted to the members of the Board of Directors in 2024

Directors	Annual fix compensation	Attendance fees[1]	Allowance[2]	TOTAL 2024
Caroline Basyn[3]	€17,691	€47,500	€1,415	€66,607
Cécile Coune	€25,000	€70,000	€2,000	€97,000
Stefaan De Clerck	€50,000	€165,000	€7,461	€222,461
Guillaume Boutin				
Karel De Gucht	€25,000	€70,000	€2,000	€97,000
Béatrice de Mahieu	€25,000	€55,000	€2,000	€82,000
Martin De Prycker	€25,000	€70,000	€2,000	€97,000
Audrey Hanard	€25,000	€55,000	€2,000	€82,000
Ibrahim Ouassari	€25,000	€55,000	€2,000	€82,000
Catherine Rutten	€25,000	€60,000	€2,000	€87,000
Joachim Sonne4	€25,000	€70,000	€2,000	€97,000
Claire Tillekaerts	€25,000	€70,000	€2,000	€97,000
Catherine Vandenborre	€25,000	€75,000	€2,000	€102,000
Luc Van den hove[4]	€25,000	€60,000	€2,000	€87,000
TOTAL	**€342,691**	**€922,500**	**€30,877**	**€1,296,068**

1 Extraordinary remunerated Board meetings on 20 June, 31 July and 21 November 2024. New Committee (International Committee) as of 2024.

2 Annual fixed telecom allowance. For the Chairman, this amount also includes the benefit in kind related to the use of company car, which amounted to €3,461 in 2024.

3 Appointed on 17 April 2024

4 Mandate renewed on 17 April 2024

The following table gives an overview of the remuneration granted over the last 5 years to members of the Board of Directors, Chairman included. The year-over-year variance is solely due to the number of board and committee meetings held per calendar year and the attendance or absence of members at these meetings.

Remuneration granted to the members of the Board of Directors over 5 years

Total 2020	Total 2021	Total 2022	Total 2023	TOTAL 2024
€1,231,116	€1,192,366	€987,723	€1,491,432	€1,296,068
year-over-year variance	**-3.1%**	**-17.2%**	**+51.0%**	**-13.1%**

Global Rewards Program – general vision

As provider of digital services and communication solutions, our company is operating in a complex, dynamic and constantly changing environment, on a highly competitive and rapidly evolving Belgian and international telecom market.

To achieve our transformation, ambitions and objectives, and so ensure the long-term sustainability of our Group, we need qualified, talented and highly committed employees and managers, working in close cooperation, building resilience and promoting our culture and values. We indeed consider the promotion of our Think possible culture as key to realize our strategy. Think possible is first and foremost a mindset that makes us see opportunities everywhere. It is also a set of principles and behaviours that guide us in finding the best solutions for our customers.

It is therefore critical to have a competitive and market attractive Global Rewards Program for both the Leadership Squad members and all other members of the Top Management, as well as for the entire workforce. The competitiveness of our Global Rewards Program is regularly assessed by using the services of a human capital and employee benefits consulting company.

Our company has innovative, competitive and market attractive remuneration policies and practices that are regularly assessed and updated through close cooperation with universities, salary benchmark reports from specialized companies and external human resources fora. The practices used for the remuneration of our employees – wages and working conditions included – are based on the principles of non-discrimination and fairness and are defined in a process of dialogue with the Board of Directors and with the social partners.

In view of its history as a company under public law, our company presents certain differences, in its dynamics and structure, compared to the private sector. These differences have had a considerable influence on the evolution of its remuneration policy. Our human resources department has thus developed creative and modular programs to meet our obligations related to the statutory nature of the employment of certain staff members and has introduced new elements that have made it possible to harmonize policies between statutory and contractual staff members.

The main objectives of our Global Rewards Program are as follows:

- to drive performance that generates long-term profitable growth and create long-term value for our Group as a reference operator;
- to stimulate empowerment to meet our commitment to participate in the creation of an inclusive, safe, sustainable and prosperous digital Belgium;
- to offer a fair and equitable remuneration to our staff (both to civil servants and to the contractual employees), and competitive on the market;
- to recognize and reward high performance in line with our company values and our culture Think Possible;
- to link pay to both individual performance and the overall success of our company in order to reinforce the alignment with the business strategy and successful execution;
- to enable our company to attract and retain market's talents at all levels, offering them to live intuitive and meaningful experiences, to create a place of work where these talents can be the best version of themselves and to get them ready to win our company's challenges of today and tomorrow;
- to combine the needs and responsibilities of employees and their families with those of the company and society at large.

Our company also maintains – and modernizes – additional motivational instruments, such as work- life benefits (e.g. hospitalisation and homeworking facilities), social assistance and wellbeing initiatives offered to all employees, Leadership Squad members included.

Our priority is to work on the basis of remuneration practices that prepare the future and support the promise made to our employees to empower them to take accountability, to achieve our company's ambition and strategic objectives and to make them proud of the successes we achieve together.

Remuneration of the members of the Leadership Squad

Decision-making process

The remuneration program of the Leadership Squad and the individual remuneration packages are set by the Board of Directors upon recommendations from the Nomination & Remuneration Committee. The individual remuneration packages are defined according to the individual responsibilities, sustained performance, critical skills and market practices. The Board of Directors always makes sure that the remuneration policies for the Leadership Squad are consistent with our company's overall remuneration framework.

Competitiveness of the remuneration of the Leadership Squad

The remuneration policies and practices applicable to the Leadership Squad are aimed to attract and retain talented executives, reward them competitively and at rates that are attractive in the market, promote sustainable value creation, align the interests of management and shareholders and comply with the governance rules applicable in Belgium. Although the 2020 Belgian Corporate Governance Code recommends that the Board should set a minimum threshold of shares to be held by the members of the Leadership Squad, the company did decide in the past not to comply with this provision taking into account its specific shareholdership, having the Belgian State as majority shareholder. Nevertheless, in view of our Group's increasing internationalization, our company is considering introducing share-based compensation in the future, and did it exceptionally in 2024 for the CEO, which enables a better compliance with the Belgian Corporate Governance Code.

To achieve its transformation, ambitions and objectives, and thus ensure the long-term sustainability of the Group, our company intends to attract and retain qualified, talented and committed leaders for its Leadership Squad. We want to recognize clear role models, who deliver a high level of performance and promote our culture and values.

Like the rest of the top management of our company, the members of the Leadership Squad benefit from dedicated reward programs which focus on the principles of our strategy to consistently reward high performance of individuals and of the company. A significant part of their total remuneration is variable, based on stringent quantitative and qualitative performance criteria, and is driven by our company's objectives in terms of performance and growth and by our company's commitment to contribute to an inclusive, safe, sustainable and prosperous digital Belgium. This way, our company wants to encourage them to deliver a long-term, sustainable profitable growth, in line with our Group's strategy and the expectations of our shareholders.

The market positioning of these remuneration packages is reviewed on a regular basis by benchmarking the remuneration of the members of our Leadership Squad against both the BEL 20 companies (financial sector excluded) and a set of peer companies in the European Telecommunications and ICT sector. This analysis is carried out by specialized and independent external consultants. This analysis aims to ensure that the global remuneration of each member of the Leadership Squad remains adequate, reflecting the complexity inherent in his/her role, fair and in line with market practices and consistent with the evolution of both his/her responsibilities and the market situation of the Proximus Group in terms of size, scope of activities and financial results. As a company, we ambition to position ourselves on the market median, which is our reference.

To distinguish ourselves from other employers, our company seeks to differentiate in the total package offered, by providing not only a cash remuneration but also other benefits. A limited degree of freedom is also left to the top management, the CEO and the other members of the Leadership Squad included, with regard to the choice of the pay-out means of their variable compensation.

Unless otherwise stated, all the amounts mentioned in this report are gross amounts before employer's social contribution.

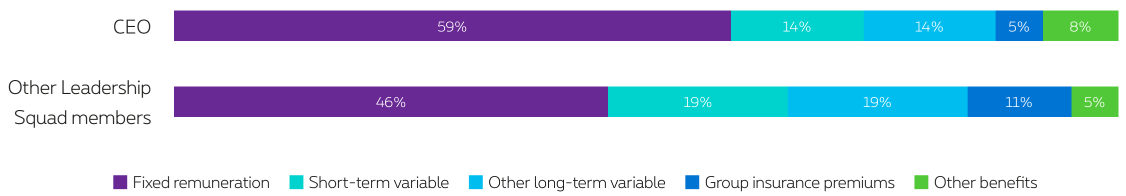
Remuneration structure of the Leadership Squad

The remuneration of the members of the Leadership Squad is built upon the following components:

- Fixed remuneration
- Short-term variable remuneration
- Deferred share-based remuneration
- Other long-term variable remuneration
- Group insurance premiums
- Other benefits
- One-off and exceptional bonuses

Current variable remuneration policy is aligned for all Leadership Squad members, CEO included. The target percentage of both the short and long-term variable remuneration amounts to 40% of the fixed remuneration, meaning that half of the CEO's variable remuneration is long-term, deferred over a 3-year period. This way, our company fully complies with the Article 7.91 of the 2020 Belgian Code on Corporate Governance, which stipulates that at least 50% of the variable remuneration should be deferred. For the CEO, the percentages of variable remuneration are only applicable on the annual fixed remuneration perceived for his responsibilities within Proximus.

Relative importance of the various components of the on-target remuneration before employer's social contribution (end 2024)



The CEO has been offered the opportunity to receive up to 75,000 Proximus shares on 31 July 2024 by the Board of Directors of Proximus, a one-time special success fee aiming to reward the different milestones, realized in the development, preparation and execution of the international strategy of the Proximus Group. The CEO did accept the total number of shares, and therefore paid the personal income tax due. These shares are subject to a blocking period of three years. Given the unique and exceptional nature of this opportunity, it is not included in the chart related to on-target remuneration.

The other members of the Leadership Squad do not receive any remuneration in the form of Proximus shares or Proximus stock options. But in view of our Group's increasing internationalization, our company is considering introducing share-based compensation as part of the Remuneration Policy which would enable a better compliance with the Belgian Corporate Governance Code.

Fixed remuneration

The fixed remuneration consists of a fixed salary earned by the CEO and by the other members of the Leadership Squad for the reported year in such respective roles. This remuneration is defined by the nature and the specificities of the function and by the level of individual skills and experience, considering market practices. This remuneration is allocated regardless of the results and is contractually subject to the consumer price index[1].

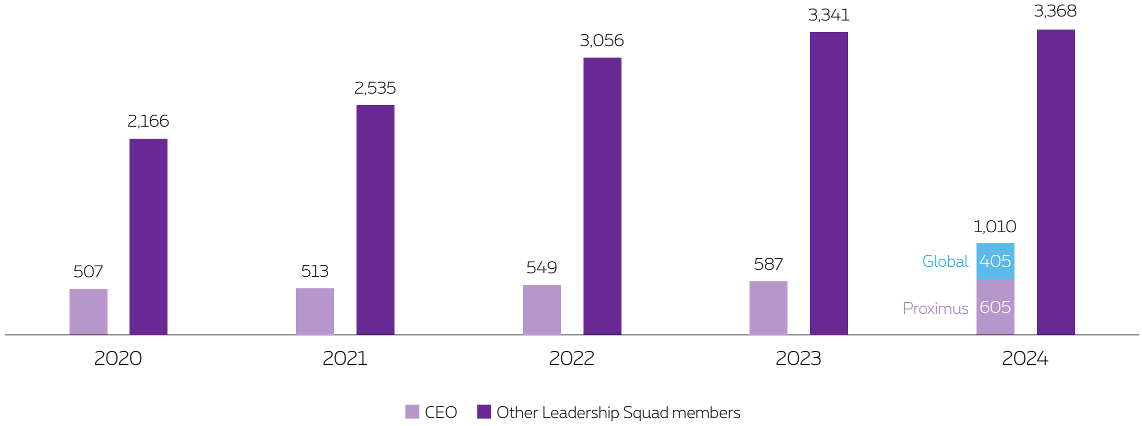
The fixed remuneration of the CEO is set by the Board of Directors at the beginning of his six-year mandate for the duration of his mandate. In order to ensure strategic continuity, an amendment to current management services agreement of the CEO has been signed in 2024 further to the decision taken by the Board of Directors to already renew the CEO's mandate for a new term of six years as from July 2024, ending on June 30, 2030. As announced early February 2025, Guillaume Boutin has decided to leave the Proximus Group by mid-May 2025.

The prolongation came with some modifications to the remuneration package of the CEO. His basic existing remuneration package remains unchanged. However, the additional remuneration Guillaume Boutin receives for his international responsibilities has been adapted to reflect the evolving international activities of the Group and the broader scope of his function as CEO of Proximus Global, encompassing the responsibilities over BICS, Telesign and Route Mobile.

This additional remuneration has been fixed at EUR 400,000 gross per year as of 2024 and is contractually subject to the consumer price index and replaces the fees paid to Guillaume Boutin by Telesign US until end 2023 for his mandate as Chairman of the Board of Directors of Telesign US. This amendment also foresees a possible variable remuneration in case such variable remuneration would be introduced for the Proximus Global management team.

Fixed remuneration in kEUR before employer's social contribution over 5 years

As for the CEO, the increase from 2023 to 2024 is due to the additional annual gross compensation granted in the frame of the amendment to his current management services agreement (see more info in the second paragraph above) for his mandate as CEO of Proximus Global of 400,000 EUR as from 2024, as per Board decision. The evolution is also due to the two indexes which had to be applied in 2023 and one index in 2024. Indeed, Proximus follows the public sector indexation system. In practice, this means that as soon as the pivot index is exceeded, salaries are automatically increased by 2% two months after the index is exceeded.
As for the other members of the Leadership Squad, the increase from 2023 to 2024 is also mainly due to the two indexes of 2023 and one index in 2024.
In 2022 and 2023, fees were paid by Telesign US to Guillaume Boutin for his mandate as Chairman of the Board of Directors of Telesign US, amounting to 75,000 USD, as is common practice in the United States. These fees were not included in the fixed remuneration reported in the Remuneration Reports of 2022 and 2023, which focused on the compensation items related to Proximus S.A. These fees are not granted to Guillaume Boutin anymore as of 2024 given his additional annual gross compensation as CEO of Proximus Global.



1 In accordance with the rules laid down by the Law of 1 March 1977 organising a system of linking certain public sector expenditure to the State consumer price index, as amended by Royal Decree No 178 of 30 December 1982

The fixed remuneration of the Leadership Squad members others than the CEO is regularly assessed by the Nomination & Remuneration Committee, based on an extensive review of sustained performance and assessment of potential of each member provided by the CEO, as well as on external benchmarking data on market practices. Thereby, the evolution of the fixed remuneration depends on the competency level of the Leadership Squad member, of his or her sustained performance level, of the evolution of his or her responsibilities, as well as of the evolution of the market. Possible adjustments are always submitted to the Board of Directors for approval.

Short-term variable remuneration

Purpose and components of the short-term variable remuneration

The members of the Leadership Squad, CEO included, receive a target short-term variable remuneration expressed as a percentage of the annual fixed remuneration. This target percentage is identical for all Leadership Squad members, CEO included, and amounts to 40% of the fixed remuneration. For the CEO, this percentage is only applicable on the annual fixed remuneration perceived for his responsibilities with Proximus SA.

Our short-term variable remuneration system has been designed to support the strategy and the values of our Group and to enhance a performance-based management culture.

Our company indeed considers close collaboration of all employees to be imperative. All efforts need to be focused and aligned towards the Group's ambition to be successful and ensure its sustainability.

The Group results are therefore highly impacting (for 60%) the short-term variable remuneration of the members of the Leadership Squad, on top of the individual performance (for 40%), and this in line with our company values.

Group performance – Key Performance Indicators (KPIs)

The short-term annual variable remuneration is for 60% based on the Group's performance against a set of Key Performance Indicators (KPIs), that are, on a yearly basis, defined by the Board of Directors upon recommendation from the Nomination & Remuneration Committee. These KPIs are the so called STI KPIs (Short Term Incentives KPIs). They focus on our domestic market (Belgium, The Netherlands and Luxembourg).

The amounts of short-term variable remuneration mentioned in the current report are the ones paid out to the Leadership Squad members in the course of 2024 and are thus related to the results of the Group KPIs of the 2023 performance year.

Our 3-year strategic cycle "Bold 2025" comprises a set of 6 strategic pillars, approved by the Board of Directors and applicable to the performance year 2023:

2023 Proximus strategic pillars

We deliver **great value** for **our stakeholders**

15%
Act for an inclusive **society and be sustainable** in everything we do

15%
Delight customers with unrivalled experience

25%
Grow profitably, **locally** and **globally**, through strong brands

through **exceptional strengths**

10%
Engineer **technology assets** to enable digital ecosystems

25%
Roll out **#1 gigabit network** for Belgium

10%
Foster an **engaging culture** and empowering ways of **working**

bold 2025

Each strategic pillar has a weight in the overall STI framework, in line with its relative importance for the Group, and has a number of clearly identified, specific, measurable and actionable KPIs associated with it. These KPIs are either of a financial, a non-financial or a mixed nature.

For the sake of confidentiality, the STI KPIs are only reported a posteriori in this report.

The high ESG (Environmental, Social and Governance) ambitions of our Group are reflected in our STI KPIs. The chosen KPIs show our company's commitment to contribute to a more green, circular and safe society. Over the last years, the weight of the ESG and company culture related KPIs in the overall STI framework has been increased, up to 25% for the performance year 2023 in order to reflect the more prominent role we wish to play in society.

A detailed definition for each of the STI KPIs can be found in the following table.

Strategic pillar 2023	KPI nature	STI KPI 2023	Weight	KPI Definition
Profitable Growth	Financial	**Domestic Revenue**	5%	Top line revenue generated from the domestic business operations.
	Financial	**Domestic EBITDA**	10%	Underlying EBITDA generated by the domestic business operations.
	Non-Financial	**Broadband & Postpaid GG & Churn**	5%	Gross gains and churn volumes of broadband and mobile postpaid equilines (all segments).
	Financial	**Indirect OpEx**	5%	Indirect OpEx spent in the observed year. Defined as the total domestic OpEx minus the direct domestic OpEx.

Delight Customers	Non-Financial	**NPS**	7.5%	Net Promoter Score, computed as the weighted average of NPS results per customer segment.
	Non-Financial	**CES Fiber**	2.5%	Customer Effort Score Fiber, including migrations from copper to fiber and new fiber customers. Proximus brand only, excluding Scarlet and Mobile Vikings.
	Non-Financial	**Proximus Apps Users**	5%	Monthly number of unique active users of the MyProximus and Proximus+ Apps.
Green & Digital Society	Non-Financial	**Green**	8%	This KPI consists of 2 sub-KPIs: 1. **CO2 Emissions (5%):** direct and up- & downstream CO2 emissions related to Proximus' business activities. 2. **Returned Devices (3%):** number of mobile and fixed devices collected for refurbishment or recycling.
	Non-Financial	**Digital Society**	7%	This KPI consists of 2 sub-KPIs: 1. **Cyber Security Resilience (5%):** a measure of our business resilience against cyber security threats/attacks. 2. **Digital Inclusion (2%):** number of people that have been trained through digital inclusion projects from or in co-operation with partners that we support.
Gigabit Network	Non-Financial	**Fiber Construction**	10%	Deployment of our fiber network: incremental number of Fiber Homes Passed realized in the observed year. Including deployment from Proximus itself and its Joint Ventures partners.
	Non-Financial	**Fiber Filling Rate**	10%	Ratio between the Park of Activate Fiber Homes and the Park of Homes Passed that are eligible for Fiber Activation.
	Non-Financial	**5G Indoor Population Coverage**	5%	Indoor population coverage provided by the Proximus 5G mobile network.
Technology Assets	Non-Financial	**Digital Ecosystems**	8%	This KPI consists of 2 sub-KPIs: 1. **Digital Sales (4%):** digital penetration of our fixed internet, TV and mobile postpaid sales volumes in the residential and small enterprise segments. 2. **Digital Customer Service (4%):** percentage of successful self-service interactions vs. total number of interactions in the domains of billing, administrative support and technical support.
	Non-Financial	**Major Incidents**	2%	Number of major IT/Telco incidents occurred in Proximus networks.
Organization & Culture	Non-Financial	**Employees**	10%	Measure of our employees' engagement, agility, empowerment, accountability and strategic alignment with respect to our company.
		Total	**100%**	

Measuring methodology: we all go the extra smile!

For each performance indicator, an end-of-year target has been defined, as well as a pay-out interval with a minimum (Min) and a maximum (Max) threshold. The targets and thresholds have been defined in such a way that they stimulate the teams to go the extra (s)mile whilst remaining realistic and achievable. For a KPI that meets its end-of-year target, the short-term variable remuneration pay-out ("Multiplier") is at 100% of its target level. In case of overperformance versus target at year end, the Multiplier linearly grows to a maximum of 200% beyond which it is capped, whilst it linearly decreases to 0% in case of underperformance versus target at year end.

The EBITDA and the Indirect OpEx are determined based on audited financial figures, adjusted to obtain underlying financial figures after exclusion of incidentals. Also CO2 results are submitted to an external audit. Non-financial indicators are measured by internal experts and external agencies specialized in market and customer intelligence.

The achievements of these KPIs are regularly followed-up at the Leadership Squad and are discussed at the Remuneration Committee and at the Board of Directors.

Individual performance

The individual performance is taken into account for 40% in the short-term variable remuneration.

On top of the Group results, the individual performance is annually evaluated in the course of the first quarter following the end of the financial year by the Board of Directors. This evaluation is based on the recommendations made by the Chairman of the Board of Directors for the CEO performance and by the CEO for the other members of the Leadership Squad.

Throughout each performance period, the achievements of the on-going year are regularly measured and discussed. The final evaluation takes into account the realizations versus predefined measurable individual objectives as well as the achievements of the Leadership Squad members in their leadership role and their active role in the promotion of our company culture and values.

These individual objectives are set every year in line with the specific role and responsibilities of each Leadership Squad member and need to reflect our long-term corporate strategy which is cascaded within the company and included in the individual objectives as to enable our Group to fulfil its ambitions.

ESG-related metrics are part of the individual annual targets, such as climate change KPIs (aiming to reduce our environmental footprint, that of our customers and that of our suppliers), a positive influence on (digital) society, governance KPIs or parameters with a social responsibility dimension. Our company wants to encourage permanent awareness and climate-friendly behavior and management.

We are committed to stimulate high and sustainable levels of performance in a spirit of innovation, collaboration, agility and personal development.

Upon final evaluation, the Board of Directors will not only take into consideration the individual differentiation between the members of the Leadership Squad in terms of performance and talent but will also ensure that the total amount allocated for individual performance is in line with the results at Group level, in order to consolidate the interdependence between the individual contribution and the company's performance.

Short-term variable remuneration allocation

As mentioned above, the amount effectively paid to the CEO and to the other members of the Leadership Squad varies according to the Group results (for 60%) and to the evaluation of the individual performances (for 40%) by the Board of Directors.

2023 performance year	Objectives of the Short-term variable remuneration		Weight	% weight
CEO and other members of the Leadership Squad	Group KPI	Profitable Growth	15%	25%
		Delight Customers	9%	15%
		Green & Digital Society	9%	15%
		Gigabit Network	15%	25%
		Technology Assets	6%	10%
		Organization & Culture	6%	10%
	Personal objectives		40%	
	Total target		100%	100%

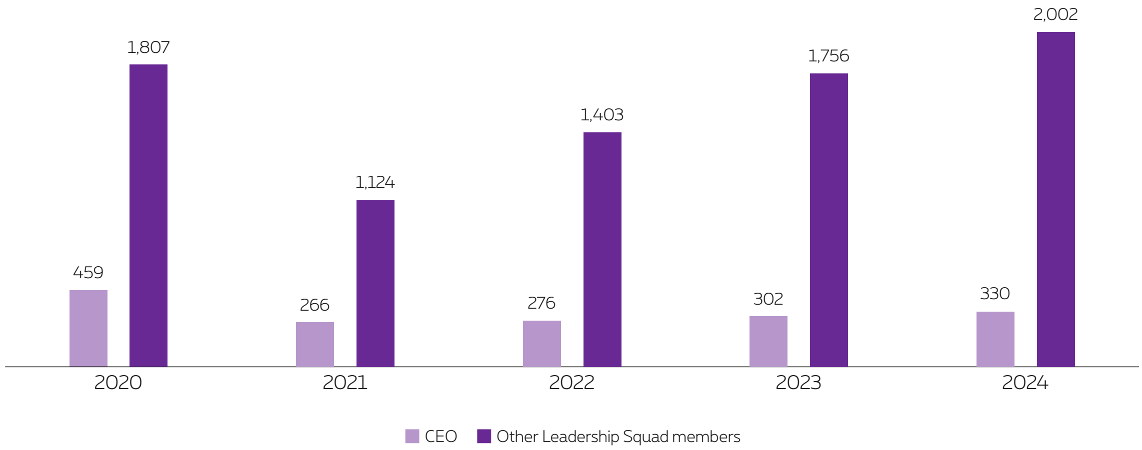
In case of objectives realization at 100%, the CEO or the other members of the Leadership Squad gets 100% of his or her short-term variable remuneration target amount. In case of excellent performance at Group and individual level, the short-term variable remuneration can go above the 100% of the target amount, with a cap at 200%, according to a linear allocation curve. Conversely, this percentage can drop down to 0% in case of severe underperformance.

The Board of Directors ensures that the amount allocated for individual performance is consistent with the company's performance. However, there is no overall ceiling directly linked to the Group KPI results for the total individual short-term variable remuneration allocated to the Leadership Squad members others than the CEO. Allocations are made individually on the basis of actual performance against individual targets, in line with market practice for this level of responsibility.

One of the principles of our company's remuneration policy is the degree of freedom for the top management, the CEO and the other members of the Leadership Squad included, with regard to the choice of pay out means of their variable remuneration. They therefore get the opportunity to invest part of their short-term variable remuneration in a bonus pension plan, i.e. an additional supplementary pension plan, and to receive part of their short-term variable remuneration in cash bonuses, in non-recurring benefit or in (non-Proximus) warrants or fund options, always within the limits of the relevant regulations.

Short-term variable remuneration in kEUR before employer's social contribution over 5 years

In 2024, a short-term variable remuneration has been allocated to the CEO for a total amount of gross EUR 329,604. The increase noticed in 2024 is mainly due to the variation in the Group KPI result but is also due to the 2 indexations applied on the fixed remuneration in 2023. The amount reported for 2020 included the amount paid to the current CEO, Mr. Boutin (EUR 18,833 gross) but also included the amount (EUR 440,000 gross) paid out to former CEO, Mrs. Leroy, for her performance years 2017 to 2019. The total short-term variable remuneration effectively allocated in 2024 to the other members of the Leadership Squad (2023 performance year) amounts to gross EUR 2,001,657. As for the CEO, the increase noticed in 2024 is mainly due to the variation in the Group KPI result but is also due to the 2 indexations applied on the fixed remuneration in 2023 and is also resulting from the changes in the composition of the Leadership Squad over in 2023 and from the fact that there is no longer an overall ceiling directly linked to the Group KPI results for the total individual short-term variable remuneration (as explained above). The other year-to-year variations are mainly due to the same reasons.



Deferred share-based remuneration

As mentioned earlier in this document, the Board of Directors decided in July 2024 to grant a one-time special success fee of 75,000 shares (subject to Belgian personal income taxes) to the CEO to reward the different milestones realized in the development, preparation and execution of the international strategy of the Proximus Group. Such a remuneration in shares for top executives is recommended by the Belgian Corporate Governance Code 2020 and standard practice in the international business landscape. It was also a clear demand from shareholders at the latest General Shareholders Meeting. It clearly demonstrates the engagement and commitment of Guillaume Boutin to drive further growth and the concrete execution of the developed strategy. It proves the shared belief of the Board of Directors and the CEO in the future of the company and its sustainable capacity to create future value.

These 75,000 shares – with voting and dividends rights – were granted at closing share price of 31 July 2024 and are subject to a blocking period of three years.

The CEO did accept the 75,000 number of shares. The amount reported in current Remuneration Report, i.e. EUR 431,250 gross, is the amount of benefit in kind on which the personal income tax due as per Belgian legislation has been paid by the CEO.

The deferred nature of this exceptional reward – through the 3-year vesting period, ending on 31 July 2027 – motivates the CEO to drive long-term value creation by aligning his interests with the long-term strategic goals of the company.

The other members of the Leadership Squad did not receive any Proximus shares in 2024, nor over the last 5 years.

The CEO and the other members of the Leadership Squad did not receive any Proximus stock options over the last 5 years neither. But our company will ask the introduction of share-based compensation as of 2025 during the General Assembly of April 2025, which would also enable a better compliance with the Belgian Corporate Governance Code. This share-based compensation would count for 50% of the long-term variable remuneration (see hereafter) while the long-term Performance Value Plan would remain counting for the other 50% of the long-term variable remuneration.

Features of the one-time deferred share-based remuneration granted to the CEO in 2024

Beneficiary	Main conditions of share award plan					Information regarding the reported financial year					
						Opening balance	During the year		Closing balance		
	Tranche	Performance period	Award date	Vesting date	End of retention period	Shares held at the beginning of the year	Shares awarded	Shares vested	Shares subject to performance conditions	Shares awarded and unvested at year end	Shares subject to a retention period
CEO	2024	2024-2027	31/07/2024	1/08/2027	31/07/2024	0 shares	75,000 shares	0 shares	0 shares	75,000 shares	0 shares

Other long-term variable remuneration
Defurred bonus over 3 years

Purpose and components of this long-term variable remuneration

Our company wants to encourage its Leadership Squad, as well as the other members of its top management, to generate sustainable and profitable performance and growth over the long term, in line with our strategy at Group level, our societal ambitions and the expectations of our shareholders and all our other stakeholders.

To achieve this ambition, the remuneration policy of our Leadership Squad, CEO included, significantly links their variable remuneration to our Group's long-term financial and non-financial strategic objectives through a long-term variable remuneration.

Long-term variable remuneration allocation

The members of the Leadership Squad, CEO included, receive a target long-term variable remuneration expressed in a percentage of the fixed remuneration. This target percentage is the same as the percentage of their target short-term variable remuneration, i.e. 40% of the annual fixed remuneration.

This means that half of the CEO's variable remuneration is long-term, deferred over a 3-year period. This way, our company fully complies with the Article 7.91 of the 2020 Belgian Code on Corporate Governance, which stipulates that at least 50% of the variable remuneration should be deferred.

The long-term variable remuneration is allocated to the members of the Leadership Squad by the Board of Directors upon recommendations made by the Nomination & Remuneration Committee. The long-term incentives plan currently in place is a long-term Performance Value Plan, which has been adopted by our company in 2013 and has been reviewed in 2019 and 2022.

Long-term Performance Value Plan

The long-term incentive plan offered by our company to its executives is currently set up as a Performance Value Plan. Under this Performance Value Plan, targets are defined and fixed for the next 3 years and as a result, the awards granted are blocked for a period of 3 years. The amount actually paid after vesting, will depend on a final multiplier as described below.

This plan has been designed to keep the long-term variable remuneration of the executives balanced and attractive while maximizing Proximus Group's long-term value by aligning the interests of Proximus Group's executives with Proximus Group's shareholders and stakeholders. It aims to ensure that the actions and initiatives taken by the executives are guided by long-term and sustainable interests. Therefore, this remuneration clearly constitutes a long-term incentive.

Leadership Squad members who would put an end to their employment relationship with our company before the end of the blocking period would lose the awards granted. This rule also applies in case the company puts an end to an employment relationship for serious cause on the part of a member of the Leadership Squad.

Long-term Performance Value Plan Key Performance Indicators

Just like the STI KPIs, the Key Performance Indicators used in the frame of the Long-term Performance Value Plan – the so called LTI KPIs – are also related to the strategic goals of our Group and enable us to assess the progresses of our Group towards our societal ambitions, strategy and sustainability on the long term.

We keep the future in mind

In order to reflect the high ESG (Environmental, Social and Governance) ambitions of our Group in our LTI KPIs as well, a fourth KPI, specifically related to ESG matters, has been added to the original ones since 2022. This way, encouraging ESG innovation, we want to increase the focus on our efforts to evolve towards a more sustainable society. This ESG KPI will be reviewed over the years in line with our ESG concerns and long-term commitment to contribute to the necessary changes.

If the introduction of share-based compensation as of 2025 is accepted by the shareholders during the General Assembly of April 2025, this share-based compensation would count for 50% of the long-term variable remuneration while the long-term Performance Value Plan would remain counting for the other 50% of the long-term variable remuneration. In our ongoing commitment to sustainability performance and responsible business practices, we would then update the Key Performance Indicators of our Performance Value Plan by only keeping two kinds of KPIs: reputation and ESG portfolio. By concentrating on just two KPIs, we can ensure a sharper focus and will drive the behaviors and outcomes on the areas that are most critical to our long-term success and positive societal impact.

In 2024, 4 KPIs have been defined which enhance the sense of long-term and sustainable business vision among Proximus Group's senior management and support Proximus in delivering sustainable Free Cash Flow and improving our brand perception and reputation:

- 2 financial KPIs: the Total Shareholder Return of Proximus and the Group Free Cash Flow
- 2 non-financial KPIs: the Reputation index of Proximus and an ESG (Environmental, Social and Governance) KPI

2024
Long-term variable remuneration
Key Performance Indicators

Total shareholder return **25%**	Free cash flow **25%**
Proximus' reputation **25%**	ESG KPI **25%**

The KPIs have been given different weights in the overall Long-term Performance Value Plan framework, in line with their relative importance in terms of long-term sustainability of the Group. The weight of each KPI has been reviewed with the introduction of the ESG KPI as 4th KPI. A detailed definition for each of the KPIs, as well as their weight factors, can be found in the following table.

LTI KPI	Weight	KPI definition and measurement
Total shareholder return	25%	This criterium reflects Proximus' long-term competitivity on the European telecom market by measuring its position against a representative basket of comparable European companies with respect to their Total Shareholder Return. The Total Shareholder Return being defined as the combination of share price appreciation and the dividends paid to show the total return to the shareholder. Current basket of European companies is the following: Deutsche Telekom, Orange, KPN, BT, Swisscom, Telefonica, Telecom Italia, Telenor, TeliaSonera and OTE. This KPI is measured annually, per calendar year, and the annual result is expressed as a percentage between 0 and 175, depending on the ranking of Proximus within the peer group.
Group free cash flow	25%	The Group Free Cash Flow KPI will measure Proximus' healthy financial evolution over the years. Group Free Cash Flow targets are defined by Proximus' Board of Directors in line with the 3-year plan. This KPI is assessed annually against the objectives set and the annual result is expressed as a percentage between 0 and 175.
Proximus' reputation	25%	The Reputation Index is a holistic, measurable and actionable KPI enabling Proximus to fully integrate the concept of reputation into its long-term strategy. It measures the perception about "the company behind the brand" among a representative sample of the general public, (co-) responsible for telecom decisions in their household. A third-party company reports the annual results which are expressed as a percentage between 0 and 175.
ESG KPI	25%	This ESG KPI reflects the high ambitions of Proximus to evolve towards a more sustainable society. The KPI currently covers the companywide CO2 emissions reduction as well as a gender equality metric, but additional ESG metrics could be considered to enrich the ESG KPI, in line with Proximus societal ambitions, strategy and sustainability on the long term.

For the Reputation, the ESG KPI and the Group Free Cash Flow, targets and thresholds are defined in such a way that they stimulate the teams to go the extra (s)mile whilst remaining realistic and achievable on the long-term.

Each year, an annual result is calculated on the basis of the weighted average of the 4 above-mentioned performance criteria. After the blocking period of 3 years, the Performance Values vest and the Performance Values are then paid to the beneficiaries according to the final multiplier, being the average of the three yearly multipliers.

In case of final multiplier at 100%, the executives get 100% of the long -term variable remuneration originally granted to them. In case of sustained excellent Group performance over this 3-year period, the final multiplier for the long-term variable remuneration can go above the 100%, with a cap at 175%. Conversely, this percentage can drop down to 0% in case of severe underperformance.

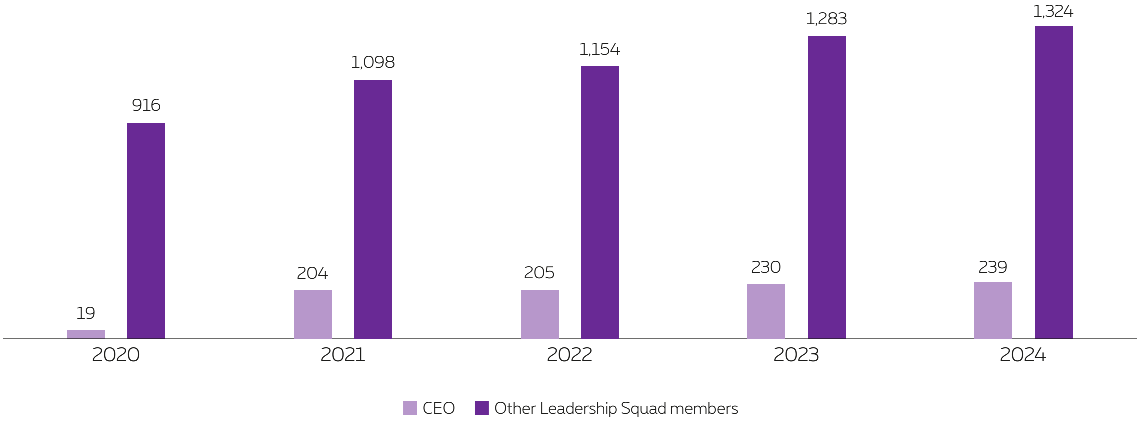
The payment of the Performance Values is made through a cash bonus.

Long-term variable remuneration granted in kEUR before employer's social contribution over 5 years

Given Mr. Boutin started his CEO mandate in December 2019, only the long-term variable remuneration allocated to him in the course of 2020 for one month performance in his CEO role is included in the reported granted amount for 2020. In 2024, a long-term variable remuneration has been granted to the CEO for a total amount of gross EUR 230,190.

The total long-term variable remuneration effectively granted to the members of the Leadership Squad others than the CEO was amounting to gross EUR 1,324,130 in 2024 and to gross EUR 1,282,784 in 2023.

The year-to-year variations for the CEO and the other members of the Leadership Squad are mainly resulting from the two indexations applied on the fixed remuneration in 2023.



Group insurance premiums

Complementary pension

The CEO participates in a complementary pension scheme entirely financed by Proximus which foresees an annual defined contribution calculated as a percentage of the fixed remuneration. This percentage amounts to 10%, only calculated on the fixed remuneration related to his role as CEO of Proximus.

Formula for complementary pension of the CEO = 10% * W

W = reference salary as CEO of Proximus = monthly fixed salary multiplied by 12

The other members of the Leadership Squad participate in a complementary pension scheme entirely financed by Proximus which consists of a "Defined Benefit Plan" offering pension rights which are in line with market practices. This scheme therefore corresponds to a promise made by the company of a certain amount at retirement age based on the plan rules, an amount that does not depend on an investment return.

Formula for complementary pension of the other members of the Leadership Squad
= N/60 * W - N/45 * ELP

N = number of service years expressed in months and years
W = reference salary = monthly fixed salary multiplied by 12
ELP = Estimated Legal Pension = the legal pension ceiling

Other group insurances

The CEO and the other members of the Leadership Squad also benefit from other group insurances in line with market practices, such as life and invalidity insurances.

As for the life insurance, the beneficiaries of the CEO or of another member of the Leadership Squad will receive, in the event of death during the term of his or her contract, a gross capital lump equal to the monthly fixed salary multiplied by 60. For the CEO, this formula only applies on his monthly fixed salary for his role as CEO of Proximus.

In the event of work incapacity due to illness or private accident, the professional income of the CEO or another member of the Leadership Squad is 100% guaranteed for the first three months of the incapacity. For the CEO, this only applies on his monthly salary for his role as CEO of Proximus. As from the fourth month, the disability insurance covers the payment of a disability annuity by the insurance company on top of the ceiling of the legal sickness-disability insurance provided by the Belgian social security.

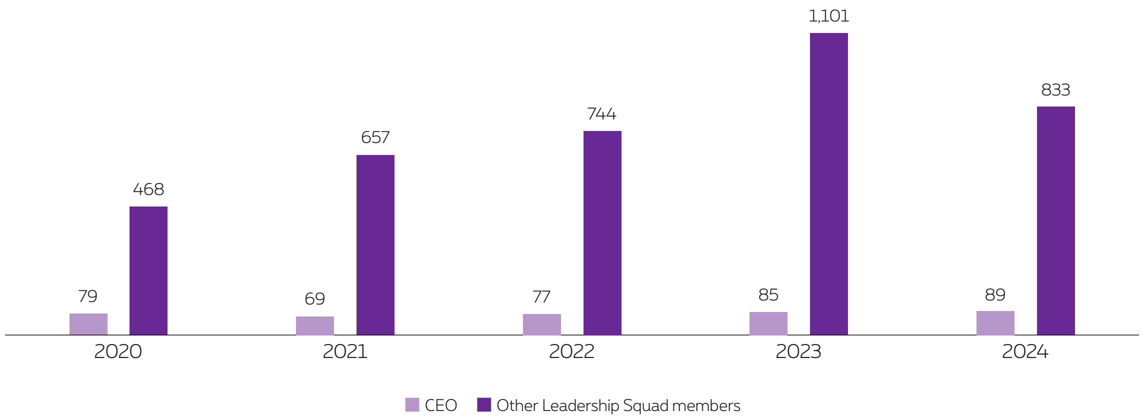
Average premiums for the company

The average premiums paid by our company for the group insurances of the CEO in 2024 is estimated to 9% of his fixed remuneration.

As for the other members of the Leadership Squad, the average premiums paid by our company for their group insurances in 2024 amounted to about 25% of their fixed remuneration.

Group insurance premiums in kEUR before employer's taxes over 5 years

The year-to-year variations for the other members of the Leadership Squad are mainly resulting from the changes in the composition of the Leadership Squad. The increase noticed in 2023 was mainly due to a very specific situation: even though Mr. Lybaert retired in September 2023 after a full career, he retired before the age stipulated in the general contract signed with our insurer, implying an additional payment (266 k€) by the company in his complementary pension plan. The increase noticed in 2023 is also the consequence of the multiple indexes of 2022 and 2023.



Other benefits

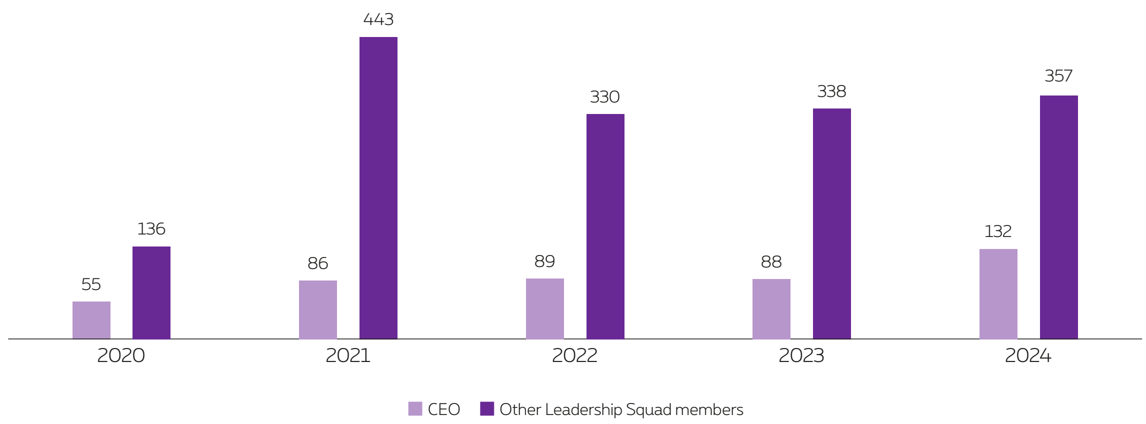
Our Group wants to stimulate its executives by offering a portfolio of benefits and advantages that are competitive in the marketplace and consistent with the Group's culture. The CEO and the other members of the Leadership Squad receive benefits on top of their remuneration, including medical insurance, the use of a company car, welfare benefits and other benefits in kind. Comparative assessments are regularly made on these benefits which are adapted according to the common market practices.

Where feasible, our portfolio of benefits and advantages is tailored and updated in line with our company's ambition to act for a green and digital society. For instance, our mobility program is now focused on clear objectives of a greener fleet and of a wide offer of green alternatives to car use for our employees, members of the Leadership Squad included.

Non-recurring costs – like relocation costs upon recruitment of new members residing abroad, for instance – are impacting the evolution from year to year of the total cost for our company for these benefits and advantages. The ratio versus the fix remuneration can therefore significantly evolve from a year to another. For 2024, this ratio is estimated to 13% for the CEO and to 18% for the other members of the Leadership Squad.

Other benefits in kEUR before employer's taxes over 5 years

The significant increase in other benefits for members of the Leadership Squad in 2021 was mainly due to specific advantages related to the foreign executive status of several members, including the specific costs related to the recruitment of two members from abroad, like the relocation costs.



One-off and exceptional bonuses

The Board of Directors may, in exceptional circumstances and upon recommendations made by the Nomination & Remuneration Committee, grant one-off bonuses to one or more members of the Leadership Squad.

This may be necessary, for example, in the case of additional responsibilities exceptionally assumed by a member of the Leadership Squad when a Leadership Squad position is vacant, or in the event that a sign-on or a special retention bonus would be necessary due to market circumstances.

At Leadership Squad level, offering a hiring bonus is common practice in order to attract talented people and convince them to join us. In the "war for talent", hiring bonuses are increasingly common on the market, and are becoming part of employment contracts. In addition to their attraction function, exceptional one-shot variable remuneration is also often granted as financial compensation for the potential loss of variable remuneration (short- and long-term) when the related people resign from their current job.

If granted, such bonuses are reported together with the variable remuneration and are included in the total variable remuneration allocated to the other Leadership Squad members at the time these possible exceptional bonuses are earned. Consequently, if contractual promises for the future exist at the time of publication of this report, they will only be taken into account at the time these will be earned.

Recovery of undue variable remuneration

A claw back stipulation is part of the contract of the CEO enabling our company to recover the paid short-term and long-term variable remuneration or to withhold the payment of this variable remuneration in the case of established fraud.

As for the other members of the Leadership Squad, the employment contracts of those members appointed as from 1 January 2020 include a specific claw back stipulation regarding the recovery in favour of our company of the short-term and long-term variable remuneration that would have been attributed to them on the basis of erroneous financial information. The employment contracts of those members appointed prior to 1 January 2020, however, do not include such a stipulation.

These stipulations do not mention the way undue variable remuneration would be recovered. If the case were to arise, which seems unlikely in view of the multiple controls and audits carried out before publication of the results, the recovery would be analysed, both in terms of the amounts to be recovered and the way to do it.

Main provisions of the contractual relationships

Proximus' contractual relations with the CEO and the other members of the Leadership Squad are in line with current market practice.

Contractual arrangement with the CEO

The CEO has a contract as self-employed executive since December 2019 with a fixed six-year term.

On 25 July 2024, the Board of Directors has unanimously opted for a proactive prolongation of the mandate of Guillaume Boutin and has thus decided to already renew his mandate as Proximus Group CEO for a period of six years. This decision has been officialised in an amendment to current management services agreement of Guillaume Boutin. As announced early February 2025, Guillaume Boutin has decided to leave the Proximus Group by mid-May 2025.

The CEO is bound by a non-competition clause, prohibiting him during 12 months after leaving the Group from working for any company of the telecommunication industry that is active in Belgium, in Luxembourg or in The Netherlands. If activated by our company, the CEO would receive an amount equal to one year's fixed remuneration as compensation.

The CEO is also bound by exclusivity and confidentiality obligations and is liable for respecting the company codes and policies, like the Code of Conduct and the Dealing Code.

If the CEO mandate is revoked by our company before the end of the six-year term, except if the mandate is ended for reason of material breach, our company will pay the CEO a contractual termination indemnity equal to one year's fixed salary and target short-term variable remuneration, including the compensation granted for his mandate as CEO of Proximus Global.

Main contractual terms of the other Leadership Squad members

Our company and the other members of the Leadership Squad are bound by employment agreements for an indefinite period that comply with Belgian corporate governance legislation and are all subject to Belgian jurisdiction.

All members of the Leadership Squad other than the CEO are bound by a non-competition clause prohibiting them during 12 months after leaving the Group from working for any other mobile or fixed licensed operator active on the Belgian market. If activated by our company, he/she would receive an amount equal to six months' fixed remuneration as compensation.

Just like the CEO, the other members of the Leadership Squad are also bound by exclusivity and confidentiality obligations and are liable for respecting the company codes and policies, like the Code of Conduct and the Dealing Code.

They have a contractual termination clause which foresees an indemnity of one year's remuneration. Nevertheless, we will apply the Belgian mandatory employment law if it provides for a longer notice period (or a corresponding higher termination indemnity).

General overview

The charts below reflect the remuneration allocated to the members of the Leadership Squad over the last 5 years by our company or any other undertaking belonging to the Group (benefit based on gross or net remuneration, depending on the type of benefit).

Remuneration overview of the CEO

As for the increase in the remuneration of Guillaume Boutin in 2024, the Board of Directors has decided to renew his CEO mandate for a new term of six years in July 2024. The prolongation comes with some modifications to the remuneration package of the CEO. His basic existing remuneration package remains unchanged. However, the additional remuneration Guillaume Boutin receives for his international responsibilities has been adapted to reflect the evolving international activities of the Group and the broader scope of his function as CEO of Proximus Global, encompassing the responsibilities over BICS, Telesign and Route Mobile. This remuneration has been fixed at EUR 400,000 gross per year and replaces the fees paid to Guillaume Boutin by Telesign US for his mandate as Chairman of the Board of Directors of Telesign US.
Besides, the Board of Directors decided to grant a one-time special success fee of 75,000 shares (subject to Belgian Taxes) to the CEO with a blocking period of 3 years to reward the different milestones, realized in the development, preparation and execution of the international strategy of the Proximus Group. The CEO did accept the total number of shares. The amount reported in current Remuneration Report, i.e. EUR 431,250 gross, is the amount of benefit in kind on which the personal income tax due as per Belgian legislation has been paid by the CEO.

CEO	2020		2021		2022		2023		2024	
Fixed remuneration	€507,492	45%	€512,537	45%	€549,015	42%	€587,226	45%	€1,009,618	45%
Proximus	€507,492		€512,537		€549,015		€587,226		€604,951	
Global	€0		€0		€0		€0		€404,667	
Short-term variable remuneration	€458,833	40%	€265,614	22%	€276,019	21%	€301,633	23%	€329,604	15%
One-time deferred share-based remuneration	€0	0%	€0	0%	€0	0%	€0	0%	€431,250	19%
Other long-term variable remuneration	€18,833	2%	€203,996	17%	€208,073	16%	€229,903	18%	€239,190	11%
Group insurance premiums	€78,550	7%	€69,007	6%	€76,962	6%	€85,470	7%	€89,456	4%
Other benefits	€55,083	5%	€86,402	7%	€88,660	7%	€87,823	7%	€132,163	6%
SUBTOTAL (excl. employer's social contribution)	**€1,118,791**		**€1,137,556**		**€1,198,729**		**€1,292,055**		**€2,231,281**	
Termination benefits	€0	0%	€0	0%	€0	0%	€0	0%	€0	0%
TOTAL (excl. employer's social contribution)	**€1,118,791**		**€1,137,556**		**€1,198,729**		**€1,292,055**		**€2,231,281**	

All these amounts are gross amounts before employer's possible charge.

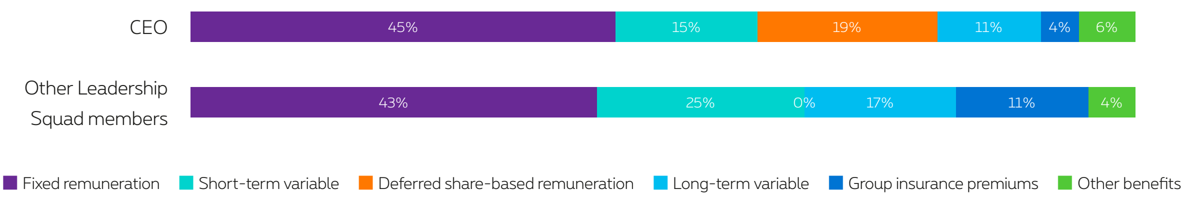
Remuneration overview of the other members of the Leadership Squad

The increase of fixed remuneration in 2022 and 2023 is mainly due to the multiple indexes which had to be applied in 2022 (five) and in 2023 (two) but is also resulting from the changes in the composition of the Leadership Squad: an additional role has been created in 2021 in order to support our digital transformation and ambitions. Following the retirement of Mr. Dirk Lybaert in September 2023 (resulting in an early payment of vacation pay), the amount reported in 2023 for the Group insurance premiums includes the additional payment made by our company upon his retirement due to his specific situation. The increase since 2021 of the Other benefits is mainly due to specific advantages related to the foreign executive status of several members and the recruitment of two of them.

Other members of the Leadership Squad	2020		2021		2022		2023		2024	
Fixed remuneration	€2,166,045	39%	€2,534,773	43%	€3,055,941	46%	€3,340,675	43%	€3,368,224	43%
Short-term variable remuneration	€1,807,390	33%	€1,123,605	19%	€1,402,844	21%	€1,756,326	22%	€2,001,657	25%
Deferred share-based remuneration	€0	0%	€0	0%	€0	0%	€0	0%	€0	0%
Other long-term variable remuneration	€916,375	17%	€1,097,703	19%	€1,154,000	17%	€1,282,784	16%	€1,324,130	17%
Group insurance premiums	€468,275	9%	€657,319	11%	€743,750	11%	€1,101,269	14%	€833,310	10%
Other benefits	€135,648	2%	€442,935	8%	€329,817	5%	€337,828	4%	€357,327	5%
SUBTOTAL (excl. employer's social contribution)	**€5,493,733**		**€5,856,335**		**€6,686,352**		**€7,818,882**		**€7,884,648**	
Termination benefits	€0	0%	€0	0%	€0	0%	€0	0%	€0	0%
TOTAL (excl. employer's social contribution)	**€5,493,733**		**€5,856,335**		**€6,686,352**		**€7,818,882**		**€7,884,648**	

All these amounts are gross amounts before employer's social contribution and possible other charges.

Relative importance of the various components of the remuneration effectively allocated in 2024 before employer's social contribution



Wages and working conditions: internal comparisons, and company performance

The global working conditions of our senior management, CEO and members of our Leadership Squad included, are highly similar to the working conditions of all other employees.

Besides being limited, the few differences in benefits that exist between top management and Leadership Squad members on the one hand and the rest of the workforce on the other are usually related to general market practices or individual needs. For instance, while medical coverage is the same for the vast majority of our employees, senior managers included, this medical coverage is extended for employees whose taxable family income is below a certain ceiling – extension for dentures, hearing aids and other medical prostheses – and is also extended for the members of the Leadership Squad as to offer market conform conditions. The differences in benefits between the members of the Leadership Squad and the rest of the employees are generally more related to the status of foreign executive of several members of the Leadership Squad than to the function level or role.

In terms of remuneration, we ensure consistency between the remuneration and the business results as well as consistency between the remuneration policy of our executives and the remuneration policy of all other employees, for instance by aligning the ratio of the short-term variable remuneration actually allocated versus the target.

Our reward approach has always been designed to deliver long term sustainability, to reflect an excellent asset management risk model and to support the long-term business interests of our shareholders. It takes into account our responsibility towards our customers, our shareholders, the Belgian society and other stakeholders. This approach is also consistently applied to each subsidiary entity of our Group.

We want to recognize and fairly reward all employees' contributions. Our Group is committed to providing fair, gender neutral and consistent wages and working conditions to all employees, regardless of their level of responsibility or role. It is critical to have a competitive and market attractive Global Rewards Program for our entire workforce as to propel our company, all together, towards the future and to progress together in our ambition to participate in the construction of a green and digital Belgium we want to live in.

Pay ratio and pay evolution

The pay ratio portraying the gap between highest and lowest paid remuneration in the company (Proximus SA) on a full-time basis is equal to 36 in 2024. This ratio is measured by comparing the highest (the CEO one) and lowest remuneration[2], taking into account the total target remuneration package (including base pay, premiums, variable pay, group insurances and benefits), excluding employer's social contributions.

Considering the scope of our organization, where everyone has a role to play but with very different levels of strategic responsibility, such a ratio remains consistent and within market practices.

The table below aims at portraying the evolution of the average remuneration on a full-time equivalent basis of the company's employees (other than members of the Board of Directors and of the Leadership Squad) between 2020 and 2024.

Average remuneration of the company's employees over years, including the year-over-year evolution

	2020	2021	2022	2023	2024
Average remuneration*	€86,677	€87,400	€93,471	€96,833	€100,858
Year-over-year evolution		+1%	+7%	+4%	+4%

* The average remuneration is measured by comparing the personnel costs – as published in the Social Balance sheet (code 1023) of the Annual Accounts of Proximus SA of the involved year – with the number of full time equivalents employees (Leadership Squad excluded) of Proximus SA at the closing date of the period (for 2020, 2021 and 2022) and with the average number of full time equivalents employees (Leadership Squad excluded) of Proximus SA of the involved year (for 2023 and 2024).

The year-over-year evolution (2024 vs. 2023) of the CEO total target remuneration is 38%. The increase is due to the additional annual gross compensation granted in the frame of the amendment to his current management services agreement for his mandate as CEO of Proximus Global as from 2024, as per Board decision. The year-over-year evolution (2024 vs. 2023) of the average remuneration of the company's employees is +4%.

The pay ratio portraying the gap between the CEO's remuneration and the average remuneration of the company's employees is equal to 17,2 in 2024. This ratio is measured by comparing the total target remuneration package (including base pay, premiums, variable pay, group insurances, benefits and employer's social contributions) of the CEO with the average remuneration of the company's employees.

The pay ratio portraying the gap between the CEO's remuneration and the median remuneration[3] of the company's employees is equal to 21,5 in 2024. This ratio is measured by comparing the CEO and median remuneration, taking into account the total target remuneration package (including base pay, premiums, variable pay, group insurances and benefits), excluding employer's social contributions.

2 Defined-duration contracts have been excluded from the scope due to the difficulty in accurately calculating the annual remuneration package for such contracts. It is however important to note that these contracts adhere to the same remuneration policy as the undefined-duration contracts, represent a minority among our workforce and are not in the lowest pay range, what ensures consistency and integrity in the ratio calculation.

3 Defined-duration contracts have been excluded from the scope due to the difficulty in accurately calculating the annual remuneration package for such contracts. It is however important to note that these contracts adhere to the same remuneration policy as the undefined-duration contracts, represent a minority among our workforce and are not in the lowest pay range, what ensures consistency and integrity in the ratio calculation.

Evolution of the pay ratios over the last 3 years

	2022	2023	2024
Pay ratio CEO vs. lowest remuneration	27.9	29.1	36.0
Pay ratio CEO vs. average remuneration	12.9	13.0	17.2
Pay ratio CEO vs. median remuneration	14.9	14.9	21.5

The increase between 2023 and 2024 is due to the additional annual gross compensation granted to the CEO in the frame of the amendment to his current management services agreement for his mandate as CEO of Proximus Global as from 2024, as per Board decision.

Company performance

The table below shows the company's performance between 2020 and 2024.

Company performance over years, including the year-over-year evolution

(€ million)	Underlying revenue		Underlying EBITDA	
2024	6,430	+6.4%	1,850	+5.3%
2023	6,042	+2.2%	1,757	-1.6%
2022	5,909	+5.9%	1,786	+0.8%
2021	5,578	+1.8%	1,772	-3.5%
2020	5,479		1,836	

For more information, please see the Proximus Financial Report.

Application of the Remuneration Policy and votes on previous Remuneration Report

Application of the Remuneration Policy and derogations

Proximus undertakes to remunerate the members of the Board of Directors, the CEO and the other members of the Leadership Squad only in accordance with its Remuneration Policy, approved by the General Meeting of Shareholders of Proximus for the first time on 21 April 2021 and slightly adapted in 2023 and in 2024.

However, the Board of Directors may, in exceptional circumstances and upon proposal of the Nomination and Remuneration Committee, temporarily derogate from all elements of the Remuneration Policy. Exceptional circumstances shall only cover situations in which the derogation from the Remuneration Policy is necessary to serve the long-term interests and sustainability of Proximus as a whole.

When resolving on derogations from the Remuneration Policy, the Board of Directors must comply with the decision-making procedure set out in the Remuneration Policy.

Any derogation will be communicated at the first General Meeting of Shareholders following the derogation and will be explained in the Remuneration Report for the related year.

Shareholders votes on previous Remuneration Report

A slightly adapted version of the Remuneration Policy document detailing the general principles governing our company remuneration policy applicable to the members of its Board of Directors and its Leadership Squad has been submitted to the votes of our shareholders at the General Assembly of 17 April 2024. The shareholders have shown their support and confidence in our Remuneration Policy by a substantial majority (91.7%), which strengthens the choices we have made in this domain for the future.

The Remuneration Report of 2023, also submitted to the votes of our shareholders at the General Assembly of 17 April 2024, has been approved by 88.0%. This excellent result reinforces our beliefs that we are right to adopt an open and transparent dialogue with our shareholders on remuneration matters and governance in general. Since the 2022 report, we have adopted even more transparency and gone even further in the preparation and level of details of the disclosed information, as the opinion and trust of our shareholders are essential to us.

Regulatory framework

Telecom regulation

Cable & broadband regulation

The Belgian regulators' decision of 29 June 2018 on the broadband and TV market analysis outlined the regulation of Proximus' FTTH fiber and DSL network, and of the cable networks. In terms of pricing, the regulators have imposed a "fair pricing" model for the FTTH monthly rental fees.

Concerning the Proximus wholesale fiber pricing, BIPT concluded on 9 March 2021 that the rates Proximus applies for FTTH wholesale monthly rental fees are fair, and are in line with the regulation it set in 2018. These are the access prices other operators pay for using Proximus' FTTH fiber optic network.

The European regulatory framework foresees that regulators must review markets susceptible to ex-ante regulation on a regular basis. Technical and competitive developments, as well as the evolution of needs and consumption habits, must be considered.

On 10 October 2023, BIPT released a communication to explain the postponement of its ongoing review process to take into account possible new FTTH cooperation agreements. On 15 May 2024, BIPT communicated that certain operators had indicated that they had initiated negotiations to cooperate in rolling out fiber and that BIPT will regularly assess the progress of these negotiations. BIPT also declared that it would postpone the consultation on its draft market analysis to consider these developments. On 26 July 2024 the Belgian Competition Authority communicated that it had opened an investigation into a proposed cooperation agreement for the roll-out of fiber networks in Flanders. It is expected that the market analysis will be postponed until the outcome of that investigation.

Memorandum of Understanding for the roll-out of FTTH networks

Proximus, Wyre, Telenet, and Fiberklaar have signed a Memorandum of Understanding to potentially collaborate on fiber network deployment in Flanders, aiming to increase access to high-speed gigabit networks. The collaboration aims to accelerate fiber deployment in Flanders, providing more consumers with access to high-speed gigabit networks while reducing civil works. The realization of the collaboration is dependent on reaching a final agreement, obtaining regulatory and antitrust approvals, and ensuring no adverse regulatory impacts.

Radio spectrum

Belgium

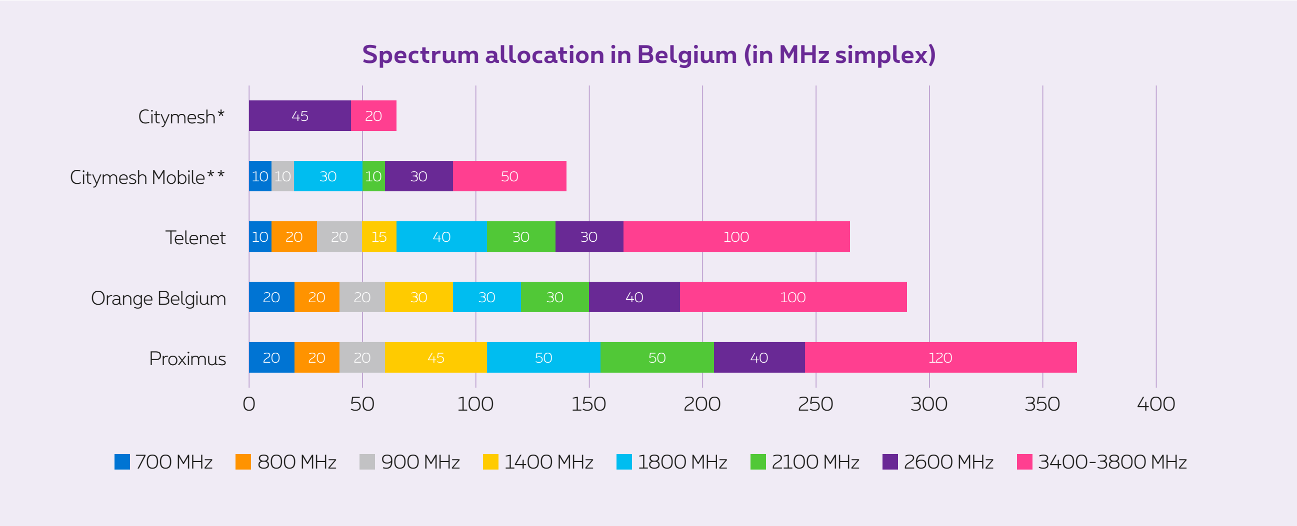
Proximus has secured a spectrum amount that will ensure excellent network quality for the years to come and will allow it to continue providing the best customer experience.

Proximus has at its disposal a total of 365 MHz spread across all frequency bands that have been made available for mobile telecommunication services in Belgium. This includes the 20 MHz block that Proximus acquired from NRB in May 2024.

Most of these mobile licenses are valid until 2040, providing a long period of stability.

Spectrum bands	Start date	End date
700 MHz	01/09/2022	31/08/2042
800 MHz	30/11/2013	29/11/2033
900 MHz	01/01/2023	31/12/2042
1400 MHz	01/07/2023	30/06/2043
1800 MHz	01/01/2023	31/12/2042
2100 MHz	01/01/2023	31/12/2042
2600 MHz	01/07/2012	30/06/2027
3600 MHz	01/09/2022	06/05/2040

Overview of the sector spectrum allocation in Belgium:



* The 2600 MHz frequencies are owned by Citymesh Air, and the 3600 MHz frequencies by Citymesh Safety Drones and Citymesh Integrator (valid until 6 May 2025).

** Citymesh Mobile SA/NV is the legal entity co-created by Citymesh SA/NV and DIGI for the acquisition of spectrum during the multiband auction in 2022. In 2023, Citymesh SA/NV also transferred 2x15MHz in the 2600 MHz band to Citymesh Mobile SA/NV.

International roaming

On 4 April 2022, the European Council adopted a new legislative act to extend the existing roaming regulation until 30 June 2032.

In addition, the wholesale roaming charges (the prices that operators charge each other when their customers use other networks while roaming in the European Union) are capped at EUR 2 per gigabyte (GBGB) from 2022, progressively decreasing to EUR 1 in 2027. Furthermore, wholesale caps for voice and SMS are lowered based on a two-step glide path in 2022 and 2025. The Commission has been tasked with reviewing the regulation, and its first report is scheduled for 30 June 2025.

EUR excl. VAT	2023	2024	2025	2026	2027-2032
Voice call/min	0.022	0.022	0.019	0.019	0.019
SMS	0.004	0.004	0.003	0.003	0.003
Data/GB	1.8	1.55	1.3	1.1	1

Tariffs for 2025 and beyond, subject to Commission review by 30 June 2025.

Coverage and quality of mobile and fixed networks

Through its Atlas project, BIPT publishes detailed information on the coverage of mobile and fixed networks in Belgium and the quality of the user experience on mobile networks.

Atlas indicates the 4G and 5G coverage of each of the three mobile operators (Telenet/Base, Orange and Proximus) individually on the map of Belgium. It shows different coverage levels (very good/deep indoor, good/indoor, satisfactory/outdoor). For 4G, Proximus has the most extensive coverage for all coverage levels, both in terms of territory and population. BIPT is preparing an update of the mobile Atlas for early 2025.

At the beginning of 2024, BIPT published a “drive test and train test study” on the quality of mobile user experience offered by the three mobile operators, based on tests conducted in September 2023. It highlights that, based on international experience, Belgian mobile operators offer very good quality for users with a recent 5G mobile phone.

For example, the drive tests for mobile calls show very high quality for all operators. Nevertheless, Proximus ranks as the fastest in starting up a call, with an average startup time of 2.4 seconds.

The drive tests for mobile data show clear differences between operators. The download speed on Proximus’ 4G network amounts to 84.9 Mbps on average, i.e. 25 to 50% faster compared to the other mobile networks. For 5G download speed, the difference is even greater: with an average of 136.8 Mbps, the Proximus network outperforms its competitors by 45-50%. The upload speed on Proximus’ 4G network is also the highest, with an average of 24.5 Mbps, whereas on 5G, Proximus finishes second with 28.5 Mbps on average. These excellent results also translate into the real user experience. For example, Proximus is the fastest on average when downloading a 10 MB file, opening a web page, and starting a YouTube video. BIPT is preparing an update for early 2025.

Atlas also shows the aggregated fixed broadband coverage of all main fixed operators together by different download speeds, from 1 Mbps to 8,500 Mbps. A new functionality to zoom in and look up the technologies, download and upload speeds available at an individual address is added. BIPT updates the coverage twice a year.

Net neutrality

On 28 June 2024, BIPT released its report on net neutrality monitoring in Belgium, covering the period from 1 May 2023 to 30 April 2024. In its eight annual report, the BIPT confirms again that there are currently no major reasons for concern in Belgium regarding access to an open Internet.

Universal service – social tariffs

Proximus has implemented the new social tariff regime that entered into force on 1 March 2024. The law providing a legal basis for the new social tariff regime was adopted in Parliament on 8 July 2023. The model based on fixed reductions for all tariff plans was replaced by a basic Internet plan (30 Mbps/4 Mbps, 150 GB) available to the beneficiaries at a maximum price of EUR 19/month, with an option for social customers to have a bundle with TV at a maximum of EUR 40/month. Eligibility requirements have been aligned with those applicable in the energy sector, which has led to an expansion of the eligible households.

The system is mandatory for operators that have their own broadband network and a turnover of minimum EUR 50 million. Proximus is hence obliged to offer this basic Internet plan to new social subscribers.

The current system remains applicable for existing users unless they switch operators or request the new system (grandfathering).

ePrivacy Directive

The ePrivacy Directive (Directive 2002/58/EC), also known as the Directive on privacy and electronic communications, is a key piece of European Union legislation aimed at ensuring privacy and confidentiality in electronic communications. It complements the General Data Protection Regulation (GDPR) by focusing specifically on the electronic communications sector.

Proximus' activities fall within the scope of the ePrivacy Directive, which has been (mostly) transposed into the Belgian Electronic Communications Act (13/06/2005). The ePrivacy Directive imposes several obligations, such as network protection, collaboration with authorities, data retention obligations, consumer protection obligations specific to telecommunications subscribers (including transparency), data breach notification, etc.

Data and cybersecurity regulation

Digital Services Act

The Digital Services Act (DSA) (applicable since 17 February 2024) mainly aims to have illegal content removed and to avoid inappropriate practices. It covers a range of online intermediary services, including ISPs, hosting companies, large search engines, and online marketplaces. Very large providers face extra regulatory requirements. The bulk of the new obligations are directed at social media, search engines, marketplaces, and app stores.

Under the DSA, Proximus, as an Internet service provider, retains the long-standing liability exemption for information transmitted, where it merely transmits the information to the user over its network, a principle known as "mere conduit". A limited set of obligations for Proximus' activities within the scope of the DSA include the obligation to respond to law enforcement authorities in this regard, to provide a clear point of contact for complaints and complaint handling systems (communicating this in terms and conditions), and to provide annual reporting.

NIS 2 Directive

Since 18 October 2024, the NIS 2 Regulation is applicable to Proximus. The Belgian NIS2 law transposing the European NIS 2 Directive aims to strengthen cyber resilience for essential services provided in the European Union.

NIS 2 reinforces cybersecurity risk-management measures that entities must take, as well as the requirement to notify significant incidents. It encourages the sharing of information on cybersecurity incidents and risks between the entities concerned and the national CSIRTs.

NIS 2 is relevant for Proximus as a provider of digital infrastructure, e.g. as a provider of public electronic communication networks and services.

Data Act

The Data Act is a European Union regulation designed to enhance the data economy by making (non-personal) data more accessible and usable. It aims to foster a competitive data market, encourage data-driven innovation, and increase data availability across various sectors, particularly focusing on industrial data. The Data Act entered into force on 11 January 2024 and will become applicable on 12 September 2025.

As a telecom and digital company, Proximus will be impacted by the Data Act in several ways.

Main obligations:
Proximus has to identify potential connected products/related services that could fall under the Data Act and implement the adequate technical/contractual measures to comply with its data sharing obligations as a data holder (e.g. API development for real-time access to data).
Proximus has to comply with its B2G data sharing obligations, namely data sharing with certain public entities.
Proximus has to assess whether its cloud reselling activities will require specific measures to facilitate the implementation of cloud easy switch obligations, depending on its relationship with the cloud provider.

Opportunities:
Proximus might benefit from the implementation of the Data Act and develop after-sales activities that could compete with services offered by big players and challenge customer lock-in. It is, however, important to note that the Data Act prohibits the development of competing products by the companies receiving additional data (among other limitations).
Proximus could benefit from receiving data to enrich its existing products, if it is authorized to do so by the user of the product/service and if it complies with Data Act limitations and other regulations such as GDPR, ePrivacy, etc.

GDPR

The General Data Protection Regulation (GDPR) is a comprehensive data protection law that came into effect in the European Union (EU) on 25 May 2018. It aims to harmonize data protection laws across Europe, protect and empower all EU citizens' data protection rights, and reshape the way organizations across the region approach data protection.

The GDPR applies to all organizations that operate within the EU, as well as those outside the EU that offer goods or services to, or monitor the behavior of, EU data subjects. This broad scope means that any company handling the personal data of EU residents will probably be subject to the regulation, regardless of where the company is based. It also means that any company that has an establishment within the EU will be subject to the GDPR, even if it only processes the data of non-EU citizens.

The impact of GDPR is significant, as it imposes stringent requirements on data handling practices. Non-compliance can result in hefty fines of up to EUR 20 million or 4% of the global annual turnover, whichever is higher. Companies can also be forced to stop non-compliant processing activities.

As a Belgian telecom operator, Proximus, together with its EU affiliates, is subject to the GDPR. Additionally, non-EU group entities might be subject to the GDPR due to their potential offering of goods and services to individuals within the EU.

The GDPR requires a broad range of documentation and the implementation of technical and organizational measures to ensure compliance with all GDPR principles and obligations.

As a telecom operator, Proximus is subject to both the GDPR and the ePrivacy Directive. This requires navigating a complex regulatory framework that imposes different and complementary obligations on the same set of activities.

DPDP (India)

The Digital Personal Data Protection (DPDP) Act of India, adopted in 2023 (but not yet implemented), aims to establish a comprehensive framework for the protection of personal data and individual privacy in India. This law is comparable to the EU's General Data Protection Regulation (GDPR), but also includes unique elements tailored to India's legal and business environment.

Entities of Proximus Group that are located in India and/or process the personal data of Indian residents must comply with this legislation when acting as a data fiduciary.

CCPA (California)

The California Consumer Privacy Act (CCPA), which came into effect in 2020, grants California residents more control over their personal data and holds businesses accountable for how they collect, use and share this data. It was amended by the California Privacy Rights Act (CPRA), which came into effect in 2023, further expanding consumer rights and enforcement mechanisms.

Entities of Proximus Group located in California and/or processing data of Californian residents must comply with CCPA requirements.

Artificial Intelligence Act

The EU AI Act aims to create a harmonized legal framework for the development, deployment, and use of artificial intelligence (AI) systems across the EU. The act is part of the EU's broader strategy to promote trustworthy AI, balance innovation with safety, and establish a global standard for AI governance.

The AI Act classifies AI systems into different risk levels and imposes regulatory obligations according to this classification.

Timeline:

- Final text adopted and published in July 2024.
- 2025-2026: gradual implementation period. The regulation will be rolled out in phases, with companies given approximately two years to comply after its enactment.

The AI Act will directly impact Proximus as a company that develops AI systems but also increasingly integrates AI into its operations, services, and customer engagement strategies. Several business areas may require adjustments to align with the new legislation.

Sustainability reporting regulation

CSRD

The Corporate Sustainability Reporting Directive (CSRD) is an EU regulation requiring EU businesses to disclose their environmental and social impacts, as well as their actions concerning environmental, social, and governance (ESG) matters. It aims to standardize non-financial reporting, enhancing the consistency, comparability, and quality of publicly available data.

The CSRD mandates companies to disclose comprehensive and granular information on sustainability topics, including ESG aspects. This includes details on a company's sustainability strategy, targets, progress, products, services, business relationships, and incentive programs.

Under the CSRD, Proximus Group is required to report according to the European Sustainability Reporting Standards (ESRS) and disclose data for the 2024 financial year.

More information can be found in the Sustainability Statement: "General information".

Sustainability Statement

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General information

This section provides an overview of how Proximus prepares its sustainability data, including the scope of consolidation and information on both our upstream and downstream value chains. We also give an overview of our sustainability governance structure. Some information required in this section is incorporated by reference.

Basis of preparation

Our reporting process ensures that we disclose sustainability data that is balanced, comparable, accurate, reliable and in line with the mandatory requirements of the Corporate Sustainability Reporting Directive (CSRD) (Directive 2022/2464). The structure of the Proximus Integrated Annual Report was developed in accordance with the European Sustainability Reporting Standards (ESRS) (Delegated Regulation 2023/2772).

Sustainability reporting scope

The statements in this section, along with the ESRS Index, apply to all entities within Proximus Group. This includes Proximus SA, its affiliates[1], as well as the Group's interests in associates and joint ventures accounted for under the equity method and joint operations. A more detailed list of affiliates, associates, joint ventures and joint operations can be found in Note 8 of the Consolidated Financial Statements. The scope of the consolidated Sustainability Statement is the same as the Financial Statements.

Due to the expansion in 2024 of our international activities, we are working on integrating those activities and are therefore implementing processes and procedures to identify, collect and process data with regards to sustainability reporting. We plan to harmonize our internal reporting practices within two to three years. In order to be fully transparent about what is included in the Sustainability Statement, we will mention whether we have included the affiliates in the relevant tables and in the text.

Proximus' affiliates

Proximus Group	Proximus Domestic	Proximus Global
Belgacom International Carrier Services SA (BICS)	Be-Mobile NV	Belgacom International Carrier Services SA (BICS)
Be-Mobile NV	ClearMedia NV	Route mobile Ltd.
ClearMedia NV	Codit Holding BV	Telesign Holdings Inc
Codit Holding BV	ConnectImmo SA	
ConnectImmo SA	Davinsi Labs NV	
Davinsi Labs NV	Doktr BV	
Doktr BV	Fiberklaar BV	
Fiberklaar BV	Mobile Vikings NV	
Mobile Vikings NV	Proximus Ada	
Proximus Ada	Proximus Luxembourg SA	
Proximus Luxembourg SA	Proximus Media House (PmH)	
Proximus Media House (PmH)	Proximus NXT NL	
Proximus NXT NL	Proximus NXT IT SA	
Proximus NXT IT SA	Proximus SA	
Proximus SA	Proximus Ltd. Belgrade	
Proximus Ltd. Belgrade	Umbrio BV	
Route mobile Ltd.		
Telesign Holdings Inc		
Umbrio BV		

1 BICS and Proximus Luxembourg fulfil the conditions specified within the CSRD and are exempted from a CSRD report, as Proximus Group discloses a consolidated annual report.

Value chain information

For each material topic, we have also indicated if the information presented applies to Proximus' value chain or to our own activities.

This information is detailed in the IRO overview table.

No material information has been omitted.

Historical changes

This report has been prepared for the first time in accordance with the CSRD requirements. However, given that Proximus has reported sustainability information in the past in accordance with the NFRD, some prior year information has been restated. All the changes between the 2023 figures disclosed in this report and what has been published in the past are mainly due to the evolution of the reporting perimeter, which is now aligned with the finance reporting scope. Since we did not include our affiliates to this extent before, we did not have all the required historical information. So, we opted to present data from the previous year for some metrics to ensure comparability and consistency. The changes compared to the previous year are explained in the performance subsection within each material topic section.

- Climate change: the 2023 figures have been revised compared to what has been published in the previous annual reports due to major changes of our GHG accounting methodology. More information can be found in the "how we calculate our greenhouse gas emissions and energy footprint" subsection.
- Circular economy and waste management metrics: the 2023 figures have been revised compared to what has been published in the past due to the changes in the KPI definitions and the scope (from Proximus SA to Proximus Group).
- For all the social metrics related to our own workforce, it was impracticable to adjust comparative information for one or more prior periods. We decided to not restate the past and have only disclosed the 2024 figures.

Methodologies and assumptions

Our focus

We concentrated on meeting the mandatory CSRD requirements and metrics. Where possible, we utilized the one-year phase-in period to ensure the quality of this report, as it is our first time adhering to the CSRD. We have also included a limited number of voluntary, company-specific metrics to maintain consistency with past reports. None of the metrics have been validated by an external body other than the assurance provider.

Main challenges

We faced the challenge of needing to collect data from Route Mobile as of May and Fiberklaar as of August. Securing the necessary data on time and with quality proved to be difficult for some specific domains given the maturity of reporting practices. Additionally, reporting on our upstream and downstream value chains presented challenges, as we are not always in direct contact with the whole chain of suppliers.

Time horizon

All data featured in this report covers the same period as our financial year, which ends on December 31.

Unless stated otherwise, Proximus Group adheres to the following time intervals for the end of the reporting period:

- short-term time horizon: within the current financial year, as outlined in the financial statements;
- medium-term time horizon: from the end of the reporting period up to a duration of five years;
- long-term time horizon: beyond five years; for impacts or actions anticipated beyond this period, an additional breakdown will be provided in the respective sections.

For the impact and financial materiality, Proximus adopted the following time horizons:

- short-term time horizon: from the end of the reporting period and up to three years, to align with the budget time horizon;
- medium-term time horizon: from three to five years, to align with the plan strategic cycle validated yearly by the Board of Directors;
- long-term time horizon: beyond six years, to consider long-term business cases.

Proximus Group adheres to the following time horizons for the climate change sections:

- short-term time horizon: from the end of the reporting period and up to three years, to focus on operational performance and resilience against short-term climate variability (e.g. anticipate extreme weather events and optimize energy efficiency);
- medium-term time horizon: from three to ten years, to align with strategic planning cycles (e.g. prepare the network and operations for changing climate patterns and regulatory requirements on emissions and energy use);
- long-term time horizon: beyond ten years, to consider major infrastructure projects that match the lifespan of our core assets (e.g. consider building and network infrastructure that can withstand the anticipated climate changes over decades, such as rising temperatures and increased incidence of severe weather).

Estimations

To work more efficiently, we focused on reporting our own material activities and included the affiliates depending on how material the topic was for them. For instance, the circularity topic focuses on telecom activities in Belgium and Luxembourg, so it was not deemed material for our other affiliates because they are service-oriented with limited hardware use, while we have linked circularity to the sustainable use of appliances or infrastructure.

Where needed, (value chain) estimations have been made and we have identified the metrics that are subject to a high level of measurement uncertainty. These are disclosed in the relevant material topic sections. In these sections, we also disclose the assumptions, approximations and judgements made.

More information about the methodologies and assumptions used is provided in the Performance subsection of the sections "Climate change" and "Circular economy and waste".

Incorporation by reference

We disclose the mandatory disclosure requirements and refer to other parts of the Annual Report for more information ("Incorporate by reference"). To increase the readability of our ESG information and prevent duplication of information, we have included a text box in each of the four main sections of the Sustainability Statement that indicates which information has been incorporated by reference.

Disclosures incorporated by reference

The following information can be found in another part of this annual report and is incorporated into the Sustainability Statement by reference:

- Proximus Group at a Glance;
- Corporate Governance statement;
- our sustainable value creation model;
- Proximus Group's strategy;
- the composition of the Board of Directors;
- the skills and expertise of the Board of Directors;
- the remuneration report and policy;
- the description of our products and services;
- the description of our customers;
- the ESRS Index.

The following information can be found in another part of this Sustainability Statement and is incorporated into the section "General information" by reference:

- material impacts, risks and opportunities, as well as their interaction with the strategy and business model, are described at the beginning of each material topic section;
- engagement with employees is referenced in "Our own workforce".

Consult the exact location of each disclosure in the ESRS Index.

Sustainability governance

Structure, roles and responsibilities

In preparation for the Corporate Sustainability Reporting Directive, the sustainability governance and its corresponding processes have been reviewed and improvements were implemented in 2024.

Corporate ESG governance

BOARD (yearly or ad hoc upon needs)
Validates Group North Stars, long-term roadmaps, short-term action plans & KPIs across all ESG material topics

Audit Committee (Quarterly)
Validates reporting
Oversight updates vs. KPIs
Ensures compliance

Transformation & Innovation Committee (ad hoc)
Key transformational & strategic cases evaluation

Nomination & Remuneration Committee (Quarterly)
In charge of remuneration strategy & system incl. ESG-related incentives

Operational ESG governance

ESG Committee at PLS (bi-monthly)*
- Signs off on combined Domestic and Global North Stars, long-term roadmaps, short-term action plans and key performance indicators
- Follows up execution, tackles roadblocks & defines priorities

Co-creates & defines ambitions, long-term roadmaps & targets across the Group

Sustainability Team as Group Centre of Excellence
- Holistic oversight on execution across decentralized WoW
- Safeguards guiding principles of CSRD & CS3D to embed ESG in everything we do
- Subject matter expert, at environmental level, driving Climate change and Circular ambitions

BUSINESS in lead for appointed material topic
- Accountable for end-to-end delivery of long-term roadmap across the Group
- Defines short-term action plan & policies and prioritization
- Owns the targets

* Where relevant international CEOs & STB SPOCs are invited

Corporate ESG governance

Board of Directors

Sustainability matters are discussed at the Board of Directors' meetings. The Board bears ultimate responsibility for overseeing all IROs and plays a crucial role in validating Proximus Group's sustainability targets, long-term roadmaps, short-term action plans and KPIs across all ESG material topics. For the next Double Materiality Assessment (DMA), scheduled for 2025, we will interview members of the Board of Directors once again. They will then validate the Double Materiality Matrix.

Through the CEO Activity Report, achievements are reported bi-monthly to the Board, which also reviews the progress made in each quarter as part of the strategic review.

Board Committees involvement

- **The Audit & Compliance Committee,** in its quarterly meetings, validates ESG reporting, monitors and controls KPI updates and ensures compliance. The committee also manages sustainability-related risks, including climate risks, as part of its broader risk management oversight.
- **The Nomination & Remuneration Committee** oversees the Group's remuneration policies, including ESG-linked incentives, during its quarterly meetings, ensuring alignment with sustainability objectives.

- **The Transformation & Innovation Committee** meets on an ad hoc basis to evaluate key transformational and strategic initiatives, ensuring they align with the Group's long-term ESG goals.

Operational ESG governance

ESG Committee

The bi-monthly ESG Committee of the Proximus Leadership Squad, which can include CEOs from our international affiliates, approves Proximus' domestic and international ambitions, long-term roadmaps, short-term action plans, sustainability targets and KPIs. The committee tracks execution, sets priorities and oversees and controls the implementation of the ESG strategy.

The sustainability team as the Group's Center of Excellence

The sustainability team acts as the Group's Center of Excellence across all material topics, building on their expertise in several areas around climate change, sustainable finance and sustainability reporting. The sustainability team defines the Group's overarching long-term sustainability ambitions, strategy and target setting. Each material topic has been appointed to a Business Lead, who translates the ambition and strategy into roadmaps, short-term action plans and is end-to-end accountable for their execution and prioritization. The sustainability team oversees execution across this decentralized model and provides subject matter expertise. In particular concerning carbon reduction and circular economy initiatives, the sustainability team steers the decarbonization roadmaps. The team also ensures that CSRD principles and sustainable value creation are fully integrated into our operations and decision-making processes.

Environmental management system

Proximus' environmental management system involves various stakeholders and resources to address environmental issues, circularity and climate change. Key stakeholders include the Sustainability department, the Group Prevention & Protection department, the Internal Audit department and external organizations.
The system utilizes procedures, guidelines and campaigns to address environmental concerns. Notable activities include a packaging waste prevention plan, anti-pollution measures, updated environmental policies, managing environmental complaints, as well as mobility plans that aim towards shifting to less car-based transport. Communication is maintained through intranet news, toolboxes and internal reporting. The system also ensures integration with the ISO14001 certification, includes environmental clauses in purchasing and manages regional permits for 5G roll-out. Additional efforts involve noise studies, soil surveys, e-learning modules and toolboxes for waste sorting and PFAS matters.

Sustainability due diligence

Proximus is set on amplifying its positive impact through its operations and along its upstream and downstream value chain. While we are still in the process of formalizing a comprehensive due diligence process to address all ESG topics, the activities described in this annual report are linked with the core elements of due diligence:

Core element of due diligence	Part of annual report
Embedding due diligence in the Group's governance, strategy and business model	Sustainability governance and Business conduct section
Engaging with affected stakeholders	Stakeholder engagement
Identifying and assessing adverse impacts	Double Materiality Assessment
Taking actions to address adverse impacts	Actions as reported for each material topic
Tracking effectiveness of actions	Performance as reported for each material topic

Risk management and internal control over sustainability reporting

2024 Sustainability reporting process

In parallel with the introduction of the new sustainability governance, we also implemented a new semi-automated collection process to gather quantitative data for the 2024 reporting cycle. This process, developed with the support of the existing reporting teams in Finance and Human Resources, ensures the completeness and integrity of the data, their traceability and auditability, and the timely availability of the information. It is steered by the sustainability team, which reports progress through existing sustainability management updates: monthly to sponsors and bi-monthly to the management committee and to the Proximus Leadership Squad.

Most of the collected data are based on full-year actuals, yet some estimates had to be done to cover the last months or smaller entities. Their accuracy, documentation and validation must be guaranteed by the collection process. Most data are sourced from internal systems, with automated links where possible or manual input where needed. Some data are sourced from upstream and/or downstream value chain data, especially from hardware suppliers and waste subcontractors.

To manage the reporting exercise, we opted for a central collection process, while keeping individual data ownership within each business team and within affiliates. We worked at two complementary levels, assigning clear accountability per individual data point in the business (providing data points and ensuring correctness and auditability) and transversal accountability to Business Leads at the Group level, who are responsible for aligning definitions and validating the consolidated figures. This system includes embedded checks for data coherence and quality and relies on the four-eyes principle between business owners and the central sustainability and reporting teams.

The most important risk identified in the gap analysis study performed in 2023 was the consolidation of each metric at the Group level because historical reporting often focused on Proximus SA in Belgium[2] only. As of now, our scope is the Group level by default, enabled by our new governance and collection process. The two main challenges were the number of small affiliates with limited materiality versus main entities and the recent acquisitions of Route Mobile and Fiberklaar, for which some data were not yet available.

For this first reporting iteration, dry runs were carried out to test the efficiency of the process and the alignment of the ESG data management at the Group level, as well as to address any remaining data quality challenges. Monthly pre-alignment meetings were held with the external auditor to ensure agreement on the methodology and the underlying assumptions. This ongoing collaboration ensures that the ESG reporting process is both robust and aligned with the expectations of external stakeholders. We will learn from this first CSRD reporting exercise and further improve our collection process for the next iteration, with a continuous improvement focus. We will also continue to ensure alignment with the existing Enterprise Risk Management (ERM) processes and team, thus ensuring the integration of sustainability into the broader risk management framework.

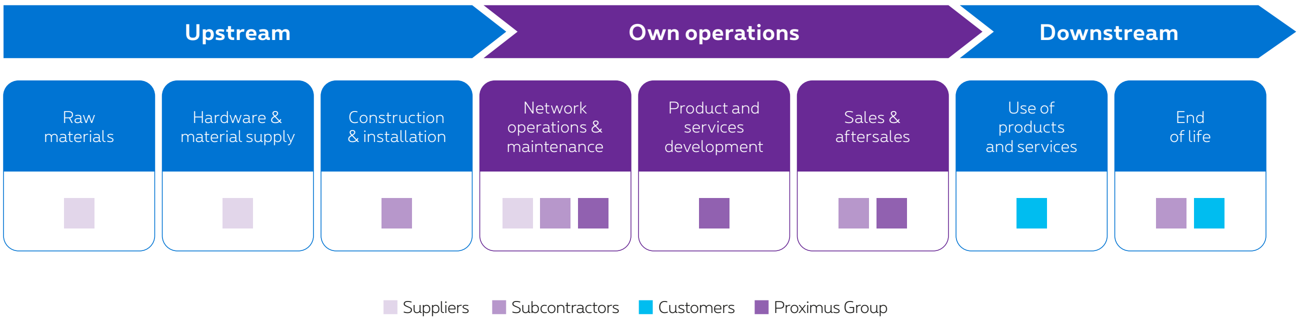
More information on this can be found in the Risk management report.

2 Affiliates not integrated.

Our value chain

Proximus' value chain shows how it delivers a service to the market. Each step in the chain adds value, from raw material sourcing, through manufacturing and sales, to its final delivery to the customers.

Proximus value chain[3]



Within Proximus Group, we differentiate between the value chains of our domestic operations and those of our international operations. Domestically, we leverage telecom assets to provide a broad range of entertainment, communication and ICT services to both residential and business customers. These services depend on critical physical infrastructure – such as fixed and mobile networks, datacenters, routers and servers – that must be built, maintained and operated. Since Proximus Group does not manufacture hardware itself, our supply chain plays a crucial role.

We source devices globally, working with worldwide suppliers for manufacturing. In addition, we collaborate with local subcontractors for certain tasks, such as installations and contact center operations. Our close relationships provide an opportunity to align more closely on shared values and operational priorities. However, we have little control over other suppliers, such as smartphone manufacturers or raw material suppliers.

Telesign and Route Mobile focus on delivering platform- and application-based communication services, such as verifying a mobile phone user placing an order on Amazon. These are asset-light, platform-based solutions. BICS also delivers platform- and application-based communication services but, like Proximus, runs a physical infrastructure but at a global scale. The physical infrastructure is partly owned, partly shared and partly rented.

3 Logistics & transport activities are mainly included in the upstream activities "Hardware & material supply" and "Construction & installation".

Stakeholder engagement

Proximus Group's stakeholders with an interest in our sustainability performance can be categorized into affected stakeholders and users of ESG information:

- Proximus has an actual or potential impact on current and future employees and others working for the company, as well as on suppliers, partners, value chain workers and customers/end-users. Through the deployment of our gigabit networks and our economic and societal role, we also affect society at large.
- Those seeking information on our sustainability performance include primary users of general-purpose financial reporting, such as investors and analysts. Additionally, NGOs, the media, regulators and policymakers are identified as key stakeholders.

These stakeholders may also have an actual or potential impact on Proximus' financial value.

Employees

Proximus actively engages with its employees through the Speak Up survey, which evaluates employee engagement in many of its aspects. Results highlights for Proximus Group are presented to the Proximus Leadership Squad, the Human Resources Management Committee and Unions. All team leaders are invited to consult their team's detailed results on the survey's online dashboard and discuss them with their team members. This helps them develop action plans to improve their team members' well-being and work satisfaction. Actions are monitored by senior management. In 2024, employee engagement reached 76%.

More information on our Speak Up survey can be found in the section "Our own workforce".

Moreover, our Proximus Leadership Squad regularly communicates with employees on strategic ambitions, progress and results, including our sustainability topics and ESG commitments. This is achieved through various channels, including an annual strategy cascade event, quarterly operational and financial results presentations, the company intranet and a weekly CEO newsletter. The Proximus Leadership Squad also gathers employee feedback through direct interactions such as regular formal and informal meetings, breakfasts and field visits.

At Proximus, we promote an open and constructive dialogue with the representative trade unions. Through social consultation, management gathers feedback from the social partners regarding our daily activities and short- and long-term strategies. Strategy, operational challenges and priorities as well as major merger and acquisition files are shared in a transparent way.

More information can be found in the section "Our own workforce".

Suppliers and value chain workers

Proximus views its suppliers as partners and cares about the way they do business. We engage with our suppliers through:

- The Supplier Engagement Program: all the details are provided in the section "Climate change".
- The collaboration with the Join Alliance for CSR (JAC): all the details are provided in the section "Human rights within our value chain".

Proximus has not yet developed a general approach in relation to engagement with value chain workers.

Customers

Proximus serves a diverse range of customers across all its brands, including residential, enterprise and wholesale clients, as well as public authorities.

We engage and communicate with **residential customers** through various channels:

- direct touchpoints (contact centers, technicians, shops, festivals);
- digital platforms (websites, emails, social media);
- mass communication campaigns (TV, radio, printed press, etc.);
- self-service portals (Proximus+, MyScarlet, My Viking, etc.);
- a customer experience dashboard that tracks customer interactions to visualize the customer paths;
- the "Voice of the Customer" platform, which collects customers' feedback on our brands, products, journeys and touchpoints;
- dedicated design thinking sessions and focus groups;
- external research and surveys.

For **enterprise and B2B customers**, fostering close relationships is crucial for success. In addition to regular interactions with account managers, success managers and project managers, we engage with customers through more personalized events and meetings such as Executive Advisory Boards, CEO dinners and roundtables. Our communication channels also include:

- contact centers;
- digital platforms;
- indirect partners and affiliates;
- the "Voice of the Customer" platform;
- design thinking sessions, research and surveys;
- professional fairs and events, such as Think NXT.

The Customer & Market Intelligence (CMI) team reports customer views and interests directly to the Group Strategy Lead. These insights, such as the Net Promoter Score (NPS) and the Customer Effort Score (CES), inform the Group's strategy. CMI provides monthly reports on key results against targets, which are presented to the Proximus Leadership Squad on a quarterly basis. These findings are also shared with relevant management committees and teams to support informed decision-making and adjustment plans.

Investors

Proximus engages with investors and analysts through various investor relations activities, including the Annual Report, quarterly financial results presentations, the Annual General Meeting and other briefings. Investors also engage with our Investor Relations team via one-on-one conversations, roadshows, group meetings, conferences and industry events. For instance, in 2024, Proximus organized a webinar dedicated to its international activities.

The Board receives reports on share price performance and investor and analyst engagement, which informs their decision-making on our business strategy and model.

Public authorities and policymakers

Our Group Public Affairs (GPA) team manages Proximus' relationships with ministers, elected representatives, legislative and policy-making authorities or lobbying organizations. At the local level, the GPA team maintains close relationships with local authorities to help facilitate the network roll-out process.

The Regulatory team manages our relationship with the Belgian federal regulator BIPT (Belgian Institute for Post Services and Telecommunication) and related institutions at both the community and European levels.

We are represented in business associations such as FEB, AKT, Agoria, Voka, VVSG and BECI and industry associations such as Connect Europe, ETIS and GSMA.

The Board is informed through the CEO Activity Report.

More information can be found in the section "Political influence and lobbying activities".

Society at large

"Society at large" is a heterogeneous group of stakeholders that includes the general public, media, NGOs, community organizations and academic institutions.

During each quarter, the CMI team conducts surveys amongst the general public in Belgium to understand public perceptions, evaluate our performance on focus areas and follow up on them.

Additionally, we work with various Belgian NGOs and associations to address the challenge of digital inclusion. More information can be found in the section "Digital inclusion".

Lastly, we partner with research centers and universities on innovation projects and provide opportunities for students to gain experience in advanced technological fields.

Our stakeholders influence and shape our business activities. We seek and integrate their feedback into our strategy and operations, ensuring that their concerns and suggestions are appropriately addressed.

Double Materiality Assessment

Our Double Materiality Assessment (DMA) evaluated ESG-related topics and their associated impacts, risks and opportunities from two perspectives:

- **impact materiality (inside-out perspective):** the impact of Proximus Group on people, society and the environment;
- **financial materiality (outside-in perspective):** external evolutions (risks and opportunities) – both environmental and social – that affect the financial performance of Proximus Group.

Double Materiality Assessment process

The full DMA process was conducted through five steps:

Scope of the assessment

The analysis encompasses the activities of Proximus Group, including the upstream and downstream value chains. Proximus Group comprises Proximus Domestic operations and Proximus International operations (BICS and Telesign affiliates). Although, we acquired a majority stake in Route Mobile in May 2024 and Fiberklaar in August 2024, the DMA covers the whole group and will be further reassessed when performing our next DMA.

Identification of the topics and associated impacts, risks and opportunities

We used the sustainability matters outlined in the Delegated Regulation (2023/2772), commonly referred to as the ESRS standards, as our foundation. We added entity-specific topics to the list that relate to Proximus Group's business activities.

For each sustainability topic, we identified impacts, risks and opportunities using a range of sources, including internal sustainability documentation, external ESG frameworks, data analytics (such as SASB, TCFD, etc.) and desk research (benchmarks, ESG questionnaires and others). We also integrated the input from Proximus Group internal experts through workshops and interviews. In total, we consulted 20 internal stakeholders, including Proximus Group employees and affiliates, as well as four members of the Board of Directors. We also interviewed 10 external stakeholders from suppliers and partners, customers, regulators and policymakers, sector associations and trade associations.

The stakeholders involved were carefully selected based on their knowledge of the specific topics and their role as affected or interested stakeholders in the Proximus Group's value chain. The stakeholder engagement mapping and strategy ensured that the identification and assessment of impacts, risks and opportunities for each ESG topic would be as accurate and objective as possible.

More information on the key stakeholders can be found in the section "Stakeholder engagement".

Assessment of the impact materiality and financial materiality

The qualitative input gathered through stakeholder consultation was translated into a quantitative ranking by our consultancy partner and the Proximus project teams. They scored the negative impacts on severity, based on three criteria:

- Scale: how significant is the impact on the environment and society?
- Scope: how widespread is the impact?
- Irremediability: how difficult is it to counteract the negative impact?

Potential negative impacts were assessed on both severity and likelihood. Our consultancy partner and our own project teams scored positive impacts based on scale and scope, while potential positive impacts were evaluated using scale, scope and likelihood. We set the threshold for impact materiality at 8/16.

Risks and opportunities were assessed based on the likelihood of occurrence and the potential magnitude of the financial effects. The magnitude of impact scales used for the risk assessment ranged from "low" for impacts with a value less than EUR 100,000 to "very high" for impacts that exceed EUR 12.5 million. The exercise was supported by ranking scores, following a rationale similar to the existing Enterprise Risk Management process. We set the threshold at 2.5/5.

Since impact and financial materiality are closely linked, we also examined how impacts and dependencies (e.g. human capital, energy, infrastructure, community) connect to the risks and opportunities arising from those impacts. Some material topics were considered from multiple perspectives. In general, the IRO assessment focused on specific natural and social resources on which Proximus relies through its business operations, such as (non-exhaustive) energy, materials, infrastructure, human capital, community, etc. These dependencies or impacts were subsequently scored based on scale, scope and irremediability to determine the criticality and ultimately materiality of impacts.

With regards to the risks and opportunities analysis, we mostly evaluated current risks, given that the assessment of likelihood was often based on the number of mitigating actions in place, which provide an estimate of how likely it is that a risk will materialize. Opportunities were often identified based on how Proximus can leverage natural and social dependencies and convert them into business opportunities.

Enterprise Risk Management integration

Since our scoring system was based on the ERM, we used the same methodology to prioritize sustainability-related risks relative to other types of risks.

But while the process of identifying, assessing and managing impacts and risks was inspired by the ERM, the exercise was done in parallel with the overall risk management process because of timing issues. In the future, we plan to fully integrate both assessments. One exception is climate risks, a topic Proximus already began structurally incorporating into its ERM processes in 2022. Therefore, we opted to conduct a separate climate risk process for the years when the ERM exercise did not take place. With the Double Materiality Assessment in mind, we have been reinforcing our processes linked to climate risk.

Validation in cooperation with senior leadership and the Board of Directors

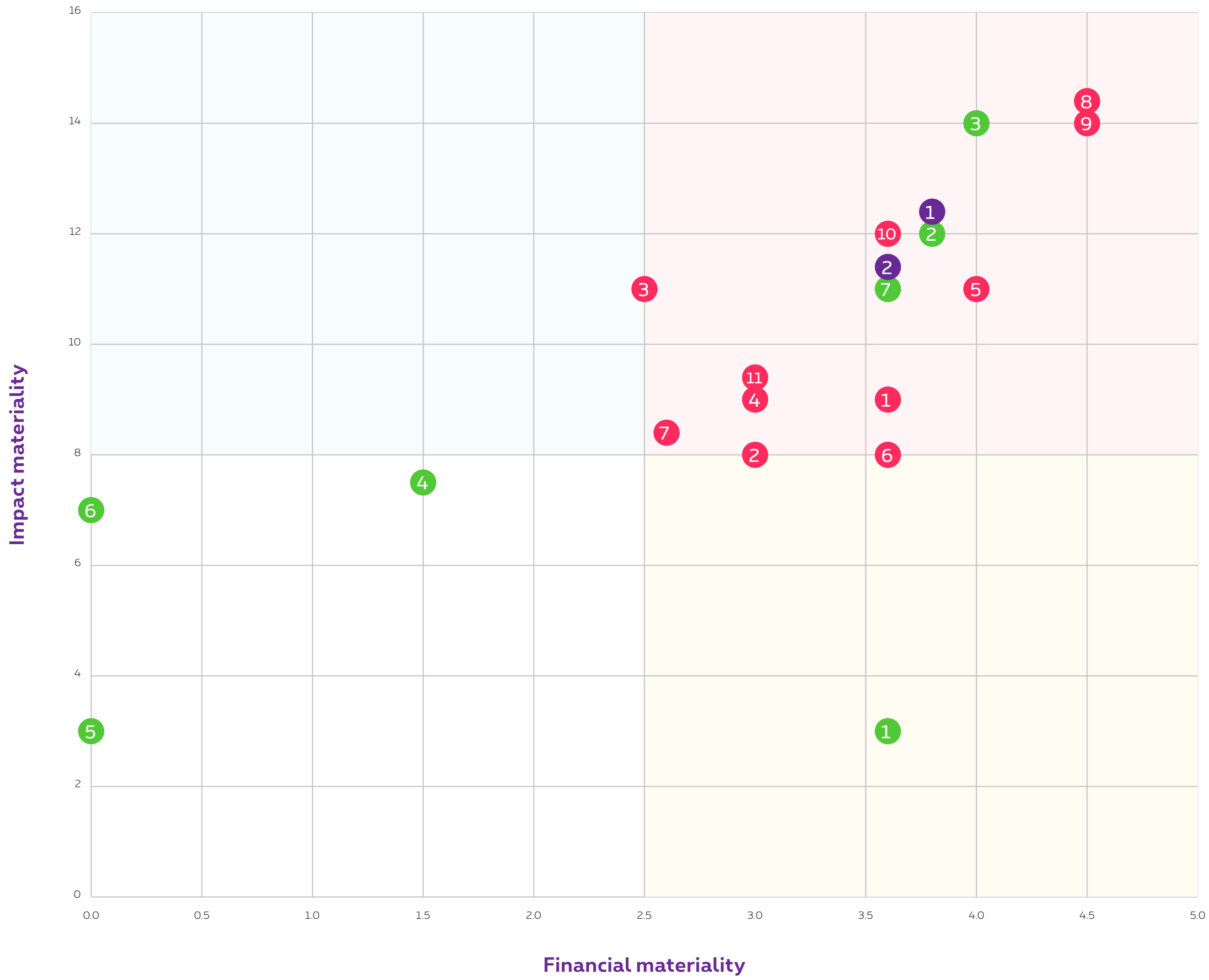
Throughout the Double Materiality Assessment, the Proximus team held several internal discussion sessions. Feedback from those discussions was incorporated into the final results, which were presented for validation to the Proximus Leadership Squad and the Board's Audit & Compliance Committee. The Proximus Leadership Squad and the Board of Directors validated the assessment in July 2023.

Creation of appropriate documentation and internal engagement

All steps of the process were thoroughly documented for audit purposes.

The outcome

Materiality matrix



Environmental

1. Climate change adaptation
2. Climate change mitigation
3. Energy
4. Pollution
5. Water consumption
6. Biodiversity
7. Circular economy & waste

Social

1. Work-life balance and well-being
2. Employee health and safety
3. Working rights, fair pay and social dialogue
4. Diversity and inclusion
5. Employee upskilling, reskilling and employability
6. Human rights within value chain
7. Local communities
8. Data protection
9. Cybersecurity
10. Digital inclusion: access, affordability & skills
11. Technology and innovation

Governance

1. Business conduct
2. Political engagement & lobbying activities

Material from an impact perspective
Material from a financial perspective
Material from both perspectives

In the end, 17 material topics were identified. Following the implementation of the Group's new sustainability governance, we have finetuned our Double Materiality Assessment to current operation practices with new impacts, risks and opportunities identified by Proximus' internal experts.

After discussions with the management, we have finetuned our analysis to increase its accuracy and its quality:

- to "Our own workforce" (S1):
  - "Working rights, fair pay and social dialogue": The topic is now also material from an impact perspective with two new actual positive impacts defined.
  - "Employees health and safety": The topic is now also financially material with a new opportunity defined.
- to "Consumers and end-users" (S4):
  - "Data privacy, data security & cybersecurity" was divided into "Data protection" and "Cybersecurity". This decision was intended to streamline operational follow-up, ensuring that the division is in line with our current team accountabilities.
  - "Digital stress and safe products" was divided into "Digital inclusion" and remains a part of S4; we have moved the potential stress generated by mobile network pylons and related questions on the impact of electromagnetic waves on human health to S3 "Local communities".

Definition of ESG material topics

Material topics for Proximus Group

E	**Climate change adaptation**: The process of adjusting and responding to actual and expected extreme weather events (i.e. heat waves, flooding, rises in sea level, droughts) and their associated impacts
	Climate change mitigation: The process of reducing CO2 and other greenhouse gas emissions and limiting the increase in the global average temperature to well below 2°C and pursuing efforts to limit it to 1.5°C above pre-industrial levels, as laid down in the Paris Agreement. For Proximus, it is about decarbonizing our own operations and value chain emissions (upstream and downstream).
	Energy: The process of managing energy production and consumption along the value chain of the company, including shifting to renewable sources and implementing energy-efficient systems and products.
	Circular economy and waste: It is about managing energy production and consumption along the company's value chain, including shifting to renewable sources and implementing energy-efficient systems and products. We focus on the energy consumed in our own operations and the energy used by our customers.
S	**Work-life balance and well-being**: Satisfactory equilibrium between an individual's work and private life and ensuring the physical, social and mental health of our employees. Well-being is all about how employees feel at work and about their work activities.
	Employee health and safety: The anticipation, recognition, evaluation, and control of hazards arising in or from the workplace that could impair the health and well-being of workers, considering the possible impact on the surrounding communities and the general environment.
	Working rights, fair pay and social dialogue: Respecting employees' fundamental human rights, including safe working conditions, secure employment, and adequate working time. Guaranteeing that employees receive fair, transparent and adequate wages that meet basic needs and comply with legal standards and market practices. Ensuring effective, transparent, and constructive communication between employers, employees and their representatives through collective bargaining, social dialogue, freedom of association, the existence of works councils and the information, consultation, and participation rights of employees.
	Diversity, equity and inclusion: Diversity encompasses the unique characteristics that make each individual distinct, like race, gender, age, sexual orientation, disability, cultural background or any other characteristic protected by the law. Inclusion is about the deliberate cultivation of an environment where these differences are not only acknowledged but leveraged, ensuring that every employee feels valued, respected, and empowered to contribute to their fullest potential, driving innovation, creativity and a deeper connection with the diverse communities we serve.
	Employee upskilling, reskilling and employability: Appropriately investing in the workforce to ensure that the company keeps innovating, maintains talent attractiveness, and ensure that staff remain motivated.
	Human rights within our value chain: Workers in the value chain refers to employees connected to the operations of Proximus Group through its broader supply network.
	Local communities: The environmental and social effects of Proximus' business operations on local communities and the opportunities and risks arising from these effects.For this material topic, local communities are defined as the people living in the Belgian cities and municipalities where Proximus undertakes its deployment works. Two main groups of stakeholders come into consideration: the regional and city authorities on the one hand, and the citizens on the other hand.
	Data protection: Data protection is the protection of the personal data of individuals.
	Cybersecurity: Cybersecurity refers to the protection of electronic devices, networks and sensitive information from unauthorized access, theft or damage.

	Digital inclusion: access, affordability & skills: Proximus defines "Digital inclusion: access, affordability & skills" as the responsibility to provide high-performance affordable connectivity to all, with a particular focus on disadvantaged groups, incorporating methods for learning and supporting all citizens, young or old, in navigating the complexities of our digital world, including, but not limited to, customer service, public e-services and employment opportunities.
	Technology and innovation: Developing or adopting technological solutions that help solve societal challenges, reduce the environmental impact of customers, or create new market prospects to remain competitive in the market, while also taking into consideration the "low-tech" trend evident in some customer segments.
G	**Business conduct**: Corporate behaviors that promote transparent and sustainable business practices, benefiting all stakeholders along the company's value chain. This includes our corporate culture, how we manage the relationships with our suppliers, protecting whistleblowers, and ensuring fair payment practices, especially for small and medium-sized enterprises.
G	**Political engagement and lobbying activities**: Refer to activities carried out with the objective of influencing the formulation or implementation of policy or legislation, or the decision-making processes of governments, governmental institutions, regulators, European Union institutions, bodies, offices and agencies or standard setters.

All the impacts, risks and opportunities covered by the "Technology and innovation" material topics are additional entity-specific disclosures, while all the other material topics are covered by the ESRS disclosure requirements.

Impacts, risks and opportunities overview

The tables below give an overview of the positive and negative material impacts, as well as the risks and opportunities we have assessed as material. In these tables, we have linked our IROs to our bold2025 strategy and our 9 ESG commitments.

More information can be found in the chapter "Proximus Group at a glance".

More information on IRO management can be found in the material topic sections, where we present the resources and responsibilities, our strategic objectives and action plans and explain how we measure our progress.

Impact Materiality

Positive material impacts

Description	Type	Time horizon	Impact management, strategy and performance	bold2025 strategic pillars	ESG commitments	Value chain
By rolling out fiber and 5G, Proximus Group can better manage its energy footprint, even as the demand for digital services continues to grow.	A	NA	Energy section	Act for an inclusive society and be sustainable in everything we do	Going all in in the fight against global warming	Own operations
By leveraging advanced technologies and sustainable practices, Proximus enables businesses and individuals to optimize their energy consumption.	A	NA	Energy section	Act for an inclusive society and be sustainable in everything we do	Going all in in the fight against global warming	Downstream
Providing safe working conditions and secure employment has a positive impact on job satisfaction and engagement, helping employees feel valued, and fostering the mental stability needed to deliver high-quality work.	A	NA	Working rights, fair pay and social dialogue section	Foster an engaging culture and empowering ways of working	Stimulating an inspiring and inclusive work environment	Own operations

Legend

A actual P potential ST short term MT medium term LT long term

- Foster an engaging culture and empowering ways of working
- Engineer technology assets to enable digital ecosystems
- Roll out #1 gigabit network for Belgium
- Act for an inclusive society and be sustainable in everything we do
- Grow profitably, locally and globally, through strong brands
- Delight customers with unrivalled experience

Description	Type	Time horizon	Impact management, strategy and performance	bold2025 strategic pillars	ESG commitments	Value chain
With more than 13,800 employees, Proximus Group also makes a lasting economic positive contribution to Belgian society. Strong economic prosperity drives a more educated workforce and higher workforce productivity as well as greater buying power for Proximus's customer base. Providing adequate minimum wages contribute to ensuring fair competition, to stimulating productivity improvements and to promoting economic and social progress.	A	NA	Working rights, fair pay and social dialogue section		Stimulating an inspiring and inclusive work environment	Own operations
Prioritizing diversity and inclusion helps foster equity, bridging bridge pay gaps and ensuring ensure a fair, discrimination-free workplace, where everyone feels welcome and valued. It enhances the employability of individuals, regardless of their background, age, sexual orientation, disability ...	P	ST MT LT	Diversity, equity and inclusion section		Stimulating an inspiring and inclusive work environment	Own operations
The primary positive impact of investing in our employees learning and develoment is the creation of a workforce that is agile, skilled, and capable of driving innovation. Employees who are continuously learning are more likely to be engaged with their work, leading to higher productivity and job satisfaction. This leads to a positive company culture where professional growth is valued and encouraged.	P	ST MT LT	Employee upskilling, reskilling and employability section		Stimulating an inspiring and inclusive work environment	Own operations
Deploying digital infrastructure and innovative technologies supports the modernization of society and can be a real catalyst for the global economy. It encourages innovation, boosts competitiveness, enables new business models, creates jobs and supports the digital transformation of the education system.	A	NA	Digital inclusion: access, affordability, and skills section		Investing in digital accessibility, inclusiveness and upskilling	Upstream and downstream
We make a positive impact on society by developing solutions to cybersecurity issues and contributing to building trust in the digital world.	P	ST MT LT	Cybersecurity section		Ensuring cybersecurity for our customers	Own operations, downstream
Proximus plays a crucial role in developing new technologies and must continuously innovate to remain competitive. The company's impact on society is mostly positive, driving advancements in network infrastructure, AI-driven customer service and advanced cybersecurity measures to support the digitalization of society and improve customer satisfaction. For society, these technological advancements improve access to digital services, enhance communication and support economic development by creating jobs and fostering a robust digital economy.	A	NA	Technology and innovation section		Developing digital solutions for everyday life Ensuring cybersecurity for our customers	Own operations, downstream
Proximus integrity helps to create a framework for responsible and sustainable business practices that benefit all stakeholders, including customers, employees, suppliers, and society as a whole. By considering the long-term impact of its decisions and actions, Proximus can ensure that it is operating in a way that is sustainable and socially responsible. This can help to minimize the negative impact of business operations on the environment and society, while also creating long-term value for stakeholders.	A	NA	Business conduct		Going all in in the fight against global warming	Upstream, own operations, downstream
Proximus advocates for initiatives and regulations that create positive societal impacts and drive economic growth, such as promoting digital inclusion, ensuring digital security, and encouraging the responsible use of technology. The company also recognizes the importance of local collaboration (e.g. securing permits, engaging with politicians and city councils) in deploying infrastructure to enhance societal security and digital inclusion, particularly through the expansion of fiber and mobile networks.	A	NA	Political engagement and lobbying activities		Embedding highest ethics and compliance standards Investing in digital accessibility, inclusiveness and upskilling	Own operations

Negative material impacts[4]

Description	Type	Time horizon	Impact management, strategy and performance	bold2025 strategic pillars	ESG commitments	Value chain
Proximus Group's value chain is carbon-intensive because of its large-scale network deployment, network infrastructure, service rollouts, large workforce and corresponding fleet.	A	NA	Climate change mitigation and energy section		Going all in in the fight against global warming	Upstream, own operations, downstream
The growing digitalization increases the energy consumption of Proximus Group's customers and end-users. Furthermore, as a leading telecommunication company in Belgium, Proximus is a significant contributor to the energy consumption of the sector.	A	NA	Climate change mitigation and energy section		Going all in in the fight against global warming	Down-stream
The telecom sector often uses customer acquisition models like promotional deals that combine hardware and subscriptions, known as joint offers. For instance, offering a new smartphone with a subscription can encourage customers to replace their devices sooner than needed. This practice contributes to resource waste and sometimes unnecessary hardware replacements, despite the significant energy and resources required to produce these devices. As an example, a smartphone typically consists of the following main parts (and related raw materials): a shell (plastic composition), a screen (europium, yttrium, terbium, gallium, etc.), a battery (lithium, cobalt, gold and fluorinated electrolyte) and a circuit board (precious metals, rare earth metals, plastic and fiberglass). The increasing demand for smartphones, fixed Customer Premises Equipment (CPEs) and network hardware intensifies the pressure on rare or critical raw materials, making effective lifecycle and e-waste management more challenging.	A	NA	Circular economy and waste section		Going all in in the fight against global warming	Upstream, downstream
Our communication and digital services heavily rely on network hardware and user devices, that need many different scarce raw materials during their production process and consume energy during their use phase. This reliance negatively impacts both climate change and resource availability.	A	NA	Circular economy and waste section		Going all in in the fight against global warming	Down-stream
Intensive workdays and the constant need to stay agile can take a toll on employees' physical and mental health, intensified by the transition to new organizational structures and changes to the path we work (via virtual communication and hybrid models, among others).	A	NA	Work-life balance and well-being section		Stimulating an inspiring and inclusive work environment	Own operations
Employee safety is a concern, with incidents of third-party aggression in Proximus stores and call centers (including serious robberies, verbal, and physical aggression) negatively impacting staff's physical and emotional well-being.	A	NA	Employee health and safety section		Stimulating an inspiring and inclusive work environment	Own operations
Proximus provides sedentary office jobs that can have a significant negative impact on employee's health: - The prolonged hours of sitting at a desk can cause a wide range of health issues such as weight gain, poor posture, back pain, and even increased risk of chronic diseases. - Sitting for long periods can negatively impact mental health, leading to increased levels of stress, anxiety, and depression. - Employees who work in sedentary jobs often have less time to exercise, which leads to an increased risk of obesity, cardiovascular disease, and other health issues. The lack of physical activity can also lead to a decline in cognitive function, which can negatively impact an employee's performance and productivity	P	ST MT LT	Employee health and safety section		Stimulating an inspiring and inclusive work environment	Own operations
Employees face the risk of having occupational accidents occurring on the way to or from work.	P	ST MT LT	Employee health and safety section		Stimulating an inspiring and inclusive work environment	Own operations

4 The material negative impacts are determined at the Proximus Group level, as they are not related to individual incidents.

Description	Type	Time horizon	Impact management, strategy and performance	bold2025 strategic pillars	ESG commitments	Value chain
Digitalization can exacerbate the negative impacts of the digital divide. Without a fast connection or digital skills, people find themselves excluded from government services, job interviews, school registrations, banking services, and more. What is more, vulnerable groups must be protected from potentially inappropriate content.	P	ST MT LT	Digital inclusion: access, affordability, and skills section		Investing in digital accessibility, inclusiveness and upskilling	Down-stream
Proximus Group may face difficulties in ensuring all employers in its value chain comply with human rights and labor laws. This is especially hard in more complex supplier networks, such as those involving raw materials sourcing and multiple layers of subcontractors spread across different regions (e.g. electronics manufacturing sector). Gaining transparency on human rights risks and ensuring the respect of human rights standards down the supply chain requires meaningful industry collaborations, which might be hindered by intellectual property secrecy and limited resource allocation.	A	NA	Human rights within our value chain section		Building the best gigabit network in Belgium Embedding highest ethics and compliance standards	Upstream, own operations, downstream
Expanding our network and replacing old infrastructure with new technologies generate negative impacts, such as nuisances and disturbances, for inhabitants in cities and municipalities. Deployment and maintenance of fixed networks can cause temporary inconveniences like roadworks, the opening of sidewalks, difficult access to the house, or visual pollution when deployment is done on the façade of their living unit. These impacts are perceived as widespread because people generally dislike having roadworks in the vicinity of their homes.	A	NA	Local communities section		Developing digital solutions for everyday life	Own operations, downstream
If Proximus unlawfully processes personal data or fails to protect it, this can have a negative impact on individuals whose personal data is processed. They could lose control over their personal data, leading to potential privacy violations. This could result in discrimination, identity theft or fraud, financial loss, damage to reputation, and loss of confidentiality of personal data protected by professional secrecy. It can also lead to other significant economic or social disadvantages.	P	ST MT LT	Data protection section		Ensuring cybersecurity for our customers	Own operations, downstream
Excessive political engagement and lobbying can erode societal trust and well-being, especially when misinformation is shared with public institutions and politicians. Such actions can also undermine fair competition, disrupt local cooperation, and hinder local economic growth.	P	ST	Political engagement and lobbying activities section		Going all in in the fight against global warming Embedding highest ethics and compliance standards	Own operations

Financial Materiality

Material risks

Description	Time horizon	Risk management, strategy and performance	Bold 2025 strategic pillars	ESG commitments	Value chain
Extreme weather events are expected to become more frequent and widespread, even affecting areas previously considered low risk. These events pose serious threats to our telco and ICT assets. Such events drive up operational costs as damaged assets need to be replaced. Furthermore, it reduces our revenue due to service unavailability.	ST MT LT	Climate change adaptation section		Connecting people and devices worldwide Going all in in the fight against global warming	Own operations
Our supply chain is also vulnerable to the effects of climate change. Extreme weather events such as floods, hurricanes, and droughts can disrupt production and transportation, leading to delays and increased costs. Resource scarcity due to changing climate conditions can drive up the price of raw materials and cause supply shortages. Additionally, geopolitical tensions can create further disruptions across our value chain.	ST MT LT	Climate change adaptation section		Developing digital solutions for everyday life Connecting people and devices worldwide Going all in in the fight against global warming	Upstream, downstream

Description	Type	Time horizon	Impact management, strategy and performance	bold2025 strategic pillars	ESG commitments	Value chain
New regulations could require us to invest considerably in cleaner technologies and processes, which might directly or indirectly raise our operational costs. For instance, a rapid transition could lead to operational disruptions. Moreover, failing to comply with these regulations could harm our reputation and expose us to legal risks, such as fines or litigation for non-compliance.		ST MT LT	Climate change mitigation section		Embedding highest ethics and compliance standards Going all in in the fight against global warming	Own operations
If our stakeholders do not perceive our actions to tackle climate change as a priority, this might lead to reputational damage, resulting in the loss of customer trust and brand value. Investor confidence may weaken, affecting stock prices and access to capital. We could also face increased regulatory scrutiny, with potential fines and legal challenges. Employee morale might decline, negatively affecting productivity and retention. Furthermore, competitors with stronger climate commitments could gain an edge by attracting more customers and talent.		ST MT LT	Climate change mitigation section		Going all in in the fight against global warming	Own operations, downstream
Uncertainty and limited predictability of the long-term risks of climate change can lead to poor investment decisions. Capital may be misallocated to assets vulnerable to climate risks, resulting in potential financial losses. Underestimating future costs related to regulatory changes, physical damages, and resource scarcity could hurt our profitability. Inadequate risk management strategies may leave us exposed to unforeseen climate-related disruptions. Additionally, missing out on opportunities in emerging sustainable technologies and markets could hinder Proximus' growth and competitiveness.		ST MT LT	Climate change mitigation section		Going all in in the fight against global warming Connecting people and devices worldwide	Own operations
As the awareness and concern about climate change grow, our clients increasingly demand higher environmental standards from the companies they do business with. This trend is driven by regulatory pressures, consumer expectations, and a broader societal push towards environmental stewardship. If we fail to align with these evolving requirements, it could jeopardize essential partnerships and client relationships, leading to significant financial and reputational impacts.		ST MT LT	Climate change mitigation section		Going all in in the fight against global warming Connecting people and devices worldwide	Own operations, downstream
The current geopolitical landscape, in parallel with the energetic transition underway in the EU, can lead to price volatility and shortages of renewable energy. These can affect our business continuity and profitability. Proactively managing these risks is crucial for maintaining operational stability and financial health.		ST	Energy section		Connecting people and devices worldwide	Upstream, own operations
Shifting our customer base to new energy-efficient products and services, such as new Internet Boxes, requires a significant investment from Proximus. This risk is increased by the rapid turnover of products driven by accelerated innovation in energy-efficient technologies. As new, more efficient products are being developed regularly, Proximus must continually invest in upgrades to stay competitive and meet regulatory standards. This ongoing need for investment can strain financial resources and impact profitability.		ST	Energy section		Going all in in the fight against global warming Developing digital solutions for everyday life	Own operations, downstream
Not shifting to circular economy business models poses a risk, as it means relying on raw material availability while global demand continues to rise, making secure and affordable access to some materials increasingly challenging. This could result in more frequent and severe raw material or new components shortages impacting Proximus' supply chain. These shortages potentially lead to higher operational costs and have an impact on customer experience such as longer installation and repair lead times.		MT	Circular economy and waste section		Going all in in the fight against global warming Developing digital solutions for everyday life	Upstream, own operations, downstream
The adoption of circular models also hinges on customer demand and readiness. For instance, investing heavily in refurbished devices may yield limited returns if the market is not mature enough to embrace them.		MT	Circular economy and waste section		Going all in in the fight against global warming Developing digital solutions for everyday life	Down-stream
Employee health as a result of lack of balance, empowerment and personal impact on working conditions could also have financial implications – affect our attractiveness as an employer, which might lead to employee turnover. Moreover, potential fines and litigation costs are a risk factor.		MT	Work-life balance and well-being section		Stimulating an inspiring and inclusive work environment	Own operations

Description	Type	Time horizon	Impact management, strategy and performance	bold2025 strategic pillars	ESG commitments	Value chain
The primary risk we face is the potential loss of talent, and unhealthy team dynamics due to a non-inclusive work environment. An unwelcoming atmosphere can lead to disengagement, reduced productivity and high turnover rates. This in turn negatively affects our employer brand and overall productivity.		LT	Diversity and inclusion section		Stimulating an inspiring and inclusive work environment	Own operations, downstream
The rapid pace of technological change means that the skills acquired today may become obsolete tomorrow. The challenge in the technology and telecommunication sectors is to ensure that learning opportunities are relevant and aligned with future industry needs, which requires a keen understanding of market trends and technological advancements.		MT	Employee upskilling, reskilling and employability section		Stimulating an inspiring and inclusive work environment	Own operations
The shortage of technological talent in the market makes it imperative for an our organization like ours to invest in upskilling and reskilling programs that can enhance the digital literacy of our existing workforce. Such proactive measures are essential to maintain competitiveness and foster a resilient and adaptable human capital. It also preserves the company from financial risks in case of massive restructuring due to talent readiness degradation.		MT	Employee upskilling, reskilling and employability section		Stimulating an inspiring and inclusive work environment	Own operations
The Group faces the risk of being held accountable for breaches of social and labor regulations and/or of its supplier code of conduct. Such infringements may lead to fines as well as operational (e.g. supply-chain disruption risk) and reputation risks (e.g. loss of enterprise customers), all of which could damage our financial performance.		ST MT LT	Human rights within our value chain section		Building the best gigabit network in Belgium Embedding highest ethics and compliance standards	Upstream, own operations, downstream
There are risks linked to the deployment of new antenna sites for mobile networks. Affected communities might raise visual concerns and we often encounter resistance due to the NIMBY (Not In My BackYard) syndrome. They also raise questions on the health impact of electromagnetic radiation. These discussions may delay environmental and building permits, delay the network roll-out, and potentially lead to stricter regulations, such as the 5G regulatory framework in Brussels and Wallonia.		ST MT	Local communities section		Developing digital solutions for everyday life	Own operations, downstream
Failing to address citizens' concerns and maintain good relationships with affected communities can lead to reputational risks to Proximus. It might lead to distrust, and generate negative publicity and negative word-of-mouth referrals. Reputational damage could ultimately have a negative financial impact as it can lead to a decline in customer loyalty and a decrease in sales.		ST MT	Local communities section		Embedding highest ethics and compliance standards	Own operations, downstream
Proximus faces significant risks if it fails to comply with data protection regulations. The company could be subjected to hefty fines, compensation claims, operational disruptions like temporary bans on processing activities, and increased regulatory scrutiny from data protection authorities. Additionally, reputational damage could erode trust with customers and partners, potentially leading to a loss of business, a drop in stock prices, and reduced investor confidence.		ST MT LT	Data protection section		Ensuring cybersecurity for our customers	Own operations, downstream
Cybersecurity threats pose significant risks to the security of Proximus as well as its customers and suppliers. Significant financial losses may arise from direct costs like ransomware payments and legal fines. Loss of revenue might also be a possible outcome due to service interruptions and eroded customer trust.		ST MT LT	Cybersecurity section		Ensuring cybersecurity for our customers	Own operations, downstream
Investing in technological innovation has economic implications and could lead to errors and drawbacks, such as high investment in R&D, risk of technologies not being deployable, risk of investing in the wrong technologies, challenges in monetizing new innovations, etc.		ST MT LT	Technology and innovation section		Developing digital solutions for everyday life Ensuring cybersecurity for our customers	Own operations, downstream

Description	Type	Time horizon	Impact management, strategy and performance	bold2025 strategic pillars	ESG commitments	Value chain
In the fast-changing landscape of ESG regulations and industry standards, companies like Proximus face the risk of lagging behind. The internationalization of our activities even causes an increased complexity of compliance. Failing to adhere to diverse and new competition laws and regulations globally could result in reputational damage, loss of trust from key stakeholders, and financial penalties - risks that might have a financial impact on Proximus.		ST	Business conduct section		Embedding highest ethics and compliance standards	Own operations, downstream
Given the large number of employees, contractors, and business partners we work with, keeping everyone informed about our policies is an ongoing challenge.		ST	Business conduct section		Embedding highest ethics and compliance standards Stimulating an inspiring and inclusive work environment	Own operations, upstream and downstream
Any case of corruption, bribery, insider trading or conflict of interests involving Proximus would harm our company's reputation. In addition to the legal repercussions, these events could also undermine staff morale and jeopardize financial health.		ST	Business conduct section		Stimulating an inspiring and inclusive work environment	Own operations, downstream

Material opportunities

Description	Time horizon	Opportunity management, strategy and performance	Bold 2025 strategic pillars	ESG commitments	Value chain
Offering low-carbon products not only addresses climate change but also provides us with a competitive edge, enabling regulatory preparedness and cost savings, through for instance reduced energy use or raw material usage.	ST MT	Climate change mitigation section		Going all in in the fight against global warming	Own operations, upstream, downstream
The evolving energy landscape is an opportunity for Proximus to offer innovative (ICT) products and services that help customers reduce their energy usage, attracting new clients and contributing to reducing energy consumption in society.	ST MT	Energy section		Going all in in the fight against global warming	Own operations, upstream, downstream
Investing in energy-efficient and low-carbon infrastructure and solutions can facilitate Proximus' access to sustainable funding sources, such as sustainability-linked loans and green bonds, supporting long-term investments.	ST MT LT	Climate change adaptation section		Going all in in the fight against global warming	Own operations, upstream, downstream
There is the potential to expand hardware recovery and refurbishment to include professional devices and more network hardware, which could drive further cost savings or even create new revenue streams through resale.	MT	Circular economy and waste section		Going all in in the fight against global warming Developing digital solutions for everyday life	Down-stream
Providing a healthy and safe working environment represents an opportunity to reduce costs by preventing workplace accidents and occupational diseases.	ST MT LT	Employee health and safety section		Stimulating an inspiring and inclusive work environment	Own operations
Offering flexible working conditions represent an opportunity for Proximus to increase its attractivity. These flexible working conditions not only enhance employee satisfaction and commitment but also strengthen our culture while maintaining strong professional connections.	ST MT LT	Work-life balance and well-being section		Stimulating an inspiring and inclusive work environment	Own operations
Creating a positive and safe work environment where each individual is respected, heard and valued, and where all employees are treated on a fair and equal basis, regardless of their background, combined with a competitive, fair and market attractive remuneration package represents an opportunity to attract and retain the right talents, needed to achieve our strategic ambitions.	ST	Working rights, fair pay and social dialogue section		Stimulating an inspiring and inclusive work environment	Own operations

Description	Type	Time horizon	Impact management, strategy and performance	bold2025 strategic pillars	ESG commitments	Value chain
Our dedication to D&I enhances our ability to comply with evolving legal standards and legislation related to harassment, discrimination, and accessibility, thereby reducing associated risks. Putting in place well-balanced and talented mixed teams positions us as an innovative company that meets the demands of a diverse market, enhancing our appeal to large customers and investors who prioritize sustainability and inclusion.		ST MT LT	Diversity and inclusion section		Stimulating an inspiring and inclusive work environment	Own operations, downstream
As the war for talent intensifies, by being an inclusive employer, we can also attract a wider range of talents, further strengthening our teams and positioning us as an employer of choice. Moreover, it stimulates our learning and feedback culture, the engagement of our employees and our creativity to handle the future challenges of a digital world.		ST MT LT	Diversity and inclusion section		Stimulating an inspiring and inclusive work environment	Own operations, downstream
Opportunities arise from the ability to harness the potential of a well-trained workforce. If a company can effectively upskill and reskill our employees,it can gain a competitive edge in the market. This means it is better positioned to innovate and adapt to changes, which can lead to the development of new products, services, and business models. Moreover, a commitment to continuous learning can attract top talent, seeking employers that invest in their professional development.		ST MT LT	Employee upskilling, reskilling and employability section		Stimulating an inspiring and inclusive work environment	Own operations, downstream
When conducted in a meaningful and genuine way, engaging with local communities offers opportunities to build understanding, and facilitate the permit approval processes, hence network deployment.		ST MT LT	Affected communities section		Developing digital solutions for everyday life	Own workforce
Proximus has an opportunity to strengthen its position by ensuring the lawful, ethical, safe and transparent handling of personal data. This would reinforce the company's commitment to protecting personal data and building trust, enhancing Proximus' reputation and creating business opportunities.		ST	Data protection section		Ensuring cybersecurity for our customers Grow profitably, locally and globally, through strong brands	Own operations
The Proximus NXT 2024 Cybersecurity Survey Report revealed that one in three companies in the Benelux faced at least one cybersecurity incident in 2023. So by investing in cybersecurity, we can stimulate the sustainable growth of our company, beyond telco operations.		ST MT LT	Cybersecurity section		Ensuring cybersecurity for our customers Grow profitably, locally and globally, through strong brands	Own operations, downstream
Digitalization offers significant opportunities for economic and social development, even though it is a complex, multifaceted challenge. Society's growing demand for connectivity presents a business opportunity for Proximus. Investing in safe, accessible and inclusive products and services and enhancing people's digital capabilities, not only supports social development but also increases our revenue. Expanding our reach to new population segments and creating user-friendly digital services will contribute to securing long-term success.		ST MT LT	Digital inclusion: access, affordability, and skills section		Investing in digital accessibility, inclusiveness and upskilling	Down-stream
Innovations provide opportunities for Proximus; the main one being driving economic growth through the development of new products and services and fostering new markets and customer segments. The rollout of gigabit technology offers the potential for faster, more reliable services, leading to new revenue streams and enhanced customer satisfaction. Implementing Artificial Intelligence (AI) can optimize network management, predict maintenance needs and personalize customer experiences, driving efficiency and innovation. Embracing greener technologies and sustainable practices helps reduce environmental impact and meet the growing customer demand to reduce their environmental footprint. By creating innovative ecosystems based on multi-stakeholder collaboration with academia, partners and customers Proximus can develop smart and sustainable solutions for both the industry and residential customers.		ST MT LT	Technology and innovation section		Developing digital solutions for everyday life Ensuring cybersecurity for our customers	Own operations, downstream

Description	Type	Time horizon	Impact management, strategy and performance	bold2025 strategic pillars	ESG commitments	Value chain
Our corporate culture, grounded in high ethical standards and a strong commitment to comply with legal and regulatory frameworks, including ESG regulations, creates a significant opportunity. It builds trust in our B2B and public sector relationships, which in turn helps us sustain and grow our revenues in the enterprise segment, both domestically and internationally.		ST MT LT	Business conduct section		Embedding highest ethics and compliance standards	Upstream, own operations, downstream
Strategic and ethical lobbying can be effectively utilized to secure subsidies that support necessary investments, reduce barriers, and enable business continuity and expansion.		LT	Political engagement and lobbying activities section		Embedding highest ethics and compliance standards	Own operations

Next steps

In preparation for our next strategic cycle, which will be developed throughout 2025, we will integrate the three separate exercises – the creation of a new strategy and the DMA and Enterprise Risk Management assessments – into one process. The input for these exercises consists of stakeholders' dialogues, forecasting information and an analysis of the IROs and business risks and opportunities.

Proximus' sustainability strategy

bold2025

In 2023, we initiated a new strategic cycle named bold2025. It was the right time to reflect on our sense of purpose and the bigger role we wish to play in society. We defined a purpose that truly captures the DNA of our company: to "boldly build a connected world that people trust, so society blooms".

More information on our purpose can be found in the chapter "Proximus Group at a glance".

With bold2025, we commit to sustainable value creation for all stakeholders through an inclusive growth strategy that fully integrates our nine ESG commitments. These commitments are guided by our sense of purpose and are structured around these three dimensions:

- building a connected world;
- ensuring that this world is secure and trustworthy;
- and finally, maximizing our concrete impact, especially in terms of climate and inclusiveness.

Boldly building...

... a **connected** world...	... that people **trust**...	... so society **blooms**.
Building the best **gigabit network** for Belgium	Ensuring **cybersecurity** for our **customers**	Contributing to the fight against **climate change**
Developing **digital solutions** for everyday life	Supporting Europe in achieving **sovereignty**	Investing in **digital accessibility, inclusiveness and upskilling**
Connecting people and devices **worldwide**	Embedding highest **ethics and compliance** standards	Stimulating an **inspiring and inclusive work environment**

More information on our bold2025 commitments can be found in the chapter "Proximus Group at a glance".

Financial resources allocated to the sustainability action plan

Out of a total invested capital expenditure (CapEx) of EUR 1.36 billion, we invested 42% (EUR 565 million) in sustainable CapEx (defined as investments in fiber, mobile, backbone and network simplification) and 5% (EUR 67.5 million) in the circular economy (defined as the purchase of modems, decoders and repeaters, which are bought by Proximus Group and put on the market as a service through a renting model). The sustainable CapEx encompasses the financial resources allocated to the climate change action plan and is consistent with our Taxonomy disclosure[5]: telecommunication network investments are excluded from EU Taxonomy eligible activities and consequently come on top of it while our circular economy CapEx is fully reported under "Activity 5.5 Product-as-a-service and other circular use- and result-oriented service models".

In 2024, we dedicated EUR 26 million to improve our employees' working conditions. This figure encompasses mainly our efforts to ensure the sustainability and safety of our real estate portfolio. It also includes our actions to improve our employees' digital experience, in order to ensure a transparent and efficient work environment.

In 2024, we dedicated EUR 14.5 million as operational expenditure (OpEx) on green mobility to support our fleet decarbonization, supporting for example the leasing of electrical vehicles and public transport options for our employees. We also invested EUR 49.6 million in employee re-skilling and upskilling.

While the plan is based on our overall financial planning, we do not yet have a detailed overview of the future CapEx and OpEx investments dedicated to the transition plan. Financial resources are not specified for each material topic and action plan. We only report significant financial allocations that exceed EUR 10 million.

More information on CapEx can be found in Note 4 and 5 of the Consolidated Financial Statements.

More information on our workforce and non-workforce expenses can be found in Note 26 and 27 of the Consolidated Financial Statements.

5 More information can be found in the EU Taxonomy table on CapEx.

Environmental information

Climate change

This section is divided into the following parts:

- overview of main impacts, risks and opportunities;
- climate change mitigation and energy;
- climate change adaptation.

Our impacts, risks and opportunities

Climate change impacts

Proximus Group's value chain is carbon-intensive because of its large-scale network deployment, network infrastructure, service roll-outs, large workforce and corresponding fleet. The growing digitalization increases the energy consumption of Proximus Group's customers and end-users.

At the same time, by rolling out fiber and 5G, Proximus Group can better manage its energy footprint, even as the demand for digital services continues to grow. These technological advancements not only support our sustainability goals but also ensure that we can provide high-quality, reliable services to our customers in an energy-efficient manner.

Climate change risks

The risks listed in this section were identified as part of the Double Materiality Assessment (DMA), which was an outcome of Proximus' Enterprise Risk Management (ERM).

More information can be found in the section "Double Materiality Assessment" and "climate change risks identification methodology".

Transition risks

New regulations could require us to invest considerably in cleaner technologies and processes, which might directly or indirectly raise our operational costs. For instance, the rapid transitions necessitated by new directives on energy (e.g. the obligation to transition to a fossil-free technical fleet) could lead to operational disruptions. Moreover, failing to comply with these regulations could harm our reputation and expose us to legal risks, such as fines or litigation for non-compliance.

If our stakeholders do not perceive our actions to tackle climate change as a priority, this might lead to reputational damage, resulting in the loss of customer trust and brand value. Investor confidence may weaken, affecting stock prices and access to capital. We could also face increased regulatory scrutiny, with potential fines and legal challenges. Employee morale might decline, negatively affecting productivity and retention. Furthermore, competitors with stronger climate commitments could gain an edge by attracting more customers and talent.

Uncertainty and limited predictability of the long-term risks of climate change can lead to poor investment decisions. Capital may be misallocated to assets vulnerable to climate risks, resulting in potential financial losses. Underestimating future costs related to regulatory changes, physical damages and resource scarcity could hurt our profitability. Inadequate risk management strategies may leave us exposed to unforeseen climate-related disruptions. Additionally, missing out on opportunities in emerging sustainable technologies and markets could hinder Proximus' growth and competitiveness.

As public awareness and public concern about climate change continue to grow, our clients increasingly demand higher environmental standards from the companies they do business with. This trend is driven by regulatory pressures, consumer expectations and a broader societal push towards environmental stewardship. If we fail to align with these evolving requirements, it could jeopardize essential partnerships and client relationships, leading to significant financial and reputational impacts.

The EU energy market can be influenced by, e.g. geopolitical tensions, electricity grid transformation due to the massive switch to renewables, or water scarcity, which can impact nuclear plant operations. This may generate uncertainty and potentially price volatility and shortages of (renewable) energy, which in turn can affect our business continuity and profitability. Additionally, financial risks arise from the need to invest in alternative energy sources or energy-efficient technologies, which can be expensive and time-consuming. Proactively managing these risks is crucial for maintaining operational stability and financial health.

Shifting our customer base to new energy-efficient products and services, such as new Internet Boxes, requires a significant investment from Proximus. This risk is increased by the rapid turnover of products driven by accelerated innovation in energy-efficient technologies. As new, more efficient products are being developed regularly, Proximus must continually invest in upgrades to stay competitive and meet regulatory standards. This ongoing need for investment can strain financial resources and impact profitability.

Physical risks

Extreme weather events are expected to become more frequent and widespread, even affecting areas previously considered low risk. These events pose serious threats to our telco and ICT assets. For instance, in 2021 the floods caused significant damage in Wallonia and had detrimental effects on Proximus Group's business. Such events drive up operational costs, as damaged assets need to be replaced. Furthermore, it reduces our revenue due to service unavailability.

Increased precipitation such as rain, hail or snow also leads to a higher risk of erosion and long-term damage to transport structures, potentially exposing cables and technical buildings. Moreover, heat waves might occur more often in the future, due to rising global temperatures. A heat wave is defined as a period of five or more consecutive days with temperatures over 30°C. Heat waves can also cause an increase in operation costs because of damage to infrastructure or increased maintenance/energy usage.

We conducted a review of the potential effects of climate change on our infrastructure in Belgium. This analysis has shown that, given the current processes in place, there is a low risk of disruption to our operational processes in the short- and mid-term future. In case of acute extreme weather events, procedures have been set in place to restore business continuity as quickly as possible. The exercise was conducted in line with the legal requirements of the BIPT (Belgian Institute for Postal Services and Telecommunications), the federal regulatory body responsible for regulating the electronic communications market.

Just like Proximus is impacted by climate change, its supply chain is also exposed. Extreme weather events such as floods, hurricanes and droughts can disrupt production and transportation, leading to delays and increased costs. Resource scarcity due to changing climate conditions can affect the availability of raw materials, driving up prices and causing supply shortages. Geopolitical tensions increased by mass migrations and conflicts over resources can also be a source of disruption for Proximus' value chain.

Climate change risks identification methodology

Alongside our Double Materiality Assessment, a specific approach was used to assess risks related to climate change in Proximus' Enterprise Risk Management (ERM).

Proximus began structurally incorporating climate risk into its ERM processes in 2022. Every two years, we carry out a comprehensive, bottom-up identification and prioritization of risks called the "full ERM" exercise. In the interim years, we conduct a "light ERM" to review the risks. Additionally, during these years, we performed a separate assessment specifically focused on climate risk.

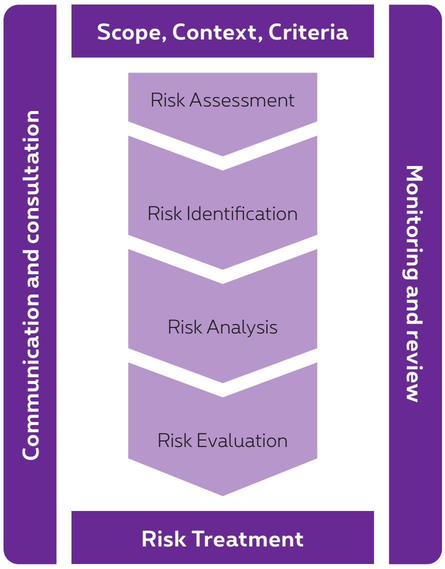
We define the scope of climate change risk assessment at the Group level, paying special attention to the BICS and Telesign affiliates due to their operational size and unique characteristics. Other Proximus Group affiliates were covered through stakeholder consultation[6]. We identified the key areas of our value chain by segmenting stakeholders into groups and focusing on three critical factors:

6 Except for Route Mobile and Fiberklaar which joined Proximus in 2024.

- the degree to which they have a direct influence on Proximus Group's main business operations;
- the data availability of business activities along the value chain;
- stakeholder expertise, to ensure relevant insights.

Proximus' climate change risk management framework is based on the principles and guidelines set out in ISO 31000, which provides a structured and standardized approach to establishing risk management processes. We employ the relevant techniques outlined in ISO 31010 to conduct the risk assessment. These techniques help us evaluate and analyze the risks associated with climate change, including both physical risks (acute and chronic), as defined by Commission delegated regulation (EU) 2021/2139 and those related to the transition to a low-carbon economy (policy and legal, technology, market and reputation risks), based on TCFD classification.

The main steps of the risk assessment process are visualized in the following figure:



We selected the climate change scenarios using the Network for Greening the Financial System (NGFS) scenarios framework. The NGFS is a global network of central banks and supervisors that aims to enhance the role of the financial sector in managing climate and environmental risks.

Based on this framework, we selected three future climate scenarios that project three different temperature paths: divergent net zero (+1.5 degrees), delayed transition (+1.8°C) and current policies (+3°C). We will identify whether the scenarios are still applicable or should be amended on a yearly basis.

The various scenarios, coupled with three distinct time frames, established the context for the risk assessment. These time frames are:

- short-term (0–3 years);
- medium-term (3–10 years);
- long-term (10–25 years).

The choice of the time horizons is provided in the section "General information". For the identification of potential climate change risks, we consulted publications from major management consulting firms, the European Investment Bank, HSBC Research and the World Economic Forum. We carried out the final selection and prioritization of risks through workshops and interviews with different stakeholders, both internal and external. The potential impact of a risk is determined through an impact table.

The magnitude of impact scales used for the risk assessment ranges from "low" for impacts with a value less than EUR 100,000 to "very high" for impacts that exceed EUR 12.5 million (in line with the company's Delegation of Powers Policy and the methodology used for operational risk management). This alignment guarantees that risk assessments reflect the financial thresholds at which different levels of decision-making authority are applied. In cases where risks cannot be quantified in financial terms such as reputational damage, compliance issues, operational efficiency or system and platform availability, we use a qualitative impact scale.

This qualitative scale is also aligned with the financial impact scale to ensure a balanced and comparable approach when evaluating different types of risks.

For each of the identified risks, we determined the likelihood of occurrence on a scale of 1 to 5 (1 being extremely unlikely and 5 being extremely likely).

The combination of the impact and likelihood scale results in a positioning on a risk matrix leading to the final qualification of the identified risks. The outcome of the risk analysis is presented in the table below.

Risk causes	Climate change-related risk	Policy ambition	Short term	Medium term	Long term
Policy changes	1. Introduction of climate change-related policies (including governmental). Transition risk.	1.5°C	Low	High	High
		1.8°C	Low	High	High
		3°C	Low	Low	Low
Market	2. Competition for scarce green energy. Transition risk.	1.5°C	Medium	High	High
		1.8°C	Medium	High	High
		3°C	Low	Low	Low
Market	3. Increased outsourcing & supply chain risk as they are also exposed to climate change impact. Physical risk.	1.5°C	Medium	Medium	High
		1.8°C	Low	Medium	High
		3°C	Low	Medium	Medium
Reputation	4. External stakeholder/customer perception not in line with Proximus efforts. Transition risk.	1.5°C	Medium	High	High
		1.8°C	Low	Medium	High
		3°C	Low	Low	Medium
Climate evolution - Extreme weather events	5. Insufficient knowledge about the long-term risks of climate change may impact investment decisions and infrastructure resilience. Transition & physical risk.	1.5°C	Low	Low	Low
		1.8°C	Low	Medium	Medium
		3°C	Low	Medium	High

The above-identified risks are listed and further detailed in the sections "Transition risks" and "Physical risks".

Our main opportunities related to climate change

Offering low-carbon products presents Proximus with a significant opportunity to stand out in the market. Consumer demand for sustainable products is rising and meeting this demand can attract environmentally conscious customers. Overall, offering low-carbon products not only addresses climate change but also provides us with a competitive edge, enabling regulatory preparedness and cost savings through, for instance, reduced energy use or raw material usage.

Investing in energy-efficient and low-carbon infrastructure and solutions can facilitate Proximus' access to sustainable funding sources, such as sustainability-linked loans and green bonds, supporting long-term investments.

Policies

The Proximus Group Environmental Policy further reinforces our intention to identify and reduce our environmental impacts by minimizing the use of raw materials and energy and avoiding ozone-depleting substances such as CFC or HCFC.

Our Code of Conduct is relevant to all Proximus employees. It highlights our company's role in the fight against climate change and the importance of our employees' contribution to reducing energy usage and carbon emissions.

In our Supplier Code of Conduct, we set the expectation that our suppliers should contribute to our climate objectives by (i) disclosing their GHG footprint, (ii) setting science-aligned public emissions reduction targets and (iii) publicly communicating their emission-reduction and renewable energy transition roadmap. In addition, the supply of ozone-depleting substances is excluded, unless specifically authorized by Proximus.

The Proximus Group Procurement Policy highlights the Supplier Engagement Program, which describes how we collaborate with our most carbon-intensive suppliers, who are key to decarbonizing our supply chain. In addition, the policy requires the inclusion of product emissions as an evaluation criterion for all procurement files.

Proximus' Business Continuity Management (BCM) is key to ensuring we manage the potential impact of physical climate change risks for Proximus Group[7]. It is the capability to continue to deliver products and services at an acceptable level in case of major incidents, including in case of extreme weather events. This company policy is reviewed every two years or after any significant change in the organization that might impact it. The Group Corporate Affairs (GCA) Lead has the overall accountability for Proximus' BCM and for the bi-annual review and approval of this policy.

All our policies are available on the Proximus website, except the Procurement Policy and the Business Continuity Policy which are only available in Proximus intranet.

More information about our policies can be found in the section "Business Conduct".

Climate change mitigation and energy

Context

The telecom industry, a contributor to greenhouse gas emissions, plays a significant role in addressing climate change by being a catalyst for innovative solutions. Proximus recognizes the critical importance of mitigating climate change and is committed to playing its part in this global effort. Therefore in 2022, we have pledged to meet the Science Based Targets approved by the Science Based Targets initiative (SBTi). By aligning our strategies with SBTi, we aim to significantly reduce our carbon footprint and promote sustainable practices within our value chain and the sector.

Energy usage is a cornerstone of the transition to net zero, with the EU aiming to increase renewables to at least 42.5% by 2030. A robust regulatory framework backs this shift. Over the past years, the energy market has faced unprecedented volatility, exacerbated by geopolitical tensions and supply chain disruptions. The war in Ukraine, in particular, has led to significant fluctuations in energy prices, highlighting the need for a resilient and adaptable energy strategy. In this evolving landscape, Proximus Group remains committed to contributing to the EU's green transition, while navigating the complexities of the current market environment.

The material topic energy focuses on managing energy production and consumption across the company's value chain, including shifting to renewable sources and implementing energy-efficient systems and products. For Proximus, this covers the energy consumed by our suppliers, in our own operations and by our products.

Climate change mitigation is the process of reducing CO2 and other greenhouse gas emissions, mitigating the predicted increase in global average temperatures to ensure it remains well below 2°C and pursuing efforts to limit it to 1.5°C above pre-industrial levels, as laid out by the Paris Agreement. For Proximus, this process involves a decarbonization of our own operations and a reduction in our value chain emissions (upstream and downstream).

Resources and responsibilities

Climate change mitigation and energy management are centrally managed by Proximus Group's sustainability team, which acts as a center of excellence. The team provides oversight, while the execution of action items is decentralized and carried out by the relevant business departments, with transversal governance in place for CapEx investments. Climate change is one of the topics discussed in

7 All of Proximus' infrastructure are located in Belgium and Luxembourg. International activities are not material for this topic.

our bi-monthly ESG committees, held at the level of the Proximus Leadership Squad. More information can be found in the section "General information".

In accordance with the Group's overall Sustainability Governance, Proximus' Energy Strategy is validated at the Board level and embedded in our strategic plan. Our Energy Strategy is operationalized through a transversal team – the Energy Tribe, led by an Energy Lead. The team is composed of representatives from relevant internal departments and is organized around energy strategy, supply, consumption, innovation, data acquisition, finance and communication. The role of the team is to promote the energy topic and to coordinate and follow up on the various energy initiatives implemented by the responsible Business Units.

Resources are allocated across the Group based on the specific climate/energy initiatives being implemented. The nature of each initiative determines which team takes the lead – whether it's, e.g. the fleet team, procurement team, Customer Premises Equipment team or Consumer Business Unit. Dedicated resources ensure the communication of our Group's sustainability ambitions to our affiliates and are also used to respond to any questions affiliates might have.

Strategic objectives

Proximus Group is committed to achieving net zero GHG emissions across our entire value chain by 2040, using 2020 as the baseline – ten years ahead of Belgium's 2050 target. This goal, which has been validated by the Science Based Target initiative (SBTi), requires cutting at least 90% of our direct and indirect total emissions and using carbon removal technologies for the remaining emissions (less than 10%). This ambitious objective aligns with industry leaders. By minimizing our climate impact, anticipating regulatory changes, reducing reliance on fossil fuels, strengthening the resilience of our supply chain and ensuring long-term, sustainable relationships with our customers and partners, we are also addressing our IROs.

In 2024, due to a major GHG accounting methodology update, we began the concomitant update of our own SBTi targets. We reviewed our near-term targets for 2030 using the cross-sectoral pathway to ensure the alignment of our targets with the 1.5°C trajectory. The updated Proximus Group near-term targets are as follows:

- reduce absolute Scope 1 and Scope 2 GHG emissions by 66% in 2030 from a 2020 base year (previously -95%);
- reduce absolute Scope 3 GHG emissions by 42% in 2030 from a 2020 base year (previously -60%);
- continue active annual sourcing of 100% renewable electricity through 2030.

Proximus is still committed to reaching net-zero greenhouse gas emissions across its value chain by 2040.

These targets were validated by the SBTi in November 2024 and are fully consistent with the boundaries defined in our GHG inventory, applying to 100% of our Scope 1, 2 and 3 emissions.

Our new Scope 1 target is consistent with the pace required to achieve our current fleet electrification and building decarbonization plans. While we are fully transitioning our management fleet to electric vehicles, suitable alternatives for technical vehicles remain limited on the market and, therefore, the pace of transition for those vehicles is slower. Regarding the decarbonization of our buildings, we decided to increase the congruence of the decarbonization plans with our long-term real estate strategy. The reasoning behind this decision was that it would optimize the efficiency of our investments and avoid, for example, deploying heat pumps in buildings not suited for this technology.

Our 2030 Scope 3 reduction targets are aligned with the 1.5°C pathway and the required minimum reduction of 42%. We chose to reassess our target for three main reasons: first, we foresee a slower pace of decarbonization within our supply chain than initially assumed when we submitted our targets to the SBTi in 2022. Second, we expect to be actively connecting clients to our fiber network until 2030, which will contribute to a higher level of activity. This increased activity puts pressure on our Scope 3 reduction target. Thirdly, while the impact of the recently acquired Route Mobile on our footprint is relatively limited, the contribution of Fiberklaar is much more significant and has an impact on our ability to deliver our 2030 target.

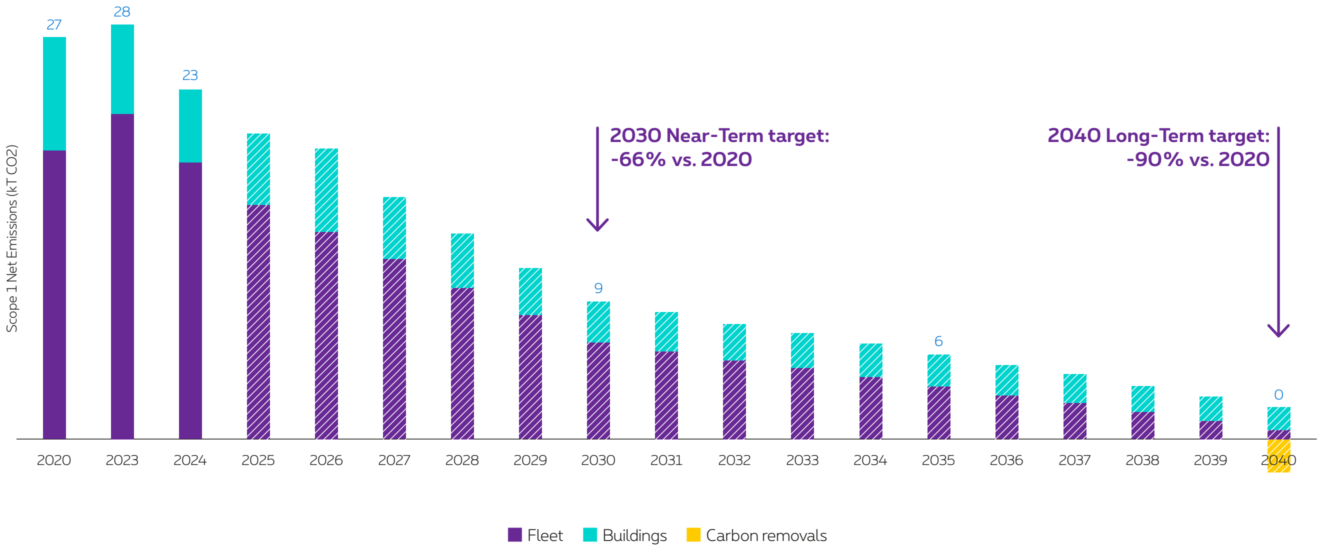
Proximus Group's energy strategy fully supports our climate ambitions by ensuring that we keep our Scope 2 emissions at zero through 100% renewable electricity sourcing across the Group. In addition, our strategy focuses on making sure that Proximus adapts to the ongoing energy transition, while making sure we optimize costs and exposure to market volatility. Our first focus is to increase our energy efficiency by continuously improving and optimizing energy consumption across our network, buildings and datacenters. We achieve this through phasing out old technologies (e.g. copper), modernizing our network (e.g. fiber deployment) or by sharing agreements. Furthermore, because of the uptake of renewable electricity sources, the Belgian electricity grid is more and more under pressure and market prices are subject to higher volatility. In this context, we are exploring the potential of demand flexibility (adapting electricity demand to renewables availability and/or market prices) and energy storage (e.g. through batteries).

Climate Transition Plan[8]

Our vision

The Climate Transition Plan represents our vision towards a net-zero future, a vision that requires us to take action within our own operations (Scope 1 & 2) and across our value chain (Scope 3). The Climate Transition Plan is a crucial element of our climate strategy and will help us mitigate risks and seize opportunities as we transition to a low-carbon society. Developed in line with our bold2025 strategy, it reflects our current outlook on mid- and long-term investments and strategic priorities. The sustainability team led the development of this plan in collaboration with relevant internal stakeholders and the plan was subsequently approved by Proximus' Leadership Squad and Board of Directors.

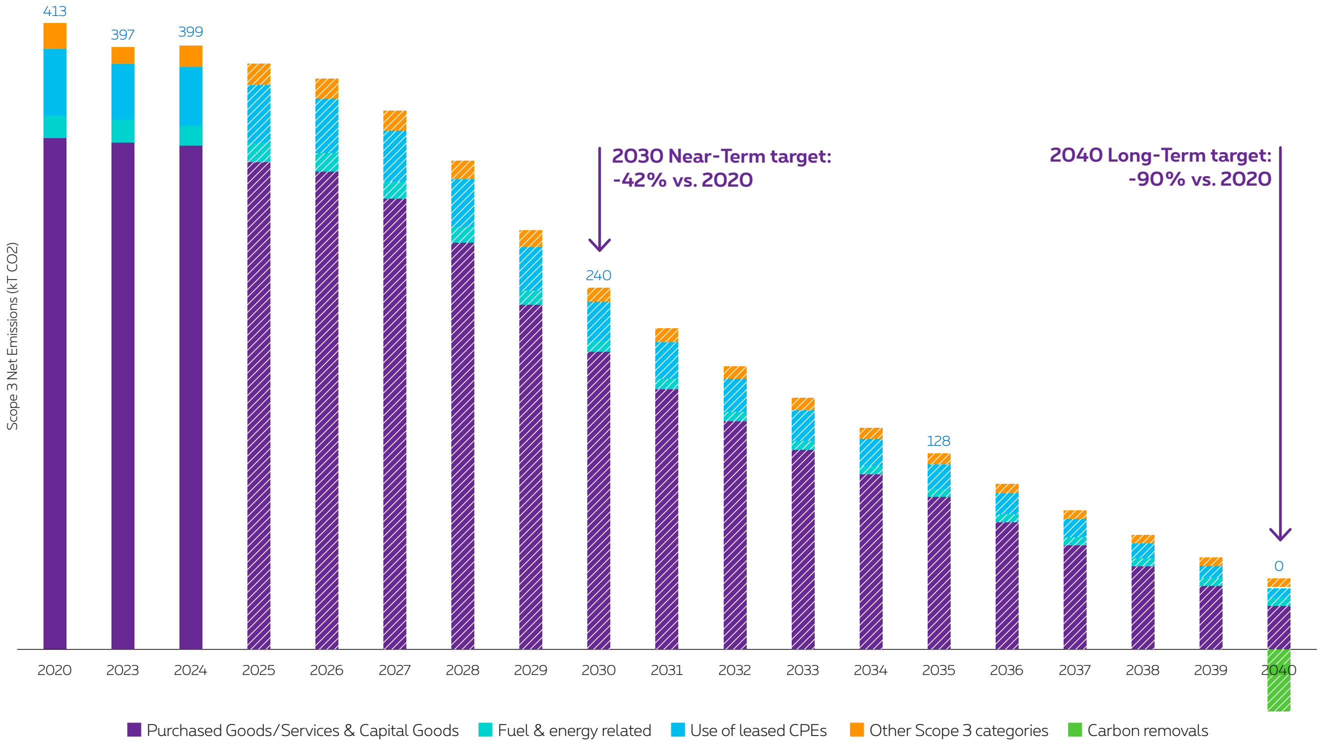
Evolution Scope 1 & 2 footprint



	2024	2030	2035	2040
Scope 1 & 2 emissions	23	9	6	0
Scope 1 & 2 emissions reduction levers (kT CO2 vs. 2024)				
Continue sourcing 100% renewable electricity		0	0	0
Fleet decarbonization		-12	-15	-18
Buildings decarbonization		-2	-3	-3

8 Regulation (EU) 2021/1119 of the European Parliament and of the Council of 30 June 2021 establishing the framework for achieving climate neutrality and amending Regulations (EC) No 401/2009 and (EU) 2018/1999 ("European Climate Law") (OJ L 243, 9.7.2021, p. 1).

Evolution Scope 3 Footprint including additional initiatives



	2024	2030	2035	2040
Net Scope 3 emissions (kT CO2)	399	240	128	0
Scope 3 emissions reduction levers (kT CO2 vs. 2024)				
Network transformation		-38	-71	-82
Fossil-free operations		-4	-5	-6
Supply chain engagement		-58	-91	-120
Circular and energy efficient ICT equipment		-16	-30	-43
Additional initiatives to be developed		-44	-75	-107

The Climate Transition Plan applies to the entire Group, including all affiliates. Currently, the implementation is focused on our Telecommunication and Information and Communications Technology operations within Belgium and Luxembourg, which are the most material from a GHG emissions perspective (in 2024, our Domestic activities accounted for 98% of the Group's GHG footprint). In the coming years, however, we will need to drive action across all entities of the Group, considering their specific challenges and contributions.

The reduction of our Scope 1 & 2 emissions will be achieved through three main levers:

- removing fossil fuels from our operations through fleet electrification and investments in building decarbonization;
- increasing energy efficiency of our networks and datacenters;
- continuing to source 100% renewable energy in an impactful way.

With regards to our Scope 3 emissions, our Climate Transition Plan includes four main levers, which align with our core business activities:

- network transformation;
- supply chain engagement;
- circularity and business model evolution;
- internal and external engagement with our main stakeholders.

Based on our current assumptions and estimations, we anticipate a gap between our projected emissions and our 2030 ambitions (gap of 44 kT CO2e or 11%) and 2040 ambitions (gap of 107 kT CO2e or 26%), highlighting the need to explore additional strategies and emission reduction initiatives until 2030.

The climate transition actions presented are reflected in our business and financial planning and contribute to the sustainability pillar of our bold2025 strategy. In 2025, Proximus' three-year business strategy will be updated, which will provide an opportunity to further embed the Climate Transition Plan into our company DNA and business objectives. Additionally, and to address the current gap, we will have to develop bold, long-term initiatives that transcend traditional business models and push circularity to the next level, including via cross-industry collaboration.

Proximus' potential locked-in emissions are mainly linked to the electricity consumption of the devices we lease to our clients. This park of devices is an asset powered by electricity from the local electricity grid. Therefore, we are dependent on the grid's carbon intensity and the investments made by governments to switch to more renewable energy sources. While this component was factored into our decarbonization trajectory, we will need to re-assess the evolution of the Belgian electricity grid in the coming years to accurately quantify the potential impact on our 2040 target.

Moving away from fossil fuel in our operations

Our fleet represents approximately 80% of our Scope 1 emissions and, as such, will be a major driver in the decarbonization of our operations:

- We continue our management fleet electrification and, as of 2023, have transitioned to exclusively ordering electric vehicles (EVs) for our Belgian fleet, representing more than 85% of our fleet emissions. In 2024, the percentage of EVs in our management fleet increased from 16% to 28%. Additionally, we provide employees with alternatives to a company car through comprehensive mobility packages, such as the federal mobility budget.
- We are gradually integrating electric vehicles into our light technical fleet, ensuring that our field technicians are smoothly onboarded during this transition. In 2024, 5% of our technical fleet was moved to EVs. At the same time, we are increasing our ability to manage operational impacts linked to EVs, such as charging times and limited autonomy. We are assessing potential options for heavy-duty vehicles, which are more challenging to decarbonize.

Our large buildings portfolio is another important source of Scope 1 emissions (approximately 20%), which requires a transition to energy-efficient and fossil-free alternatives:

- By deploying fiber, we are streamlining our network by replacing technical equipment buildings with highly compact and energy-efficient units, enabling us to remove energy-intensive buildings from our portfolio.
- For the buildings remaining in our portfolio, we are gradually replacing fossil heating systems with electrical heat pumps.

Continue sourcing 100% renewable electricity

Proximus is deploying solar panels to generate local electricity for its administrative and technical buildings, which are fully powered by renewable energy.

In 2023, we signed a Power Purchase Agreement (PPA) with Engie, effective until 2028, that will contribute to securing approximately 20% of Proximus' green electricity and reduce our exposure to a volatile electricity market. In addition to the PPA we signed, we cover the remaining 80% of our electricity consumption through Energy Attribute Certificates (EACs).

The growth of renewable electricity sources in Belgium is straining the grid and exposes companies to more volatile energy prices throughout the day. In that context, Proximus is developing the Proximus Energy Box in collaboration with Companion.energy, an innovative software that will help us integrate real-time and forecast data from assets, energy contracts and the energy market to optimize renewable energy usage and costs.

More information can be found in the section “Technology and innovation”.

Increase our energy efficiency

Proximus’ energy efficiency strategy consists of initiatives in three main areas in our network:

- Modernizing our network: Our strategy to build the best gigabit network aligns with our need to optimize energy consumption, both for our fixed and mobile networks. Fiber is inherently more energy-efficient than copper and ensures we create a future-proof network. The investments we are making in our buildings will also contribute to reducing our energy footprint.
- Smart Installed Base: Alongside our fiber roll-out, we are deploying more modern and more energy-efficient technologies and phasing out older-generation technologies. For example, phasing out our copper network and legacy switching technologies will generate substantial energy savings in the coming years.
- Network sharing: Sharing network infrastructure is another way to reduce our energy footprint and maximize network utilization. More information can be found in the section “Network Transformation”.

In our datacenters, we continue to successfully balance the enhancement of daily operations with the introduction of new technologies. The improvements in our daily operations yield immediate benefits, such as the ability to detect abnormal power usage by individual devices via advanced analytics. Simultaneously, we are gradually introducing new technology to ensure long-term improvements. For instance, Smart Power Distribution Units enrich our data, enabling us to make better-informed decisions. Following the acquisition of our datacenters by Datacenter United, we anticipate an acceleration in our progress thanks to their expertise. We reduced our power consumption in 2024 by 2% compared to 2023.

While we are continuously investing in energy efficiency improvements, the increasing demand for bandwidth, data storage and computing results in a rise in electricity usage in our networks and datacenters. Our energy savings initiatives allow us to at least offset this increase.

Network transformation

As we progress in deploying our fiber network, the carbon emissions linked to the roll-out and maintenance will be significantly reduced leading up to 2030 and beyond. Firstly, because fiber is less energy-, resource- and maintenance-intensive than copper networks, the switch to fiber will reduce our carbon and energy footprints as we gradually compact or switch off copper cabinets. In 2024, we switched off 190 copper cabinets, an increase compared to 2023 (69 cabinets switched off), a testimony to the ongoing network transformation.

Secondly, as we come to the end of our fiber network deployment, we will gradually reduce the exceptional emissions associated with this investment. By 2040, we expect this to lead to a reduction of approximately 9% of our Scope 3 emissions compared to 2020.

In addition, by signing a Memorandum of Understanding (MoU) on fiber collaboration with Wyre/Telenet and Fiberklaar, we aim to limit network overbuild in mid-dense areas. Furthermore, in lower-density areas, Proximus will start offering services through Wyre’s Hybrid Fiber Coax (HFC) network. This collaboration should result in a more efficient network roll-out, reduce overbuild and allow us to further pursue our circularity blueprint ambitions. Sharing a common network will also allow Proximus to operate networks more efficiently in those areas, reducing our carbon and energy footprints. While we are not able to provide a detailed impact on our emissions yet, we expect this to be a significant driver of emission reduction in the coming years.

The deployment of mobile 5G networks requires an increase in the number of mobile towers. Yet, by applying our circularity blueprint ambition and sharing our mobile sites with Orange Belgium through Mwingz, we aim for a total reduction of up to 40% of sites by 2026, while enhancing mobile coverage. This partnership will lower our Scope 3 emissions through reduced infrastructure maintenance and the avoidance of mobile sites overbuild.

What is more, we are exploring the potential of advanced analytics and artificial intelligence to further increase the efficiency of our 5G network while managing the potential impact on our mobile customers.

Supply chain engagement

Through our Supplier Engagement Program, we collaborated with our top 150 suppliers, who collectively represented 85% of our Scope 3 emissions (Category 1 "Purchased Goods and Services") in 2024. We support them in setting emission reduction targets that are just as ambitious as our own and in disclosing their progress in this respect on an annual basis. These goals are integrated into our contractual clauses, positioning us as a key enabler for climate action across our value chain.

We also engaged with suppliers without established sustainability strategies, published reports or targets. We held workshops introducing our expectations and offering guidance and feedback on how to accomplish these requirements. To assist our entire Tier 1 supply chain, we organized a webinar attended by our Proximus Group CEO, in which we offered practical guidance on calculating an organization's carbon footprint. In the same webinar we also clarified our expectations and explained how they are integrated throughout our procurement processes. In addition, we launched our supplier guidance portal[9] which contains additional educational content, best practices and guidelines available to all.

Beyond engaging with our main suppliers, we also ensure that sustainability is included in important procurement decisions. Outgoing tenders include climate-related criteria to evaluate vendors' offers and these criteria account for up to 20% of the vendor's total performance score. Upon awarding a contract to the vendor, the climate clauses and Supplier Code of Conduct are integrated into all contract templates.

To amplify our efforts with larger suppliers and increase our leverage, we collaborate with our telecommunications peers across the globe. We have joined forces with our peers at the Joint Alliance for CSR (JAC), contributing to their supplier engagement workgroup and carbon reduction workgroup. Through the JAC Carbon Reduction Program (CRP), we ask the suppliers we have in common to deliver a life cycle assessment for prioritized goods (e.g. network equipment) and collaborate on developing methods to reduce those goods' carbon footprint and environmental impact. This enables us to gather product-level emission data and ensure a steadily decreasing carbon impact from the goods we procure in high volumes.

Circularity and energy-efficient ICT equipment

A significant portion of Proximus Group's Scope 3 emissions are linked to the manufacturing of the devices we sell or lease to our customers, the transportation of these devices and the energy consumption required to use them. Proximus embeds circularity principles in the deployment of ICT equipment across customer premises or in its network. Circularity efforts, including limiting virgin resource use and optimizing recycled materials, contribute not only to waste reduction but also play a key role in our climate ambitions. As we extend device lifespans, increase reuse and repair or refurbish equipment, we continue to reduce our carbon footprint.

Lowering electricity consumption in ICT equipment also drives down Scope 3 emissions associated with leased or sold devices. Our investments in this regard aim to continuously reduce the energy consumption of the devices we provide to our customers (CPEs).

In 2024, we reached a major milestone by clarifying our circularity roadmap and how it will contribute to our climate ambitions. More details on how we plan to gradually increase circularity in our way of working are available in the section "Circular economy and waste".

Internal and external engagement

Building a strong internal commitment to climate action requires effective employee training at all levels. To support this, we offer training programs that align with our core values and climate ambitions, supported by internal communication campaigns and events aiming to raise awareness on important topics. Here are some highlights from 2024:

- three Board Members followed the Director's Climate Journey, delivered by Chapter Zero;
- a specific session focusing on ESG and the regulatory evolution on the subject was delivered to the Board of Directors;
- interactive and engaging training sessions within the scope of the Climate Fresk or the Digital Impact Pitch were provided to 145 Proximus employees, including two members of the Proximus Leadership Squad.

In addition, we regularly publish sustainability-related updates on our intranet. All employees also have access to a training catalogue, which includes ESG-related courses.

9 https://www.proximus.com/suppliers/Sustainability.html

At the industry level, we are active in several industry associations, collaborating with other telecommunication operators to address the climate change challenge:

- ETIS: we are leading the sustainability workgroup of the European Community for Telecom Professionals (ETIS) which shares strategies, learnings and challenges related to decarbonization and implementing the circular economy in the telco environment.
- GSMA: we are actively participating in GSMA workshops and sessions. In 2024, we took part in the GSMA Climate Task Force Forum in London, sharing the main challenges faced by our peers in the sector.
- JAC: through our active involvement in the JAC initiative, we efficiently engage with a large number of customers on key climate issues in order to scale up the sector's impact.
- Through our engagement in sustainability working groups of Connect Europe (previously ETNO) or Agoria, we work to increase the visibility and impact of sustainability in the ICT space at the EU and local level.

Next steps

Based on our current assumptions and estimations, we anticipate a gap between our projections and our 2030 ambitions (gap of 44 kT CO2e or 11%), highlighting the need to explore additional strategies.

We see potential in increasing the eco-design of our branded products and expanding circularity practices to our B2B ICT equipment (through refurbishment or virtualization). Further opportunities lie in additional network-sharing partnerships.

The majority of our emissions come from Proximus' Telco & ICT operations in Belgium, which represent 80% of our total GHG emissions. Domestic affiliates represent around 18% of our emissions, while the activities of our international affiliates BICS, Telesign and Route Mobile contribute to the remaining 2%. Although we anticipate growth in our international affiliates, we expect their impact on our overall carbon footprint to remain relatively limited. Nevertheless, our smaller domestic and international affiliates play a role in the Group's climate transition and it is vital to include them in relevant initiatives.

Performance

Integration of climate change consideration in incentive schemes

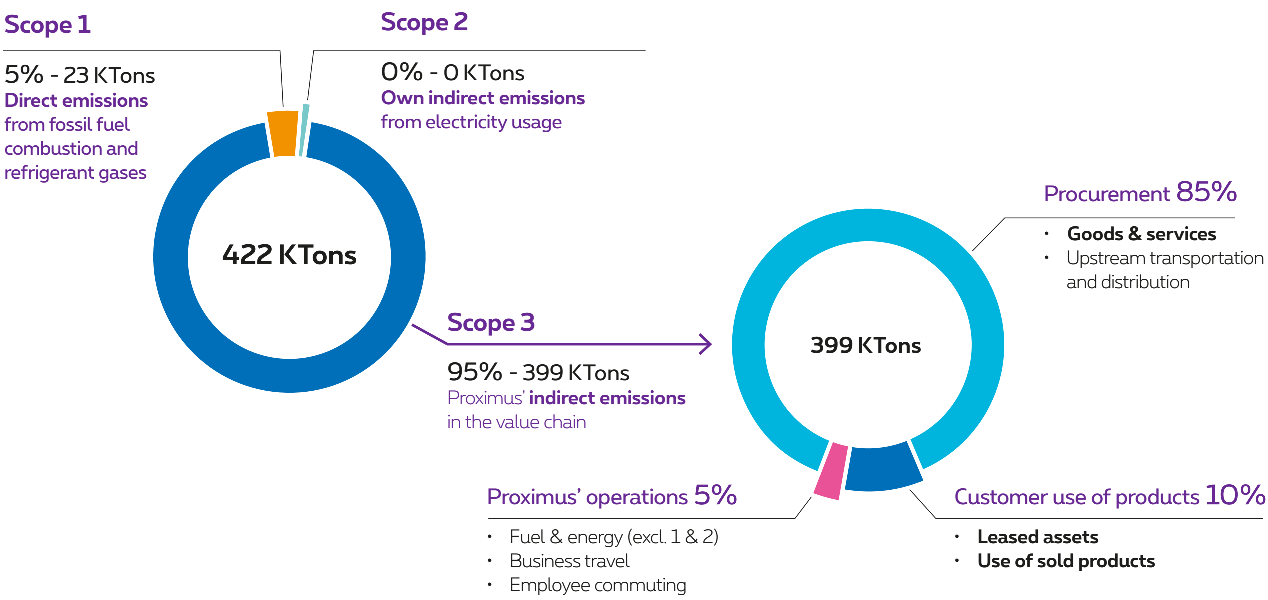
All employees contracted by Proximus SA in Belgium have a variable remuneration directly linked to the Group KPIs. Within these KPIs, there is the "Society and Sustainability" pillar, which represents 15%. This includes 5% related to direct carbon emissions[10].

The remuneration of the Board of Directors is not linked to climate change. More information can be found in the remuneration report about the inclusion of climate change considerations in the Proximus Leadership Squad remuneration.

10 Direct CO2 emissions related to Proximus' domestic business activities. Direct emissions are produced by own sources within the organization.

Greenhouse gas emissions

2024 Breakdown of Proximus Group total GHG emissions



Our direct emissions (Scope 1) are linked to fleet fuel usage, fuel or gas needed to heat administrative, technical or retail buildings and, to a small extent, refrigerants in certain cooling systems. Using the market-based approach to calculate our Scope 2 emissions, the emission factor is 0, as we are committed to sourcing 100% renewable energy (as part of our SBTi targets). Scope 1 & Scope 2 emissions only make up 5% of the Group's total footprint.

Like most companies, the majority of our emissions come from our value chain's indirect emissions (Scope 3 – 95% of Proximus Group emissions). These are highly concentrated in the "Purchased Goods and Services" category, which includes materials and services for fiber network deployment, as well as hardware required for connectivity or smartphones. Manufacturing these goods and delivering these services has a significant impact on climate change, but they are essential to our business model. The use of our ICT products by customers represents 10% of our Scope 3 emissions.

It should be noted that in 2024 we reviewed our GHG accounting methodology, leading to significant changes in our Scope 3 emissions, including our 2020 baseline. In addition, we integrated our new affiliates Route Mobile, Fiberklaar and Proximus Belgrade Ltd. into our GHG footprint scope. GHG emissions presented in the table below are calculated following the updated methodology to allow comparability over the years and enable us to keep track of the progress we make.

Total GHG emissions per Scope

GHG emissions actuals and targets	Retrospective					Milestones and target years		
	2020	2023	2024	YoY evolution	Evolution vs. baseline	2030	2040	Annual % target/ base year (2040)
Scope 1 GHG emissions								
Gross Scope 1 GHG emissions (tCO2eq)	26,632	27,418	23,085	-16%	-13%	9,055	2,663	-4.5%
Percentage of Scope 1 GHG emissions from regulated emission trading schemes (%)								
Scope 2 GHG emissions								
Gross location-based Scope 2 GHG emissions (tCO2eq)	54,769	40,347	37,142	-8%	-32%			
Gross market-based Scope 2 GHG emissions (tCO2eq)	785	0	0	0%	-100%	0	0	0%
Significant Scope 3 GHG emissions								
Total Gross indirect (Scope 3) GHG emissions (tCO2eq)	413,100	397,100	399,199	1%	-3%	239,598	41,310	-4.5%
1 Purchased goods and services	337,824	335,168	333,467	-1%	-1%			
Subcategory: Cloud computing and datacenter services		13,928	15,265	10%				
2 Capital goods	Incl. in Category 1							
3 Fuel and energy-related Activities (not included in Scope 1 or Scope 2)	14,724	14,535	13,237	-9%	-10%			
4 Upstream transportation and distribution	3,445	4,188	4,564	9%	32%			
5 Waste generated in operations	Not applicable							
6 Business traveling	1,570	1,312	3,211	145%	105%			
7 Employee commuting	2,773	3,114	3,685	18%	33%			
8 Upstream leased assets	Not applicable							
9 Downstream transportation	Not applicable							
10 Processing of sold products	Not applicable							
11 Use of sold products	9,001	2,011	2,022	1%	-78%			
12 End-of-life treatment of sold products	Not applicable							
13 Downstream leased assets	43,762	36,670	38,944	6%	-11%			
14 Franchises	Not applicable							
15 Investments	1	102	70	-31%	6,247%			
TOTAL GHG EMISSIONS								
TOTAL GHG EMISSIONS LOCATION-BASED (TCO2EQ)	503,119	468,125	459,426	-2%	-9%			
TOTAL GHG EMISSIONS MARKET-BASED (TCO2EQ)	440,517	424,518	422,284	-1%	-4%	248,653	43,973	-4.5%

Scope: Proximus Group

Notes:
- Proximus has a net zero GHG emission goal. The figures related to the 2040 year present the emissions targeted before carbon removal.
- In 2024, 35% of Scope 3 GHG emissions, calculated using primary data obtained from suppliers or other value chain partners.
- Biogenic emissions are not included in Scope 1 figures and are equal to zero for Proximus Group.

2024 marks a turn in the reduction of the Group Scope 1 emissions, down by 16% compared to previous year. The reduction is the result of the uptake of electrical vehicles in our fleet which is the main source of our Scope 1 emissions. In addition, a significant decrease of heating fuel and gas was observed in 2024 (see energy consumption paragraph), reinforcing the downwards trend.

Group Scope 3 emissions are up by 0.5% compared to year 2023. Although we notice a higher purchase volume in 2024 due to new entities joining the Group (e.g. Fiberklaar performing significant investments to deploy its fiber network), it is partly compensated by an overall reduction of the carbon intensity of our purchases.

Other variations are noticed in the following emission categories:

- Route Mobile business travel emissions were added to Category 6 in 2024, explaining the increase;
- fuel and energy-related activities: decrease due to reduced usage of fossil fuel in our operations;
- upstream transportation and distribution: increased due to the higher activity level required to roll-out our fiber network;
- employee commuting: since 2024, emissions linked to the commuting of Route Mobile employees are included, explaining the significant increase;
- downstream leased assets: emissions of leased equipment usage increased due to a combination of electricity usage uptake (+1,4%) and an increase of the electricity grid emission factor (AIB supplier mix, +6%);
- emissions related to investments reduced, mainly driven by Fiberklaar joining the Group (not accounted for in investment anymore);
- a higher spend in the scope considered to estimate the subcategory cloud and data centre services explains the 10% increase vs. 2023, which is partially linked to better data availability for some affiliates.

Direct GHG emissions by operating segments

Direct GHG emissions - Scope 1 (tCO2eq)	2024
GHG emissions - Group	23,085
GHG emissions - Domestic	22,518
GHG emissions - International	567

Scope: Proximus Group

In 2024, Group Scope 1 emissions decreased significantly, driven by the reduction at Domestic level. Scope 1 emissions from our international activities increased in 2024 vs. 2023 due to the acquisition of Route Mobile and consolidation of emissions of their offices into the Group emissions.

Energy certificates

(%)	2023	2024
Total share of contractual agreements used for energy attribute certificates	100	100
Share of bundled EACs	15	32
Share of Unbundled EACs	85	68
Share of EACs acquired through PPAs	2	20

Scope: Proximus Group

Proximus acquires Energy Attribute Certificates (EACs) mainly through unbundled purchases, but part is acquired in a bundled way either through electricity supply contracts (delivery of EACs by the energy supplier) or through Power Purchase Agreements (PPAs). In 2024, the share of EACs acquired through PPAs increased as the volume of electricity purchased from the C-Power installation increased from a few weeks to a full year (contract initiated in December 2023). It should be noted that Proximus sources its EACs in alignment with the technical criteria of the RE100 initiative (www.there100.org/).

Indirect GHG emissions by operating segments

Indirect GHG emissions - Scope 2 (tCO2eq)	2024
Gross location based	
GHG emissions - Group	37,142
GHG emissions - Domestic	35,595
GHG emissions - International	1,547
Gross market based	
GHG emissions - Group	0
GHG emissions - Domestic	0
GHG emissions - International	0

Scope: Proximus Group

Since we source 100% renewable electricity, our market-based emissions are equal to zero. Group location-based emissions increased in 2024, driven by the additional contribution of Route Mobile.

The share and types of contractual instruments used to calculate Scope 2 emissions are provided in the energy certificates subsection.

Carbon intensity

Total GHG intensity per net revenue (tCO2eq per million €)	2020	2023	2024	YoY evolution	Evolution vs. baseline
Total GHG emissions (location-based)	92	78	72	-8%	-22%
Total GHG emissions (market-based)	81	71	66	-7%	-18%

Scope: Proximus Group

The net revenue considered for the GHG emissions calculation is provided in the subsection “Consolidated Income Statement” of the Consolidated Financial Statements. The Group carbon intensity per net revenue has decreased between 2023 and 2024, reflecting an overall reduction of the carbon intensity of our activities. This aligns with the diversification strategy and the acquisition of Route Mobile, a service company with typically lower carbon intensity than the historical telecommunication infrastructure activities.

Suppliers with climate change ambitions

Through active engagement, Proximus encourages and empowers its suppliers to set 1.5°C Science-aligned emission reduction targets. These are near-term reduction targets (within 5-10 years) that are validated by the Science Based Target initiative as being aligned with 1.5°C climate science. For Proximus SA 37% of its emissions result from aligned suppliers, whereas on a group level 30% of our total emissions result from aligned suppliers. Only suppliers from Proximus SA were assessed in this iteration, which represent 83% of Proximus Group-level Scope 3 Category 1 emissions. Our engagement program will be extended in the upcoming two to three years to include the suppliers of the Proximus Group.

The metric represents the percentage of our Scope 3 Category 1 Purchased Goods & Services emissions that result from procurement from suppliers with an aligned emission reduction target. It is calculated by aggregating the described emissions from aligned suppliers and dividing it by our total Scope 3 Category 1 emissions as Proximus SA of the year prior to the reporting year. On a group-level , all suppliers excluding those of Proximus SA were assumed non-compliant, as they were not analyzed. This results in an underestimation of the metric on a group-level.

Carbon credits outside value chain[11]

Carbon credits outside value chain (tCO2eq)	2023	2024
Carbon credits cancelled	5,949	6,735

For several years now, Proximus Group has supported the multiannual "Gold Standard"-certified climate project called the TEG Stove project (more info: www.tegstove.org), which aims at carbon emission reduction through wood consumption reduction. 100% of the credits cancelled are due to reduction projects under the Gold Standard. The above table provides carbon credits generated by the project in the last two years.

It is estimated that the TEG Stove project will generate around 6.000 tCO2eq in 2025. The partnership with Proximus Group will not be continued beyond 2025.

Energy

Energy consumption

Energy consumption (MWh)	2023	2024
Non-renewable		
Energy consumption from fossil sources (MWh)	114,318	96,526
Heating (gas and heating oil)	26,822	21,871
Vehicle fleet (diesel, petrol and CNG)	87,496	74,655
Energy consumption from fossil sources (%)	25	23
Renewable		
Energy consumption from Proximus solar panels (MWh)	532	1,017
Renewable electricity purchased ...	336,338	328,707
... for fixed and mobile network	254,603	249,105
... for datacenters	53,394	51,922
... for offices & shops	28,322	28,557
Renewable energy produced by Proximus solar panels (MWh)	532	1,017
Energy consumption from renewable sources (%)	75	77
TOTAL ENERGY CONSUMPTION RELATED TO OWN OPERATIONS	451,188	426,250

Scope: Proximus Group

It should be noted that Proximus Group does not consume energy from nuclear sources or from renewable sources such as biomass, biofuels, biogas, renewable hydrogen, etc.

Our total energy consumption continues to decrease in 2024 (-6% vs. 2023) as a result of our fleet electrification (electrical vehicles are typically more efficient that internal combustion vehicles) and a better energy efficiency in our network and administrative buildings. The move from the Proximus Towers to the smaller Boréal building alone generated an energy saving of approximately 4 GWh. We notice an uptake of the electricity usage of our mobile network linked to the deployment of 5G and mobile data traffic increase, which we contain thanks to energy saving features. Uptake on the mobile side is more than compensated by the savings achieved through legacy technologies out-phasing in our fixed network, including the gradual replacement of copper by fiber. Furthermore, we are replacing technical buildings with highly compact units, further increasing our network energy efficiency. The consumption of our datacenters reduced by 2% in 2024 vs. 2023, as a result of several optimizations, e.g. data room temperature control. An increase of the Proximus solar production in 2024 is the result of the continued roll-out of solar panels on our buildings.

11 Regulation (EU) 2021/1119 of the European Parliament and of the Council of 30 June 2021 establishing the framework for achieving climate neutrality and amending Regulations (EC) No 401/2009 and (EU) 2018/1999 ("European Climate Law") (OJ L 243, 9.7.2021, p. 1).

How we calculate our greenhouse gas emissions and energy footprint

Our greenhouse gas (GHG) accounting is based on the GHG Protocol Standard and uses the operational control consolidation approach. As a result, all our affiliates are included in the scope of our GHG emissions. Since we do not have operational control over our joint ventures Unifiber and GoFiber, we included their Scope 1 & 2 emissions in our Scope 3 emissions (Category 15 - investments).

The baseline year we have chosen for our targets is 2020. It is a representative year for our activities, although the 2020 Scope 1 & 2 emissions were significantly reduced due to the COVID-19 crisis. We decided to keep 2020 as a baseline for simplicity, avoiding adjustments that might prompt questions from external stakeholders.

To calculate our GHG footprint, we use direct data when available (amount of gas/fuel on invoices, kilometers travelled, etc.) or indirect data when fewer details are available (square meters of offices, number and type of vehicles, etc.). If the data we collect do not cover the calendar year exactly, an estimation is made to reflect the calendar year emissions as accurately as possible.

Proximus Group Scope 1 emissions are linked to the use of fossil fuel in our buildings, management and technical fleets and refrigerant usage, for assets which we have under our operational control. We use emission factors published by ADEME (Bilan Carbone) or the GHG Protocol (stationary combustion tool).

Our Scope 2 emissions are linked to indirect emissions from the generation of power. Using the market-based approach, we can conclude that our emission factor is 0 as we procure Energy Attribute Certificates (EACs). To ensure the quality of the renewable energy we supply, we procure EACs that are aligned with the RE100 technical criteria. They are sourced exclusively on our behalf, match our geographic and market boundaries and align with our annual electricity consumption.

If we use the location-based approach, the Scope 2 emissions are calculated based on direct consumption data (electricity bills) covering all electricity purchased and consumed during the reporting period. If direct consumption data is not available, we use indirect data (e.g. square meters of offices/technical buildings, etc.) to calculate our Scope 2 emissions. If the available data does not cover the entire calendar year, estimations are made to reflect the calendar year emissions as accurately as possible. For this approach, we use the emission factors published by AIB (for European countries – a change of methodology implemented in 2024), EIA (for non-European countries) and ADEME (Bilan Carbone).

In 2024, our GHG accounting methodology undertook a major change, which included the following main adaptations:

- Scope 2: in order to better reflect the emissions of the electricity usage in the countries where Proximus operates, we changed the emissions factor used to calculate Scope 2 emissions in European countries (including Belgium where the largest part of our Scope 2 emissions lies). Previously relying on the emission factors published by the International Energy agency (IEA), we switched to the production mix emission factors published by the Association of Issuing Bodies (AIB).
- Scope 3 Category 1 (purchased goods and services), the most material GHG emissions category for Proximus, was calculated based on the S&P Trucost database. In previous years, Proximus used industry average emission factors from the database Carnegie-Mellon. The switch to the Trucost database represents a major methodology change. Our baseline year, 2023 and 2024 emissions are all based on this new database, ensuring consistency and enabling comparability over time.
- Scope 3 excluded emission sources were updated based on the materiality of the various categories. Category 5 (waste) and Category 12 (sold products end-of-life) are excluded from our footprint (considered non-material).
- Scope 3 Category 9 (downstream transportation and distribution) was previously reported separately. Because of the limited materiality of this category, it was decided to not calculate it in detail anymore and it is now included in Category 1 (purchased goods and services).

In alignment with the Scope 2 updates, emissions linked to electricity consumption in Scope 3 Category 11 (use of sold products) and Category 13 (downstream leased assets) were calculated based on AIB supplier mix emission factors for European countries, instead of the EIA emission factors used previously.

More detail on the methodology used to calculate our Scope 3 emissions is provided below:

- **Category 1 - Purchased Goods & Services and Category 2 - Capital Goods**: includes purchased goods and services and capital goods for the entire Proximus Group. It is calculated based on the following methodologies:
  - product-specific: when specific data is available at product level, e.g. for modems purchased;
  - product average: for smartphones, we consider an average emission factor per device based on the top 10 smartphones purchased;
  - supplier or industry average emission factors collected through our Supplier Engagement Program or provided by the S&P Trucost database;
  - in the coming years, we want to increase the specificity of the data we use for the calculation of our Category 1 & 2 calculation, by collecting more product- and supplier-specific data.
- **Category 3 - Fuel-and-energy-related activities (not included in Scope 1 or 2)**: For Proximus Group, only upstream emissions from purchased fuel and electricity and transmission and distribution losses of electricity are relevant and calculated based on emission factors published by ADEME (Bilan Carbone).
- **Category 4 - Upstream transportation and distribution**: This emission category includes the inbound and outbound logistics data of subcontractors. However, specific transportation data is not available for all suppliers and therefore part of the upstream transport and distribution emissions are included in Category 1 (considered as services). Distance traveled and fuel consumption are estimated and fuel emission factors (ADEME) are used for the calculation.
- **Category 6 - Business Travel**: This category includes emissions linked to the transportation of employees for business-related activities in vehicles not owned or operated by the company, including planes and trains. Electricity and fuel consumption is estimated based on the length of the trip; it is based on US EPA and Defra emission factors and includes radiative forcing. For affiliates with no detailed information on work-related travel, an estimation is made based on the number of FTEs (rule of three).
- **Category 7 - Employee commuting**: Emissions linked to the transportation of employees between their home and work in vehicles not owned or operated by the company such as cars (employee-owned), trains or other public transport. The distance is estimated between employees' homes and offices and considers the type of commuting of each employee. The emissions are calculated based on ADEME (Bilan Carbone) emission factors.
- **Category 11 - Use of sold products**: This emission category encompasses the energy consumption of smartphones sold by Proximus Group. This emission category includes the total electricity consumption of mobile phones (smartphones) based on their average estimated electricity consumption. Conversion into carbon equivalent emissions is based on AIB emission factors (change of methodology, since in the past EIA emission factors were used).
- **Category 13 - Downstream leased assets:** This emission category encompasses the energy consumption of products leased to Proximus' customers that require energy consumption. It includes the total electricity consumption of modems, decoders, Wi-Fi Boosters and ONTs (based on an average electricity consumption per device). AIB supplier mix emission factors are used to calculate the carbon emissions (change of methodology since in the past EIA emission factors were used).
- **Category 15 - Investments:** includes the Scope 1 and 2 emissions (market-based) of our joint ventures (over which we do not have operational control) and is based on our share in those joint ventures. The emissions are estimated based on buildings and fleet data.

The following Scope 3 categories were excluded from the Proximus Group GHG inventory:

- **Category 5 - Waste generated in operations**: Waste generated by our operations was previously included in our footprint. However, moving forward, we will exclude it from our reporting given that it is not material (670 tons CO2e in 2023).
- **Category 8 - Upstream leased assets:** Upstream leased assets include the building space we rent to third parties (offices, shops or to host telecommunication equipment) and for which we do not manage energy purchases. It is considered to be less than 2% of our Scope 3 footprint. Because it is not material and we have limited influence on those emissions, we excluded it from our footprint.
- **Category 9 - Downstream transportation and distribution**: Transport linked to our products and services is included in Category 4 (e.g. maintenance of replacement of customer devices at their home) or in Category 1 (transport services we pay for). Emissions linked to the transportation of our customers to our shops are estimated to be 1.5 KTons CO2e. Given the low materiality and actionability, we do not include it in our carbon footprint.
- **Category 10 - Processing of sold products**: This category represents emissions from the production of intermediate goods and therefore does not apply to Proximus Group.

- **Category 12 - End-of-life treatment of sold products**: This category used to be reported and is not material. In 2023, it accounted for 10 tons CO2e. Because of this low materiality, it is excluded from our carbon footprint.
- **Category 14 - Franchises**: Proximus Group does not operate under the franchise model as outlined by the GHG protocol.

Climate change adaptation

Context

As we operate an infrastructure that is vital to society in Belgium and Luxembourg, we might be confronted with the consequences of climate change such as extreme weather events. Therefore, climate change adaptation has been defined as material for Proximus Group. Understanding and financially assessing our climate change risks and potential vulnerabilities is essential to avoid disrupting our business activities.

Climate change adaptation refers to the process of adjusting and responding to actual and expected extreme weather events (i.e., heatwaves, flooding, sea level rise, droughts) and their associated impacts.

Resources and responsibilities

Business Continuity Management is the most important relay to integrate climate change risks into Proximus Group operations. Its main objective is to continue to deliver products and services at an acceptable level in case of major incidents, in alignment with industry good practices and the Belgian regulations on telecom and critical infrastructure. There is at least one person responsible for Business Continuity Management in each company of the Group. Reporting to the Audit Committee is organized at least on a yearly basis by the Group Business Continuity Manager with a focus on the strategy as well as actions taken or ongoing to mitigate risks and major incidents.

Strategic objectives

Proximus Group's network infrastructure is designed with built-in redundancy. This setup ensures that, if any specific network node is disrupted, traffic can be rerouted via other network pathways. As such, our business model does not need to be adapted to the potential impacts of climate change at this stage.

To support operational resilience, it is essential to identify and assess physical climate risks associated with Proximus' operations under different climate scenarios. This enables us to proactively anticipate, plan for and address climate change consequences, minimize risks and make the most of opportunities.

Risk management and mitigation measures

The **Business Continuity Program** focuses on those aspects that are considered essential for the Group. Its scope is not limited to technical assets but can encompass any domain that is considered critical to accomplishing our mission.

The objective of Business Continuity is to:

- maintain or restore essential functions during a crisis to a certain level within an acceptable timeframe;
- develop Business Continuity Plans for a number of threats, including climate-related threats, based on reusable building blocks;
- embed Business Continuity in the organization by communication and training.

We are aware that the increase in the severity and frequency of extreme weather events may result in extended temporary shutdowns and a rising demand for reparations. For all new assets, we rigorously assess resilience against potential climate-related risks.

Our current preventive actions are considered sufficient and are described below.

To address risks linked to **heat waves**, we have implemented several actions aimed at reducing cooling-related electricity consumption. Our energy efficiency projects include reducing the reliance on air conditioning through solutions such as free cooling and equipment modernization. The network equipment has also been upgraded to operate effectively at higher temperatures.

Our ventilation systems are designed to handle maximum peaks of up to 40°C. They can withstand hot periods (maximum daily temperature >30°C) for up to 60 days per year. Current weather patterns in Belgium remain well within these thresholds. Additionally, alarm systems are in place to provide notifications if temperature-related parameters approach or exceed these limits.

To proactively manage extreme weather events, our adaptation strategy includes measures to ensure the utmost resilience of our operations against possible interruptions. The Business Continuity System includes process flows on prevention, protection and Disaster Recovery coordinated by our Proximus Emergency Response Team (PERT), which outline the steps for restoring essential functions that have been temporarily disrupted. These processes specify roles and responsibilities in case of a critical impact on our infrastructure. Recovery solutions have been defined for a wide range of asset groups and are immediately ready in case of an extreme weather event.

No specific performance metrics have been defined for climate change adaptation.

EU Taxonomy

Introduction to EU Taxonomy

The EU Taxonomy is a classification system that establishes a list of activities that qualify as environmentally sustainable and that feed into the action plan on Financing Sustainable Growth, supporting the European Green Deal. By providing a common language for sustainable activities, the EU Taxonomy is meant to drive financial flows towards the transition to a low-carbon, resilient and sustainable future society.

The ICT sector, defined as those industries that "intend to fulfil or enable the function of information processing and communication by electronic means" is partially covered in the Taxonomy Regulation because of the ICT industry's relative size in the economy and particularly due to the role datacenters play in this, given their significant energy consumption.

As a critical player in enabling climate change mitigation, Proximus is ahead of the curve with regards to sustainable investments, notably with its fiber and 5G networks roll-out representing a large part of our CapEx plan which is staying consistent year over year. Nevertheless, the current Taxonomy's narrow scope, which excludes the core activities of the telecom industry, does not allow us to highlight how our activities and efforts contribute to a more sustainable society, as explained in the subsection related to Proximus' Climate Transition Plan.

Outcome of EU Taxonomy eligibility and alignment

Overall and in line with its peers, Proximus has low eligibility, as the EU Taxonomy crucially leaves out telecom networks from the targeted activities.

Proximus Group discloses financial KPIs for FY2024 on eligible and aligned revenues, CapEx and OpEx on economic activities that are qualified as sustainable following the Regulation (EU) 2020/852 of the European Parliament and of The Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment within the European Union and its annexes, as well as Delegated Acts, covering 6 objectives:

- climate change mitigation;
- climate change adaptation;
- sustainable use and protection of water and marine resources;
- transition to a circular economy;
- pollution prevention and control;
- protection and restoration of biodiversity and ecosystems.

As a result of a detailed assessment of Proximus Group's economic activities, we have identified revenues, CapEx and OpEx associated with eligible activities. The table below summarizes the outcome of this exercise, showing limited eligibility for revenues, CapEx and OpEx compared to the Group figures. These few eligible activities are not aligned with the EU Taxonomy, as Proximus Group does not meet some of the technical screening criteria defined at this stage.

EU Taxonomy KPIs	Total 2024 (€ M)[12]	Eligible (%)	Aligned (%)
Turnover[13]	6,376	2%	0%
CapEx	1,355	7%	0%
OpEx	323	21%	0%

The results of an EU Taxonomy eligibility and alignment exercise indicate that Proximus Group's eligibility and alignment are rather in line with market standards. Nevertheless, the core activities involved in providing telecommunication services remain currently out of scope of the delegated acts of the European Commission.

Proximus is committed to continue progressing towards our sustainability ambitions through numerous initiatives such as the rolling out of energy-efficient and future-proof telecom networks, which in turn will allow our customers to realize energy efficiency gains for their own activities.

Detailed assessment of relevant activities

Compared to the Annual Report 2023, Proximus has performed a detailed assessment of the Group's economic activities to further refine its eligibility and expand on alignment by linking key financial metrics (Turnover/ CapEx/ OpEx) to eligible activities for FY2024 as disclosed in the 3 detailed tables below. Last year we still focussed on the two first objectives and applied a materiality approach leading us to disclose 0% eligibility on each of the three KPIs. This year we dropped our materiality threshold for the eligibility analysis and went more in details in the activity screening, especially for the new circular economy objective, so that the % of eligible activities has increased.

To ensure completeness of eligibility, Proximus used a multi-step approach. First, Proximus identified the activities that can contribute to the EU Taxonomy objectives. In the second phase, the nature of Proximus Group's activity was compared to the EU Taxonomy description. As a final sanity check, peers' existing disclosures were evaluated. During the assessment, Proximus used the four-eyes principle to ensure different stakeholders were involved in the sign-off of the EU Taxonomy activities, including internal business units (owners/experts) and the finance and sustainability teams.

Through this exercise, 11 economic activities as defined in the EU Taxonomy have been identified as eligible. These activities are either referring to (1) Climate change mitigation aiming at reducing the causes of climate change, (2) Climate change adaptation aiming at addressing the effects of a changing climate or (3) Transition to a circular economy. The activities have been mapped based on the detailed descriptions in the regulation:

12 More information in the chapter "Consolidated Financial Statements". The approach for the EU Taxonomy OpEx KPI deserves a special attention to comply with the Commission Delegated Regulation (EU) 2021/2178 of 6 July 2021, as it is specified that the considered OpEx perimeter should "cover direct non-capitalised costs that relate to research and development, building renovation measures, short-term lease, maintenance and repair, and any other direct expenditures relating to the day-to-day servicing of assets of property, plant and equipment by the undertaking or third party to whom activities are outsourced that are necessary to ensure the continued and effective functioning of such assets." As we do not have the data granularity to exactly match this definition and to include all detailed information in the reporting templates, we opted for a prudent approach where we report on expense categories that match with those definitions with high confidence: mostly non-workforce maintenance and short-term lease. We have more expenses related to those taxonomy activities, yet we cannot isolate needed data in order to add them in our reporting. We will assess in the upcoming year how to improve granularity of our OpEx data to be more accurate in EU Taxonomy reporting.

13 The revenue derived from waste sales amount to 1.1M€ in 2024 and is classified as "other revenue". This contribution to the circular economy is therefore not reflected in the % of eligible activities which is calculated on the Group turnover (excluding "other revenue").

Taxonomy activity	Proximus Activity	Climate Change Mitigation	Climate Change Adaptation	Water and marine resources	Circular economy	Pollution prevention	Bio-diversity
6.5 Transport by motorbikes, passenger cars and light commercial vehicles	Fleet	✔					
7.3 Installation, maintenance and repair of energy efficiency equipment	HVAC, heat pumps, BMS and thermal insulation	✔	✔				
5.1 Repair, refurbishment and reman-ufacturing	Refurbishment of Fixed and Mobile Devices				✔		
5.5 Product-as-a-service and other circular use- and result-oriented ser-vice models	Leasing of CPE				✔		
8.1 Data processing, hosting and related activities	Datacenters	✔	✔				
7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings	EV Charging Stations	✔	✔				
8.2 Data-driven solutions for GHG emissions reductions	IoT Activities	✔					
7.6 Installation, maintenance and repair of renewable energy technologies	Solar Panels	✔	✔				
6.15 Infrastructure enabling low-carbon road transport and public transport	EV Charging Stations	✔	✔				
5.4 Sale of second-hand goods	Sale refurbished Mobile Devices				✔		
6.4 Operation of personal mobility devices, cycle logistics	Bike renting	✔					

Note for climate-impacting activities: The main impact of those activities is on climate change mitigation, while impacts on climate change adaptation are secondary. Therefore, financials related to climate-impacting activities are fully mapped on climate change mitigation, to avoid any potential double counting.

Detailed assumptions for retained eligible activities:

- Activity 6.5 focuses on expenses related to the “Purchase, financing, renting, leasing and operation of (a) vehicles used for the carriage of passengers and (b) vehicles used for the carriage of goods (up to 3,5T)”. Proximus has a car park for leasing vehicles, comprised of (1) management cars and (2) small vans (light-duty vehicles) used by technical teams for on-site visits.
- Activity 7.3 focuses on expenses related to “Individual renovation measures consisting in installation, maintenance or repair of energy-efficiency equipment”. Proximus invests in (1) network-free cooling, (2) replacement of high-voltage cabins and converters, (3) GTMC, (4) installation and maintenance of heat pumps, (5) BMS and (6) thermal insulation. Expenses are either to replace or maintain previously installed energy-efficiency equipment to increase energy efficiency or decrease future expenses.
- Activity 5.1 focuses on “Repair, refurbishment and remanufacturing of goods that have been used for their intended purpose before by a customer”. Proximus outsources its repair and refurbishment services for (1) mobile and (2) fixed devices to an external partner. For the EU Taxonomy, the refurbishment expenses have been isolated from warehousing and handling expenses.
- Activity 5.5 focuses on “Providing customers access to products through service models, which are either use-oriented services, where the product is still central, but its ownership remains with the provider and the product is leased, shared, rented or pooled”. Proximus buys Customer Premise Equipment (CPE) and leases CPE as a package to the mass market. CPE includes (1) modems, (2) decoders/set-top boxes and (3) Wi-Fi Boosters. As the turnover from the leased CPE is complex to isolate from the product bundle, only CapEx is reported. Additionally, telecom terminals are leased to professional clients.
- Activity 8.1 focuses on “Data processing, hosting and related activities”. Proximus reports on hosting, housing and data processing services. Proximus’ datacenters are used mainly for hosting, housing and data processing services, predominantly operated by

external suppliers. For such datacenters, alignment is complex to assess. Additionally, Proximus invests in upgrading equipment and infrastructure to reach higher energy efficiency standards.

- Activity 7.4 focuses on "Installation, maintenance and repair of charging stations for electric vehicles in buildings and parking spaces attached to buildings". Proximus invests in the installation, maintenance and repair of charging stations in Proximus buildings (chargers for vans of technical teams). Charging stations at employees' homes are excluded.
- Activity 8.2 focuses on solutions that are predominantly aimed at the provision of data and analytics enabling GHG emission reductions which is the case of Proximus' smart building and metering activities. Similarly to EV charging stations, these activities are still relatively small but are also part of Proximus' strategic ambition and are expected to grow in the coming years.
- Activity 7.6 focuses on the "Installation, maintenance and repair of renewable energy technologies, on-site". Proximus is performing a roll-out of solar panel installations in Proximus' buildings.
- Activity 6.15 focuses on infrastructure that will enable zero-emissions road transport, which is fully in line with Proximus' external EV charging stations pilot activities, in which unused street cabinets are turned into charging stations.
- Activity 5.4 focuses on "Sale of second-hand goods that have been used for their intended purpose before by a customer (physical person or legal person), possibly after repair, refurbishment or remanufacturing," which is in line with Proximus' sales activities related to refurbished mobile devices.
- Activity 6.4 focuses on expenses related to "Selling, purchasing, financing, leasing, renting and operation of personal mobility or transport devices where the propulsion comes from the physical activity of the user, from a zero emissions motor, or a mix of zero-emissions motor and physical activity. This includes the provision of freight transport services by (cargo) bicycles".

Proximus' core business, i.e. telecom and ICT services, is excluded from the current Taxonomy Regulation's scope.

Each eligible activity has been assessed and quantified for its relevant turnover/OpEx/CapEx KPIs together with representatives from Finance and the business. We did not work with estimates, but we sometimes had to consider some proxies to match Taxonomy definitions with our internal data. As much as possible, financial data are directly sourced from financial systems, complemented by some operational systems where granularity was required, given the narrow definitions of the eligible activities. The detailed process has been challenged by an external party as well and then documented for replicability, internal validation and auditability purposes.

The eligible activities have then been assessed against the Technical Screening Criteria (Substantial Contribution, Do No Significant Harm (DNSH) to the other objectives and Minimum Safeguards) and they are all considered as not aligned at this stage, as:

- Data to assure compliance with Technical Screening Criteria (i.e., from suppliers) is not granular enough or not yet available to perform a proper assessment. Given the relative immateriality resulting from the eligibility assessment on all three KPIs, we refer to the specific European FAQ.
- Proximus as a Group is partially aligned with the Minimum Safeguards, as the criteria on human rights and corruption, bribe solicitation and extortion are met but additional efforts are needed for Proximus to be fully aligned with the other minimum safeguards conditions.

Proximus will pursue engaging suppliers in 2025 to start collecting the necessary granularity of data.

Environmental objective	EU Taxonomy activity	Proximus corresponding activity
CCM	6.5 Transport by motorbikes, passenger cars and light commercial vehicles	Activity 6.5 focuses on expenses related to the "Purchase, financing, renting, leasing and operation of (a) vehicles used for the carriage of passengers and (b) vehicles used for the carriage of goods (up to 3,5T)". Proximus has a car park for leasing vehicles, comprised of (1) management cars and (2) small vans (light-duty vehicles) used by technical teams to go on-site.
CCM, CCA	7.3 Installation, maintenance and repair of energy efficiency equipment	Activity 7.3 focuses on expenses related to "Individual renovation measures consisting in installation, maintenance or repair of energy efficiency equipment". Proximus invests in (1) network-free cooling, (2) replacement of high-voltage cabins and converters, (3) GTMC, (4) installation & maintenance of heat pumps, (5) BMS and (6) thermal insulation. Expenses are either to replace or maintain previously installed energy efficiency equipment to increase energy efficiency or decrease future expenses.

CE	5.1 Repair, refurbishment and remanufacturing	Activity 5.1 focuses on "Repair, refurbishment and remanufacturing of goods that have been used for their intended purpose before by a customer". Proximus outsources its repair and refurbishment services on (1) mobile and (2) fixed devices to an external partner. For the EU Taxonomy, the refurbishment expenses have been isolated from warehousing and handling expenses.
CE	5.5 Product-as-a-service and other circular use- and result-oriented service models	Activity 5.5 focuses on "Providing customers access to products through service models, which are either use-oriented services, where the product is still central, but its ownership remains with the provider and the product is leased, shared, rented or pooled". Proximus buys Customer Premise Equipment (CPE) and leases CPE as a package to the mass market. CPE includes (1) Internet Boxes, (2) TV Boxes/set-top boxes and (3) Wi-Fi Boosters. As the turnover from the leased CPE is complex to isolate from the product bundle, only CapEx is reported. Additionally, telecom terminals are leased to professional clients.
CCM, CCA	8.1 Data processing, hosting and related activities	Activity 8.1 focuses on "Data processing, hosting and related activities". Proximus reports on hosting, housing & data processing services. Proximus' datacenters are used mainly for hosting, housing and data processing services, predominantly operated by external suppliers. For such datacenters, alignment is complex to assess. Additionally, Proximus invests in upgrading equipment and infrastructure to reach higher energy efficiency standards.
CCM, CCA	7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings	Activity 7.4 focuses on "Installation, maintenance and repair of charging stations for electric vehicles in buildings and parking spaces attached to buildings". Proximus invests in the installation, maintenance and repair of charging stations in Proximus buildings (chargers for vans of technical teams). Charging stations at employees' homes are excluded.
CCM	8.2 Data-driven solutions for GHG emissions reductions	Activity 8.2 focuses on solutions that are predominantly aimed at the provision of data and analytics enabling GHG emission reductions, which is the case of Proximus' smart building & metering activities. Similarly to EV charging stations, these activities are still relatively small but are also part of Proximus' strategic ambition and are expected to grow in the coming years.
CCM, CCA	7.6 Installation, maintenance and repair of renewable energy technologies	Activity 7.6 focuses on the "Installation, maintenance and repair of renewable energy technologies, on-site". Proximus is performing a roll-out of installing solar panels on Proximus' buildings.
CCM, CCA	6.15 Infrastructure enabling low-carbon road transport and public transport	Activity 6.15 focuses on infrastructure that will enable zero-emissions road transport, which is fully in line with Proximus' external EV charging station activities, in which unused street cabinets are turned into charging stations.
CE	5.4 Sale of second-hand goods	Activity 5.4 focuses on "Sale of second-hand goods that have been used for their intended purpose before by a customer (physical person or legal person), possibly after repair, refurbishment or remanufacturing," which is in line with Proximus' sales activities related to refurbished mobile devices.
CCM	6.4 Operation of personal mobility devices, cycle logistics	Activity 6.4 focuses on expenses related to "Selling, purchasing, financing, leasing, renting and operation of personal mobility or transport devices where the propulsion comes from the physical activity of the user, from a zero-emissions motor, or a mix of zero-emissions motor and physical activity. This includes the provision of freight transport services by (cargo) bicycles".

Looking forward

As detailed in the Sustainability statement chapter, we are undertaking decisive actions to support the transition towards a sustainable society. Proximus Group is also disclosing clear sustainability credentials in its current Annual Report, as required by the newly implemented Corporate Sustainability Reporting Directive (CSRD).

Regardless of the limited eligibility for the economic activities of Proximus Group under the EU Taxonomy Regulation and the absence of its core activities within the framework, we believe that the telecom industry and its network infrastructure are a critical enabler of climate mitigation solutions, both for our customers and for society.

Nuclear energy related activities

The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO
The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO
The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO

Fossil gas related activities

The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	NO
The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	NO
The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	NO

Proportion of turnover from products or services associated with Taxonomy-aligned - disclosure covering year 2024

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 N (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Circular Economy (8)	Pollution (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Circular Economy (8)	Pollution (9)	Biodiversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) turnover, year N-1 (18)	Category enabling activity (19)	Category transitional activity (20)
Text		Currency	%	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**€0**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**N**	**N**	**N**	**N**	**N**	**N**	**N**	**€0**		
Of which Enabling		€0	0%	0%	0%	0%	0%	0%	0%	N	N	N	N	N	N	N	€0	E	
Of which Transitional		€0	0%	0%						N	N	N	N	N	N	N	€0		T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (g)																			
				EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)										
5.4 Sale of second-hand goods	CE 5.4	€0.1 M	0.00%	N/EL	N/EL	N/EL	EL	N/EL	N/EL								0%		
5.5 Product-as-a-service and other circular use- and result-oriented service models	CE 5.5	€82.9 M	1.30%	N/EL	N/EL	N/EL	EL	N/EL	N/EL								0%		
6.15. Infra enabling low-carbon road transport	CCM 6.15	€0.04 M	0%	EL	EL	N/EL	N/EL	N/EL	N/EL								0%		
8.1 Data processing, hosting and related activities	CCM 8.2	€5.9 M	0.09%	EL	EL	N/EL	N/EL	N/EL	N/EL								0%		
8.2 Data-driven solutions for GHG emissions reductions	CCM 8.2	€50.2 M	0.79%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		€139.2 M	2.18%	0.88%	0%	0%	1.30%	0%	0%								0%		
A. Turnover of Taxonomy eligible activities *(A.1+A.2)*		€139.2 M	2.18%	0.88%	0%	0%	1.30%	0%	0%								0%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy-non-eligible activities		€6,237 M	97.82%																
TOTAL		€6,376 M	100%																

Proportion of CapEx from products or services associated with Taxonomy-aligned - disclosure covering year 2024

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 N (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Circular Economy (8)	Pollution (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Circular Economy (14)	Pollution (15)	Biodiversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) CapEx, year N-1 (18)	Category enabling activity (19)	Category transitional activity (20)
Text		Currency	%	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**€0**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**N**	**N**	**N**	**N**	**N**	**N**	**N**	**€0**		
Of which Enabling		€0	0%	0%	0%	0%	0%	0%	0%	N	N	N	N	N	N	N	€0	E	
Of which Transitional		€0	0%	0%						N	N	N	N	N	N	N	€0		T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (g)																			
				EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)										
7.3 Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	€7.8 M	0.58%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
5.5 Product-as-a-service and other circular use- and result-oriented service models	CE 5.5	€80.2 M	5.92%	N/EL	N/EL	N/EL	EL	N/EL	N/EL								0%		
8.1 Data processing, hosting and related activities	CCM 8.1	€4.3 M	0.32%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings	CCM 7.4	€0.5 M	0.04%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
7.6 Installation, maintenance and repair of renewable energy technologies	CCM 7.6	€1.4 M	0.10%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		€94.3 M	6.96%	1.04%	0%	0%	5.92%	0%	0%								0%		
A. CapEx of Taxonomy eligible activities *(A.1+A.2)*		€94.3 M	6.96%	1.04%	0%	0%	5.92%	0%	0%								0%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
CapEx of Taxonomy-non-eligible activities		€1,261 M	93.04%																
TOTAL		**€1,355 M**	**100%**																

Proportion of OpEx from products or services associated with Taxonomy-aligned - disclosure covering year 2024

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 N (4)	Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Circular Economy (8)	Pollution (9)	Biodiversity (10)	Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Circular Economy (14)	Pollution (15)	Biodiversity (16)	Minimum Safeguards (17)	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) OpEx, year N-1 (18)	Category enabling activity (19)	Category transitional activity (20)
Text		Currency	%	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y; N; N/EL (b) (c)	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**€0**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**N**	**N**	**N**	**N**	**N**	**N**	**N**	**€0**		
Of which Enabling		€0	0%	0%	0%	0%	0%	0%	0%	N	N	N	N	N	N	N	€0	E	
Of which Transitional		€0	0%	0%						N	N	N	N	N	N	N	€0		T
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (g)																			
				EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)	EL; N/EL (f)										
6.5 Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	€40.8 M	12.63%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
7.3 Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	€3.4 M	1.04%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
6.4 Operation of personal mobility devices, cycle logistics	CCM 6.4	€1.6 M	0.50%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
7.6 Installation, maintenance and repair of renewable energy technologies	CCM 7.6	€0.04 M	0.01%	EL	EL	N/EL	N/EL	N/EL	N/EL								0%		
5.1 Repair, refurbishment and remanufacturing	CE 5.1	€0.9 M[14]	0.29%	N/EL	N/EL	N/EL	EL	N/EL	N/EL								0%		
8.1 Data processing, hosting and related activities	CCM 8.1	€19.7 M	6.09%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0%		
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		€66.4 M	20.55%	20.27%	0%	0%	0,29%	0%	0%								0%		
A. OpEx of Taxonomy eligible activities *(A.1+A.2)*		€66.4 M	20.55%	20.27%	0%	0%	0,29%	0%	0%								0%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy-non-eligible activities		€256.7 M	79.45%																
TOTAL		**€323.2 M**	**100%**																

14 Note that most of expenses related to our refurbishment activities are not booked as OpEx in our financial statement and therefore do not appear in this reporting template.

Circular economy and waste

Context

Shifting our business models toward a circular economy is crucial for future-proofing our company and an imperative in our ambition towards Net Zero, especially given the limited raw material availability and varied impacts of waste generation.

A circular economy focuses on sharing, leasing, reusing, repairing, refurbishing and recycling materials and products for as long as possible to extend the lifecycle of products, reduce the environmental impact of their use, minimize waste and prevent the release of hazardous substances at all stages of their lifecycle.

In addition to minimizing the use of virgin raw materials, embracing circular economy principles allows to create more value by lowering the carbon footprint, reducing costs structurally and even generating new revenue streams.

Scope

This topic is addressed and reported at Group level, with an emphasis on domestic operations. Indeed, circularity and waste management are especially relevant for hardware elements within our own networks or at customer premises and those activities are hosted in our domestic perimeter. We are considering end-to-end device and hardware management, from eco-design to end-of-life management.

Our impacts, risks and opportunities

Our communication and digital services rely heavily on network hardware and user devices, which require many different scarce raw materials during their production process and consume energy during their use phase. This reliance negatively impacts both climate change and resource availability.

Additionally, the telecom sector often uses customer acquisition models such as promotional deals that combine hardware and subscriptions, known as joint offers. For instance, offering a new smartphone with a subscription can encourage customers to replace their devices sooner than needed. This practice contributes to resource waste and sometimes unnecessary hardware replacements, despite the significant energy and resources required to produce these devices.

As an example, a smartphone typically consists of the following main parts (and related raw materials): a shell (plastic composition), a screen (europium, yttrium, terbium, gallium, etc.), a battery (lithium, cobalt, gold and fluorinated electrolyte) and a circuit board (precious metals, rare earth metals, plastic and fiberglass).

The increasing demand for smartphones, fixed Customer Premises Equipment (CPEs) and network hardware intensifies the pressure on rare or critical raw materials, making effective lifecycle and e-waste management more challenging.

Furthermore, not shifting to circular economy business models poses a **risk**, as it means relying on raw material availability while global demand continues to rise, making secure and affordable access to some materials increasingly challenging. This could result in more frequent and severe raw material or new components shortages impacting Proximus' supply chain. These shortages potentially lead to higher operational costs and have an impact on customer experience such as longer installation and repair lead times.

The adoption of circular models also hinges on customer demand and readiness. For instance, investing heavily in refurbished devices may yield limited returns if the market is not mature enough to embrace them.

There is also the **potential** to expand hardware recovery and refurbishment to include professional devices and more network hardware, which could drive further cost savings or even create new revenue streams through resale.

Resources and responsibilities

Circularity is prioritized as a cross-function commitment, bringing together efforts from business teams, the procurement department and sustainability specialists. Responsibility is well-defined, in alignment with the operational sustainability governance, with a primary sponsor at the PLS level and a deputy in logistics operations. More information can be found in the section "General information".

As explained in the operational sustainability governance, high-level implementation roadmaps and associated resources are validated at the PLS level.

Engaging with our suppliers on circularity topics is key. With some suppliers, we engage directly, incorporating circularity requirements into our Requests for Proposals (RfP) where applicable. With others, particularly large-scale device manufacturers and regulatory bodies, we work through sector organizations, such as GSMA, Connect Europe and JAC.

We do not disclose specific circularity-related FTEs, as those activities are fully embedded in existing projects and teams. Rather than treating circularity as a standalone challenge, we incorporate it as a core requirement within our business operations.

Strategic objectives

Adopting circular economy principles is vital for reducing global emissions.

It is therefore our ambition to minimize our environmental impact and reduce reliance on scarce resources. Proximus aims to be a blueprint for circularity by 2030, focusing on circular by design, prioritizing reuse, optimizing recovery rates, reimagining innovation and fostering ecosystems and collaboration across the supply chain.

Circular by design	Prioritizing reuse	Optimizing recovery rates	Reimagining innovation	Fostering ecosystems and collaboration across the supply chain
We redefine products and services by implementing clear circular design criteria, optimizing digital and physical infrastructures, simplifying our offerings and using AI to continuously enhance our assets.	Our goal is to extend the lifespan and utility of products, infrastructure and services. We emphasize refurbishment, expand reuse possibilities and optimize maintenance to maximize long-term value.	We aim to maximize the value recovered at the end of a lifecycle or contract by retaining ownership, facilitating easy repairs and optimizing recycling processes.	We are driving systemic change and decoupling growth from resource use by rethinking our business practices. Our focus is on expanding services, advancing virtualization and exploring shared solutions to reduce dependency on physical resources.	We stimulate responsible practices across our value chain, accelerating the shift to a fully circular ecosystem, leveraging industry coalitions and advocating for circular practices with policymakers.

We have crafted pragmatic yet ambitious objectives, directly embedded within the core operations of our business units, ensuring that circularity becomes an integral part of our day-to-day activities. Therefore, our objectives are structured by operational domain: mobile devices, fixed devices, networks and buildings.

Mobile devices

While we do not control the production of mobile devices, we aim to further pursue our circular ambitions by nudging the customers to return obsolete devices, thus allowing them to be recycled or re-used in our refurbishment catalogue and by investigating alternative customer acquisition and retention models, such as trade-in offers or rental or pay-as-you-use options. Though we are carefully balancing these options against the risk of reduced commercial effectiveness, we are committed to becoming a driver of the transition to a circular economy.

Fixed devices

For mass-market fixed devices, Proximus is committed to eco-design. Proximus designs its devices (such as Internet Boxes, TV Boxes and Wi-Fi Boosters) to be energy-efficient, use fewer raw materials and facilitate easy refurbishment.

We are extending these principles to more types of hardware, including equipment for professional customer services and network operations, even though these typically have lower quantities and turnover rates.

While we do not manufacture any products or hardware ourselves, we take an active role in influencing and encouraging our suppliers to adopt more circular practices. This is important, as we are partly reliant on their own progress: some advances in circularity stem from our upstream value chain or sector-wide initiatives.

More importantly, we continually reassess the design of our own services, from sourcing through end-of-life. Our efforts in circularity also create benefits in other domains. Eco-design initiatives have already lowered the power consumption of customer premise devices, contributing to energy savings for customers and reducing our own Scope 3 emissions. Additionally, our refurbishment operations support social inclusion, creating over 100 adapted workplaces.

Network and buildings

For networks, we aim to take network transformation one step further, according to the principles explained in our Transition Plan. These include sharing strategic network assets to avoid redundancy in heavy infrastructure development and gradually rolling out fiber-based, future-proof networks, while phasing out and recovering our old copper infrastructure[15].

For buildings, we plan to opt for maximum material recycling or reuse of building materials, technical installations or furniture. Standardization and modularity will also help us to follow the circularity blueprint.

The subsequently developed roadmaps focus on seizing immediate opportunities to optimize resources, reduce waste and extend lifecycles, all while preserving the flexibility to adapt and innovate in our operations and business model.

The objectives will be translated into targets in the years to come.

A multi-level regulatory context

The regulatory context of circularity and waste management in the EU and Belgium is shaped by several key frameworks and initiatives:

At the European level, we must adhere to the EU Circular Economy Action Plan (CEAP - 2020), Waste from Electrical and Electronic Equipment (WEEE) (2003), EU Corporate Sustainability Reporting Directive (CSRD) reporting on circular economy & waste - ESRS E5 (2023) and EU Ecodesign for Sustainable Products Regulation (2024).

More information is available here: Circular economy action plan - European Commission (europa.eu).

In Belgium, waste management policies are largely managed at the regional level by Flanders, Wallonia and the Brussels-Capital Region. Each region has its own waste management plan and circular economy strategies. At the federal level, Belgium aligns with EU directives and regulations, ensuring national policies support the broader EU goals of circularity and sustainability.

More information is available here: Circulaire economie | Belgium.be

Policies

Proximus has already translated and implemented general policies to ensure the circularity principles are taken into account by our operational teams: Proximus Environmental Policy, Proximus Code of Conduct, Supplier Code of Conduct and Proximus Procurement Policy.

15 Copper infrastructure refers to the network of copper cables and related equipment used for telecommunication networks. Deactivating the copper network allows Proximus to achieve significant operational and energy savings. The maintenance and operation of copper networks is more costly and energy-intensive compared to that of future-proof fiber networks.

Additionally, we have developed more specific guidance for employees on our intranet and defined specific processes that help put circularity into practice for the operational teams. For example, the detailed fixed customer devices return processes that allow us to recuperate old devices are described and available to customers, technicians and sales agents.

Action plans

Proximus Group's circularity ambitions contribute to a circular economy on various levels. First of all, to drive growth, we prioritize services and platforms over products, largely due to our international expansion, while for our domestic operations, we pursue our circular blueprint ambitions across our three main action domains: mobile devices, fixed devices and networks and buildings.

Mobile devices

Proximus collected 128,002 mobile devices in 2023 and 140,587 in 2024, which translates to 23% of mobile devices put into the market via Proximus channels being recovered.

This was accomplished by encouraging our customers to bring back their devices through communication and incentivization campaigns, such as activation campaigns during festivals.

This success can additionally be attributed to our initiative to allow customers to trade in their old smartphones for refurbishing or recycling. Refurbished smartphones are put up for sale. Smartphones that can no longer be used are recycled by certified partners, as 90% of the materials in mobile phones can be recycled. These efforts will continue in 2025.

For enterprises, Proximus offers leasing services for smartphones and tablets, proposing a more circular "as a service" offer to professional customers.

Fixed devices

With regard to the consumer market, we have already made significant progress.

Here is a recent illustration with high impact. As of March of 2024, our Pickx customers were gradually receiving a new Android TV Box, which consumes between 20-40% less energy than previous models, depending on use patterns (based on supplier data confirmed by Proximus measures). For our packaging, we use 20% less plastic and have opted for recycled materials instead. Furthermore, because the TV Box is much smaller, the amount that fits in a container for transportation has increased by 46%. This lowers the emissions linked to transportation. The magazine Cable and Satellite International, better known as CSI, annually recognizes the best products and initiatives in our industry. The 2024 CSI Award for Best Sustainable Initiative has been awarded to Proximus and Vantiva. This award honors our innovative efforts to improve our environmental footprint. We intend to gradually phase out older-generation TV Boxes.

To reduce electronic waste, Proximus repairs its devices, refurbishes and reuses them. In its Courcelles logistics center, Proximus is now able to refurbish 90% of its Internet Boxes and TV Boxes and put them back into circulation up to four times.

On the professional market, we increase our as-a-service portfolio, meaning we lease our equipment instead of selling it. We retain the ownership, collect it after use and subsequently refurbish or recycle it.

Besides refurbishing our devices, we reduce plastics and paper in our packaging, for example by using less packaging for smaller devices and opting for recycled cardboard and plant-based inks.

Networks

We design and build future-proof networks with sustainability and collaboration in mind. Through collaboration models, we limit the total resource consumption amongst operators.

In consolidating and sharing our mobile network through Mwingz with Orange Belgium, we reduced the number of mobile sites by 16% in 2024 compared to a non-collaboration scenario.

We also limit overbuilding by opening up our network to other operators. This avoids building a parallel network and thus doubling resource consumption. To that extent, in 2024 we signed a Memorandum of Understanding with Wyre, together with Telenet and Fiberklaar. More information is available in the section “Rolling out the best gigabit network for Belgium”.

We aim to phase out legacy assets to optimize network efficiency. Fiber technologies require much less space on average than our copper assets. As our customer base gradually switches to fiber, we can phase out technical buildings and power-off street cabinets. Network assets removed from one location are reused in another or stocked for future maintenance to maximize repair and reuse in our network. Where possible, we remove decommissioned copper cables to be recycled. In 2024, we collected and recycled 517 tons of copper cables from our network.

Buildings

At Proximus, sustainability principles are high on the agenda of the Real Estate and Facilities management team.

A good example in which we intend to apply these principles in practice is our current project to develop our new headquarters. By optimizing our use of office space, we are reducing energy consumption and costs. We also opted to use a combination of new, old and refurbished furniture. The same principles are now further rolled out in our main other administrative buildings with the aim of keeping only the space that we truly need and using it optimally.

We have also made progress on phasing out technical buildings, in combination with network optimization and transition to fiber.

For the buildings we lease, we take advantage of each contract renegotiation to challenge the owner and include sustainability clauses in order to move towards eco-friendly buildings.

Finally, it is also worth mentioning other smaller-impact, symbolic actions such as discouraging our employees from using plastic bottles and cutlery.

Waste management

Our facility department is responsible for the daily management of our office and operational waste. In addition to the efforts to reduce material use, they strive to improve the sorting behavior of employees with waste islands, recycling zones and educational materials. The sorted waste streams, including residual waste, are collected at the site level and treated by contracted waste management companies or by the Proximus distribution center for the refurbishment of electronic devices.

Our value recovery department is responsible for the removal and valorization of some specific waste streams like excess stocks, the waste from dismantled technical installations, returned customer premises equipment and copper cables. The valorization can be obtained through resale or recycling. If there is no resale potential, the material is removed and processed by recognized partners.

Both departments work with contracted waste management companies to handle and treat the waste and provide us with reports, monthly bills, certificates and additional information as input for calculating waste metrics.

Performance

Reporting scope

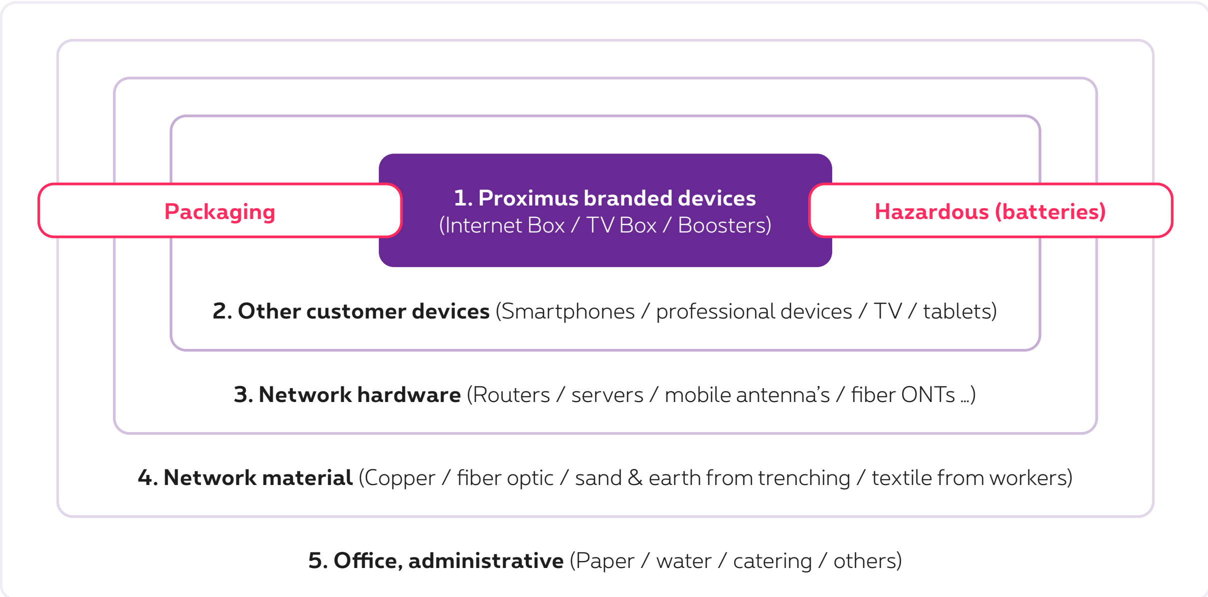
The circular economy arguably influences all activities, but we are concentrating our quantitative inflow/outflow assessment on the areas with the greatest impact and where we can take direct action. Consequently, our primary focus is on Proximus’ branded customer devices: Internet Boxes, TV Boxes and Wi-Fi Boosters.

We are working to improve circularity roadmaps and we will engage with key suppliers to collect inflow/outflow information for other categories of hardware in the coming years, first for smartphones and then also for mainstream customer devices for professional customers and main network hardware. For this reporting cycle, quantitative data on those categories (with the exception of inflow weight for mobile phones where we could make estimations) are not included despite the efforts made to obtain this information from our suppliers. This data depends on our suppliers and is not yet available to us given the complexity of the information flows that must be put in place across the full value chain. We have no plans at this stage to fully quantify inflow/outflows for non-core activities, such as construction and administrative-related materials.

The figures presented below cover all Group-related activities, all of which take place in Belgium and Luxembourg, where we have direct operations in telecommunication network activities that have a direct relationship with mass market end-users.

Reducing packaging across the supply chain and being fully compliant with hazardous waste management (typically batteries) are two other focus points in our circularity efforts.

Our waste management metrics will cover the full scope of all activities – using extrapolations where needed (highlighted in the illustration below).



Note that the inflow, outflow and waste metrics scope does not cover the suppliers' operations in our upstream chain nor the operations of our subcontractors.

Resource inflow

The most relevant physical inflows for our own operations are fixed customer devices because of their relatively high volumes, high rotation and our impact on the design, operational model and end-of-use process. Year-on-year evolution of the total customer devices inflow is driven by the refurbishment rate and design optimization of new versions on the one hand (decrease in use of materials) and the migration to the newest version and commercial success in gaining new customers on the other hand (increase in use of materials). We are also working to increase the percentage of recycled material and sustainably sourced material in our new customer device models.

We have started to include mobile phones in our metrics, limited to the total inflow weight for this reporting cycle, since all other metrics depend on supplier data that we have not yet been able to collect, as explained above. Information related to network material is not yet available to us, as this is fully dependent on value chain information flows that have yet to be implemented. It is a cumbersome journey, as standardization is still missing and many players in the upstream value chain have to feed their data in cascade-feed. We will work in collaboration with our suppliers, in direct interactions or through sector-wide efforts, in order to be able to provide the information in the upcoming two to three years.

Resource inflow weight (tons)	2023	2024
Internet Boxes	721	401
TV Boxes	115	130
Wi-Fi Boosters	142	166
Mobile phones	216	225
TOTAL	**1,194**	**922**

Scope: Proximus Group

Recycled material per customer devices (tons)	2023	2024
Internet Boxes	280	162
TV Boxes	65	79
Wi-Fi Boosters	62	70
TOTAL	**407**	**312**

Scope: Proximus Group

Recycled material per customer devices (%)	2023	2024
Internet Boxes	39	40
TV Boxes	56	61
Wi-Fi Boosters	43	42
AVERAGE	**41**	**45**

Scope: Proximus Group

Sustainably sourced material per customer devices (%)	2023	2024
Internet Boxes	15	14
TV Boxes	0	0
Wi-Fi Boosters	16	15
AVERAGE	**13**	**12**

Scope: Proximus Group

We observe a decrease in total material inflow driven by a strong decrease for internet boxes which is due to the last buy from old generation and inventory build-up for the new generation that both happened in 2023 while repair and refurbishment activities for the new model started in 2024. This trend is partly compensated by the inventory build-up for new TV Box and new Booster generation that happened in 2024, combined with the growing demand in Android-powered TV Boxes, explaining most of the Year-on-Year increase.

New generations of devices are more compact and lighter, using less virgin and recycled material overall. The percentage of recycled material and sustainably sourced material per customer device was stable year-on-year and we are working to improve those figures for the next generations of devices.

Definitions and accounting policies

For the 2024 reporting cycle, the scope for all the resource inflow metrics is limited to Internet Boxes (modems), TV Boxes (decoders), Wi-Fi Boosters (repeaters) because we started to collect data where Proximus has the highest circularity impact from design to end-of-life management. Additionally, in a first step to increase this scope, we also included mobile phones (covering mobile phones and tablets) in the first metric on resource inflow weight.

Figures are collected from our logistic operations in Courcelles and from Proximus Luxembourg so that it represents the totality of this activity for Proximus Group. The data source for volumes is the internal operational systems in which volumes per product type are retrieved. Estimates of mobile phones' unitary weight, including packaging, were made by the operational team based on on-site measurements.

We receive specific information on recycled materials used and on "Percentage of biological inflow material sustainably sourced" (defined as a percentage of sustainably sourced biological materials and biofuels used in the manufacturing and packaging of the devices, for example cardboard that is either recycled or FSC certified) from suppliers without a specific certification track. No estimates have been made by Proximus, except for the secondary and tertiary packaging at Proximus Luxembourg that has been extrapolated based on Belgian activities. Packaging inflow is included in the figures provided by the suppliers. Data is collected through our 2024 sustainability reporting process and is consolidated centrally as a weighted average. As we were missing supplier information on "sustainably sourced material" for TV Boxes, we took the conservative assumption to put 0% for this particular data point.

Resources outflows

In line with the inflow, the most relevant physical outflows are customer devices (fixed devices and mobile phones) in a pass-through model (we do not have our own manufacturing activities), with the exception of the packaging that is sometimes adapted to commercial channels. Eco-designed packaging and the reduction and recycling of packaging are important topics. They are included in the action plans.

Thanks to our return and refurbish policies we stimulate the upgrade and reuse of the fixed customer devices, which increases their durability and lowers the volumes needed in the inflow. We started to monitor the durability and repairability of our fixed customer devices through a specific index, a first for the Belgian market. It will be extended to Luxembourg in a second step. We cannot publish any comparison to a sector average as this information is not available to us.

Similarly to resource inflows, information related to mobile phones and network material outflow is not yet available, as this is fully dependent on value chain information flows that have yet to be implemented with our suppliers and are too complex to be estimated in isolation.

Expected durability per customer device (index)	2023	2024
Internet Boxes	68	72
TV Boxes	68	68
Wi-Fi Boosters	63	63
AVERAGE	**67**	**68**

Scope: Proximus Group

Repairability per customer device (index)	2023	2024
Internet Boxes	64	70
TV Boxes	84	84
Wi-Fi Boosters	61	60
AVERAGE	**69**	**73**

Scope: Proximus Group

The improvement year on year of durability and repairability indexes is due to progressive replacement of old customer device models by new generations with a better index.

Definitions and accounting policies

- The scope for all outflow metrics is limited to Internet Boxes/TV Boxes/Wi-Fi Boosters. Outflow metrics depend on supplier data that have been recently implemented with pilot suppliers but have not yet been extended to cover mobile phones and network components.
- These metrics have been recently introduced to Proximus. We have computed data for the Belgian market and estimated that Luxembourg would have similar values, since Belgian figures represent a large majority of this activity for Proximus Group and can be considered as a good proxy for the Group as well. Proximus Luxembourg's real data is not yet available as the same ITU-based reference is not yet in use with their suppliers (work in progress).
- Figures are based on ITU-T L.1023, which is an index going from 0 to 100%. This is an international standard to assess the circularity performance of ICT goods. The scoring takes both the relevance and applicability of all circularity indicators into account, as well as the margin of improvement of each circularity indicator. It helps to identify improvement areas and promote more sustainable practices in product design and lifecycle management.
- Volumes are the same as the volumes included in the inflow metrics. On the one hand, year-on-year stock variation is considered as not material and on the other hand, volumes and information related to re-used and refurbished devices are not taken into account even if they are part of the volumes shipped to the end-customers. The reason for this choice is to represent the index of the devices newly put on the market during the reporting year and avoid a potential dilution of this index by our efforts to increase the actual lifetime of the devices via multiple refurbishment cycles.
- For those metrics, the specific data are directly sourced from suppliers per product type.
- Data is collected through our 2024 sustainability reporting process and is consolidated centrally as a weighted average based on inflow volumes.

At the end of their useful life, we recycle large quantities of material thanks to the high recyclability percentage.

Rate of recyclability per customer device (%)	2023	2024
Internet Boxes	88	85
TV Boxes	69	79
Wi-Fi Boosters	87	86
AVERAGE	**86**	**84**

Scope: Proximus Group

The rate of recyclable content in our fixed devices and their packaging is around 85% and has been rather stable year on year.

Definitions and accounting policies

The rate of recyclability is defined as the percentage of material (including packaging) that can be recycled per type of device. The main data source is suppliers' information with no specific certification track. The scope for this metric is limited to Internet Boxes/TV Boxes/Wi-Fi Boosters and represents the totality of this activity for Proximus Group. Outflow metrics are based on supplier data that have been tested with a few suppliers but have not yet been extended to cover mobile phones or network components. We will be working on this process during the coming two to three years.
Volumes are the same as the volumes included in the inflow metrics. On the one hand, year-on-year stock variation is considered as not material and on the other hand, volumes and information related to re-used and refurbished devices are not taken into account even if they are part of the volumes shipped to the end-customers. The reason for this choice is to represent the index of the devices newly put on the market during the reporting year and avoid a potential dilution of this index by our efforts to increase the actual lifetime of the devices via multiple refurbishment cycles. For those metrics, the specific data are directly sourced from suppliers per product type and a weighted average is centrally computed based on inflow volumes.

Collection and refurbishment

To illustrate our efforts on promoting circularity, we continuously improve our mobile device collection and our fixed device refurbishment process as shown in the following company-specific metrics. We achieve high standards in fixed customer device refurbishment thanks to our end-to-end process and the integration of our partner CTDI integrated in our logistic center.

Total collected mobile phones (#)	2023	2024
Mobile phones collected	128,002	140,587

Scope: Proximus Group

In 2024, we collected over 140,000 old mobile devices at Group level, which is 10% more than in 2023 thanks to several communication campaigns and successful collection actions at festivals and in schools with our partner Goodplanet.

Definitions and accounting policies

Mobile phones collected refers to all the mobile phones collected from our customers, through our shops, or during collection actions in multiple organizations (e.g. schools, festivals, etc.). The mobile phones are delivered in our logistic center in Courcelles. No estimation has been made. The consolidated Group figure is collected through the 2024 Sustainability reporting process directly from our logistic center in Courcelles.

Refurbishment fixed devices (#)	2023	2024
Internet Boxes	177,759	198,074
TV Boxes	211,987	302,880
Other devices	409,686	434,424
TOTAL	**799,432**	**935,378**

Scope: Proximus Group

Refurbished fixed devices (%)	2023	2024
Refurbished Internet Boxes vs. total Internet Boxes	31	41
Refurbished TV Boxes vs. total TV Boxes	53	49

Scope: Proximus Group

In 2024, we refurbished 935,378 fixed devices, which is 17% more than last year thanks to a more efficient collection process. For example, half of the TV Boxes put on the market in 2024 were refurbished boxes. If we add the number of collected old mobile devices, we reach over one million devices collected or refurbished during last year.

Definitions and accounting policies

- Data sources are internal systems, no estimates have been made.
- Data are gathered and consolidated through our 2024 sustainability reporting process.
- "Other devices" are remote controls, Power Supply Units, Private Automatic Branch Exchange (PABX), network equipment and fiber related ONTs[16].
- The percentage is computed by comparing the number of refurbished devices to the total number of devices installed during the reporting year.

Waste

Our ambition is to directionally reach zero waste. We did not formalize yet any quantitative and measurable target due to lack of standardization and clear definition for follow-up in this domain. In 2024, Proximus managed to divert 99% of the waste generated from our own operations from disposal.

The most relevant types of waste streams in our activity sector are electronic waste from network infrastructure operations and from customer premises: mobile phones, Internet Boxes, TV Boxes, Wi-Fi Boosters, fiber boxes, Power Supply Units, Private Automatic Branch Exchange (PABX), network equipment, etc. This type of waste is typically composed of ferrous and nonferrous metals like iron, steel, copper or aluminum, plastics used in casing or insulation, electronic components like circuit boards or semiconductors, glass used in fiber optic cables and screens.

Yet the waste streams that are collected, appropriately handled and reported are much broader and spread over about 20 waste streams including rubble associated with network infrastructure excavation works, batteries, metals, paper and cardboard, various plastic types, wood and residual waste.

16 A fiber ONT, or Optical Network Terminal, is a crucial device in a fiber-optic network. It serves as the endpoint for the fiber connection at the customer's premises.

Impact on water is not deemed material in our Double Materiality Assessment. The explanation for this is that we do not use water as a cooling method for our datacenters. However, we continue to focus on reducing our water consumption.

As already mentioned, Proximus has a dedicated facility in its distribution center to refurbish returned electronic devices, such as Internet Boxes, TV Boxes, Wi-Fi Boosters, fiber ONTs remote controls, Power Supply Unit's, network equipment. These devices do not end up as waste and are not reported as such.

Proximus adheres to the principles of the EU Waste Framework Directive (2008/98/EC) and the EU's circular economy categorization system.

The main recovery operation types are recycling and incineration with energy recovery.

The main sources of hazardous waste are the batteries from our network, customer devices and old types of cable. Some other examples are fluorescent lamps, coolants, solvents. All hazardous waste is collected and recycled by specialized companies. There is no radioactive waste in Proximus Group waste streams.

Waste by treatment (tons)	2024		
	Non-hazardous waste	Hazardous waste	TOTAL
Recovery operations types			
Preparation for reuse	35	22	56
Recycling	1,899	1,496	3,396
Other recovery operations	2,302	51	2,354
TOTAL WASTE DIVERTED FROM DISPOSAL	4,236	1,569	5,805
Waste treatment types			
Incinerated	18	5	23
Landfill	12	0.5	12
Other disposal methods	32	0	32
TOTAL WASTE DIRECTED TO DISPOSAL	62	6	68
TOTAL WASTE	**4,298**	**1,575**	**5,873**

Scope: Proximus Group

We are reporting for the first time on the total Proximus Group perimeter. As from this year, we applied new CSRD-compliant definitions for hazardous waste, recovery operations and treatment types, we cannot publish any meaningful year-over-year evolution in our reported waste metrics. We can mention though an intensive battery swap program and the finalization of emptying our previous headquarters that impacted our 2024 figures significantly.

(tons)	2024
Non-recycled waste	2,421
Waste diverted from disposal	5,805

(%)	2024
Non-recycled waste	41
Waste diverted from disposal	99

Scope: Proximus Group

Definitions and accounting policies

Most of our waste is collected in Belgium and Luxembourg and reported by combining internal reporting and direct supplier data for the affiliates Proximus SA, Proximus Luxembourg, ConnectImmo, Proximus NXT, PMH, BICS Belgium operations and Doktr. Most of waste figures and waste categorization are sourced from external suppliers.

For other affiliates who have only office-related activities, we adopt an FTE-based pro rata (based on December 2024 headcount actuals) estimated figure for office waste in order to provide a Group view. For Proximus Global affiliates, this waste is all categorized as directed to disposal, while other domestic affiliates follow the same waste treatment as the headquarters building in Brussels. As the reference building to calculate the pro rata office waste for the affiliates, we refer to the measured data from our headquarters building in Brussels.

Hazardous waste: The definition of hazardous waste is aligned with the principles of the Waste Framework Directive (Directive 2008/98/EC).

The calculation of the waste figures is based on the measured figures up to the end of November, extrapolated to 12 months based on the most obvious rule per subdomain (linear extrapolation).

The total amount of non-recycled waste refers to materials that cannot be effectively recycled or reused, so it is incinerated with or without energy recovery or directed to a landfill or other disposal operations. The percentage of non-recycled waste is the total amount of non-recycled waste compared to the total amount of waste generated in our own operations.

In the coming years, we will continue to deploy and extend our efforts to become a blueprint for circularity so that we will minimize our environmental impact and reduce reliance on scarce resources.

Social information

Our own workforce

Introduction

The topics related to our own workforce, defined as material for Proximus Group are:

- working rights, fair pay and social dialogue;
- work-life balance and well-being;
- employee health and safety;
- diversity and inclusion;
- employee upskilling, reskilling and employability.

The upcoming sections present Proximus Group's identified impacts, risks and opportunities as determined by our Double Materiality Assessment for our workforce. It also outlines the internal resources and responsibilities, our strategy for managing these impacts, risks and opportunities, the policies and procedures in place and the performance measures implemented to address our impacts. Some information required in this section is incorporated by reference.

Employees' and non-employees' definitions

The disclosed information concerns our employees defined as "Active employees on the payroll". This includes employees working part-time, as well as fixed-term or replacement contracts. It excludes students and subcontractors.

We will also report on non-employees defined as: "contractors hired by Proximus Group to perform work in a public area or within our own operations: contractors can be self-employed, or employees provided by a third party primarily engaged by the Group".

More information about our reporting scope can be found in the section "General information".

Human Resources governance

Proximus Group has established a comprehensive framework that clearly defines the roles and responsibilities of the different stakeholders and aligns our HR policies and practices with our values. The HR governance model also ensures consistent and high-quality HR services and processes across the various business units and international affiliates, while also respecting the local specificities and needs. In practice, the HR governance model is translated into the following structure:

- The **Board of Directors** sets Proximus Group's policy and strategic direction, overseeing operations and approving key decisions based on the Proximus Group Leadership Squad's (PLS) proposals.
- The **Proximus Leadership Squad (PLS)** defines the vision, mission, values and strategic objectives, as well as the key performance indicators and targets of the Group. The PLS also oversees the alignment of the HR strategy with the business and monitors the progress and results of HR activities and initiatives.
- The **International Management Committee (IMC) and the Domestic Management Committee (DMC)** are responsible for managing the activities of the international affiliates and the various business units, respectively. They ensure the coordination and collaboration among the different entities and functions and the adaptation and execution of the HR strategy according to the local context and challenges.
- **Group HR** comprises several departments that design, implement, support and evaluate the HR policies and practices at the Group level. The main departments are:

» The **Group HR Practices** designs, implements, monitors and manages group policies and practices related to compensation, data, Human Resources Information Systems, payroll & organization, performance, Group culture, employee engagement, diversity and inclusion, talent development and mobility.
» The **Group Prevention & Protection** department assures and promotes a safe, secure and sustainable work culture by monitoring the implementation of all legal requirements and codes of good practices to protect employees, their well-being, assets and the Group's reputation.
» The **Business Partners** and **Strategic Partners** act as the primary contacts for business units and affiliates on all HR matters and provide strategic guidance and support to the managers.
» The **Learning and Development Center** focuses on maintaining organizational culture and employee engagement while driving diversity and inclusion objectives.
» The **Talent Acquisition and Sourcing** department ensures a consistent approach to labor market positioning in the Benelux and collaborates with the affiliates' recruitment teams to maintain alignment. The overall goal is to acquire internal and external talent to fill open vacancies.
» The **Employee & Social Relations** department is responsible for various activities ranging from social consultation with the representative unions to employee services.
» The **Workplace Transformation** department supports the transformation of the workplace and the work environment to foster collaboration, innovation and well-being.
» The **Agile Enablement** department supports the adoption of agile methodologies and practices to increase the organization's efficiency, flexibility and responsiveness.
» The **Benelux HR ICT Affiliates** department is responsible for delivering the HR services for ICT affiliates.

Policies

The main policies related to Proximus Group's responsibilities as an employer are:

- Code of Conduct;
- Human Rights Policy;
- Well-being at work;
- Diversity and equal opportunities;
- Whistleblowing procedure.

The Proximus Group Code of Conduct and the main policies listed are transposed and applied in all Group affiliates[17]. They are followed up by local compliance representatives under the supervision of the Group Compliance Office. In addition, affiliates have established appropriate compliance programs to adhere to local and sectoral laws and regulations.

All the policies and related procedures are available on the Proximus Group intranet. All employees of the Proximus Group have access to the intranet except Route Mobile and Telesign[18]. More details on Proximus Group policies applicable to our own workforce will be disclosed in the upcoming sections.

The overview of the main Proximus Group policies and charters can be found in the section "Business conduct".

17 Except Fiberklaar acquired in August. Policies are currently under revision to be aligned.
18 Route Mobile and Telesign have adopted all the Group policies and manage the internal communication to their employees separately.

Processes for engaging with own workforce

Employee engagement

Twice a year, Proximus Group organizes **Speak Up surveys** amongst all of our employees regarding their experiences at work, using an internationally recognized tool. The survey run at the beginning of the year is most important and assesses all aspects that drive their engagement and reports on indexes relating to well-being, culture, manager effectiveness and ambassadorship (e-NPS and NPS); at the same time, employees can share how they feel via open questions. The survey run at mid-year is a shorter version, mainly to assess the effectiveness of our actions and capture feedback from employees on recent events or changes. The mid-year pulse survey is open for all Proximus Group businesses to participate on a voluntary basis.

All feedback helps us to identify focus domains across the organization. Results highlights for Proximus Group are presented to the Proximus Leadership Squad, the Human Resources Management Committee and Unions and all team leaders are invited to consult detailed results of their own teams via the online dashboard in the platform. Team leaders also analyze their team results to develop action plans together with their teams to improve the work satisfaction of their team members. Follow-up of the action implementation is done by senior management.

Furthermore, the yearly survey is the most complete and targets all Proximus Group employees: 19 companies in more than 30 countries, both domestic and international, +12,000 employees of which overall 80% answered the survey.

(%)	2024
Employee engagement	76

Scope: Proximus Group

Next to that, employees are informed about the various initiatives through our intranet WAP+[19] and through the team leader or SPOC of their division. Our CEO supports these initiatives through his weekly communication on our intranet WAP+.

Definitions and accounting policies

The employee engagement (%) is used to evaluate how engaged employees are within Proximus. The Group engagement performance is based on the full-year internal survey sent in January. The result reported is derived[20] from employees having answered positively to four selected questions divided by the total number of respondents. Positive answers are "agree" or "strongly agree" on a five-point scale. The effectiveness of this channel, including the fact that the individuals are well aware of the survey, is demonstrated by a participation rate of 80%. The data is provided and consolidated automatically through the internal survey platform. The consolidated figure is then manually collected through the 2024 Sustainability reporting process. No estimation has been made.

More information on our whistleblower procedures can be found in the section "Business conduct".

19 Except employees from Route Mobile and Telesign. They manage their own internal communication.

20 "I am proud to work for my company", "My work gives me a feeling of personal accomplishment", "My company motivates me to go beyond my everyday role" and "I would recommend my company to people I know as a great place to work".

Disclosures incorporated by reference

The following information can be found in another part of this annual report and is incorporated into the Sustainability Statement by reference:

- remuneration report and policy;
- ESRS Index.

The following information can be found in another part of this Sustainability Statement and is incorporated into the section "General information" by reference:

- basis of preparation;
- Double Materiality Assessment.

See for the exact location of each disclosure the ESRS Index.

Working rights, fair pay and social dialogue

Context

At Proximus Group, we value the passion and expertise of our employees, who we see as the **driving force of our company**. In return, we offer them a positive work environment where people feel appreciated, working conditions are adapted to personal needs and employees can thrive and be engaged.

This topic refers to:

- Respecting employees' fundamental human rights, including safe working conditions, secure employment and adequate working time.
- Guaranteeing that employees receive fair, transparent and competitive wages that meet basic needs and comply with legal standards and market practices.
- Ensuring effective, transparent and constructive communication between employers, employees and their representatives through collective bargaining, social dialogue, freedom of association, the existence of works councils and the information, consultation and participation rights of employees.

Our impacts, risks and opportunities

Providing safe working conditions and secure employment has a **positive impact on job satisfaction** and engagement, making employees feel valued and fostering the mental stability needed to deliver high-quality work.

With more than 13,800 employees, Proximus Group also makes a lasting economic **positive contribution** to society. Strong economic prosperity fuels a more educated, productive workforce and enhances the purchasing power of Proximus Group's customer base. By providing adequate wages, we contribute to fair competition, stimulate productivity improvements and promote economic and social progress.

Creating a positive and safe work environment where each individual is respected, heard and valued and where all employees are treated on a fair and equal basis, regardless of their background, combined with a competitive, fair and market-attractive remuneration package represents an opportunity to attract and retain the right talents, needed to achieve our strategic ambitions.

More information can be found in the section "Double Materiality Assessment".

Resources and responsibilities

More information on this topic can be found in the section "HR Governance".

Strategic objectives

Our ambition is to create working conditions that promote fair employment practices, including fair pay and good social dialogue. We respect and uphold our employees' working rights, including the right to collective bargaining, freedom of association, the existence of works councils and the workers' rights to information, consultation and participation. We also ensure that our employees are paid fairly and equitably, based on objective criteria and market benchmarks and that they receive adequate benefits and rewards. We value constructive and trust-based dialogue with our social partners and we aim to involve them in strategic decisions and changes that affect our organization and our employees.

In Belgium, a majority of our employees[21] are covered by the collective bargaining agreements.

We have not yet established specific Group objectives or targets.

Policies

Collective bargaining agreements

In Belgium[22], Proximus has its own Joint Committee (JC), the official consultative body that brings together Proximus and union representatives, chaired by the Chairman of the Board of Directors. It consists of 18 members: nine management representatives and nine union representatives. They meet ten times a year. Before consultation in the JC, a preliminary debate is held in one of the three permanent workgroups: social negotiations, well-being at work and social benefits.

Working conditions, including remuneration, are continuously discussed with the employees' representatives. This process involves dialogue with the Proximus Leadership Squad and the social partners within the framework of collective agreements. Typically, the representative unions submit a joint list of demands to the Joint Committee every two years, which serves as a foundation for negotiating a new Collective Agreement. The HR department plays a pivotal role in these discussions. Some measures, such as specific reward initiatives, are strictly limited to the duration of the Collective Agreement, while others have a recurring effect, such as the convention on homeworking. The last Collective Agreement 2023-2024 was unanimously approved by union representatives in February 2023.

Other Domestic affiliates and BICS Belgium operations follow similar processes in place for Proximus SA employees in Belgium. They are not subjected to the same law, but they are covered by social dialogue and a collective labor agreement at sector level according to their respective joint committee. Certain affiliates also have social bodies and collective labor agreements at company level.

Examples of what is happening within our affiliates

Telesign's Employee Ambassador Council is a group of employee leaders who provide feedback and support the company's employer brand narrative. This council was particularly important during the announcement of the merger of Telesign with Route Mobile where they gathered insights and helped communicate updates to employees.

In our newly created affiliate Proximus NXT IT, part of joint committee 200 in the private sector, we have an active ongoing dialogue within the three representative labor organs (work councils, committee for prevention and protection, union delegation). Within these organs, we have ensured representation of and by transferred colleagues from Proximus NV in July 2024, even if it came after the official social elections outcome.

21 Except the executive and the senior management

22 For all employees who have a contract with Proximus SA

Human rights

As outlined in our **Human Rights Policy**, which has been endorsed by all affiliates, Proximus Group respects the internationally recognized human rights, set out in the Universal Declaration on Human Rights and the International Labor Organization's Core Conventions. In December 2023, Proximus Group formalized its long-standing commitment to the UN Guiding Principles on Business and Human Rights by **joining the UN Global Compact**.

All employment with Proximus Group is voluntary. Human trafficking is strictly forbidden. We do not use child or forced labor in any of our operations or facilities. We do not tolerate any form of unacceptable treatment of workers, including but not limited to the exploitation of children, physical punishment or abuse, or involuntary servitude. We fully respect all applicable laws establishing a minimum age for employment, to support the effective abolition of child labor worldwide.

The policy was most recently updated and approved by the CEO and the Proximus Leadership Squad in July 2024. It applies to all employees of Proximus Group, anyone doing business for or with Proximus Group and others acting on Proximus Group's behalf.

In line with our commitment to upholding internationally recognized human rights, Proximus Group integrates the following principles into our working conditions:

- Voluntary employment: all employment with Proximus Group is voluntary. We do not engage in the use of child or forced labor in any of our operations or facilities.
- Compliance with pay practices: Proximus Group strictly adheres to all laws and regulations regarding fair pay and the classification of employment based on job level and status.
- Freedom of association: we respect our employees' right to choose whether to join a trade union or to participate in recognized employee representation.
- Freedom of opinion and expression: we uphold the right of all employees to freedom of opinion and expression, including the freedom to hold opinions without interference and to seek, receive and impart information and ideas through any medium, regardless of borders.

Taking actions on impacts

Working conditions

Proximus Group is committed to fostering a healthy work environment by providing various flexible working conditions and development opportunities. The specific working conditions vary across affiliates, depending on local legislation. Below you will find a non-exhaustive list of practices within our Group:

- Internal mobility and development: employees have access to internal job opportunities and continuous development programs to advance their careers.
- Working from home: the number of home office days differs per affiliate from full flexibility to full office day.
- Flexible work arrangements: part-time schedules and parental leave options are available to accommodate the diverse needs of employees[23].

More information can be found on our corporate website.

23 Depending on local regulation.

Within Belgium, there are additional specific programs to support experienced talents[24]:

- Experience@Work career opportunities: this initiative allows experienced talents (55+) and people in reconversion (with no age requirement) to be shared between organizations mainly in the social-profit sector, matching their expertise with specific needs. Proximus offers this alternative career opportunity in the context of a sustainable career policy.
- Personal development support: employees can take advantage of skill assessments to evaluate their competencies and pursue further development.
- Sustainable employability resources: information and resources are available to support long-term employability.

Fair pay

Our fair remuneration policies and practices, regularly assessed and updated by external experts, benefit our workforce and organizational attractiveness and competitiveness. Additionally, we offer a competitive and market-attractive Global Rewards Program covering the Proximus Leadership Squad (PLS) members, the broader top management and all employees. All our affiliates within Proximus Domestic operations and BICS Belgium operations have reward practices that are continuously monitored and adjusted to meet market conditions. Within Proximus Global, a job levelling exercise has started. This initiative aims to understand the relative weight of each job and categorize different populations. Subsequently, it will facilitate salary benchmarks and support the creation of compensation policies for these populations. The exercise is expected to be completed in in 2025.

More information on our remuneration policies can be found in the Remuneration report.

Social dialogue

Within our Domestic operations and BICS in Belgium we continuously invest in an open and constructive dialogue between the employees, the company and the employees' representatives, seeking mutually beneficial agreements while focusing on balancing best-in-class working conditions with what is economically and operationally feasible for the company.

The action plan related to social dialogue within our affiliates is managed locally and varies from one country to another depending on local regulations. As the underlying laws and contracts vary from country to country, co-determination matters are managed locally and always together with trade unions and employees' representatives. Group management is generally involved in all major issues.

Performance

Characteristics of our employees

In 2024, the integration of Route Mobile and Fiberklaar expanded our workforce. Proximus Group now has over 13,800 employees, working in more than 30 countries.

Employee headcount by gender[25]

Gender	Number of employees (headcount)
Male	9,571
Female	4,291
Not reported	0
TOTAL EMPLOYEES	**13,862**

Scope: Proximus Group

24 Only for 55+ employees who have a contract with Proximus SA in Belgium, as well as those in reconversion.

25 There is no "other" category because Proximus is reporting data from countries where it is not possible for persons to legally register themselves as gender-neutral.

Employee headcount by countries[26]

Countries	Number of employees (headcount)
Belgium	10,132
Netherlands	307
Luxembourg	786
USA	257
Serbia	456
India	1,411
Colombia	243
Other (Malta, Singapore, Spain, etc.)	270

Scope: Proximus Group

Employees by contract type and gender[27]

2024	Female	Male	Not disclosed	Total
Number of employees (headcount)	4,291	9,571	0	13,862
Number of permanent employees (headcount)	4,245	9,469	0	13,714
Number of temporary employees (headcount)	46	102	0	148
Number of non-guaranteed hours employees (headcount)	0	0	0	0

Scope: Proximus Group

Workforce turnover	2024
Employee turnover (headcount)	1,356
Employee's rate turnover (%)	10

Scope: Proximus Group

26 The countries listed are the one where Proximus has more than 50 employees.

27 There is no “other” category because Proximus is reporting data from countries where it is not possible for persons to legally register themselves as gender-neutral.

Definitions and accounting policies

Number of employees: Employee data is based on records from Proximus Group's registration systems. The number of employees is determined as the number of active employees on Proximus Group's payroll at the end of the period. Those numbers include part-time and defined duration/replacement contract employees but exclude employees with a dormant contract, a long-term illness, students and subcontractors. We do not report an organization-wide average for this indicator.

Permanent employees: the headcount of our employees with a permanent contract as of 31 December.

Temporary employees: the headcount of our employees with a temporary contract as of 31 December.

Non-guaranteed hours employees: the headcount of our employees without a guarantee of a minimum or fixed number of working hours as of 31 December.

Turnover: the number of employees (headcounts) who left the company during the reporting period. This number includes all kinds of leave (voluntary or not, end of contract, pension). The rate is calculated by dividing the number of leavers (headcount) during the reporting period by the number of employees (headcounts) at the end of the reporting period. For Route Mobile and Fiberklaar who joined Proximus, respectively in May and August, we reported the number of leavers as from the moment they joined the Group. The metrics listed in this section are reported through the 2024 Sustainability reporting process for the first time at the Group level this year. No estimation has been made.

More information on our control procedures can be found in the Sustainability due diligence subsection.

Remuneration metrics

Since 2021, we have conducted annual gender pay equality assessments[28], which have consistently demonstrated that any pay differences between female and male employees are not the result of discriminatory pay practices. Instead, these differences are primarily attributable to a higher proportion of women working part-time compared to men.

(%)	2024
Gender pay gap	6

Scope: Proximus Group

In addition to our ongoing assessments, Proximus Group is proactively engaging in a more comprehensive pay equity analysis in preparation for the upcoming EU Pay Transparency Directive. This directive aims to enhance transparency in pay structures and promote gender pay equity across the European Union. However, as the directive has not yet been transposed into Belgian law, there are still uncertainties regarding the specific comparison criteria required to ensure objectivity and accuracy in our analyses.

To navigate these complexities, we are working closely with our legal department and plan to seek external expertise to ensure full compliance with the directive once it is implemented. This proactive approach underscores our commitment to transparency, fairness and the continuous improvement of our pay equity practices in line with evolving EU regulations.

Definitions and accounting policies

The gender pay gap, defined as the difference in average pay levels between female and male employees, is expressed as a percentage of the average pay level of male employees.

28 Only for all employees who have a contract with Proximus SA.

	2024
Total remuneration ratio	22

Scope: Proximus Group

Definitions and accounting policies

The remuneration ratio portraying the gap between the CEO's remuneration and the median remuneration of the Group employees is equal to 22 in 2024. This ratio is measured by comparing the CEO (Guillaume Boutin) and median remuneration, taking into account the total target remuneration package (including base pay, variable pay, group insurances and benefits), excluding any employer's social contributions and exceptional shares. Estimates were taken for employees "other benefits" when actual data was not available.

Collective bargaining coverage and social dialogue

(%)	2024
Employees covered by collective bargaining agreements	90

Scope: Proximus operations with the European Economic Area (EEA)

Collective bargaining coverage and social dialogue

Coverage rate	Collective bargaining coverage Employees (EEA)	Social dialogue Workplace representation (EEA only)
0-19%	The Netherlands	
20-39%		
40-59%		
60-79%		The Netherlands
80-100%	Belgium & Luxembourg	Belgium & Luxembourg

Scope: Proximus operations with the European Economic Area (EEA)

Proximus Group operates in the following countries within the European Economic Area (EEA): Belgium, the Netherlands and Luxembourg. Outside the EEA, only the following countries have more than 50 employees: USA, Serbia, India and Columbia. The countries listed are the ones where Proximus has more than 50 employees.

Definitions and accounting policies

The rate of employees covered by collective bargaining agreements has been calculated based on the fact that when a Collective Agreement is signed, it covers all employees working for the Proximus entity (Except the executives and the senior management). The Group figure is calculated for all countries within the European Economic Area.
The social dialogue rate has been calculated based on the total number of employees working in the main headquarters with employees' representatives of the countries where Proximus have more than 50 employees: Belgium, the Netherlands and Luxembourg.

Adequate wage

Within Proximus Group, all employees are paid adequate wages in line with applicable benchmarks, local regulations and market conditions.

Definitions and accounting policies

At Proximus Group, in general, we base ourselves on the minimum of our salary bands, as these reflect the minimum salary that one should get for a particular grade. These bands are based on benchmarks, legislation and collective bargaining. For entities where a job function classification system is not in place, we rely on market practices while ensuring the minimum wage in the country.

Complaints and severe human rights impacts

There were no cases of severe human rights incidents related to Proximus' workforce reported through the existing channels in 2024. This means that there were no reports of forced labor, human trafficking and child labor. Neither were there any violations of the UN Guiding Principles on Business and Human Rights, ILO Declaration on Fundamental Principles and Rights at Work or OECD Guidelines for Multinational Enterprises.

To date, Proximus Group has not received any fines or penalties related to severe human rights incidents.

(#)	2024
Employees' complaints related to social and human rights	1

Scope: Proximus Group

This complaint concerns a court case started in 2021. The procedure is on-going.

Definitions and accounting policies

Employees have various internal channels through which they are encouraged to report suspected violations or concerns. These include management, Human Resources, the Group Department for Prevention and Protection, the Data Protection Officer and the Group Ethics and Compliance officer. The employees' complaints related to social and human rights are consolidated based on the Group 2024 sustainability reporting process. This is based on the current process and procedures implemented. We are currently working on aligning our internal governance and reporting processes within the two to three next years.

The complaints reported through the whistleblower channel are managed by the Group Ethics and compliance officer.
More information can be found in the section "Business conduct".

Work-life balance and well-being

Context

Proximus operates in a highly dynamic business with rapidly multiple challenges. To face these challenges, Proximus' employees must be resilient and agile. That is why Proximus pays particular attention to well-being and work-life balance through different action plans, which are integrated into normal business activities.

This topic refers to the satisfactory equilibrium in an individual's work and private life and ensuring the physical, social and mental health of our employees while balancing the different demands of life (work, family, hobbies, personal engagements, etc.). Well-being is all about how employees feel at work and about their work activities.

Impacts, risks and opportunities

We recognize that intensive workdays and the constant need to stay agile can take a toll on employees' physical and mental health, intensified by the transition to new organizational structures and changes to the path we work (via virtual communication and hybrid models, among others). As an answer, Proximus offers flexible working conditions as a way of enhancing employees' work-life balance but also in order to increase the attractiveness of Proximus as an employer. These flexible working conditions not only enhance employee satisfaction and commitment but also strengthen our culture, while maintaining strong professional connections.

Employee health as a result of lack of work-life balance, lack of empowerment and the personal life impact of working conditions could also have financial implications, as it affects our attractiveness as an employer, which might lead to high employee turnover. Moreover, potential fines and litigation costs are a **risk factor**.

More information can be found in the section "Double Materiality Assessment".

Resources and responsibilities

The well-being program is managed by the Group Prevention and Protection department within Group HR. The ambition is to expand and harmonize the governance, the strategic objectives and the action plan within all our affiliates.

Specialized team members (consisting of psychologists), together with stakeholders such as the Group HR lead and Prevention & Protection Department Lead, are defining and implementing the well-being program within the company in Belgium[29].

A well-being squad, with representatives from different HR departments, define the corporate roadmap in close collaboration with HR staff and Management Committees of the various business units. This is based on a yearly analysis of nine different parameters/metrics (psychosocial illness and turnover, Employee Assistance Program, number of informal and formal requests, re-integration tracks, psychosocial risks analysis, well-being barometer development initiatives). The Proximus Leadership Squad is involved and receives the results of our Group well-being barometer twice a year.

Employees are kept informed about the various initiatives through our intranet WAP+ and through their team leader or SPOC of their division. Our CEO supports these initiatives through his weekly communication on our intranet WAP+.

Feedback from all our employees related to well-being is collected via our yearly Group-wide Speak Up survey so that we also receive bottom-up information.

Strategic objectives

Our ambition is to guarantee our employees can work in a safe, healthy, sustainable and inclusive work environment, where mental, physical and social well-being is a priority. We believe that a healthy life balance and positive well-being are essential for the motivation, engagement and performance of our employees, as well as for the retention and attraction of talent. We create specific

29 In other countries and in other Affiliates the governance may differ.

programs in which our colleagues, teams and team leaders take ownership of their well-being. We offer dedicated support to our employees who drop out to help them re-integrate.

We have not yet established specific Group targets. This should be addressed within the next two to three years.

Policies

Proximus has a Group Well-being at Work Policy that includes the following areas: safety at work, protection of the employee's health in the workplace, the psychosocial aspects of work, ergonomics, occupational hygiene, embellishment of the workplaces and all the measures taken by the company concerning the work environment. The policy applies to all affiliates. We are currently adapting its contents to align with local legislation.

In Belgium, a specific policy was developed to treat complaints in cases of moral or sexual harassment or violence at work. This policy applies to Proximus operations in Belgium. Internal people of confidence and specific psychosocial prevention advisors are always available to handle these complaints.

The Proximus Group aims to align its well-being policies across the entire organization within two to three years.

Processes to remediate negative impacts

Various support systems are available to our employees dealing with stress-related situations or burnout.

By example, within our Domestic operations, a psychosocial prevention advisor can conduct a psychosocial risk analysis or survey to identify workplace issues and, based on this, implement measures together with the business manager to improve employee well-being.

In Belgium, additionally, Personal Guide@work can refer employees to an Employee Assistance Program (EAP), which provides employees with professional support for personal and work-related problems. This program is designed to be swift, discrete and solution-oriented. For this purpose, a network of psychologists is made available to employees through an external partner.

The ISAT or Interactive Stress Assessment Tool, available on our intranet, allows employees to check whether and if so to what extent they experience work-related stress. After completing the questionnaire, employees receive a score tailored to their profile along with useful tips on how to manage their stress levels. Through Oh My People, our external partner, people on long-term sick leave due to stress-related problems are supported by a network of psychotherapists who also assist with their return to work[30].

Processes to support employees in recovering from stress-related situations or burnout are not yet standardized at the Group level. We plan to evaluate all our local initiatives within the coming year and develop a Group-wide approach in line with local practices.

The specific channels available to our workforce to raise concerns or needs directly with Proximus and have them addressed are described in the section "Business conduct".

Taking actions on impacts

Well-being is a shared responsibility among individuals, teams, team leaders and the organization as a whole. In this work environment, where Proximus as employer has a significant impact, we defined three major focus areas in our well-being roadmap:

- Job quality: we aim to strike the right balance between workload and available energy resources; this includes tools to reduce stress and increase job satisfaction.
- Work relations and conflict management: positive interactions among colleagues and supervisors and effective conflict management are crucial for a healthy work environment.
- Psychosocial safety: our workplace needs to become even more of a safe place to work where, despite differences, everyone feels mentally and physically safe, especially in customer-facing roles.

30 Only for employees who have a contract with Proximus SA.

In 2024, we launched "Well-being@Proximus" in Belgium, an awareness-raising campaign emphasizing the importance of well-being at work and the role everyone plays in it. In addition, we also focused on actions linked to our work environment (installation of phone booths in our headquarters, e-learning on comfortable seating positions and stimulating physical energy through a running challenge, etc.). Specific activities, like training and workshops, were also organized.

We have selected nine well-being parameters[31], which can be categorized into subjects, i.e. psychosocial absenteeism, feedback and analysis from various surveys, personal support and adoption initiatives such as training, among others. We survey this data twice a year, i.e. in September and in January each year. A dashboard with these parameters is being developed to provide the Proximus Leadership Squad and HR with an overview of the organization's overall health[32].

Proximus plans to include other affiliates within two to three years. If remediation is needed, it will be discussed with the well-being squad and the action plan will be adjusted accordingly.

Performance

Employee well-being

We achieved 79% on the well-being for the Proximus Group in 2024.

(%)	2024
Employee well-being	79

Scope: Proximus Group

Definitions and accounting policies

Group employees' well-being, expressed as a percentage (%), is based on the full-year survey sent in January. Employees are encouraged to complete the survey to provide insights into their well-being at the workplace. The result reported is derived from employees having answered positively to a selection of seven questions[33] divided by the total number of respondents. The results are discussed with the Proximus Leadership Squad, the management and unions. The effectiveness of this channel, including the fact that the individuals are well aware of the survey, is demonstrated by a participation rate of 80%. The data is provided and consolidated automatically through the internal survey platform. The consolidated figure is then manually collected through the 2024 Sustainability reporting process.

31 Psychosocial illness and turnover, EAP program, number of informal & formal requests, re-integration tracks, psychosocial risks analysis, well-being barometer, development initiatives.

32 Only available for Proximus Domestic operations in Belgium and BICS Belgium operations.

33 "I can manage my job responsibilities in a way that enables a healthy work-life balance", "I have the support I need to persist through difficult times at work", "I have trusting relationships at work", "I receive recognition when I do a good job", "I have flexible work arrangements to meet both work and personal needs (e.g. work from different locations, take breaks, exercise)", "I feel energized by my work" and "I have adequate resources in my workplace which support my health and well-being (e.g. information, contacts & services)".

Employee health and safety

Context

Our employees face various challenges, from mental and physical health issues to occupational accidents or even third-party aggression. Focusing on health and safety at work is therefore essential to protect our employees and to create a supportive, productive work environment.

This topic refers to the anticipation, recognition, evaluation and control of hazards arising in or from the workplace that could impair the health and well-being of workers, considering the possible impact on the surrounding communities and the general environment.

Impacts, risks and opportunities

Third-party aggression towards employees working in Proximus stores and contact centers (serious robberies, verbal aggression, physical aggression) poses risks to their safety and negatively impacts their physical and emotional health. Occupational accidents have similar consequences. Such occupational accidents can stem from various sources such as inadequate safety measures, lack of proper training, or unforeseen hazards in the workplace environment. Furthermore, sedentary office jobs can have a significant negative impact on employees' health:

- The prolonged hours of sitting at a desk can cause a wide range of health issues such as weight gain, poor posture, back pain and even increased risk of chronic diseases.
- Sitting for long periods can negatively impact mental health, leading to increased levels of stress, anxiety and depression.
- Employees who work in sedentary jobs often have less time to physically exercise, which leads to an increased risk of obesity, cardiovascular disease and other health issues. The lack of physical activity can also lead to a decline in cognitive function, which can negatively impact an employee's performance and productivity.

Providing a healthy and safe working environment is a way of reducing costs by preventing workplace accidents and occupational diseases. Moreover, fostering a culture of safety and well-being can enhance productivity, boost employee morale and reduce absenteeism.

More information can be found in the section "Double Materiality Assessment".

Resources and responsibilities

The Group Department for Prevention and Protection (GPP) is the driving force behind Proximus' health and safety activities. It defines a common health and safety policy and provides guidance on all issues surrounding this topic. A prevention and protection plan for Proximus Domestic operations in Belgium[34] focuses on aspects such as risk analysis of workplaces, medical surveillance, personal protective equipment, fire safety measures to protect workers and the evaluation and resolution of psychological risks and issues.

The Proximus Leadership Squad is responsible for executing prevention and protection plans. Line management shares responsibility for implementing the approved action plan.

Social dialogue is organized within Proximus Domestic operations[35], in accordance with legal requirements, through Prevention Committees or direct employee consultations. The Prevention Committees primarily serve an advisory role to the employer. Participants in this social dialogue include the employer (or their representative), labor unions, GPP and occupational physicians.

Within Belgium, through a five-year global prevention action plan and a yearly action plan topics such as occupational accidents, safety risk analyses, local prevention matters and psychosocial risks are discussed.

34 And BICS Belgium operations.
35 And BICS Belgium operations.

Non-Belgium affiliates currently manage health and safety domains independently. Proximus is developing a plan to implement a more comprehensive and harmonized health and safety governance for all affiliates within the next two to three years.

Strategic objectives

Our ambition is to ensure the health and safety of our employees by proactively identifying, assessing and mitigating workplace risks. We will also consider the potential impacts on neighboring areas and the environment. Recognizing the diverse risks our employees face based on their roles – such as ergonomic challenges, or occupational accidents – we implement effective measures and policies. Furthermore, we aim to cultivate a culture of safety and responsibility, empowering our workforce to contribute actively to a safe and healthy work environment.

Proximus has set short-term targets for its Domestic operations in Belgium aimed at reducing the occupational accident rate by the end of 2024. These targets include:

- further reduction of occupational accident rate by 10% compared with 2023 (6.8), which means 6.1[36].

Proximus intends to further decrease its occupational accident rate over the next five years. Additionally, we have not yet established specific Group objectives and targets. This should be addressed, including for all our affiliates, within the next two to three years.

Policies

Proximus has a Group Well-being at Work Policy.

More information can be found in the section "Work-life balance and well-being".

Processes to remediate negative impacts

In 2024, we implemented a new yearly action plan in Belgium, based on a comprehensive risk analysis. This plan outlines necessary prevention and protection measures to reduce workplace accidents, including safety instructions for employees and the VCA/VCO[37] safety management systems for the operational departments.

We are also continuously updating our ergonomics policy, assessing risks associated with the use of our new digital working equipment and telecom installations and implementing appropriate prevention and protection measures. A risk assessment has been conducted for all employees who have a contract with Proximus SA in Belgium and their workstations, with periodic reviews. We set up the following awareness campaigns: "Are you sitting comfortably?" at the office (ergonomic domain) and "Stop smoking".

We executed a psychosocial risk analysis in different departments. We reviewed our e-learnings[38] with VIAS[39] focusing on the risks of electric vehicles, bikes and scooters. Training sessions on firefighting and safe practices for electrical installations were also organized.

In response to an increase in armed robberies in our stores in Belgium, we revised our preventive measures to protect customer-facing employees from third-party aggression. The details of these measures remain confidential for security reasons.

Processes and actions to remediate the potential negative impacts within our value chain

Once a year, our subcontractors (non-employees) are informed via information sessions about Proximus Group' inherent risks, for example, the general safety rules applicable to our construction sites.

36 Frequency rate is defined by Belgian law as # occupational accidents with minimum 1-day absence (day of accident not considered) multiplied by 1.10^6 divided by # number of worked hours employees based in Belgium.

37 Veiligheid, Gezondheid en Milieu (VGM) Checklist Opdrachtgevers/ Veiligheid, Gezondheid en Milieu (VGM) Checklist Aannemers

38 E-learnings are accessible in our intranet to all employees except Route Mobile and Telesign.

39 Belgian Independent Institute for Road Safety

In performing its activities, Proximus Group must put as little strain as possible on the neighborhood and local communities and take measures to avoid nuisances.

More information can be found in the section "Local communities".

The specific channels available to our workforce to raise concerns or needs directly with Proximus and have them addressed are described in the section "Business conduct".

Performance

Proximus Belgium operations

Proximus offers a health and safety management system, covering all our employees based in Belgium, that complies with legal requirements and recognized standards, including the Well-being Act and VCA system. In 2024, no fatalities have been reported.

Work-related accidents	2024
Employees' work-related accidents (number)	67
Employees' work-related accidents (%)	4.36

Scope: Proximus Belgium operations

Definitions and accounting policies

The health and safety management system is defined as a framework, based on local legal requirements, applied by Proximus to manage health and safety risks within the workplace. It involves identifying, assessing, controlling and monitoring these risks to ensure a safe working environment. The processes and procedures for hazard anticipation, recognition, evaluation and control vary from one country to another, as the legal requirements for each are different. This is why Proximus is dedicated to implementing a new health and safety governance with common policies, definitions and processes.

Work-related accidents are defined as occupational accidents which happen during the execution of work for the employer. Accidents that happen on the way to and from work are not included in this definition.

The frequency rate of occupational accidents is calculated by multiplying the number of accidents with at least one day of absence by 1.10^6, then dividing by the total number of worked hours by the employees based in Belgium.

Proximus Group

The data related to the health and safety metrics are provided with a level of measurement uncertainty. The source of measurement uncertainty can be explained by the differences between local regulations, measurement techniques and the availability of data. We are working on aligning our internal reporting processes at the Group level in the upcoming two to three years

In 2024, no fatalities resulting from work-related injuries and work-related ill health have been reported through our current channels by any of our employees or any value chain workers working on our premises.

(%)	2024
Employees covered by a health and safety management system	100

Scope: Proximus Group

Work-related accidents	2024
Employees' work-related accidents (number)	67
Employees' work-related accidents (%)	3.34

Scope: Proximus Group

Definitions and accounting policies

Health & Safety management systems applied within our affiliates must be based on local legal requirements. The processes and procedures for risk assessment, evaluation and control vary from one country to another, as the legal requirements for each are different.

Work-related accidents are defined as occupational accidents which happen during the execution of work for the employer. Accidents that happen on the way to and from work are not included in this definition. The employees' work-related accident rate represents the number of respective cases per one million hours worked. Estimations of the working hours and related accident with respect to our international activities are based on the actual accidents and actual working hours in our domestic operations, which constitute 70% of the group's activities. We are currently working on aligning our internal governance and reporting processes within the two to three next years. In 2024, we focused on building and implementing our new group Health & Safety governance.

Diversity and inclusion

Context

Since Proximus Group operates in an environment that reflects the broader society, our actions have a meaningful impact beyond the workplace. This is why prioritizing diversity and inclusion is essential to us.

Diversity encompasses the unique characteristics that make each individual distinct, like race, gender, age, sexual orientation, disability, cultural background or any other characteristic protected by the law.

Inclusion is about the deliberate cultivation of an environment where these differences are not only acknowledged but leveraged, ensuring that every employee feels valued, respected and empowered to contribute to their fullest potential, driving innovation, creativity and a deeper connection with the diverse communities we serve.

Our impacts, risks and opportunities

Prioritizing diversity and inclusion (D&I) helps foster equity, bridge pay gaps and ensure a fair, discrimination-free workplace, where everyone feels welcome and valued. It enhances the employability of individuals, regardless of their background, age, gender, sexual orientation, disability, etc.

The **primary risk** we face is the potential loss of talent and unhealthy team dynamics due to a non-inclusive work environment. An unwelcoming atmosphere can lead to disengagement, reduced productivity and high turnover rates. This in turn negatively affects our employer brand and overall productivity.

Our dedication to D&I presents numerous **opportunities**. It enhances our ability to comply with evolving legal standards and legislation related to harassment, discrimination and accessibility, thereby reducing associated risks. Putting in place well-balanced and talented mixed teams positions us as an innovative company that meets the demands of a diverse market, enhancing our appeal to large customers and investors who prioritize sustainability and inclusion.

As the war for talent intensifies, being an inclusive employer helps us attract a wider range of talents, further strengthening our teams and positioning us as an employer of choice. Moreover, it fosters our learning and feedback culture, employee engagement and our creativity to handle the future challenges of a digital world.

More information can be found in the section “Double Materiality Assessment”.

Resources and responsibilities

Every aspect of D&I is led by our D&I team, which is part of the Group HR Practices department. This team is responsible for setting strategic goals, reviewing policies and aligning them at the Group level. Additionally, we have a Diversity and Inclusion workgroup, which includes D&I ambassadors from all business units. They act as champions, ensuring that our policies and practices are implemented in the field. Our Chief Human Capital Lead acts as our sponsor for diversity and inclusion, offering crucial support and advocacy. On an ad hoc basis, we set up specialized teams of experts who work intensively together, during a limited period, to achieve a specific goal.

Strategic objectives

We are committed to increasing the diversity of our workforce, ensuring equal career opportunities and providing an inclusive working environment. We celebrate diversity in terms of gender, age, cultural background, disability, sexual orientation and other legally protected characteristics.

Our diversity and inclusion goals are anchored around our six key pillars, which target specific groups at risk of vulnerability within our workforce:

- gender: promotion of women at all levels, especially in digital and technical functions;
- generations: specific initiatives for inclusion of all generations, with a focus on 50+ employees;
- disability: employing individuals with disabilities and neurodivergent traits, while promoting awareness of their unique challenges;
- LGBTQIA+: definition of clear measures for the inclusion of colleagues from the LGBTQIA+ community;
- ethnicities: making employees aware of unconscious biases and strengthening their sense of belonging to our community;
- equity: ensuring gender equality and equal opportunities in the workplace through inclusive processes and equality policies.

As we will increasingly rely on AI and technology in various aspects, mitigating biases inherent in these systems poses a challenge. In the next three to five years, we will focus on regularly training employees on unconscious bias and cultural diversity. Additionally, we will introduce a biennial D&I certification, organize round tables on diversity and keep launching communication campaigns to raise awareness.

In 2024, we planned[40] to:

- reach an inclusion index of 85% by 2025;
- recruit 30% of women with university degrees in technical and digital roles by 2025.

In the long term, the company will continue investing in continuous diversity programs and workshops to deepen the understanding and reinforce these values.

We have not yet established specific Group targets. We aim to expand our governance, targets and action plans to all affiliates within two to three years.

40 For employees having a contract with Proximus SA.

Policies

Proximus has a Group Policy on Diversity and Equal Opportunities applicable to all affiliates. We are currently reviewing the content to align with local legislation in Europe and the rest of the world. This will involve a comprehensive review of our policies, benchmarking them against industry standards, consulting with stakeholders and updating them as needed to reflect our unified approach to diversity and inclusion.

With this policy, Proximus wants to stimulate a positive and safe work environment where everyone's authenticity is respected and valued and where all employees are treated on a fair and equal basis, regardless of their background, which for Proximus means:

- treating all applicants and employees equally, based only on relevant competencies and objective criteria;
- promoting a mindset of respect and openness at all levels of the organization;
- demonstrating behavior free from any form of racism, intolerance, discrimination, harassment or other attitudes likely to negatively affect the dignity of people in the workplace;
- incorporating diversity in all aspects of our business and opposing any form of intolerance.

This policy, approved by the Group HR Practices Departmental Lead, is reviewed and adapted every year. The latest version can be found internally on the intranet site[41] and externally on the Proximus corporate website.

Compliance with D&I policies is critical to maintaining our commitment to an inclusive workplace. We conduct regular analyses to ensure adherence to legal and ethical standards. The Compliance and Group Protection & Prevention teams work closely with HR to monitor adherence to these guidelines and any breaches are addressed promptly with corrective actions, applying the zero-tolerance principle.

Taking actions on impacts

Our commitment to diversity and inclusion is rooted in the understanding that a truly inclusive workplace goes beyond mere representation. Our approach is both strategic and holistic, integrating diversity and inclusion into every aspect of our business, from recruitment and talent development to leadership accountability and community engagement through targeted initiatives, impactful communication, comprehensive training programs and open discussion groups.

By doing so, we are building a workplace where everyone can thrive. Our commitment to diversity and inclusion is ongoing and we are dedicated to making continuous progress in this vital area.

Integrating D&I mindset in our ways of working

The scope of responsibilities for D&I at Proximus extends to all levels of the organization. While the D&I team leads the change, employee engagement is at the heart of our diversity and inclusion strategy. We offer various programs and initiatives to foster an inclusive environment, such as diversity training and discussion groups and have put in place a D&I community where everybody is invited to interact.

Managers are particularly instrumental in this regard, as they are tasked with implementing D&I policy and practices within their teams and fostering an environment where everyone feels valued and respected. We also have specialized training programs for leaders and mandatory training for all domestic employees to build awareness and understanding of diversity issues. These programs are designed to equip our workforce with the skills and knowledge needed to contribute positively to our D&I goals.

We also celebrate D&I through regular communication and various events and campaigns throughout the year, ensuring that D&I remains a visible and integral part of our corporate culture. These are regularly sponsored by members of the Proximus Leadership Squad. Additionally, our CEO actively communicates on D&I to the entire company.

41 Accessible to all employees except Route Mobile and Telesign who manage their own internal communication.

Stakeholder engagement

Engaging with stakeholders is crucial to the success of our D&I initiatives. We regularly ask for our stakeholders' opinions through surveys, (mandatory) training and discussion groups. This allows us to understand the perspectives and needs of our employees, customers and partners and to refine our strategies, ensuring that our initiatives resonate with the people they are designed to support.

We also join external programs (such as Open@Work, IAmRemarkable and Women on Board) that support inclusion and engage with diversity networks to stay informed about emerging trends and to collaborate on initiatives promoting inclusion across the industry. This engagement also helps us align our D&I efforts with the expectations of our customers and society at large.

More information on our stakeholder engagement strategy is available in the section "General information".

Diversity within technical roles

All of our D&I goals are supported by specific action plans at a domestic level. First, to recruit 30% of women with university degrees in digital and technical roles by end of 2024. We achieved and reconducted this target for next year. We implemented recruitment campaigns aimed specifically at women graduates, particularly in STEM fields and attracted female candidates through internships, mentorship programs and networking opportunities (such as Women in Tech, Wikithon).

Advancing women in leadership

In addition to recruiting, we are committed to advancing women in leadership. To support this, we launched leadership development programs so that (female) employees acquire a clearer vision of themselves as novice or experienced leaders. We also enhanced our succession planning process to ensure women are well-represented in the talent pipeline for senior roles.

Diversity and inclusion training

Furthermore, training and development are also central to our strategy. We implemented a mandatory diversity and inclusion e-learning module for all employees at the domestic level, covering topics such as unconscious bias, discrimination, or non-compliance with our policy. These interactive modules have been designed to reflect real workplace scenarios, ensuring they are both relevant and impactful. Progress has been monitored through completion rates and employee feedback, allowing for continuous refinement of the program. In 2024, the mandatory e-learning module on diversity and inclusion and unconscious biases was taken by 88.5% of the employees of concerned entities.

Promoting inclusion and raising awareness

We have already launched two internal and external communication campaigns highlighting the importance of diversity and inclusion, featuring employee testimonials about their experience, educational materials and interactive events such as webinars or participation in Pride.

Expanding neurodiversity awareness is also a priority. We conducted 12 workshops on neurodiversity in Belgium, collaborating with experts to design and deliver sessions that increase understanding and support for neurodiverse colleagues. These workshops will be complemented by resources and tools to help managers and employees create an environment where everyone can thrive.

What is happening within our affiliates

Telesign

Telesign's Employee Experience team has focused on creating engagement opportunities for its global workforce. The company's programs are responsive to employee feedback and aim to advance diversity, equity, inclusion and belonging. Telesign hosts snACT & Learn workshops aligned with cultural observances, inviting employees to learn from each other and external experts. Additionally, Telesign's STEM Equity program focused on social impact commitment, allowing employees to use "action credits" to support social impact organizations related to the workshop's focus.

Telesign also has three employee resource groups (ERGs) serving underrepresented populations. These groups organize learning and social experiences to connect employees. One key initiative, EmpowerHER, is a mentorship program designed to support women and non-binary employees across the company. In the inaugural cohort, the company will welcome 59 mentor-mentee pairings.

BICS

BICS has a payroll in 14 countries, counts 46 nationalities; diversity and inclusion are part of BICS' culture. This is repeatedly confirmed in the Employee Engagement surveys. Culture and inclusion were the best scoring dimensions in the recent pulse survey, with a score of 84% and 80%, respectively.

Performance

Diversity metrics

Workforce by gender in the top management (headcount)	2024
Male	134
Female	44
Not declared	0
TOTAL	178

Scope: Proximus Group

Workforce by gender in the top management (%)	2024
Male	75
Female	25
Not declared	0

Scope: Proximus Group

Workforce by age group (headcount)	2024
Under 30	2,247
Between 31 and 50 years old	6,716
Over 50 years old	4,899
TOTAL	13,862

Scope: Proximus Group

Definitions and accounting policies

Top management is defined as the executives that are part of the Proximus Leadership Team. In the Remuneration report, we mention this group of employees as Top Management or executives, a common nomenclature in the business world. The reported figures are based on our internal employee database of the extended leadership team.
Defining whether a job is a Top Management position is not related to hierarchy; rather, it depends on the job content, which is weighted according to a certain methodology. According to the job weight, this job is a top management job or not. Idem for the affiliates.

Discrimination and harassment

To date, Proximus Group has not received any fines or penalties related to discrimination and harassment cases.

This is based on the current process and procedures implemented. The source of measurement uncertainty can be explained by the differences between local regulations. We are working on aligning our internal reporting processes at Group level in the upcoming two to three years.

(#)	2024
Incidents of discrimination and harassment	5

Scope: Proximus Group

Definitions and accounting policies

Employees have various internal channels through which they are encouraged to report incidents of discrimination. These include management, Human Resources and the Group Department for Prevention and Protection. The Group Department for Prevention and Protection is responsible for all complaints related to violence at work, moral or sexual harassment and discrimination.

Employee inclusion

(%)	2024
Employee inclusion	85

Scope: Proximus Group

Definitions and accounting policies

The Group employee inclusion (%) is based on the full-year survey sent in January. Employees are encouraged to complete the questions of the Speak Up survey, which provides insights into how well the company fosters an inclusive environment where fair treatment is ensured for all, to which degree employees feel safe to be their authentic selves, whether there is a strong sense of belonging and connection to the organizational community and whether employees feel respected by peers and leadership. By measuring perceptions in these four areas, the company can assess the overall inclusiveness of its workplace culture and identify areas for improvement.

The result reported is derived from employees having answered positively to four selected questions[42] divided by the total number of respondents. The results are discussed with the Proximus Leadership Squad and the management. The effectiveness of this channel, including the fact that the individuals are well aware of the survey, is demonstrated by a participation rate of 80%. The data is provided and consolidated automatically through the internal survey platform. The consolidated figure is then manually collected through the 2024 sustainability data reporting process.

Employee upskilling, reskilling and employability

Context

The high speed of technological evolution makes it essential for our employees to keep up to date. This is why we stimulate a culture of continuous learning and development, ensuring that every employee has the opportunity to upskill and reskill to excel in his/her current role and adapt to future challenges.

This topic has been defined as appropriately investing in the workforce to ensure that the company keeps innovating, maintains talent attractiveness and ensures that employees remain motivated.

Our impacts, risks and opportunities

Investing in employee learning and development is a strategic approach that yields significant impacts, risks and opportunities. The primary **positive impact** of such an investment is the creation of a workforce that is agile, skilled and capable of driving innovation. Employees who are continuously learning are more likely to be engaged with their work, leading to higher productivity and job satisfaction. This leads to a positive company culture where professional growth is valued and encouraged and where we increase the employability of our people.

However, there are inherent challenges and potential **risks** to this approach. The rapid pace of technological change means that the skills acquired today may become obsolete tomorrow. The challenge in the technology and telecommunication sectors is to ensure that learning opportunities are relevant and aligned with future industry needs, which requires a keen understanding of market trends and technological advancements.

Additionally, the shortage of technological talent in the market makes it imperative for an organization like ours to invest in upskilling and reskilling programs that can enhance the digital literacy of our existing workforce. Such proactive measures are essential to maintain competitiveness and foster a resilient and adaptable human capital.

Opportunities arise from the ability to harness the potential of a well-trained workforce. If a company can effectively upskill and reskill its employees, it can gain a competitive edge in the market. This means it is better positioned to innovate and adapt to changes, which can lead to the development of new products, services and business models. Moreover, a commitment to continuous learning can attract top talent, seeking employers that invest in their professional development.

More information is available in the section "Double Materiality Assessment".

42 "At my company, employees are treated equally and fairly regardless of their background"; "I can be myself at work"; "I feel that I belong to the company's community"; "I feel respected at work".

Resources and responsibilities

The Learning & Development Center (LDC) is a department within Group HR, dedicated to fostering growth and enhancing skills across the organization. Our Learning & Development Center collaborates with dedicated learning partners to craft dynamic and innovative learning solutions that align with our strategic vision. Together, we support the growth and effectiveness of our organization by encouraging a self-leadership approach to learning and empowering every employee to take charge of their development.

Furthermore, our commitment to continuous improvement is exemplified by the Learning Committee, a tripartite body that includes union representatives, HR members and business representatives. This committee convenes quarterly to engage in in-depth discussions on a range of topics crucial to workforce development, such as upskilling, reskilling and monitoring learning KPIs. Through these meetings, we address specific learning initiatives, ensuring they are not only relevant and effective but also reflective of the collective insights and needs of our workforce.

The HR team in each domestic affiliate is responsible for the learning plan for the affiliate. They implement programs and ensure the provision of maximal learning opportunities to their people, while respecting the legally determined number of days of training per person. Already currently the affiliates can thereby leverage the Proximus MyLearning environment. Moreover, domestic affiliates and Proximus already work together in the "Talent, Learning & Culture" community to develop joint initiatives.

The Learning & Development Center is focusing on all employees with a contract with Proximus SA in Belgium. Governance at Group level will be defined within the next 2 to 3 years.

Strategic objectives

Our ambition is to invest in our employees by providing appropriate and forward-looking learning and development opportunities. We foster a culture of continuous learning and development, ensuring that every employee can upskill and reskill to excel in his/her current role and adapt to future challenges. Through this dedication to professional growth, we aim to maintain a dynamic, skilled and versatile team ready to drive innovation and success.

Our commitment to upskilling and reskilling is a strategic response to the evolving demands of the digital economy, ensuring that our workforce and company remain competitive and future-ready. By investing in comprehensive learning programs, Proximus Group not only enhances the skillset of its employees but also secures their long-term employability. This approach reflects a deep understanding of the dynamic nature of the tech industry, where innovation and agility are key to maintaining market leadership.

Our goals are anchored around two major pillars:

- Strategic Workforce Planning;
- Skills Management.

The Strategic Workforce Planning program serves as a cornerstone for its talent management strategy. This program allows the company to forecast and prepare for future needs in terms of recruitment, skill enhancement and reskilling, ensuring that the workforce remains robust and capable of meeting new challenges. This foresight enables Proximus Group to remain resilient in the face of industry shifts and to cultivate a workforce that is both diverse and proficient.

The transformation of Proximus Group into a skills-based organization underscores its dedication to aligning employee talents with its strategic objectives. This alignment is crucial for the company to achieve its goals and maintain a competitive edge. It also demonstrates a commitment to the personal and professional development of its employees, fostering an environment where learning and development are integral to the organizational ethos. In essence, Proximus Group is not just preparing its employees for the future; we are shaping the future of the workplace itself, fostering an environment that encourages continuous improvement and learning, which is essential for both individual growth and organizational success.

We have not yet established specific Group objectives and targets. This should be addressed, including for all our affiliates, within the next two to three years.

Policies

Apart from the mandatory training within our Domestic operations and BICS Belgium operations, we do not have strict policies. These mandatory training (on average two or three e-learning modules per year per employee) are launched yearly and will follow a new standardized communication process from 2025; using an activating marketing-communication tool, allowing for individual triggering, nudging and measuring.

Taking actions on impacts

Reskilling tracks - Strategic Workforce Planning

Proximus Group analyzed both present and future market trends and challenges from 2023 to 2026. We identified over sixty distinct factors influencing our workload, anticipating both increases and decreases in demand. This process helped us to identify the activity domains where we anticipate an excess of resources and those facing a potential resource gap in the coming years.

In 2024, we already implemented strategic workforce planning in most of the domestic affiliates.

Skills Management

The journey towards becoming a skills-based organization at Proximus encompassed three primary phases: initiating a Strategic Workforce Planning exercise, establishing a comprehensive skills taxonomy and developing a robust skills management system and process. These three phases have been successfully executed and underwent a rigorous pilot to gain insights and enhance the processes and approaches.

With regards to the skills taxonomy, we used AI technology to define the top 10 relevant skills. For this exercise, we involved business unit representatives to ensure accuracy and relevance. In the skills management system development step, we developed an in-house tool, called "Skills+", which is used to review the skills of each employee identify their strengths, determine areas for improvements, establish a targeted development plan, etc. The skills management approach facilitates the discussion between team leaders and employees on development aspirations.

This phase has not yet been implemented within our affiliates.

Leadership Booster

The Leadership Booster is a program targeted to our team leaders to invest in their personal development and support them in their roles. The building blocks of this program are based on reflection, dialogue and connection while staying close to the reality of our team leaders.

Introduced in 2024, the topic of this first Leadership Booster is "connection communication". This way of communicating can help team leaders address all kinds of topics including more sensitive areas such as workload and conflict constructively. Approximately 900 team leaders have participated in this program since its start in March 2024. In September 2024, this topic was available through MyLearning to all employees[43].

Building the Future

As of mid-2023 and running until the end of 2024, we organized the "Building the Future" learning offering for our internal employees. It helps them better understand the basic technologies that are important within Proximus Group. The topics include networks and connectivity, data science, machine learning and AI, cybersecurity and the cloud. Besides this offering, we have organized several initiatives to allow employees to become aware of the value and risks of Gen AI.

Yumi@myBest

We have launched a performance-enabling approach, Yumi@myBest. Yumi stands for "You and me", driving each other to get the best out of each other. This approach centers around encouraging open communication, learning from failures, coaching & feedback, making ongoing adjustments, greater responsibility and continuous learning. This feedback is given in an open and safe environment,

43 Only for employees who have a contract with Proximus SA.

where conversations are not linked to scores with a direct financial impact. That is why we are moving away from formal conversations and scores. The way of working is still in progress.

All the initiatives mentioned were launched with employees who have a contract with Proximus SA. We anticipate harmonizing our practices at the Group level within the next three years.

What is happening within our affiliates

Several domestic affiliates have implemented and/or updated their performance management systems in line with the Yumi@ myBest philosophy (e.g. Proximus Ada, Proximus NXT IT, Be-Mobile). Several domestic affiliates have also launched specific leadership development initiatives, thereby also leveraging existing Proximus SA leadership offerings (Empower, Engage, Enlight programs) (e.g. Codit, Proximus NXT NL, Proximus NXT Lux).

Telesign

Telesign is committed to employee development and offers various learning and development opportunities. This includes change management training, leadership round tables, mindfulness workshops, financial literacy workshops and mental wellness dialogues. In 2024, Telesign also reinstated the Summer Friday program to support employee wellness and engagement, allowing employees the opportunity to use Friday afternoons to focus on their wellness.

BICS

BICS defines a yearly Learning and Development Plan.
The technical upskilling for 2024 was built around three pillars:

- cloud learning and certification (100 people, 4 learning tracks);
- 5G training to support BICS' ambition to extend its leadership position in mobility solutions (target audience: pre-sales, sales, operational engineers);
- Generative AI (awareness, inspiration, training, collection of use cases).

Other important upskilling initiatives in 2024:

- consultative selling and negotiation skills training for the sales community across all regions (EU, MEA, Americas, APAC);
- cross-cultural workshops;
- insights Discovery workshops to raise awareness around work styles;
- career discussions with employees from lower salary bands.

In 2024, BICS ensured the registration of all training hours worldwide. Today, the average corresponds to 25 training hours per employee for 2024.

Talent development

Every two years, BICS' employees go through a Talent Review exercise. One of the main goals is to identify talents, engage them and prepare them for internal mobility.
The Talent Program 2024 targeted 21 new talents. The program offered:

- career guidance;
- on-line training at a renowned business school (INSEAD, MIT, Vlerick, etc.);
- participation in the BICS Mentorship program;
- participation in the Proximus Leadership Development programs (Enlight, PRO) and keynote sessions;
- opportunity to participate in the BICS LTI program (discretionary).

Since the launch of this initiative, BICS identified around 75 talents. They play a key role in the realization of BICS' strategy and are BICS' pipeline for filling critical vacancies.

Human rights within our value chain

Context

Proximus Group is dedicated to upholding human rights across all its operations. Every legal entity in the Group has endorsed the Proximus Group Human Rights Policy. Our Supplier Code of Conduct outlines our expectations for external employees and business partners regarding respect for human rights.

However, we acknowledge that we have not yet conducted a comprehensive Human Rights Impact Assessment (HRIA) for our activities in every country, although we plan to complete the HRIA for the entire Proximus Group (including international activities) in 2025.

In 2024, we focused on the human rights that are most material in terms of posing inherent risks for our telecom sector:

- upstream value chain: the rights of workers within the global supply chain of Proximus Belgium activities;
- downstream value chain: the right to privacy, with a focus on customer data protection[44].

Human rights within our value chain refers to the working conditions, equality and non-discrimination and other rights of workers in the value chain. They are defined as "workers not included in Proximus Group workforce who work on the supplier's premises, using the supplier's work methods".

Impacts, risks and opportunities

Proximus Group may face difficulties in ensuring that all employers in its value chain comply with human rights and labor laws. This is especially hard in more complex supplier networks, such as those involving raw materials sourcing and multiple layers of subcontractors spread across different regions (e.g. the electronics manufacturing sector).

Gaining transparency over human rights risks and ensuring the respect of human rights standards down the supply chain requires meaningful industry collaboration, which might be hindered by intellectual property secrecy and limited resource allocation.

The Group faces the risk of being held accountable for breaches of social and labor regulations and/or of its Supplier Code of Conduct. Such infringements may lead to fines, as well as operational (e.g. supply-chain disruption risk) and reputation risks (e.g. loss of enterprise customers), all of which could damage our financial performance.

Resources and responsibilities

The Procurement team manages Proximus Group's human rights due diligence thanks to the active membership with the Joint Alliance for CSR (JAC).

The Group Compliance and Group Prevention and Protection departments ensure that any reported or suspicion of violation is handled in the most appropriate way, depending on the nature of the issue.

More information can be found in the section "Business conduct".

Strategic objectives

In the short term, Proximus Group aims to:

- perform a comprehensive Human Rights Risk Assessment at the Group level;
- reassess the internal governance and capacity needs to build a robust value chain human rights due diligence framework in preparation for the Corporate Sustainability Due Diligence Directive application.

44 More information can be found in the Data Protection chapter about how Proximus Group manages data protection.

In the medium term, Proximus Group wants to:

- map its supply chains for higher risk suppliers, down to the sourcing of raw materials, potentially in collaborations with peers and/or suppliers;
- develop complementary action plans to prevent and mitigate the risks.

No specific measurable target has been defined in 2024.

Policies

Proximus' Group Human Rights Policy applies to all workers within our value chain. Proximus Group respects all internationally recognized human rights, set out in the Universal Declaration on Human Rights and the International Labor Organization's Core Conventions. We do not tolerate any unacceptable treatment of workers, including but not limited to the exploitation of children, physical punishment or abuse, human trafficking, or involuntary servitude. We fully respect all applicable laws establishing a minimum age for employment and support the effective abolition of child labor worldwide.

More information can be found in the section "Human Rights Policy"[45].

We communicate our values and the behavior we expect from external employees and business partners through our Supplier Code of Conduct, which is based on the Ten Principles of the UN Global Compact. The Proximus Group Supplier Code of Conduct is part of every new and extended contract since 2021. It's also integrated into our General Terms and conditions, thus endorsed by every purchaser. The policy is available online on our corporate website. The Group Procurement Lead is accountable for the implementation of the policy.

Proximus Group also has a comprehensive **health and safety policy** that extends to subcontractors. This policy obligates all subcontractors to comply with applicable occupational safety laws and regulations and Proximus Group's policies.

More information can be found in the section "Employee health and safety".

Actions to remediate negative impacts

Our supply chain

The Group Proximus Procurement manages 3,200 suppliers in 52 countries. 97% of the Proximus spend is dedicated to purchasing goods and services, a percentage which encompasses mainly the cost related to the network installation and activation for the roll-out and maintenance of Proximus' fiber and copper network (23%) to mobile devices (13%) and to IT services and FLECS[46] (12%).

Proximus has no manufacturing facilities. Procurement's main current challenges are related to price inflation and security of supply, due to geopolitical events, as well as increased administration due to risk and supplier management, and upcoming legislation in a world of decreasing resources.

Critical suppliers

Among all suppliers holding contracts with Proximus SA, critical suppliers have been identified as Tier 1 suppliers based on their annual spending and long-term relevance, such as whether they are likely to remain suppliers over the next five years. The suppliers of our affiliates are not yet included. We are planning to harmonize our procurement processes within two or three years. We have a total of 1,900 suppliers. The top 240 suppliers represent 89% of the Group spend. These are classified as "High", "Medium" and "Low Criticality" to prioritize Proximus' engagement with them concerning ESG and audit.

45 Working rights, fair pay and social dialogue section
46 Free Lifetime Email Consultation Service is primarily used for managing external workforce and procurement processes.

Also, Proximus partnered with Dow Jones and GraydonCreditSafe to monitor and assess suppliers in its supply chain on sanctions imposed by legal obligations Proximus Group is submitting to. All active suppliers and partners (+/- 4,800) are screened regularly, as are new suppliers during their onboarding.

Awareness

By signing the Supplier Code of Conduct, the suppliers formally commit to its principles. They are expected to have a policy and due diligence processes in place to identify, prevent, mitigate and address any potential adverse human rights impacts they may cause, or be linked with.

Within Proximus activities in Belgium, we conducted a Supplier Engagement Program (SEP) webinar, which was attended by 280 key suppliers. Furthermore, Proximus held a specific meeting with 66 suppliers to formally present the objectives of the Supplier Engagement Program.

Additionally, in 2024, all buyers at Proximus SA received training on sustainable procurement practices. This training covered comprehensive details regarding sustainable sourcing, the Supplier Code of Conduct and the Supplier Engagement Program.

How we incorporate ESG criteria into our supplier selection processes

EcoVadis

Proximus partners with EcoVadis, a globally recognized assessment platform that rates businesses' sustainability, to manage its ESG risk and compliance. EcoVadis assesses suppliers' performance based on their environmental management practices, labor and human rights standards, ethics and procurement practices.

We demand an EcoVadis score card as a prerequisite for every candidate in our tenders. These score cards need to be younger than three years and have a minimum score of 45. Critical suppliers are required to undergo a validated evaluation by **third-party assessment** organizations, typically, through EcoVadis self-assessments or equivalent processes. 58% of the procured spend is represented by suppliers with an EcoVadis scorecard. The aim is for all Critical Suppliers identified to have a valid EcoVadis score card.

Risk identification

Risk results: salient human rights risks in our supply chain

In 2023, we launched an analysis to identify the salient human rights issues across our supply chain main categories by highest to lowest saliency. The table below reflects the potential (inherent) risks that specific human rights may be impacted by activities in our upstream supply chain, not actual findings of human rights violations:

	Contact Centers	Facility Services	IT services & FLECS	Network Installation & Activation	Logistics	IT Infrastructure	Mobile Devices	Home Devices & Platforms	Access Network	Core Network	Network Material
Child labor	Not identified	Not identified	Not identified	Not identified	Not identified	High	High	High	Medium-high	Medium-high	Medium-low
Forced labor*	Medium-high	High	Medium-high	Medium-high	Medium-high	High	High	High	Medium-high	Medium-high	Medium-low
Occupational health & safety	Medium-low	Medium-high	Medium-low	High	High	High	High	High	Medium-high	Medium-high	Medium-high
Working conditions	High	High	High	High	High	High	High	High	High	High	Medium-high
Discrimination and harassment	Medium-high	Medium-high	Medium-low	Medium-high	Medium-low	Medium-high	Medium-high	Medium-high	Medium-high	Medium-high	Medium-low
Freedom of association and collective bargaining	Medium-low	Medium-low	Medium-low	Medium-low	Medium-low	High	High	High	Medium-high	Medium-high	Medium-high
Land, community, and indigenous rights; FPIC	Not identified	Not identified	Not identified	Not identified	Not identified	High	High	High	Medium-high	Medium-high	Medium-low
Right to adequate standard of living	Not identified	Not identified	Not identified	Not identified	Not identified	Medium-high	Medium-high	Medium-high	Medium-low	Medium-low	Medium-low
Right to health and a healthy environment	Not identified	Not identified	Not identified	Low	Not identified	High	High	High	Medium-high	Medium-high	Medium-low
Right to life, liberty and security	Medium-high	Medium-high	Not identified	Medium-low	Not identified	High	High	High	Medium-low	Medium-low	Medium-low
Right to privacy	Medium-low	High	Not identified	High	Medium-low	Medium-high	Medium-high	Medium-high	Medium-high	Medium-high	Medium-high
Access to remedy	Medium-low	Medium-low	Medium-low	Medium-low	Medium-low	High	High	High	High	High	Medium-high

Legend: ● High saliency ● Medium-high saliency ● Medium-low saliency ● Low saliency ● Not identified for the category

* assessed on the basis of presence of indicators of forced labor as well as reported cases of forced labor in the relevant sectors.

Proximus views its suppliers as partners and cares about the way they do business. To reflect Proximus' principles (Human rights and fair labor practices, environmental considerations, business integrity, data security, privacy and confidentiality) in an increasingly complex environment, we have adapted our Supplier Code of Conduct. These principles allow us to forge ahead with our long-term vision, helping us to be a company committed to the development of society and the care of the planet.

Through the Joint Alliance for CSR (JAC) Human Rights working group, we focus on collaborating with suppliers and other stakeholders to identify, analyze, evaluate, prioritize, mitigate and control potential human rights risks in the supply chain.

More information on our collaboration with JAC can be found in "Our due diligence approach" paragraph below.

Methodology and limitations

The methodology underpinning the salient human rights identification process is based on the key internationally accepted reference points for human rights management: the UN Guiding Principles on Business and Human Rights and the OECD Due Diligence Guidelines for Multinational Enterprises.

This assessment focused on the global supply chain of Proximus Belgium activities, which comprises 11 supplier categories, including both suppliers of goods and services. The categories were identified based on their relevance as goods and services supporting Proximus' core activities in Belgium as well as on the basis of their human rights risk profile.

The process was conducted at the supply chain level, excluding considerations of human rights risk in Proximus' own operations and detailed considerations at the individual supplier level. The identification of risk was limited to inherent risks, excluding hence any consideration of existing management responses, plans or programs and their effectiveness (residual risks).

Our due diligence approach

Joint Alliance for CSR (JAC)

Proximus is an active member of the **JAC** initiative, a global alliance of telecom operators that monitors, assesses, shares and develops sustainability practices for their suppliers through risk audits, assessments and surveys. Currently, the JAC encompasses a total of 29 telecom operators, together representing more than 50% of worldwide telecom turnover. In 2024, 150 different types of audits were conducted, including Mobile Workers' Surveys on sites, covering a total of 20,427 workers[47]. JAC also facilitates ongoing human rights due diligence with key supply chain partners to monitor and address potential violations of the UN Guiding Principles on Business and Human Rights.

As a member of JAC we collaborate on on-site audit operations by performing our share of audits under a common auditing methodology. The JAC audit process is a coordinated on-site audit and supplier development program in the area of Corporate Social Responsibility (CSR) based on a common verification, assessment and development methodology. It includes follow-up on corrective action plans.

As a JAC member company, Proximus Group has the responsibility to lead a complete audit process with a minimum of five suppliers. By conducting audits and surveys with JAC, we aim to contribute to the overall improvement of sustainability practices and ethical standards across the ICT industry, fostering a collaborative and responsible approach among stakeholders.

Furthermore, we monitor our top 500 suppliers and their affiliates, especially those critical for supply and business continuity, using Sphera SCRM.

Compliance controls

All our control procedures are presented in the "Business conduct" section.

Remedies

Employees and suppliers are encouraged to be vigilant for any evidence of human rights violations within our direct operations or those of our business partners and report any suspected infringement. If, for any reason, this is not possible or appropriate, infringements can be reported via the whistleblowing channels or the Proximus Group Compliance Office.

More information on our whistleblowing procedure and how it is monitored can be found in the section "Business conduct".

As stated in the Supplier Code of Conduct, if a supplier violates our policies, Proximus Group reserves the right to temporarily suspend the business relationship or terminate it, if necessary, without the supplier being entitled to compensation.

Fiber construction sites: additional measures

In the wake of the January 2023 press reports mentioning alleged violations[48] of social legislation on fiber construction sites, Proximus SA announced additional measures to ensure that all activities on sites commissioned by Proximus SA or its partners are performed in full compliance with social legislation while respecting strict requirements related to the safety, well-being and working conditions of employees. This resulted in a thorough review of internal processes, an evaluation of the ways of working with first-line construction partners and the development of the Proximus Societal Responsibility Charter for fiber roll-out, discussed with the Belgian Social Security department (RSZ/ONSS) and presented to the Mobility, Public Enterprises and Federal Institutions Commission of the Chamber of Representatives in March 2023.

Among others, the charter guarantees the quality of the partners that Proximus SA works with through certification requirements and codes of conduct, limits the number of layers in the chain of subcontractors and ensures the well-being of workers through strict safety requirements, training and regular controls on facilities and social administration.

47 Based on the 2024 JAC Annual Report.

48 The alleged employment of illegal workers has been proven not to be linked to Proximus SA nor to its joint ventures. Proximus acknowledged that a number of infringements, mainly related to the use of the "check in at work" application, had been identified on fiber construction sites of its partners.

Performance

Due diligence

EcoVadis assessment

(%)	2024
Spend at suppliers with EcoVadis sustainability score cards	58

Scope: Proximus Group

Definitions and accounting policies

The percentage of spend at suppliers with an EcoVadis scorecard is based on the information provided on the EcoVadis platform. Suppliers with a scorecard available on the EcoVadis platform are compared to the Proximus supplier base. The invoiced spend of the identified suppliers is then divided by the total Proximus Group spend, resulting in the percentage of spend with Suppliers that have an EcoVadis score card. It is not practicable to disclose the performance of the prior year during the current reporting period, so we decided not to disclose the 2023 figure. No estimations or assumptions have been made for this metric.

Outcome of the collaboration with JAC

On-site audit operations	2024
On-site audit operations since 2010	1,210
Annual on-site audit operations	150

Scope: JAC Annual Report

(%)	2024
Spend at suppliers submitted to on-site audit operations	23

Scope: Proximus Group

Definitions and accounting policies

The annual on-site audit operations metric is based on the information provided by the 2024 JAC Report. The percentage of spend at suppliers submitted to on-site audits with JAC is calculated in the following way: Common JAC audited Tier 1 suppliers are compared to the Proximus supplier base; then, the invoiced spend of the identified suppliers is divided by the total Proximus Group spend, resulting in the percentage of spend with suppliers and their tiers audited on-site according to the JAC methodology. No estimations or assumptions have been made for these metrics.

Local communities

Context

One of the key strategic ambitions of bold2025 is to roll out fiber and 5G in Belgium, yet these operations have environmental and social impacts on Belgium's local communities. We acknowledge that these operations might create nuisances for the inhabitants and we have put a number of actions in place to minimize their negative impacts and improve communication with affected inhabitants.

Local communities are defined as the people living in the Belgian cities and municipalities where Proximus undertakes its deployment works. Two main groups of stakeholders come into consideration: the regional and city authorities on the one hand and the citizens on the other hand.

Impacts, risks and opportunities

Expanding our network and replacing old infrastructure with new technologies generate negative impacts, such as **nuisances and disturbances,** for inhabitants in cities and municipalities. Deployment and maintenance of fixed networks can cause temporary inconveniences like roadworks, the opening of sidewalks, difficult access to the house, or visual pollution when deployment is done on the façade of their living unit. These impacts are perceived as widespread because people generally dislike having roadworks in the vicinity of their homes.

There are risks linked to the deployment of new antenna sites for mobile networks. Affected communities might raise visual concerns and we often encounter resistance due to the NIMBY (Not In My Back Yard) effect. They also raise questions on the health impact of electromagnetic radiation. These discussions may delay environmental and building permits, delay the network roll-out and potentially lead to stricter regulations, such as the 5G regulatory framework in Brussels and Wallonia.

Failing to address citizens' concerns and maintain good relationships with affected communities can lead to **reputational risks** to Proximus. It might lead to distrust and generate negative publicity and negative word-of-mouth referrals. Reputational damage could ultimately have a negative financial impact as it can lead to a decline in customer loyalty and a decrease in sales.

When conducted in a meaningful and genuine way, engaging with local communities offers **opportunities** to build understanding and facilitate the permit approval processes, hence network deployment.

As the deployment and maintenance work is only relevant to Belgium, we have only mentioned the impacts, risks and opportunities for the affected communities in Belgium.

Resources and responsibilities

The most senior role within Proximus that has the operational responsibility for ensuring that engagement with local communities happens and that the results inform Proximus' approach is the Network stakeholders management division lead. The person occupying this role is responsible for defining, enabling and leading the implementation of the strategy to leverage stakeholders and ensure the success of Proximus' Fiber for Belgium and 5G program. The Network stakeholder's management division lead is responsible for developing and driving all actions with respect to communication, lobbying, partnering and legislative discussions to facilitate the fiber and 5G deployment. The development of partnerships with various public organizations to enable fast, cost-effective and agile roll-out of the fixed and mobile network is also under that person's control.

Strategic objectives

As we acknowledge the fact that network deployment and maintenance activities have an impact on the environment and society, we are committed to mitigating these impacts. This commitment is realized through a comprehensive strategy that emphasizes community engagement, transparent communication and collaborative efforts with local authorities. By building strong relationships and openly discussing both the benefits and potential disruptions of network projects, Proximus ensures that affected communities are well-informed.

No specific measurable target has been defined in 2024.

Policies

The following policies address the impacts on the affected communities:

- Code of Conduct: gives the guidelines to contribute to the development of society.
- Group Human Rights Policy: addresses the relevant human rights commitments to local communities.
- Environmental Policy: describes that Proximus makes efforts to keep disturbances to a minimum and examines every complaint.
- Supplier Code of Conduct: the deployment of our fixed and mobile networks is executed by subcontractors. Therefore, our legal contracts explicitly specify compliance with all EU, federal, regional and city rules and laws applicable to the public domain. Contracts also specify the compliance to the citizen-affected communities' communication ruler and describe the presence of a construction site responsible and his responsibilities, to react appropriately to any citizens' complaint.

  All the policies are available on the Proximus website.

More information about our policies can be found in the section "Business conduct".

Processes to remediate negative impacts

In some cases, communities might still be affected by our activities. This is why we have processes in place to remediate the negative impacts.

Where possible, Proximus is looking to collaborate with other operators. Proximus and Orange Belgium created a joint venture, Mwingz, to develop a mobile access network by sharing telecom equipment. This equipment sharing will lead to a reduction of the mobile sites by 40% in 2026. More information can be found in the chapter "Report on our activities".

Proximus is also looking for collaboration with other fixed network operators to co-build, use third-party networks, or extend its wholesale agreement, to reduce the number of network overbuilds, drastically minimizing the impact on affected communities.

Furthermore, Proximus collaborates with other utility companies. Several years before the start of the roll-out, Proximus monitors any roadworks from other utility companies (gas, water, electricity, other telecom) to assess if these works can all be done simultaneously.

Processes to engage with local community

Fiber roll-out

Rolling out a new network is a multiyear project that requires thorough preparation and engagement with affected communities. Proximus takes several key actions to involve stakeholders throughout the fiber roll-out.

First, we hold an appetite meeting with the city approximately one to two years before deployment begins. This meeting helps build support from city authorities at both political and administrative levels. During this meeting, the context, scope and high-level planning are discussed while the main concerns of the cities and their long-term vision are captured.

Following this, we formalize an agreement with the city and administration. This is documented in a shared charter or a set of meeting minutes, detailing specific agreements such as the frequency of construction coordination meetings and specific points of attention, like local events or fairs and tourist centers. These agreements allow all parties to anticipate and reduce the impact on citizens.

Keeping the public informed is also essential. We share non-commercial updates on the roll-out via the local press, social media and city information web pages. Throughout the deployment, we hold regular weekly and monthly meetings with the city to ensure ongoing communication and coordination.

Finally, citizens receive targeted information during façade and underground works. For underground projects, we send flyers and for façade work, letters are distributed five to ten working days before construction begins.

Mobile network

When building a new mobile network site, Proximus collaborates closely with the municipalities to find a mutually agreeable location for the antenna that meets both municipal preferences and the mobile network's radio requirements.

Channels to raise local community concerns

Despite our efforts to minimize disruptions, roadworks and potential issues with pavement repairs can lead to complaints and reputational damage. These disruptions, even if temporary, can delay or halt construction. Maintaining open communication channels is therefore essential as it facilitates dialogue and information exchange.

Proximus does not communicate directly with affected communities but instead engages through city political representatives, city websites, paper communications and all-box advertising. Our affiliate Fiberklaar in Flanders and joint venture Unifiber in Wallonia adopt similar proactive communication strategies.

Various communication channels have been set up to capture remarks and complaints. For the fiber roll-out, a specific 0800 number and e-mail address are created for each city, with information also shared through city web pages, flyers, etc. These local communication channels are co-managed by the construction partner and the Proximus project leader.

There is no central database for tracking complaints, instead, they are handled at the city level by subcontractors who can take corrective measures. Finally, the Mediation Service for Telecommunications also receives mediation requests from citizens dissatisfied with the way Proximus (or the latter's contractors) repaired their driveway, garden or pavement after laying infrastructure underground. The number of complaints and details can be found in their annual report, Rapport annuel 2023 du service de médiation télécommunications (mediateurtelecom.be).

More information about our whistleblower procedures can be found in the section "Business conduct".

Actions to improve communication and address concerns among local authorities

Proximus closely monitors the satisfaction levels of municipalities where fiber was rolled out. Biannually municipalities can fill out a survey regarding political and administrative risks, capturing satisfaction levels in a structured manner.

Additionally, a pro-care study is conducted every one or two years, where we interview city stakeholders about their interactions with Proximus and the quality of our construction works. In 2024, 93% of stakeholders consulted were at least satisfied by Proximus' worksite management in their municipality.

This approach ensures that Proximus remains responsive to community concerns and maintains a positive relationship with local authorities.

Actions to address potential health and safety concerns related to electromagnetic radiation

Proximus informs the affected communities on the potential health impact of electromagnetic radiation through extra info on the health impact on our corporate website. Affected communities can also research in-depth information on a specific website, an initiative of all Belgian governments.

Proximus is aware of concerns regarding electromagnetic fields and health. We provide information on these topics and take precautionary measures against any potential negative health impacts. We comply with the legislation in force, both for networks and for devices and closely follow developments in scientific research.

The potential health impact of radio waves, particularly those used in mobile telephony, has been the subject of scientific studies for over 30 years. The vast majority of (inter)national authorities and institutions – including the World Health Organization (WHO) – agree that when radio frequencies for mobile communication fall below internationally authorized thresholds, there is no evidence that they have any adverse health consequences.

Additional information regarding scientific research in this field, as well as answers to concerns about the potential risks of exposure to electromagnetic waves from mobile phones, can be found on our websites, on the specific Belgian authorities' website (allesover5g.be, parlons5g.be) and on the WHO. In case of health-related questions about mobile networks, Proximus redirects municipalities and landlords to the Institut Scientifique de Service Public (ISSEP) in Wallonia, to Brussels Environment in Brussels and Departement Leefmilieu and Natuur en Energie (LNE) in Flanders.

No metrics are currently in place for this topic.

Consumers and end-users

The topics related to Consumers and end-users defined as material for Proximus Group are:

- data protection;
- cybersecurity;
- digital inclusion.

The upcoming sections present Proximus Group' identified impacts, risks and opportunities as determined by our Double Materiality Assessment for our Consumers and end-users. It also outlines the internal resources and responsibilities, our strategy for managing these impacts, risks and opportunities, the policies and procedures in place and the performance measures implemented to address our impacts.

Data protection

Context

Companies in the telecommunications and IT services sector handle vast amounts of personal data. To protect this information, we have put in place the necessary processes and measures, in line with EU regulations like the General Data Protection Regulation[49] (GDPR) and the Directive on Privacy and Electronic Communications[50].

Data protection is the protection of the personal data of individuals.

Within this section, consumers and end-users subject to material impact are defined as all the individuals whose personal data is processed by Proximus. These individuals can be, but are not limited to, customers, end-users of our telecommunications or ICT services, members of our workforce and representatives of the organizations that Proximus collaborates with.

Impacts, risks and opportunities

If Proximus unlawfully processes or fails to protect the personal data of a customer or end-user, this can have a **negative impact** on said person. The user could lose control over their personal data, leading to potential privacy violations. This could result in discrimination, identity theft or fraud, financial loss, damage to reputation and loss of confidentiality of personal data protected by professional secrecy. It can also lead to other significant economic or social disadvantages. These potential impacts can be widespread when systematic vulnerabilities or large-scale breaches occur. On the other hand, smaller-scale breaches or isolated incidents may affect only specific individuals or groups.

From a business perspective, Proximus faces **significant risks** if it fails to comply with data protection regulations. The company could be subjected to hefty fines, compensation claims, operational disruptions like temporary bans on processing activities and increased regulatory scrutiny from data protection authorities. Additionally, reputational damage could erode customers' and partners' trust in Proximus, potentially leading to a loss of business, a drop in stock prices and reduced investor confidence.

However, Proximus has an opportunity to strengthen its position by ensuring the lawful, ethical, safe and transparent handling of personal data. This will reinforce the company's commitment to protecting personal data and building trust, enhancing Proximus' reputation and creating business opportunities.

More information about our impacts, risks and opportunities can be found in the section "Double Materiality Assessment".

49 Regulation 2016/679 EU of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data and repealing Directive 95/46/EC.

50 Directive 2002/58/EC of the European Parliament and of the Council of 12 July 2002 concerning the processing of personal data and the protection of privacy in the electronic communications sector and ensures the protection of fundamental rights and freedoms, in particular the respect for private life, confidentiality of communications and the protection of personal data in the electronic communications sector. The Directive has been transposed into Belgian law by the Act of 13 June 2005 on electronic communications.

Resources and responsibilities

Employees who are directly responsible for respecting GDPR principles when processing personal data are our first line of defense. They receive training to manage personal data lawfully and ethically, following strict guidelines. Within Proximus SA in Belgium, a network of around 100 Privacy Ambassadors is also available to assist with privacy-sensitive projects when needed.

The second line of defense includes various teams within Proximus SA in Belgium who provide legal advice on GDPR and other relevant data protection laws or operate data protection processes, like the management of personal data breaches, data protection risk assessments, security reviews, etc. The affiliates of Proximus Group that are subject to GDPR, or other data protection laws also have dedicated resources who advise them on their obligations under these laws.

The third line of defense involves both internal and external auditors who perform regular audits on GDPR compliance across Proximus Group. They report independently to the internal Risk Management Committee and the Audit and Compliance Committee.

Proximus SA in Belgium has appointed a full-time in-house Data Protection Officer (DPO), supported by a team of four in-house privacy experts. The DPO reports to the Group Corporate Affairs Lead, a member of the Proximus Leadership Squad. Annually, the DPO provides a report on the maturity level of GDPR compliance and highlights any related risks to the Audit and Compliance Committee. The affiliates of Proximus Group whose core activities involve processing of personal data on a large scale, have also designated a DPO or a person exercising an equivalent function under the applicable data protection legislation.

The Proximus Privacy Council, established within Proximus SA in Belgium, is an internal governance committee composed of key senior staff members, including the Group Corporate Affairs Lead, the Group Cybersecurity Department Lead, the Group Legal Department Lead and the Group Data Department Lead, who are involved in data protection matters. The council is responsible for decision-making in cases where the processing of personal data may present risks to individuals. In the coming months, the affiliates will establish a similar governance body with equivalent responsibilities to the Proximus Privacy Council.

Proximus Group is working on a plan to further harmonize data protection and GDPR governance across all affiliates.

Strategic objectives

Proximus is dedicated to continuously improving its compliance with data protection regulations, including GDPR. This objective underscores our dedication to safeguarding the personal data of our customers, partners and employees and maintaining their trust in our organization.

To achieve this, Proximus Group is continuously investing in training and awareness. We are committed to regularly providing GDPR training and awareness programs for all employees to promote a strong culture of privacy and security. Proximus Group aims to have 90% of employees trained on GDPR and data protection by end of 2025. In addition, Proximus will seek feedback from its customers on its data protection practices and use this to identify areas for improvement.

Policies

Privacy management is backed by a Data Protection and Secrecy of Electronic Communications Policy and procedures that offer clear guidance on data protection requirements and outline operational processes to ensure compliance. This policy lays down the rules on the secrecy of electronic communications and the various principles and obligations provided by GDPR when processing personal data. These are fundamental human rights protected by Articles 7 and 8 of the Charter of Fundamental Rights of the European Union.

The policy applies to all processing of personal data[51] by Proximus Group and all employees, (sub)contractors and any third parties working with or for Proximus Group, who have or may have access to personal data. The Proximus Leadership Squad is accountable for the implementation of this policy.

51 This applies whether the data relates to customers, end-users of our telecommunication or ICT services, members of our workforce and representatives of the organizations that Proximus collaborates with.

The policy is also referred to in the Proximus Corporate Handbook, which has been adopted by the Board of the affiliates of Proximus Group. It is also available to all external stakeholders on Proximus Group's corporate website.

Processes to engage with consumers and end-users

Being more transparent about data processing practices is crucial to building customer trust in Proximus Group and its brands. Individuals can reach Proximus SA in Belgium to exercise their GDPR rights and ask questions about the processing of their personal data through e-mail, letters and a dedicated web form. The effectiveness of these channels, including the fact that the individuals are well aware of them, is demonstrated by the amount of data subject requests duly handled by Proximus SA in Belgium since the entry into application of the GDPR, which is of approximatively 15.000.

For activities like targeted advertising, Proximus SA in Belgium collects prior consent from customers, processing personal data using an opt-in method.

Proximus SA in Belgium has created a customer zone in Proximus+ allowing users to manage their privacy preferences in a simple and accessible way via the Proximus+ website or Proximus+ app. Some privacy preferences can even be managed via the TV, the Pickx website and the app.

To ensure compliance with the GDPR transparency principle, Proximus SA in Belgium made available several privacy notices for customers, end-users and visitors on the Proximus commercial website:

- a general Privacy notice;
- Privacy notice for specific products and services, like the Proximus+ website and the Proximus+ app.

Proximus' customers, end-users and visitors of the website can address their complaints regarding the processing of their personal data to the Data Protection Officer, whose contact details are shared in the Privacy notice. The Data Protection and Secrecy of Electronic Communications Policy ensures that no retaliation measures will be taken against individuals when expressing such complaints.

The affiliates of Proximus Group that are subject to GDPR, or other data protection laws have equivalent data protection information notices made available – and dedicated contact channels communicated – to their data subjects.

In 2025, Proximus will launch a customer trust survey in Belgium to gather feedback on our data protection practices and identify areas for improvement. The Data Protection Office of Proximus has the operational responsibility for sending out the customer trust survey and ensuring that the survey's results will be considered by Proximus.

Processes to remediate negative impacts

Proximus has implemented a robust incident response process. A dedicated response team investigates the root cause and scope of the personal data breach while assessing the potential impacts to affected individuals. Proximus notifies relevant stakeholders, including impacted individuals and regulatory authorities, where required by the law. Remedial actions, such as patching vulnerabilities and enhancing security measures, are promptly taken to minimize harm and prevent recurrence.

Because Proximus considers that all employees have a role to play in protecting personal data, two mandatory e-learnings about GDPR were launched in 2017 and 2022 and completed by more than 90% of Proximus Group's employees. In addition, a comprehensive training program (including theoretical and practical content) was developed internally and followed by the Privacy Ambassadors in 2023 and 2024. Lastly, we held specific training sessions and provided work instructions for specific target groups, such as employees working in contact centers and customer service.

In 2025, Proximus will launch a new campaign asking all the employees of Proximus Group to follow an e-learning module about GDPR and data protection.

The objective of the GDPR training is to ensure that all employees across Proximus Group understand their responsibilities under the GDPR and are equipped to handle personal data in compliance with legal and organizational requirements.

To achieve this, we will launch in 2025 an interactive e-learning module accessible to all employees. Employees will be required to complete the module within a specified timeframe, with completion tracked and reported to ensure progress. The goal is to achieve a minimum completion rate of 90%.

We have set this target based on our analysis of previous mandatory e-learning campaigns within our organization and benchmarking with industry peers in the telecommunications.

No metrics are currently in place for this topic.

Cybersecurity

Context

With rapid digitalization, remote working and advancements in technologies like AI, the cyber threat landscape is expanding. Cybercriminals are becoming increasingly organized and well-funded, employing more sophisticated attack methods. Geo-political tensions are adding to the risks. Cybercrime – now the fastest-growing form of criminal activity – includes ransomware, DDoS attacks and identity or data theft, with global costs projected to reach $10.5 trillion by 2025[52]. This growing threat deters consumers from adopting digital technologies due to fears of financial loss and theft of personal information. As a major global tech company, Proximus is committed to building trust in the digital world by taking a lead in cybersecurity.

Cybersecurity refers to the protection of electronic devices, networks and sensitive information from unauthorized access, theft or damage.

Within this section, consumers and end-users subject to material impact are defined as:

- residential customers, i.e. individual consumers who use products and services for personal or household purposes;
- enterprise customers, i.e. SMEs or large organizations requiring enhanced IT and telecom services, solutions and integrations.

Our impacts, risks and opportunities

Cybersecurity threats pose significant **risks** to the security of Proximus Group as well as its customers and suppliers. Significant financial losses may arise from direct costs like ransomware payments and legal fines. Loss of revenue might also be a possible outcome due to service interruptions and eroded customer trust.

We also make a **positive impact** on society by developing solutions to cybersecurity issues and contributing to building trust in the digital world. Cybercrime and online fraud act as barriers for consumers to adopt digital technologies. The fear of financial loss, theft of personal information and general lack of trust make consumers hesitant to engage in online transactions or use digital services.

We also see **opportunities** with regard to cybersecurity. The Proximus NXT 2024 Cybersecurity Survey Report revealed that one in three companies in the Benelux faced at least one cybersecurity incident in 2023. So by investing in cybersecurity, we can stimulate the sustainable growth of our company, beyond telco operations.

More information can be found in the section “Double Materiality Assessment”.

Resources and responsibilities

The Proximus Group Chief Information Security Officer (CISO) is responsible for cybersecurity oversight at Group level. Under his leadership, the primary goal of the Group Cybersecurity department is to safeguard Proximus Group against cyber threats, maintain

52 Research by Cybersecurity Ventures: Boardroom Cybersecurity Report 2023 (cybersecurityventures.com)

customer trust, protect our reputation, ensure regulatory compliance and provide consolidated assurance to the Proximus Leadership Squad and the Audit & Compliance Committee.

The CISO also sets the overall Cybersecurity strategy and goals for Proximus. Various Cybersecurity teams report to the Group CISO, such as:

- Cyber Security Awareness educates employees about the importance of protecting information and systems from cyber threats, helping them recognize and respond to potential security risks by means of communications, campaigns, and phishing simulations.
- Security Officers & Affiliates (C)ISOs: monitor cybersecurity risks within their respective business units or affiliates;
- Security Governance: defines and enforces security policies on the Group and domain levels, ensuring alignment with all business units and involved parties;
- Business Continuity: focuses on ensuring that our organization can continue operating and recover quickly from disruptions, such as natural disasters, cyberattacks, or other emergencies;
- Proximus Ada Cyber Security Incident Response Team (CSIRT): conducts vulnerability scanning and identifies, manages and mitigates cybersecurity incidents;
- Proximus Ada Security Management: executes the security-by-design process during a project's lifecycle and manages third-party security risk.

Around 130 cybersecurity experts protect the Group at all times. In case of concerns related to cybersecurity, our residential customers can use all Proximus servicing channels (e.g. shops, customer services, emails, website, etc.). Our enterprise customers can directly contact their account managers.

Our customers can visit our Proximus.be website for more information about online fraud and how to protect themselves. In the context of our Digital Trust campaign, we have also created a dedicated cybersecurity webpage where customers can address their cybersecurity related questions.

Strategic objectives

Shaping the future of cybersecurity

Proximus Group has launched several major cybersecurity innovation tracks aimed at providing future-proof, end-to-end data protection throughout its entire lifecycle – whether it's at rest, in transit, or actively being processed.

Make the digital world safe and secure

Proximus Group invests in cybersecurity, online fraud prevention and data protection not only in the Benelux but also globally. We recognize the risks to data security and privacy that come with an increasingly digitized world and remain determined to prevent breaches and mitigate such risks.

Cybersecurity resilience index

To measure our resilience, we have introduced the Cybersecurity resilience index (CSRI). It represents the ratio of the number of major incidents for which a visible business impact was prevented or quickly mitigated by our Cyber Security Incident Response Team (CSIRT) to the total number of major incidents. As part of our commitment to enhance cyber resilience across Proximus Group, we have extended the Cybersecurity resilience index to encompass all Proximus affiliates as of 2024. This includes a domestic index, which is part of the Group STI KPI (influencing the bonus of our employees) and an international index covering BICS, Telesign and Route Mobile.

More information can be found in the Performance part of this section.

Our bold2025 commitments: Reach by 2025, 93% Cybersecurity Index[53].

53 Proximus domestic operations

Policies

Several cybersecurity policies have been established, which set out our internal governance to protect all of our customers, employees, partners and Proximus Group. Each policy has an identified owner and an approver. The approvers, as members of the Proximus Leadership Team, are accountable for the implementation of the policy.

Group's Cybersecurity Policies

A disciplined approach to cyber risks is key in a fast-moving technological and competitive environment. The Group's Cybersecurity Policy outlines how risks should be assessed and who within the organization is authorized to approve any residual risk. This ensures that risks are identified and addressed at the appropriate level. High-level cyber risks are reviewed by the Risk Management and Compliance Committee (RMC), which held 5 sessions in 2024.

The Cybersecurity Policy and other Group level information security policies (such as Data Classification, Data Retention, etc.) apply to the entire Proximus Group and all its employees.

The policies are internally available within Proximus intranet and are directly shared with the affiliates if they do not have access to the intranet. They are not available to our consumers and end-users and clients.

Proximus' Domain Cybersecurity Policies

Proximus' domain cybersecurity policies apply to Proximus SA and its employees. The following topics are covered:

- cryptography;
- customer access;
- electronic message communications;
- end-user devices enterprise security architecture;
- external supplier management;
- information security incident management;
- logging and monitoring policy;
- threat and vulnerability management.

These policies are regularly reviewed and cybersecurity controls are assessed and adjusted to address emerging cybersecurity threats or changes in regulatory requirements.

Proximus requires that third-party vendors providing certain services adhere to applicable laws and regulations and security controls that are included in our "Security Schedule". This Security Schedule establishes the security measures of Proximus towards its suppliers. The Supplier must consider these measures as a minimum-security standard and they must apply for the duration of the Agreement.

Affiliates develop topic-specific policies based on their regulatory and compliance requirements.

Certifications

Proximus holds an ISO 27001 certification for information security, covering its datacenters' housing and hosting services, our cloud services, our remote operations and our Explore/SDWAN connectivity services for enterprise customers.
The Group Cybersecurity division is currently aligning the cybersecurity policies with the latest revision of the ISO 27001 standard and other frameworks like the Cyber fundamentals from the Center for Cybersecurity Belgium (CCB) in order to ensure compliance with the recently adopted EU NIS2 Directive.
Our Belgian Cyber Security Incident Response Team (CSIRT) holds a Trusted Introducer certificate, which acknowledges its high level of maturity in incident response and cybersecurity.
In early 2024, Proximus SA in Belgium also obtained the "ISAE 3000/SOC 2 - Type II" attestation for its managed security services. ISAE stands for "International Standard on Assurance Engagement". An ISAE 3000 attestation shows that we guarantee strong IT security and privacy and we process our customers' data with the greatest care.
Telesign is ISO 27001 certified for the provision of infrastructure, application development, SOC operations, cybersecurity and global delivery of its Digital Identity Suite (PhoneID and Intelligence) and Programmable Communications Suite of Products (SMS and Voice communications).
BICS holds an ISO 27001 certification for information security. BICS has been following the ISO 27001 standard for years and initially built its security framework based on the standard, including the water-tight management of assets, incidents, vulnerabilities and facilities, as well as robust physical security and human resources. BICS has also established its own Cyber Security Incident Response Team (CSIRT) and detection centers, adding to its arsenal against cyber threats.

Taking actions on impacts

We use a variety of methods to engage with consumers and address their concerns and expectations regarding cybersecurity, aiming to maintain and reinforce their trust in our digital products and services, as well as in the digital world in a broader sense.

Security-by-design

This approach ensures that security is integrated from the very start of each project, embedding it into the design and development of new products, solutions and technologies. The security-by-design process covers the entire "Strategy Delivery" framework, making sure security is taken into consideration in all business initiatives. In 2024, cybersecurity was incorporated in 856 business initiatives. Additionally, we are actively engaged in a proof of concept (PoC) to develop an AI tool that assesses project security parameters, further reinforcing our commitment to innovation and proactive security measures.

Corporate Cybersecurity Program

In 2024, Proximus invested EUR 7.2 million in its Corporate Cybersecurity Program, aimed at strengthening the company's cyber resilience, protecting it against business disruption and providing best-in-class secure services and networks to its customers. The program focuses on four key areas:

- Continuously modernizing Identity and Access Management (IAM) systems for privileged users, business users, partners and vendors. This ensures that application access is profile-based, boosting compliance with data protection regulations and safeguarding company data and customer privacy.
- Securing critical infrastructure and protecting against disruptive malware such as ransomware. Our focus is on securing APIs, both private and public clouds and protecting against Distributed Denial of Service (DDOS) attacks.
- Proximus is rolling out its "CallShield" platform, as part of the StopPhishing project, to protect its subscribers against voice scams. This includes enhancing detection and response capabilities for spoofed calls by introducing additional signaling firewalls to secure network interconnections.
- Strengthening defense capabilities to address threats against Proximus Group employees and networks. The Security Orchestration and Automated Response (SOAR) project leverages advanced analytics and machine learning to streamline incident handling. By automating time-consuming manual tasks, analysts can focus on more complex cases, resulting in significant time savings.

Proximus CSIRT and SOC

Proximus Ada Cyber Security Incident Response Team (CSIRT) is essential in maintaining the security and integrity of Proximus' digital infrastructure. Their key responsibilities include:

- Incident Response: Addressing cybersecurity incidents such as phishing attacks, malware infections and other security breaches. They work to contain and eradicate threats, restore business operations and implement measures to prevent future attacks.
- Monitoring and Detection: Continuous monitoring of the network traffic and system activities using SIEM (Security Information and Event Management) systems to detect and respond to suspicious behavior and potential threats.
- Threat Intelligence: Gathering and analyzing threat intelligence to stay ahead of emerging cyber threats and sharing this information with stakeholders to enhance the overall security posture of the organization.
- Collaboration and Communication: Raising awareness about cybersecurity threats and best practices among employees and customers.
- Proactive Measures: Strengthening cybersecurity defenses through security assessments, implementing controls and recommending improvements.

Overall, the Proximus CSIRT is dedicated to protecting the organization's digital assets and ensuring a secure environment for its users and customers. The team is internationally recognized as an industry leader in SS7 Intelligence, which is unique in the global telecommunications industry.

Proximus' Security Operations Center (SOC), located in Brussels, with a Disaster Recovery site in Mechelen, provides 24/7 remote monitoring of companies' networks and applications. Security analysts conduct security analysis and health & availability monitoring for enterprise customers, primarily governmental institutions and large industrial clients.

Business continuity plan

Proximus has developed a business continuity plan in case of a cyberattack which is regularly reviewed and updated. In addition to technical testing, we conduct frequent drills with various levels of our crisis management team to ensure an effective response. We are committed to continuously improving our preparedness to minimize the impact of cyberattacks.

Collaboration with partners

Collaboration is essential in the fight against cybercrime. The sharing of knowledge, insights and experiences helps strengthen cyber resilience within organizations and the protection of individuals. We grow and share our expertise via a series of collaborations:

Belgian initiatives

We are a member and co-founder of the **Belgian Cybersecurity Coalition**, a collaboration platform for cybersecurity experts from public authorities, the academic world and the private sector. Its objectives are to raise awareness, facilitate the exchange of expertise and share policy recommendations. Since its founding in 2015, the Coalition's membership has quadrupled, bringing together Belgium's most important organizations.

The business group **Cyber Made in Belgium** (CMiB), an initiative of Belgian employers' organization Agoria, represents the Belgian cybersecurity sector to key stakeholders such as governments, enterprises and the general public. Proximus is a board member.

International cooperation

We cooperate closely with other European telecom operators through the **ETIS** platform where we serve as a treasurer and board member. We actively participate in the security working groups and preside over the SOC group. We also work together with the European Union Agency for Cybersecurity (**ENISA**) to gain a better understanding of the regulatory environment and its evolutions.

We engage with **NATO** and **Europol** (Cyber Crime Centre) to stay up to date on new cyber threats.

Our affiliate BICS actively participates in international industry bodies focused on fraud prevention, such as the i3Forum, Global System for Mobile Communications (GSMA), BEREC, MEF, etc. promoting pan-industry collaboration in the fight against fraud.

Awareness and education of employees, customers and society at large

Protecting our employees and customers against social engineering and fraud is a key attention point. In enterprises, the majority of cybersecurity incidents are due to human behavior. Prevention through user awareness and education is essential to mitigate the risk of attack.

Awareness of Proximus' employees

To raise awareness about threats, best practices and incident response procedures, our Cyber Security Incident Response Team (CSIRT) experts regularly communicate and hold information sessions for our employees.

Proximus Group introduced "Building the Future", a tailored training program for all employees of the Group, focusing on vital current and upcoming technologies, particularly in the realm of cybersecurity. In 2024, over 2,000 employees subscribed to the learning track covering essential topics such as social engineering, layered security, cryptography, quantum principles and incident response.

More information can be found in the section "Employee upskilling, reskilling and employability".

Additionally, phishing simulations have been intensified with over 415,500 simulations sent reaching 22,180 employees with a reporting rate of 19% to CSIRT. These simulation exercises are crucial to ensure that our employees not only recognize the danger but also adapt its behavior to threats. Employees are also encouraged to report suspicious emails to our CSIRT who then reports them to the Centre for Cybersecurity Belgium (CCB). These reports allow the CCB to proactively prevent other organizations from becoming victims of phishing.

Awareness of our customers and society at large – at international level

Telesign's Continuous Trust™ Authority gathers resources, insights and expert collaboration to provide a deeper understanding of the critical role of trust in the digital economy. It includes the following components:

- Trust Index – An annual research report on trends in consumer trust and their impact on brands. In September 2024, Telesign released its second Trust Index Report, stating that nearly one in three people globally report being a victim of digital fraud and that the majority of people worldwide (58%) are more fearful of becoming fraud victims now than they were two years ago.
- Trust Certified Badge – A visual assurance for businesses meeting stringent fraud protection standards.
- Trust Alliance – A group of thought leaders sharing best practices on fraud detection and prevention, aimed at helping organizations build more trusted digital platforms. Its goal is to equip organizations with the knowledge to better protect people from digital fraud and strengthen trust with customers and other key stakeholders.

Awareness of our customers and society at large – in Belgium

The CSIRT posts warnings on social media whenever a new phishing campaign that impersonates Proximus is detected. They also advise people on how best to protect themselves against cyber threats via this channel.

Internet Safe & Fun: To promote Internet safety among young people, Proximus participates in the Internet Safe & Fun Days twice a year in Belgium. For 13 years, employees trained by Child Focus have visited primary schools to teach children about safe and responsible Internet usage. More information in the section "Digital inclusion".

In Belgium, Proximus launched in October 2024 a national awareness campaign for a safe and secure online world. This campaign enables us to reaffirm our societal responsibility in the crucial area of cybersecurity while highlighting the superior quality of our networks and services.

We are a key player in the "**StopPhishing**" project, an initiative from the government to encourage telco operators to implement anti-phishing and anti-fraud platforms for SMS, email and voice calls. Through a co-investment, we have developed an AI-based detection solution that protects our customers from fraudulent SMSs. In 2024, this solution has screened and blocked over 23 million SMS and MMS messages. Also more than 140 million phishing attempts sent by e-mail were caught by our anti-SPAM filters and blocked or marked as junked. We also protected our customers from spoofed calls and blocked with over 1 million incoming call attempts.

Close collaboration with the Center for Cybersecurity Belgium (CCB)

The Center for Cybersecurity Belgium (CCB) is the national authority for cybersecurity in Belgium. The CCB supervises, coordinates and controls the application of the Belgian cybersecurity strategy to protect the government, companies, essential services and the population. Proximus has worked closely with the CCB since its launch in 2015 and has always been the telco pioneer in joint projects.

For instance, we are an active partner of the CCB in their yearly national cyber campaign to raise awareness towards citizens. In 2024 the campaign was dedicated to Two-factor authentication (2FA), which adds an extra layer of security to people's password. On top of "something you know," like your password, you use "something you have" (like a code or the authenticator app on your smartphone) or "something you are" (like facial recognition or a fingerprint). This simple extra step will reduce the risk of being hacked by up to 80%!

Proximus also collaborates with the CCB on the Belgian Anti-Phishing Shield (BAPS) project. This engages all Belgian telecom operators in redirecting users clicking on malicious links to a warning page. In 2024, BAPS prevented customers from accessing 1.6 million fraudulent websites.

Performance

Cybersecurity resilience index

(%)	2024
Cybersecurity resilience index	99%

Scope: Proximus Group

Definitions and accounting policies

The Cybersecurity resilience index represents the ratio of the number of major incidents for which a visible business impact was prevented thanks to adequate security controls or for which the CSIRT was able to quickly mitigate the impact on the total number of major incidents. This index is calculated at the Group level. The Cybersecurity resilience index is deployed globally and is reported domestically and internationally.

Each affiliate does a monthly reporting of its cybersecurity incidents towards Group Cybersecurity. They must add each new cybersecurity incident as a separate row to their own rolling csv file on the integrated reporting SharePoint. The entries in the file require a specific format for the needed fields (id, summary, status, timestamps, etc.). The Cyber Resilience Index is calculated based on the reporting in these files.

As part of reporting, cybersecurity incidents are categorized according to agreed cybersecurity incident categories (Brand protection, Denial of Service, Unauthorized Access, etc.), with each category having defined severity classifications that are listed in a table. Next, the business impact of each incident is assessed according to the Group Business Impact Evaluation Matrix, which provides a comprehensive overview of the measurable consequences that incidents can have on the Proximus Group's financials, regulatory compliance, reputation, operations and competitive advantage.

Applying an exponential scale to the Business Impact Evaluation Matrix when calculating the ratio creates a more proportional representation, where each unit increase on the scale corresponds to a more significant factor increase to better represent and compare cybersecurity incidents that have significant differences in magnitude. The Business Impact Penalty is the sum of the weights.

The Cybersecurity resilience index represents the ratio of incidents for which a business impact was avoided due to adequate security controls (e.g. dual factor authentication on O365) or for which we were able to quickly mitigate the impact (e.g. fast patching, password reset, block website, etc.).

Digital inclusion: access, affordability and skills

Context

According to the Digital Inclusion Barometer by the King Baudouin Foundation which has tracked digital inequalities in Belgium, many citizens still struggle with accessing and using digital services due to poor Internet quality and lack of skills. The study reveals that 40% of Belgians risk digital exclusion, impacting their ability to perform everyday tasks like making doctor's appointments or applying for jobs. This exclusion also affects their human rights. Additionally, the rapid development of AI could worsen these divides, making digital inclusion even more critical. Playing a leading role in building the digital society in Belgium, Proximus is committed to empowering everyone to benefit from technology.

Within this section, consumers and end-users subject to material impact are defined as residential customers, i.e. individual consumers who use products and services for personal or household purposes.

Proximus defines "Digital inclusion: access, affordability & skills" as the responsibility to provide high-performance affordable connectivity to all, with a particular focus on disadvantaged groups, incorporating methods for learning and supporting all citizens, young or old, in navigating the complexities of our digital world, including, but not limited to, customer service, public e-services and employment opportunities.

Our impacts, risks and opportunities

More than expected, digital inclusion is a topic that sits at the intersection of both positive impacts and financial opportunities. Through access, affordability and upskilling, Proximus can create value for people and the company.

Deploying digital infrastructure and innovative technologies supports the modernization of society and can be a real catalyst for the global economy. It encourages innovation, boosts competitiveness, enables new business models, creates jobs and supports the digital transformation of the education system.

However, digitalization also has a downside, as it can exacerbate the negative impacts of the digital divide. Without a fast connection or digital skills, people find themselves excluded from government services, job interviews, school registrations, banking services and more. What is more, vulnerable groups must be protected from potentially inappropriate content. These impacts can be widespread when people are systematically confronted with poor connectivity.

The potential negative impacts of expanding our network and upgrading infrastructure are detailed in the section "Local communities".

Providing connections to everyone in society requires substantial investments. All the risks identified in the frame of fiber deployment are presented in the Risk management report.

Digitalization offers significant opportunities for economic and social development, even though it is a complex, multifaceted challenge. Society's growing demand for connectivity presents a business opportunity for Proximus. Investing in safe, accessible and inclusive products and services and enhancing people's digital capabilities, not only supports social development but also increases our revenue. Expanding our reach to new population segments and creating user-friendly digital services will contribute to securing long-term success.

More information can be found in the section "Double Materiality Assessment".

Strategic objectives

We focus on three domains: providing access for all, joining forces with partners for more digital inclusion and supporting education initiatives to enhance people's digital capabilities.

Access to digital for all

Proximus makes significant investments to improve connectivity in rural zones or in areas with low population density, the so-called "white zones". We are also working to connect Belgian schools via the Academic Connect partnership with Signpost. Efforts to ensure affordability include a multi-brand strategy and social tariffs for over 150,000 individuals. The click-call-connect principle ensures digital inclusion through web, phone and in-store support.

On a global level, BICS and its partners leverage BICS' extensive mobile infrastructure to significantly improve digital communications and enhance living standards in remote and vulnerable regions. These solutions are quite technical and include work on satellite connectivity, VoLTE and post-sunset roaming interoperability.

Joining forces with partners for more digital inclusion

As mentioned above, digital inclusion is a multi-facet challenge that we cannot tackle alone. That's why we chose to collaborate with local organizations for a greater impact. This allows us to improve the accessibility and inclusiveness of our platforms, products and services for people with health issues or disabilities.

DigitAll

Proximus is one of the driving forces behind DigitAll, a national ecosystem that brings together private companies, social organizations and government bodies to promote more digital inclusion in Belgium. DigitAll connect people and organizations committed to driving a structural change and multiplying impact on digital inclusion in Belgium with an open and diverse mindset.

More information on DigitAll on the DigitAll website.

Empowering through education

Proximus is committed to equipping its employees with the digital skills they need to succeed in today's digital landscape. The company offers numerous opportunities for upskilling and development to ensure their long-term employability.

More information about our commitments, strategy and performance can be found in the section "Employee upskilling".

Also, in the field of skills development and education, Proximus works with partners to develop the digital skills people need in our society and in the workforce. All the details about our current initiatives are developed in the action plan section.

Responsibilities and resources

The Sustainability team, as Center of Excellence, works closely with various business units to co-create and define digital inclusion ambitions, a long-term roadmap and targets across the Group. Several of our business units and Human Resources work side by side to make digital inclusion a reality.

The ESG committee oversees all bold2025 ESG commitments, including digital inclusion matters. More information about ESG governance can be found in the section "General information".

The general process adopted to engage with residential customers, the channels to raise their concerns, and the effectiveness of these channels are described in the general stakeholder engagement subsection.

Policies

Proximus has not yet developed a specific policy on Digital Inclusion.

The implementation of the Accessibility Policy, which refers to the European Accessibility Act, is foreseen between June 2025 and June 2030. This directive will remove the barriers created by divergent rules in the Member States so businesses can benefit from more market opportunities for their accessible products and services.

Taking actions on impacts

We are pursuing several initiatives to ensure widespread access to digital technology and ensure that people can use and benefit from these technologies.

Access to digital for all

Coverage of rural areas in Belgium

There are still areas in Belgium where people do not benefit from comfortable Internet speeds above 30 Mbit/s, the so-called "white zones". Those zones are primarily located in rural areas or areas with low population density across Wallonia. There, traditional cable laying is either too expensive or not an option. Proximus is therefore constantly looking for new alternatives combining fiber with other technologies to improve connectivity, such as aerial fiber installation, optical nodes connected via radio links and 4G modems. Thanks to GoFiber, the partnership with Ethias and the German-speaking Community, nearly all white zones in this region will disappear, with fiber available to almost all 40,000 homes and businesses by end 2026. GoFiber was granted EUR 40 million in public subsidies.

By the end of 2024, 96.6% of customers had access to Internet speeds above 30 Mbit/s.

Connecting schools

Proximus has partnered with Signpost, the leading provider of ICT solutions in education, to support the digital transformation of the Belgian education system. A key component of this partnership is en; a fiber solution designed specifically for schools. Academic Connect also includes Wi-Fi solutions, security and dedicated support. By the end of 2025, Proximus aims to connect almost all secondary schools and large elementary schools to fiber. By the end of 2024, 367 schools were connected to Proximus gigabit network.

Affordability

At Proximus, we believe that price cannot be an element of social exclusion. Our multi-brand strategy in Belgium – Proximus, Scarlet and Mobile Vikings – allows us to ensure that everyone can find a suitable solution, from value seekers to price-conscious customers. Proximus also grants social tariffs to 150,000+ persons in difficult economic situations and applies the new social rate for telecom.

More information on our multi-brand strategy can be found in the chapter "Report on our activities".

Click-call-connect

Proximus operates according to the click-call-connect principle to ensure digital inclusion for all. We first direct our customers to the website (click) and then assist them via phone or email (call) or, if they prefer, they can have personal advice in one of our shops. (connect).

Improving the accessibility of our platforms, products and services

Proximus is dedicated to making technologies accessible to everyone. This includes testing the accessibility of devices for disabled people and developing digital platforms for those with a hearing or visual impairment. Our websites Proximus.be, Proximus.com and our MyProximus and Pickx platforms are accessible to people with hearing or visual difficulties. On our Pickx TV platform, we provide subtitles and audio descriptions on select channels and we plan to extend this feature to more programs in our video-on-demand catalog.

Connecting the unconnected

In 2022, BICS and Lynk, a leader in satellite direct-to-phone communications, initiated a partnership to ensure mobile coverage in remote and offshore areas using Lynk's innovative satellite technology. This collaboration aims to provide affordable mobile coverage across North America, the Caribbean, Latin America, Southeast Asia and rural Africa, benefiting those who had previously been off the grid.

As operators phase out 2G and 3G networks to make way for 4G/5G technologies, concerns for those using older technologies are arising. To address this, in 2023 BICS entered a collaboration with the network software provider Mavenir to facilitate seamless roaming between older and newer networks. This initiative ensures that roamers from 2G/3G networks can make calls and access emergency services on 4G/5G networks.

Telecommunications play a crucial role in keeping people safe during disasters and emergencies. In 2023, BICS and Everbridge, a Critical Event Management provider, partnered to improve the reach and reliability of Everbridge's mass notification system worldwide. This system alerts communities, businesses and governments across the globe through various means, including texts and automated voice messages. This partnership has a real impact on human lives, particularly in remote and vulnerable communities, ensuring that people everywhere remain connected to critical services.

Partnering for more digital inclusion

As it celebrated its fourth anniversary, in 2024, DigitAll has reached a new milestone by adopting ASBL non-profit status and welcoming a 3rd structural partner, Accenture. DigitAll – an initiative launched by BNP Paribas Fortis in 2020, joined by Proximus one year later, to improve digital inclusion in Belgium – has grown constantly and now has more than 120 ambassadors. These include private-sector companies, public-sector entities and other social organizations. 25% of ambassadors became members of the DigitAll ecosystem, such as itsme, bpostgroup, DigitalForYouth.be, VBO/FEB and UNIZO, which is the only one of its kind in Belgium. In an open letter after the election of June 2024 in Belgium, 64 CEOs and senior managers from DigitAll ambassadors called upon the next coalition to make digital inclusion a real priority.

In addition to its strategic partnership with DigitAll, Proximus supports several NGOs in Belgium to name a few:

ClassContact and Bednet: two organizations that allow children living with long-term illnesses to continue their education at home or in hospital through videoconferencing solutions. Proximus provides the necessary lines and Internet connections to enable these associations to offer their assistance to families who request it. If needed, Proximus can also undertake work such as trenching and installing new telecommunication cables, ensuring a stable connection throughout the year. In 2024, 4,450 children were able to attend live classes and communicate with their teachers and classmates, while respecting their own pace and medical needs.

Proximus collaborates with Passe Muraille, an association active in the inclusion of persons with disabilities, to test the accessibility of new smartphones and tablets for people with disabilities. Our online catalogue features icons to indicate devices that have been adapted for these users. In 2024, 23 devices have been tested.

Empowering through education

We contribute to youth digital education through partnerships with organizations like MolenGeek, Campus 19 and Technobel, which provide job seekers with digital skills and increase employability. In 2024, 1,710 job seekers benefited from these programs.

In collaboration with research centers and universities such as A6K (Charleroi), Howest (Kortrijk) and VIVES Hogeschool, Proximus has set up 5G innovation labs which are made available to students. These labs provide students and researchers with an opportunity to gain experience in advanced technological fields and to collaborate on industrial projects.

Proximus Ada has structural research collaboration with universities by hosting master and bachelor students for internships and thesis and is getting ready to collaborate with PhD candidates.

Since August 2023 Proximus Ada's cybersecurity experts have offered their expertise free of charge to Brussels' Digital Public Spaces (DPS). In these places, the most vulnerable and least digitally equipped citizens can use computer equipment and attend IT initiations and cybersecurity training. Through cybersecurity awareness workshops for Brussels residents and basic cybersecurity training for DPS employees, the aim is to teach people how to use new technologies securely. By the end of 2024, 193 citizens had participated in these initiatives.

Since 2011, Proximus and Child Focus have been joining forces for the Internet Safe & Fun Days. Each year, Proximus volunteers raise awareness among approx. 4,000 5th- and 6th-grade students about safe and responsible Internet use. This gives students a better foundation for their future social media use.

More information on our strategy, commitment and action plan for our employees can be found in the section "Our own workforce".

Performance

Digital inclusion metrics

	2023	2024
Total number of people trained through digital inclusion projects		15,138
Accessible smartphones (%)		57

Scope: Proximus Group

Every year, Proximus launches on average 25 new models of smartphones in Belgium. We have the ambition to test the accessibility of all of them regarding five categories of disability (motor, visual, blind, auditory, deaf, mental). Our partner Passe-Muraille, an association that works on the inclusion of persons with a disability, tests the smartphones and the results of the tests are published on our commercial website. In 2024, 95% of all our new smartphones have been tested. 57% have been recognized as accessible.

Definitions and accounting policies

The total number of external people trained through digital inclusion projects have been defined as the number of people (students, teachers, seniors, children) trained by the initiatives we support (MolenGeek, Campus 19, Technobel, Internet Safe and Fun). This metric is calculated based on the reporting provided by our partners MolenGeek, Campus 19 and Technobel. For the Internet Safe and Fun event, we receive a reporting based on the total number of classes in which our Proximus volunteers gave sessions on good online habits. We estimated that in average there are 25 children whithin those classes.
Accessible smartphones are defined as the smartphones recognized by Passe-Muraille as accessible for at least five disability categories (motor, visual, blind, auditory, deaf, mental). The percentage is calculated based on the total number of smartphones tested.
The reporting scope is Proximus Group. Our initiatives are mainly in Belgium where 95% of our residential customers are located. It is not material to our international activities, which are focused on B2B engagements.

Technology and innovation

Context

Technology and innovation refer to Proximus Group's ability to develop or adopt technological solutions that create new market opportunities, maintain competitiveness and help reduce environmental impact for both the company and its customers. It also includes considering the "Low tech" trend of some customer segments. This topic has been defined as material for Proximus Group. Internally, Proximus defines innovation as "a new match between a need and a solution that creates value". This value can be better customer experience, new revenue, cost reduction, efficiency and reduced environmental impact, while building toward a prosperous society.

Impacts, risks and opportunities

Proximus plays a crucial role in developing new technologies and must continuously innovate to remain competitive. The company's impact on society is mostly positive, driving advancements in network infrastructure, AI-driven customer service and advanced cybersecurity measures to support the digitalization of society and improve customer satisfaction.

These innovations also provide opportunities for the company, the main one being driving economic growth through the development of new products and services and fostering new markets and customer segments. The roll-out of gigabit technology offers the potential for faster, more reliable services, leading to new revenue streams and enhanced customer satisfaction. Implementing artificial intelligence (AI) can optimize network management, predict maintenance needs and personalize customer experiences, driving efficiency and innovation. Embracing greener technologies and sustainable practices helps reduce environmental impact and meet the growing customer demand to reduce their environmental footprint. By creating innovative ecosystems based on multi-stakeholder collaboration with academia, partners and customers Proximus can develop smart and sustainable solutions for both the industry and residential customers. For society, these technological advancements improve access to digital services, enhance communication and support economic development by creating jobs and fostering a robust digital economy.

However, this rapidly evolving topic also presents risks. Investing in technological innovation has economic implications and could lead to errors and drawbacks, such as high investment in R&D, risk of technologies not being deployable, risk of investing in the wrong technologies, challenges in monetizing new innovations, etc.

Roles and responsibilities

Technology and innovation are integral to the strategy for each department, making it a daily priority. Each division is responsible for driving innovation for the company. However, to coordinate and help the divisions in this task, roles and responsibilities have been divided across different levels:

- The Transformation and Innovation Committee (TIC)

  At the highest level, the Transformation & Innovation Committee (TIC) consists of a maximum of six directors. In line with its charter, the Chairman of the Board of Directors is an ex-officio member and the Committee is chaired by the Chairman of the Board of Directors. Three members are appointed among the independent directors. The TIC is a permanent committee of the Board, discussing those selected files that need preparatory reflection and need to mature before being brought to the Board. The topics discussed at the Transformation and Innovation Committee may be of diverse nature and will evolve over time depending on the company's needs and could deal with matters concerning all areas of the business, e.g. technology, network, branding/marketing, sustainability, transformation, HR skills, digitalization. If appropriate, the Board of Directors can decide on establishing a special ad hoc Committee, dealing with a specific subject and composed of members with the appropriate experience.

  More information on the Board can be found in the "Corporate governance statement".

- Proximus Innovation Committee

  The Proximus Innovation Committee is a central hub for fostering internal alignment, collaboration and knowledge sharing. It also manages external collaboration opportunities and funding requests, making it a key contributor to Proximus' innovation strategy by integrating both internal and external efforts.

- The Innovation Accelerator

  The Innovation Accelerator is about identifying and supporting innovative initiatives that have the potential to become new revenue streams, particularly in fields adjacent to our core business. This accelerator places a premium on initiatives with long-term growth potential, prioritizing foresight over immediate impact.

Strategic objectives

At Proximus, innovation is more than a strategy, it is a guiding mindset focused on achieving superior customer experiences, exploring new technologies for future telecommunication infrastructures and driving sustainability. We aim to be recognized as a technology leader by being the first to deliver innovative products and services, leveraging our history as market pioneers.

Our strategy promotes open innovation through active collaboration with a wide range of partners, including research institutes, universities and affiliates. This approach integrates diverse expertise and technologies into our innovation processes.

Policies

Technology innovation is integral to our core business and is the responsibility of each business unit (BU). Each BU has specific processes to foster innovation within their areas. No Group policies have been defined for Proximus.

Taking actions on impacts

Gigabit networks

Proximus participates in standard organizations like ETSI, ITU and GSMA, fostering knowledge sharing on network design, architecture, power management and innovation. Partnerships with key suppliers like Nokia and Ericsson bring access to specialized equipment, innovation facilities and intellectual property, leveraging existing infrastructure to stimulate innovation.

Fiber

Alongside accelerating the deployment, Proximus is integrating predictive models into roll-out and repair processes. In 2024, an incident predictive model was implemented to evaluate defects before customer impact, enabling proactive maintenance and improving customer experience.

5G, a driver of innovation

Proximus Group views 5G as essential for innovation, driving digital transformation across industries and improving customer experiences. With ultra-fast speeds, low latency and high capacity, 5G supports the development of innovative solutions in healthcare, manufacturing, logistics, media, etc.

More information about our main innovative projects in 2024 in the chapter "Report on our activities".

Proximus actively participates in public calls for projects in Belgium to support 5G deployment in various public sectors.

2024 use cases delivered with the Walloon Region and dedicated partners:

- **Media transmission**: deployed to connect 5G cameras and enable event broadcasting;
- **Air and sound monitoring**: connecting wireless sensor data using the 5G network in Durbuy and Charleroi;
- **Drone flights**: testing 5G radio KPIs and a second communication system.

Federal Call for 5G Projects (period 2024-2025):

- **Manufacturing**: smart manufacturing campus equipped with state-of-the-art research infrastructure to facilitate the digitalization and automation of production processes;
- **Road safety**: development of a tool conducting risk analyses and sending alerts to increase traffic safety, based on the basis of real-time traffic and route data;
- **Healthcare**: testing 5G applications in a real hospital environment;
- **Prison services**: the transformation of prison facilities with digital tools to make working conditions of prison guards more efficient and safer and promote the reintegration of prisoners in society;
- **Maritime transportation safety**: Increasing safety in urban environments through a remote navigation system.

Security platform

Proximus enhanced its core platforms with AI technology to automatically detect and block phishing messages and calls. These innovations have a direct impact on the user experience and help Proximus maintain its leadership position in mobile communication services.

More information can be found in the section "Cybersecurity".

Having introduced phishing protection on SMS and MMS in October 2023, further fine-tuning of the algorithm has allowed for more fraudulent messages to be flagged, with well 23 million messages blocked in 2024.

Moreover, customers relying on a Proximus mailbox are now enjoying additional protection due to improved SPAM filters by which more than 104 million e-mails were blocked or junked.

Quantum technology is set to play an essential role in the future in the field of cybersecurity. After a successful field trial of a quantum-safe network in 2023, Proximus focused on expanding Quantum Circle in 2024. This ecosystem – the first quantum community for Belgium – gathers over 80 partners from all industries, public institutions, academics, research, federations and technology providers. It aims to inform the market about quantum computing, engage with the government for a positive investment climate and foster collaboration and innovation.

AI and Generative AI

Launched in 2022, Proximus Ada is the first Belgian center of excellence dedicated to artificial intelligence (AI) and cybersecurity. It is designed to be a pillar of innovation and a center of expertise for all the companies in Proximus Group. It explores the latest AI advancements, including AI agents and multi-agent systems.

More information can be found in the chapter "Report on our activities".

AI for superior customer service

Proximus leverages Generative AI to enhance its customer service, with Proximus Ada's expertise driving its progress. Recent initiatives include:

Customer Support initiatives:

- **FAQ search enhancement**: improved information discovery in the Help Center, increasing customer satisfaction by 6 points;
- **Proximus Digital Assistant upgrade**: chatbot using Gen AI for more accurate responses, with 40 new AI feeds in development.

Colleague Support initiatives:

- **Writing assistant**: aids in crafting customer communications, testing response suggestion features;
- **My AI Assistant (MAIA)**: launched in August 2024, this chatbot streamlines information retrieval for customer-facing colleagues; it has successfully handled over 239,479 queries, boosting efficiency and user experience.

Responsible AI

Proximus Ada continuously refines its methodology to remain at the forefront of AI solutions. We emphasize excellence, the respect of regulations and ethics and increasingly focus on the security of our AI solutions. This approach aligns with the concepts of "Trustworthy AI" and "Responsible AI". Trustworthy AI ensures systems are reliable, safe and worthy of users' trust. "Responsible AI" emphasizes ethical development, clear accountability, societal and environmental impacts and inclusiveness, ensuring AI is developed and used to maximize benefits for people and minimize risks.

To achieve these goals, we ensure AI operations are transparent and decisions are explainable. We develop robust and secure AI systems capable of handling unexpected situations without causing harm and we adhere to ethical guidelines that respect privacy, fairness and non-discrimination. We proactively address potential AI risks, such as bias, to build trust and ensure compliance with emerging regulations.

Smart solutions

Healthcare

In 2024 we launched the H.E.A.L.T.H project, as part of which we deployed a 5G Mobile Private Network (MPN) at the hospital AZ Groeninge. By doing so, AZ Groeninge became the first hospital in the Benelux region with 5G capabilities. The hospital will test new medical applications, such as remote robotic surgery and smart glasses that allow doctors to follow along live with nurses. Additionally, we are actively contributing to projects aimed at monitoring and following up with patients at home, particularly to assess the risk of sepsis. And we are collaborating on projects, together with Maria Middelares and the Wit-Gele Kruis, the non-profit organization for home nursing in Flanders, to equip our smart glasses with AI software to determine heart rate, breathing, blood pressure and oxygen saturation. Furthermore, we are expanding our efforts to replicate connected ambulance use cases in other hospitals, ensuring that more patients benefit from these cutting-edge technologies.

Energy management

As part of its ambition to reach net zero by 2040, Proximus wants to ensure that nearly all of its energy needs are covered by renewable sources. This goal is challenging given the critical nature of the infrastructure Proximus operates and the limited geographic availability of renewable energy. To address this, Proximus, in partnership with Companion.energy, has developed the Proximus Energy Box – a software solution that optimizes energy flows by integrating real-time data, forecasting energy needs and recommending optimizations.

International operations

BICS

BICS continuously invests in advancing its global communication solutions portfolio addressing telco, enterprise and cloud segments.

BICS focuses its R&D on delivering 5G services, (e)SIM and IoT technology, digital communication services and a strong fraud, security and analytics offer. It monitors market evolution and customer needs to enhance its services, features and overall product portfolios.

Telesign

Telesign's research and development efforts are focused primarily on building industry-leading digital identity solutions, developing new use cases, enhancing deployment flexibility and providing seamless integration across cloud and on-premise applications. Telesign regularly releases updates to its services which incorporate new features and enhance existing ones.

Route Mobile

Route Mobile R&D efforts are primarily focused on developing innovative solutions across industries that deliver enhanced customer experiences.

No metrics and targets are currently in place for this topic.

Governance information

The topics related to governance, defined as material for Proximus Group are:

- business conduct;
- political influence and lobbying activities.

In the upcoming sections, we will describe the impacts, risks and opportunities, internal resources and responsibilities, strategic objectives, policies and performance metrics for both topics.

Business conduct

Context

As ESG expectations redefine the way businesses operate, acting with integrity has become a cornerstone of long-term success. At Proximus, we recognize that trust and transparency are essential not only for maintaining strong relationships with our stakeholders but also for driving sustainable growth in a competitive and evolving market.

Ethics and accountability are at the core of our operations, guiding our decision-making processes and shaping how we interact with employees, customers, suppliers and society. By embedding these principles into every aspect of our business, we aim to create value that extends beyond financial performance, ensuring that our actions today contribute to a more sustainable future.

Business conduct encompasses all corporate behaviors that promote transparent and sustainable business practices, benefiting all stakeholders along the company's value chain. This includes our corporate culture, how we manage the relationships with our suppliers, protecting whistleblowers and ensuring fair payment practices, especially for small and medium-sized enterprises.

Impacts, risks and opportunities

Proximus integrity helps to create a framework for responsible and sustainable business practices that benefit all stakeholders, including customers, employees, suppliers, and society as a whole. By considering the long-term impact of its decisions and actions, Proximus can ensure that it is operating in a way that is sustainable and socially responsible. This can help to minimize the negative impact of business operations on the environment and society, while also creating long-term value for stakeholders.

In the **fast-changing landscape of ESG regulations and industry standards,** companies like Proximus face the risk of lagging behind. The internationalization of our activities adds to the complexity of ensuring compliance. Failing to adhere to diverse and new competition laws and regulations globally could result in reputational damage, loss of trust from key stakeholders and financial penalties – risks that might have a financial impact on Proximus.

Given the large number of employees, contractors and business partners we work with, keeping everyone **informed** about our policies is an ongoing challenge. That is why we invest significantly in training and communication – as described in the action plan below.

Cases of **corruption, bribery, insider trading or conflict of interests** involving Proximus would harm our company's reputation. In addition to the legal repercussions, these events could also undermine staff morale and jeopardize financial health.

Yet our corporate culture, grounded in high ethical standards and a strong commitment to comply with legal and regulatory frameworks, including ESG regulations, creates a significant **opportunity**. It builds trust in our B2B and public sector relationships, which in turn helps us sustain and grow our revenues in the enterprise segment, both domestically and internationally.

Resources and responsibilities

Audit & Compliance Committee

The Audit and Compliance Committee (ACC) quarterly receives the number of investigated (potential) corruption and bribery cases by the Group Compliance Office. This report includes a high-level, anonymized description of the cases and the related **remediation actions** (e.g. end of the contract with the supplier, disciplinary measures up to dismissal). If necessary, lessons learned from incidents lead to policy improvements, which the Group Compliance Office integrates into an action plan.

Any negative results and related actions during our third-party business relationships due diligence processes are also reported to the ACC.

More information on the ACC can be found in the Corporate governance statement.

Group Compliance

The Group Compliance Office coordinates compliance activities within Proximus Group, focusing on the Code of Conduct, Human Rights policy, the Anti-Bribery & Conflicts of Interest Policy, the Dealing Code, the whistleblowing procedure and the Export Control and Sanctions Compliance Policy. Concretely, it requests a yearly review of the Group's policies from the respective policy owners.

The office also supports policy owners with creating, reviewing and implementing their respective compliance control plans. All the policies have controls in place at the Group level.

Non-compliant controls are addressed immediately and action points are set and followed up by the Group Compliance Office.

The Group Compliance Office collaborates with:

- Group Legal to monitor compliance with IP rights and competition laws;
- Data Protection Office for compliance with data privacy regulations;
- Group Human Resources for compliance with employment regulations and social laws.

Moreover, the **Regulatory team** manages compliance related to domestic telecom activities. Financial compliance, including compliance with tax laws, is handled by Group Finance. More information can be found in the Corporate governance statement.

Internal Investigation team

More information can be found in the section on investigations.

Internal audit

In line with the international standards of the Institute of Internal Auditors, Proximus' Internal Audit department forms an integral part of the internal control system. The Internal Audit team must provide the Board and senior management with objective assurance, advice, insight and foresight on governance and internal control practices.

The risk-based audit assignments provide independent assurance focusing on the adequacy and effectiveness of controls, compliance with policies and adherence to relevant laws and regulations. The Internal Audit team follows up with management on the identified improvement points.

The team's scope encompasses all Proximus Group's activities and operations, respecting the local legislation and regulations. The team can identify fraud indicators and advise on how to reduce vulnerabilities, but the deterrence of fraud is the responsibility of the management and the examination of individual fraud incidents is the responsibility of the Investigations department.

The yearly internal audit plan as well as a summary of all internal audit assignments are presented to the Audit & Compliance Committee.

Since 2020, Proximus' Internal Audit department, in accordance with IIA Standard 1312 - External Quality Assessment, has been certified by IFACI/IIA. The next assessment is foreseen in 2025.

External audit

In case external audit reveals a weakness or identifies opportunities to improve internal controls, recommendations are made to the management. These recommendations, the related action plan and implementation status are at least annually reported to the Audit & Compliance Committee.

Strategic objectives

We believe in achieving strong business results with integrity and the **highest ethical standards**. Our goal is to ensure that our activities contribute positively to the economic, social and environmental well-being of our society. These values are deeply embedded in our corporate culture.

For instance, our Corporate Governance Charter states that we aim to meet the expectations of our stakeholders by taking into account ethical standards and policies limiting operational risks.

We also view the **fight against corruption and bribery**, as well as **avoiding conflicts of interest**, as fundamental to our responsibilities as a business. Combating corruption and bribery fosters public trust in institutions, upholds market integrity, ensures fair competition and contributes to a more equitable and sustainable economy.

As Proximus Group expands internationally, we remain committed to consistently upholding our corporate culture and policies across all our affiliates. Our Corporate Governance Charter has already been endorsed by all our affiliates' Boards, but we still need to reinforce ESG internal controls and governance, especially for the newest acquisitions or business ventures.

We are committed to achieving zero cases of:

- bribery and corruption;
- unreported conflicts of interest;
- infringements of competition laws;
- IP rights infringements;
- violations of the Export Controls and Sanctions Compliance Policy;
- infringements to the Dealing Code;
- breaches of the independence of both internal and external auditors, as well as our Investigations teams.

Policies

All employees are expected to carry out their daily activities and achieve their business objectives in line with our Code of Conduct. The principles and rules of the Code of Conduct are further elaborated in the different internal policies and procedures, also available for every employee on Proximus' intranet sites[54]. Each policy has an identified owner and an approver. The approvers, as members of the Proximus Leadership Team, are accountable for the implementation of the policy.

Proximus' governance principles, Code of Conduct and the main policies (see: table below) are also transposed and applied in all Group's affiliates. They are followed up by local compliance representatives under the supervision of the Group Compliance Office.

54 Except for Route Mobile and Telesign that manage their own internal communication.

Overview of Group policies & charters

Ethic/business conduct	Resilience and business continuity	Supply-chain & human rights
• Code of Conduct • Anti-Bribery & Conflict of Interests • Dealing Code • Delegation of Powers by the CEO Policy • Related party transactions • Export Control and Sanctions Compliance Policy • Fraud Policy • Competition incl. Chinese Walls, Exchange of Information and Dawn Raids • Whistleblowing procedure • Intellectual Property Rights Policy • Management Consultancy Policy • Pricing Policy • Public Affairs Policy • Memberships • Diversity and Equal Opportunities • Well-being at work • Remuneration Policy • Group Investigations charter • Group Internal Audit charter • Group Policies charter	• Risk management Policy • Business Continuity Management • Insurance Policy	• Procurement Policy • Human Rights Policy • Supplier Code of Conduct • Proximus societal responsibility charter for fiber roll-out

Privacy, security and information management	Responsible communication	Environmental management
• Data protection and secrecy of electronic communications • Data Retention Schedule • Cybersecurity Policy • Information Management Policy • Information Ownership and Classification Policy • Good habits protect what matters	• External Communication and Media Relations • Internal communication • Social media	• Proximus Group Environmental Policy

A general policy on anti-corruption, bribery and conflict of interest applies across the entire Group. This policy is consistent with the 2003 UN Convention against Corruption and meets the requirements of the US Foreign Corrupt Practices Act, the UK Bribery Act 2010 and the Indian Prevention of Corruption Act:

- Bribery in any form is strictly prohibited. Employees must never – under any circumstances – request gifts or other favors in exchange for carrying out their duties. The policy allows for a few exceptions, such as accepting low-value items (excluding cash or cash equivalents) if there are no pending tenders.
- Employees shall not engage in any paid or unpaid sideline activities that would compete with the activities of Proximus Group.
- In performing their duties, employees may not take any actions or decisions regarding files which concern themselves or their close family members.
- Employees cannot have any financial interests that could influence their judgment or professional duties to the detriment of Proximus Group.
- Employees must never use the assets of Proximus Group to obtain a direct or indirect personal advantage, for themselves or someone else.
- The Board must follow the rules when it comes to conflicts of interest between the company and a director. When a conflict of interest occurs, the meeting where it is reported and the matter causing the conflict must be documented in the annual report.

Proximus has contractual relationships and provides telephony, Internet, digital and/or ICT services to many companies where Board members hold executive or non-executive roles. Proximus' policy on **related party transactions** ensures that these transactions are conducted at arm's length. Any consideration paid or received by the company or its affiliates in connection with any such transaction must be on terms no less favorable than terms available to an unaffiliated third party under the same or similar circumstances.

The **Delegation of Powers by the CEO** Policy informs every Proximus Group employee on the general principles governing delegations, subdelegations and the applicable ceilings, as well as the specific delegations for certain contracts and specific acts. Exceptions for major affiliates are documented.

As Proximus is a listed company, our **Dealing Code** was created to raise awareness about possible improper conduct by employees and the sanctions related to insider trading and market manipulation. Our Route Mobile affiliate, which is listed on the Indian stock exchange and is subject to the Regulation of the Securities and Exchange Board of India, has its own policies.

A **Fraud Policy** details the measures to combat telecom fraud, internal fraud and other criminal acts within Proximus Group and must be applied by all Proximus Group employees.

An **Intellectual Property Rights Policy** allows employees to actively participate in protecting and optimizing Proximus' intellectual rights and the rights of use that Proximus holds on elements protected by the intellectual rights of third parties.

A **Procurement Policy** sets clear rules regarding integrity and fair treatment of suppliers, segregation of duties, signing of contracts, etc. To prevent late payments to suppliers, including small and medium-sized enterprises (SMEs), Belgian law imposes a maximum 60-day payment term for new contracts or contract extensions.

A **Competition law and Chinese Walls Policy** aims to ensure compliance with competition laws, both at a Belgian, European and international level, by all employees with decision-making powers who maintain relations with competitors, customers or suppliers, or who come into contact with them. The Chinese Wall principle insulates the wholesale telecom activities and information from the retail units.

As outlined in our Human Rights Policy, Proximus respects the internationally recognized human rights established in the Universal Declaration on Human Rights and the International Labor Organization's Core Conventions. More information can be found in the section "Human rights within our value chain".

Proximus Human Rights Policy

As outlined in our **Human Rights Policy**, which has been endorsed by all affiliates, Proximus Group respects the internationally recognized human rights, set out in the Universal Declaration on Human Rights and the International Labor Organization's Core Conventions. In December 2023, Proximus Group formalized its long-standing commitment to the UN Guiding Principles on Business and Human Rights by **joining the UN Global Compact**.
This policy describes Proximus' general approach in relation to respect for the human rights of our workforce, the workers in our value chain, potentially affected communities and all our consumers and end-users.
The policy was most recently updated and approved by the CEO and the Proximus Leadership Squad in July 2024. It applies to all employees of Proximus Group, anyone doing business for, or with, Proximus Group and others acting on Proximus Group's behalf.
More information can be found in the sections below:

- Working rights, fair pay and social dialogue
- Human rights within our value chain
- Consumer and end-users

We communicate our values and the behavior we expect from external employees and business partners through our **Suppliers Code of Conduct**. It covers compliance with the law in general and our anti-bribery/corruption policies, including provisions against anti-competitive practices and conflicts of interest. It also covers human rights, fair labor practices and environmental considerations. This Code has been aligned with the Responsible Business Alliance (RBA) Code of Conduct, Joint Alliance for CSR (JAC) Supply Chain Sustainability Guidelines and industry best practices.

As detailed in our **Export Controls and Sanctions Compliance Policy**, Proximus Group is committed to complying with US, UN, EU and UK regulations on sanctions and embargoes. We respect the specific rules regarding the unauthorized reexport of goods, services, or technologies to countries or persons subject to export controls or economic sanctions. Furthermore, we do not take any action that assists targets of sanctions in evading or avoiding the lawful application of sanctions and export controls.

Following the Belgian law transposing the EU Directive EU 2019/1937, the Group Compliance Office has updated its **whistleblowing** process and harmonized the way of working for the entire Proximus Group.

Raising awareness among employees and stakeholders

All of our policies are available on **Proximus Group's intranet sites**[55] along with a summary of the key points of the policy. Translations in local languages are available if needed (e.g. French and Dutch versions of all policies are available for Proximus Group).

Periodically and when a significant update occurs, **internal communication** is pushed to all employees (via email or a message on the intranet), sometimes after a targeted communication to team leaders to raise their awareness and underline their role (e.g. for the whistleblowing procedure). Major updates, such as the update of our Supplier Code of Conduct, are relayed in the CEO's weekly communication, which is sent to all employees and contractors.

Key policies are **available to all stakeholders** on our Proximus.com website and/or on our affiliates' public websites. We also have a dedicated space for our suppliers, providing information on the "Reverse Factoring" system, which allows them to receive advance payment on their invoices under very favorable conditions.

Taking actions on impacts

Identification of risks

We refer to the risk management process as described in the general disclosures.

Our Code of Conduct and the Anti-Corruption, Bribery and Conflict of Interest Policy mention that corruption and bribery are prohibited. We manage our impacts, risks and opportunities related to business conduct by training our employees – also focusing on key functions at risk – and by grievance mechanisms and investigating possible cases.

Mandatory e-learnings

In 2024, 74% of our employees and non-employees considered at risk have successfully completed the anti-bribery and conflict of interest training (90% for Domestic). Trainings could not be completed by subsidiaries acquired in 2024 and these will be added in 2025. Excluding those subsidiaries, the success rate is 86% at group level (91% for domestic). Moreover, in 2024, we also gave additional training on the Proximus Code of Conduct to most of our employees and contractors, with similar results in term of successful completion.

In 2025, extra workshops and information sessions will be planned in addition to the mandatory training for any employee group considered a higher risk for corruption and bribery.

55 Except for Route Mobile and Telesign, which manage their own internal communications.

Key employees

Special attention is given to the **Dealing Code** at the top management level. In line with Belgian legislation, the list of **People Discharging Managerial Responsibility** is kept by the Group Compliance Office, as well as the confirmation that they have read, understood and agreed to comply with the requirements of the related legislation. **Insiders' lists** are created, updated and closed by the Group Compliance Office. The compliance team of our Route Mobile affiliate manages a list of key employees, identified as **Designated Persons**, in line with the regulation of the Securities and Exchange Board of India.

Any interaction with competitors (beyond the usual commercial relationship with competitors as wholesale customers) is done under the strict supervision of Group Legal. Instructions are provided to key employees regarding appropriate interaction with competitors to avoid any perceived collusion.

Grievance mechanisms

Proximus promotes an **open communication culture** in which employees dare to speak up and flag risks and improvement opportunities. Additionally, our Code of Conduct and policies clearly state that employees must report **incidents and potential infringements** to their hierarchical superiors, or the contact persons mentioned in those policies. The mandatory Code of Conduct and anti-bribery training, which includes quiz questions, show employees how they can raise their concerns and needs. Proximus relies on this training to assess that its own employees are aware of and trust the structures and processes in place to raise their concerns.

More information on our Speak Up engagement surveys and our cultural change programs is available in the section "Our own workforce".

If, for any reason, employees do not feel that reporting to their hierarchical superior or directly to the policy owners is appropriate, they can rely on the **whistleblowing channels**. Proximus has established reliable internal reporting channels (online, by phone or by regular mail), for internal and external stakeholders at the Group level and in all affiliates where whistleblowing legislation is applicable. In 2024, the online reporting channel has been outsourced to a large accounting firm. This system enables employees and external parties to report confidentially and anonymously for those who wish to do so, any violation of the Code of Conduct, internal policies and procedures, laws and regulations and any breach of integrity.

There is also an alternative. The Belgian government has established an **external whistleblowing channel**, namely the Federal Ombudsman's Centre for Integrity.

Proximus Group prohibits and sanctions any form of retaliation against those who, in good faith, report a violation or suspected violation. Even if the complaint is not anonymous, the whistleblower's identity is kept strictly confidential. This information cannot be disclosed without their explicit consent, other than to those authorized and competent to receive and follow up on reports. This also applies to any other information from which their identity can be (in)directly deduced. The data protection rights of the whistleblowers are respected as detailed in the policy.

Complaints received through the whistleblowing channels for cases of violence and moral and sexual harassment in the workplace are transferred to the prevention manager[56]. When we receive complaints through the whistleblowing channels for cases of discrimination in Belgium, we refer them to Unia (the Interfederal Center for Equal Opportunities) or the Institute for the Equality of Women and Men.

The dedicated **Supplier Support portal** can be used to report any payment or process issues experienced by our suppliers. More info on the prevention, detection and management of incidents with suppliers in the Social Statement can be found in the section on "Human rights within our value chain".

56 Law of August 4, 1996, on the well-being of workers in the performance of their profession.

Investigations

The Internal Investigation team is responsible for all business conduct incidents and whistleblowing cases deemed receivable. It reports to the Group Cyber Security Departmental Lead in the Corporate Affairs division. This is meant to ensure that they remain independent from the chain of management involved in preventing corruption and bribery. The team is tasked with handling cases that could negatively impact the company such as telecommunications fraud, theft, violations of the Code of Conduct and policies and unauthorized business practices. All members of the Internal Investigations team are required by law to disclose any information related to a crime or criminal offence to the proper authorities. The investigators hold a private investigator's license issued by the Belgian Ministry of Domestic Affairs.

Cases can be brought by both internal and external stakeholders. The analysis of the case is initiated within days of the discovery or notification of the incident. The evaluation criteria to start an investigation include legal and ethical considerations; advice from the Group's Human Resources and/or Group's Legal departments might be sought on this front. All investigations systematically examine inculpatory and exculpatory evidence. If there are serious concerns about the possible involvement of a Proximus employee or a contractor, that person will be invited to a hearing conducted by the investigator. This investigator, who is bound by a strict duty of confidentiality, writes a report at the end of the investigation. The Investigations Lead decides who is sent the report. This depends on the case (e.g. hierarchy of the employee, HR, Legal, etc.). Any criminal act uncovered by the investigation must be reported in writing to the legal authorities (i.e. to the King's Prosecutor of the Court for Belgian cases).

An activity report of the Investigations team is shared monthly with the management. Each quarter, a report on the number and types of investigation files, as well as the disciplinary measures resulting from investigations, is shared with the Audit & Compliance Committee.

For cases outside of Belgium, the Investigations team mandates a suitable partner. The decision to launch an investigation is based on the existence of legal motives (in collaboration with the legal department), ethical motives or sufficient material elements. For whistleblowing cases outside Belgium, the partner managing the digital whistleblowing channel can provide resources and expertise for the investigations.

Please note that a specialized Cybersecurity team handles cybercrime cases (Cybersecurity section), the Data Protection Office is in charge of data breach cases (Data protection section) and the Group Protection and Prevention team in Human Resources is responsible for the health, safety and employee well-being cases (Our own workforce).

Performance

Proximus SA' high standards in business conduct, governance and internal controls are evidenced by certifications such as ISO27001, ISO9001 and ISAE3000 and strong ESG agency ratings. More broadly, these standards enhance our corporate reputation, as measured by the Kantar external survey. These results are also tied to the management's long-term incentives, as detailed in the remuneration report.

The Group Compliance Office has started rolling out formal compliance controls with central oversight for affiliates and aims to have completed the process for all affiliates by the end of 2025.

Corporate culture metrics

In 2024, there were no reported cases of confirmed incidents of corruption or bribery, no convictions for violations of anti-corruption and anti-bribery laws and no fines related to such matters.

The Investigation department did investigate 69 cases of policy violations or breaches of the Code of Conduct. Additionally, 13 whistleblowing cases were reported in 2024.

(#)	2023	2024
Cases investigated by the Investigations Department for violation of policies and Code of Conduct	51	69
Whistleblowing cases	10	13

Scope: Proximus Group

Definitions and accounting policies

Cases investigated by Investigations for violation of the policies and the Code of Conduct are defined as all incidents relating to Proximus Group employees for whom an investigation was carried out to confirm or deny their involvement in the violation of these policies and the Code of Conduct. The results of the investigation are forwarded to HR, which follows up on the incident and takes disciplinary action. Incidents and cases investigated are reported monthly to the Group Corporate Affairs and Human Resources leads.

The term "Whistleblowing cases" refers to all non-commercial cases received by the internal whistleblowing channel within Proximus Group. This metric was consolidated at the Group level by the Ethics and Compliance officer and has been collected through the 2024 sustainability data collection process.

Supply chain management

More information on our supply chain management approach and processes can be found in the section "Human rights within our supply chain".

Payment practices

As imposed by Belgian law, Proximus Group has a maximum 60-day payment term for new contracts or contract extensions. Proximus standard contractual payment terms differ depending on contract types. On average, Proximus Group pays its suppliers within 61 days. 69% of our payments are aligned with standard payment terms. For the energy invoices of Proximus SA, we have a mechanism of factoring, where the standard payment terms are set on 150 days. In this case 100% of the payments are aligned with these payment terms.

We have currently no legal proceedings outstanding for late payments to suppliers who have a contract with Proximus SA. We have currently 3 outstanding legal proceedings for our international business.

Payment practices

Number of days	2024
Average supplier payment days	61
Standard payment terms	43

Scope: Proximus Group

Definitions and accounting policies

The term "average supplier payment days" has been defined as "the number of days Proximus takes to pay its suppliers after receiving an invoice". This metric is calculated based on the number of invoices received during the reporting year by the Group, based on the weighted average of 90% of our invoices. For the remaining 10% of invoices, we worked on the assumption that payment practices are similar. The data was collected via our internal reporting system and has been consolidated through the 2024 sustainability reporting process.

Political influence and lobbying activities

Context

Proximus advocates for initiatives and regulations that drive positive societal impact and sustainable economic growth. We focus on advancing digital inclusion to bridge the digital divide, enhancing digital security to protect individuals and businesses and encouraging the responsible and beneficial use of technology.

To achieve these goals, we engage in targeted lobbying activities with policymakers and industry stakeholders and use our position to contribute to policy discussions that shape the digital landscape.

We uphold the highest ethical and professional standards in all those interactions as it is essential to developing and maintaining long-lasting relationships based on trust, integrity and mutual respect.

Proximus views political influence and lobbying activities as attempting to influence the formulation or implementation of policy, legislation, or decision-making processes at all levels, from local standard-setters to European institutions.

Impacts, risks and opportunities

We use our influence to stimulate our governments, peers and industry stakeholders to set up initiatives that **positively impact** our society.

We also foster local collaboration with politicians and city councils to deploy infrastructure that enhances societal security and digital inclusion.

However, political engagement and lobbying **might erode public trust and societal well-being** when misinformation is provided by companies to public institutions and politicians. Lobbying that solely focuses on our own interests can also affect fair competition and the industry as a whole. Furthermore, it might disrupt local cooperation and hinder local economic growth.

When conducted strategically and ethically, lobbying offers **opportunities** to secure subsidies for vital investments, reduce barriers and support business continuity and expansion.

For more details on our Double Materiality Assessment, please go to the section on the topic.

Resources and responsibilities

The **Group Public Affairs** (GPA) department manages political concerns and advocates for Proximus Group's interests in the decision-making processes of public authorities. The GPA team also represents Proximus in key interest organizations and coordinating bodies (Union Wallonne des Enterprises, Voka, BECI, Agoria, etc.). The GPA team covers the Group's domestic activities, including domestic affiliates. Team members are registered as lobbyists in Belgium and maintain records of their political contacts, which are monitored by the Group Compliance Office. Proximus is also listed in the EU transparency register (REG Number: 537380918401-76). For our international activities, public affairs are overseen by the Proximus Global Chief Corporate Affairs Officer.

The **Regulatory** team manages our relationship with the Belgian federal regulator BIPT (Belgian Institute for Post Services and Telecommunication) and related institutions at both the community and European levels. They also represent Proximus in Connect Europe, where our Regulatory Lead has served as Executive Board Chair since 2015.

For Proximus' role in the **Belgian Cybersecurity Coalition** and other cybersecurity associations, overseen by the Security & Investigations Lead, we refer to the section Cybersecurity. Information on Proximus' role in DigitAll and other digital inclusion initiatives can be found in the section Digital inclusion. Additionally, Proximus is a member of various associations involved in the green transition, overseen by our Sustainability Lead.

Since 2020, a team dedicated to stakeholder management has been established within our Network Business Unit to support communication and lobbying related to the deployment and commercialization of fiber and 5G. This team collaborates with the

GPA team on critical public affairs cases related to the gigabit network. It discusses these public affairs cases with regional and city authorities as well as with the construction and property management sectors ("syndics").

Strategic objectives

Proximus actively engages with decision-makers on every political level and supports activities which foster public debate on:

- creating a better European and Belgian regulatory and commercial environment to continue rolling out innovative, high-quality services and platforms benefiting consumers and businesses;
- stimulating public investments in awareness campaigns, partnerships, research and legislation to safeguard Belgian society from cyber threats (see also section "Cybersecurity");
- facilitating digital inclusion and advancing education in digital skills, cybersecurity & AI (see also section "Digital inclusion");
- speeding up the energy transition, promoting green mobility and incentivizing circular projects in Belgium (see also section "Circular economy and waste").

No measurable target has been defined for this topic.

Policies

Proximus is an autonomous public enterprise with the Belgian state as a majority shareholder. In accordance with article 8.7 of the 2020 Corporate Governance Code, Proximus entered into a Relationship Agreement with the Belgian State in December 2022. This agreement, which does not affect Proximus' autonomy or the authority of its corporate bodies, aims to establish a framework for information exchange, that fully complies with European and Belgian financial legislation. This Relationship Agreement is available on the company's website.

Proximus has a **Public Affairs Policy** defining the responsibilities, principles, ethical standards and governance rules that apply to Proximus' relations with public authorities.

Proximus avoids partaking in political activities linked to specific parties and refrains from funding political parties, individuals or government institutions. Therefore, no political contributions were made in 2024. We are committed to ensuring that our actions never cause or incite representatives of public authorities, politicians or public officials to violate any laws, regulations or applicable rules.

Proximus' employees are prohibited from giving gifts of any kind to public officials and representatives of European institutions. Invitations to Proximus-sponsored events and business diners are only allowed under strict conditions specified in the **Anti-Bribery & Conflict of Interest Policy**. Any exception must be approved by the Group Compliance Office and reported quarterly to the Audit & Compliance Committee.

According to Article 22 of the Law of 21 March 1991, members of Proximus' Board of Directors cannot be members of the European Parliament, European Commission, legislative chambers, or the parliament/government of a community or region. They also cannot be ministers, secretaries of state, governors of a province, or members of the permanent delegation of a provincial council (Charter of the Board on Proximus.com).

No members of the Board or the Proximus Leadership Squad have held comparable positions in public administration in the two years preceding their appointments.

Taking actions on impacts

Advocacy

When presenting our positions to public authorities, we preferably formalize them in an official position paper. For example, the "Proximus Memorandum" was shared with political party presidents ahead of the Belgian elections of June 2024 covering the following topics:

- **Regulatory framework:** We advocated for a framework that aligns with the European Broadband Cost Reduction Act and the European Gigabit Infrastructure Act. This framework supports our ambition of bringing a gigabit network to all Belgians by facilitating collaboration with our partners for fiber deployment in less dense zones, providing subsidies and enabling public-private initiatives to cover white zones and rural non-profitable areas. We also asked for a "fair share" regulation allowing operators to negotiate fair commercial terms with large main providers of digital streaming and other data-intensive Internet services that increasingly rely on our networks for data traffic transport.
- **Electromagnetic Field norms**: We called for a re-evaluation of our current electromagnetic field standards to align with European standards, which would simplify permit processes and eliminate taxes on antennas.
- **Cybersecurity approach:** We proposed a coordinated approach to cybersecurity across all political levels as digital tools become more widely adopted by citizens and businesses. This strategy aims to make Belgium less vulnerable to emerging threats by involving all relevant stakeholders. We also asked to increase public investment in cybersecurity awareness, research & development. Additionally, we called for the development of legislation to safeguard Belgian society from cyber threats while strengthening legislation and mechanisms for auditing and certifying companies regarding cybersecurity.
- **Energy transition and circular projects:** We supported accelerating the energy transition and incentivizing circular projects in Belgium. This includes the promotion of digitalization as a tool to reach green ambitions.
- **Digital skills:** We advocated for investments in training programs to improve digital skills and combat digital exclusion by investing in training programs and encouraging collaboration between different stakeholders across regions.

Control

Proximus' political engagement and lobbying activities follow strict ethical standards and governance rules (see: above policies). The Group Compliance Office oversees controls on the Public Affairs Policy.

The Group Corporate Affairs Lead maintains and reviews the list of all associations of which Proximus is a member on a yearly basis.

Subsidies governance

In 2024, the Group Corporate Affairs team assessed, together with Schuman associates, the effectiveness of our subsidies governance. An action plan was drawn up to adapt the roles and responsibilities, hire new talent with the appropriate skills, revise internal funding and prioritization processes and increase collaboration with other European operators, where relevant.

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Introductory remarks

Group reporting segmentation

The Group accounting policies and methods used throughout 2024 are consistent with those applied in the December 31, 2023, consolidated financial statements, with the exception that:

- The Group applied the new standards, interpretations and revisions that became mandatory for the Group on January 1, 2024. These have no impact on the Group's financial statements.
- The Group changed its reporting segmentation, as explained below.

Proximus Group acquired a large majority interest in Route Mobile (see § 5.14), a global company specialized in CPaaS services, listed on NSE and BSE in India. The new Group structure necessitated redesigning Proximus Group's internal decision-making process, governance, and management reporting to effectively allocate resources and assess the performance of operating segments.

In 2024, Proximus Group implemented a 2-pillar governance structure by establishing a new executive committee: the 'International Management Committee', for Proximus Global, acting next to the 'Domestic Management Committee' that focuses on Domestic operations. This international committee has been created to facilitate key decisions and ensure alignment between the Proximus Global affiliates, BICS, Telesign, and Route Mobile. The introduction of this new executive International Management Committee provides a clear point of accountability and coordination, as well as a stronger voice in Group decision-making for the international business.

Underlying revenue and EBITDA

Proximus' management discussion is focused on underlying figures, i.e., after adjustments.

Proximus provides a transparent view of the operational drivers of the business by isolating adjustments, i.e., revenues and costs that are unusual or not directly related to Proximus' business operations, and which had a significant impact on the year-on-year variance of the Proximus Group revenue or EBITDA. In addition, following the application of the IFRS 16 accounting standard, the definition of "underlying" was adapted to include lease depreciation & interest in EBITDA as of 2019. The adjusted revenue and EBITDA are referred to as "underlying" and allow for a meaningful year-on-year comparison.

Definitions can be found in Section 5 of this document.

	Revenues		Ebitda	
(EUR million)	**2023**	**2024**	**2023**	**2024**
Reported	**6,048**	**6,539**	**1,786**	**1,950**
Adjustments	-7	-110	-29	-100
Underlying	**6,042**	**6,430**	**1,757**	**1,850**
Adjustments	**-7**	**-110**	**-29**	**-100**
Lease Depreciations			-84	-96
Lease Interest			-7	-10
Transformation			14	20
Acquisitions, mergers and disposals	-6	-80	48	3
Litigation/regulation		-30	-1	-17

Remark: "Underlying Revenue" corresponds to "Total Income", excluding adjustments.

Pro forma figures

Following the acquisition of Route Mobile and the resulting full consolidation of its results in the Proximus Group as of 1 May 2024, this annual report provides 'pro forma 8 months' figures for 2023, in addition to the actual 2023 results. The pro forma results of 2023 assume a full consolidation of Route Mobile over the same period as for 2024, as such allowing for a more meaningful year-on-year comparison.

Group P&L - Pro forma 8 months

(EUR million)	FY23*	FY24	Change %
Underlying revenue	**6,331**	**6,430**	**1.6%**
Costs of materials and charges to revenue	**-2,418**	**-2,367**	**-2.1%**
Direct margin	**3,912**	**4,063**	**3.9%**
Direct margin %	*61,8%*	*63,2%*	*1.4 p.p.*
Total expenses before D&A	**-2,117**	**-2,213**	**4.5%**
Workforce expenses	-1,343	-1,418	5.6%
Non-workforce expenses	-774	-794	2.7%
EBITDA	**1,795**	**1,850**	**3.1%**
EBITDA margin %	*28.4%*	*28.8%*	*0.4 p.p.*
CapEx (including Spectrum & Football rights)*	**1,332**	**1,382**	**3.8%**
CapEx (excluding Spectrum & Football rights)	**1,329**	**1,355**	**2.0%**

* As of May 2023, figures include the Route Mobile consolidation impact.

Proximus Global P&L Pro forma 8 months

(EUR million)	FY23*	FY24	Change %
Underlying Proximus Global revenue[1]	**1,731**	**1,672**	**-3.4%**
Communications & Data[2]	1,174	1,150	-2.1%
P2P Voice & Messaging[3]	663	598	-9.9%
Proximus Global eliminations	-107	-75	-29.4%
Proximus Global costs of materials and charges to revenue	**-1,286**	**-1,204**	**-6.3%**
Proximus Global direct margin	**445**	**468**	**5.2%**
Communications & Data	328	354	8.1%
P2P Voice & Messaging	121	118	-2.3%
Proximus Global eliminations	-4	-4	16.5%
Proximus Global direct margin %	*25.7%*	*28%*	*0.1 p.p.*
Proximus Global total expenses before D&A	**-286**	**-299**	**4.7%**
Workforce expenses	-180	-189	4.9%
Non-workforce expenses	-106	-110	4.3%
Proximus Global EBITDA	**159**	**169**	**6.2%**
Proximus Global EBITDA margin %	*9.2%*	*10.1%*	*0.9 p.p.*

1 Refers to total income.
2 Communications & Data groups CPaaS, DI, Mobility, Cloud communications, and Internet of Things (IoT).
3 P2P Voice & Messaging groups Voice, Capacity, Other Legacy and P2P MMS.

* As of May 2023, figures include the Route Mobile consolidation impact.

Rounding

In general, all figures are rounded. Variances are calculated from the source data before rounding, implying that some variances may not add up.

Key Figures - 10-year overview (IFRS basis)

Income Statement (EUR million)	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Reported income	6,012	5,873	5,802	5,829	5,697	5,481	5,579	5,914	6,048	6,539
Revenue adjustments	17	3	24	21	11	2	1	5	7	110
Underlying revenue	5,994	5,871	5,778	5,807	5,686	5,479	5,578	5,909	6,042	6,430
Reported EBITDA[1]	1,646	1,733	1,772	1,794	1,676	1,922	1,828	1,826	1,786	1,950
Lease depreciation and interest	N/A	N/A	N/A	N/A	84	84	82	84	90	105
EBITDA adjustments	-88	-63	-51	-70	-278	1	-26	-44	-62	-6
Underlying EBITDA[1]	1,733	1,796	1,823	1,865	1,870	1,836	1,772	1,786	1,757	1,850
Depreciation and amortization	-869	-917	-963	-1,016	-1,120	-1,116	-1,183	-1,179	-1,185	-1,259
Operating income (EBIT)	777	816	809	778	556	805	645	647	601	691
Net finance income / (costs)	-120	-101	-70	-56	-47	-48	-54	-49	-110	-159
Share of loss on associates	-2	-1	-2	-1	-1	-1	-10	-20	-30	-18
Income before taxes	655	715	738	721	508	756	581	578	461	513
Tax expense	-156	-167	-185	-191	-116	-174	-137	-128	-104	-57
Non-controlling interests	17	25	30	22	19	18	1	0	0	-9
Net income (Group share)	482	523	522	508	373	564	443	450	357	447
Cash flows (EUR million)	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**
Cash flows from operating activities	1,386	1,521	1,470	1,558	1,655	1,515	1,621	1,717	1,620	1,602
Cash paid for CapEx	-1,000	-962	-989	-1,099	-1,091	-1,089	-1,137	-1,441	-1,453	-1,474
Cash flows from / (used in) other investing activities	22	0	-189	-8	12	9	-168	-20	-57	-754
Lease payments	N/A	N/A	N/A	N/A	-78	-82	-79	-89	-92	-101
Free cash flow[2]	408	559	292	451	498	352	237	167	18	-727
Adjusted Free Cash Flow[3]	454	559	517	501	504	354	376	181	61	58
Cash flows from / (used in) financing activities other than lease payments	-608	-764	-256	-444	-515	-363	-299	-119	398	506
Net increase / (decrease) of cash and cash equivalents	-200	-205	36	7	-17	-13	-62	50	416	-219
Balance sheet (EUR million)	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**
Balance sheet total	8,283	8,117	8,527	8,671	8,978	8,779	9,233	10,541	11,153	13,327
Non-current assets	6,386	6,372	6,735	6,850	7,160	7,120	7,548	8,589	8,932	10,969
Investments, cash and cash equivalents	510	302	338	344	327	313	249	299	716	538
Shareholders' equity	2,801	2,819	2,857	3,005	2,856	2,903	2,978	3,307	3,300	4,310
Non-controlling interests	164	162	156	148	142	123	0	1	0	225
Liabilities for pensions, other post-employment benefits and termination benefits	464	544	568	605	864	645	508	413	378	358
Net financial position (incl. lease liability)	N/A	N/A	N/A	N/A	-2,492	-2,639	-3,013	-3,030	-3,429	-4,206
Net financial position (excl. lease liability as from 2019)	-1,919	-1,861	-2,088	-2,148	-2,185	-2,356	-2,740	-2,758	-3,131	-3,912
Proximus share	**2015**	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**
Weighted average number of ordinary shares[4]	321,767,821	322,317,201	322,777,440	322,649,917	322,918,006	322,752,015	322,751,990	322,552,465	322,442,197	322,573,717
Basic earnings per share - as reported (EUR)[5]	1.50	1.62	1.62	1.58	1.16	1.75	1.37	1.40	1.11	1.39
Total dividend per share (EUR)[6]	1.50	1.50	1.50	1.50	1.50	1.20	1.20	1.20	1.20	0.60

Data on employees	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Number of employees (full-time equivalents)	14,090	13,633	13,391	13,385	12,931	11,423	11,532	11,634	11,654	13,131
Average number of employees over the period	14,040	13,781	13,179	13,161	13,007	11,544	11,445	11,529	11,650	12,629
Underlying revenue per employee (EUR)	426,958	425,997	438,413	441,238	437,173	474,647	487,381	512,534	518,604	509,116
Total income per employee (EUR)	428,194	426,201	440,240	442,870	438,005	474,783	487,451	512,936	519,163	517,794
Underlying EBITDA per employee (EUR)	123,467	130,315	138,325	141,681	143,801	159,057	154,814	154,912	150,844	146,507
Total EBITDA per employee (EUR)	117,251	125,743	134,483	136,342	128,856	166,467	159,721	158,394	153,326	154,395

Ratios - on reported basis	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Return on Equity	17.2%	18.6%	18.3%	16.9%	13.1%	19.4%	14.9%	13.6%	10.8%	10.4%
Direct margin	60.5%	61.8%	62.7%	63.5%	64.6%	65.3%	64.2%	63.0%	63.7%	63.8%
Net debt / EBITDA[7]	1.17	1.07	1.18	1.20	1.30	1.23	1.50	1.51	1.75	2.01
EBITDA Margin	27%	30%	31%	31%	29%	35%	33%	31%	30%	30%

Ratios - on underlying basis	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Return on Equity	18.9%	19.4%	19.2%	18.4%	19.9%	19.5%	15.5%	14.6%	11.8%	10.0%
Direct margin	59.6%	61.8%	62.5%	63.4%	64.6%	65.3%	64.2%	63.0%	63.7%	63.2%
Net debt / EBITDA[7]	1.11	1.04	1.15	1.15	1.17	1.28	1.55	1.54	1.78	2.11
EBITDA Margin	29%	31%	32%	32%	33%	34%	32%	30%	29%	29%

CAPEX	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Total CAPEX	1,002	949	1,092	1,019	1,035	1,237	1,246	1,923	1,328	1,383
CapEx excl Spectrum and Football right	927	949	1,002	1,019	1,027	1,000	1,203	1,305	1,325	1,355

1 Earnings Before Interests, Taxes, Depreciation and Amortization.
2 Cash flow before financing activities but after lease payments.
3 FCF adjusted to exclude M&A transactions and M&A-related transaction costs.
4 i.e. excluding Treasury shares.
5 No difference between basic and diluted earnings per share.
6 Accounting view (not cash view).
7 Net debt excluding lease liabilities, Proximus definition. 2.9x as per S&P definition for FY 2024.
2018: IFRS15; as from 2019:IFRS 15 and 16

- Proximus significantly outperformed its initial 2024 revenue and EBITDA guidance set in February.
- The Domestic segment showed excellent commercial momentum.
- Underlying Domestic revenue rose 3.4% year-on-year, reaching EUR 4,826 million in 2024.
- Proximus Global revenue totaled EUR 1,672 million, a year-on-year decrease of 3.4% on a pro forma basis (up 16.0% on underlying figures), reflecting a continued shift from traditional Voice and Messaging to OTT solutions.
- Inflationary effects on Proximus OpEx were partly mitigated by the multi-year cost efficiency program.
- Domestic segment EBITDA increased by 2.8% compared to the previous year.
- Proximus Global EBITDA grew by 6.2% on a pro forma basis, supported by an 8.1% increase in Communications & Data direct margin and cost efficiencies.
- Underlying Group EBITDA of EUR 1,850 million, up 3.1% on a pro forma basis (5.3% on underlying figures).
- Group CapEx for the full year 2024 totaled EUR 1,355 million, excluding spectrum and football rights.
- Adjusted FCF was EUR 58 million. Including Route Mobile and Fiberklaar acquisition costs, reported FCF stood at EUR -727 million.

Proximus Group

Revenue

The Proximus Group closed 2024 with a total underlying revenue of EUR 6,430 million, an increase of 1.6% (EUR 99 million) on a pro forma basis and 6.4% (EUR 388 million) compared to the prior year's underlying figures.

Group underlying revenue (pro forma)

EUR 6,430M

Up 1.6% YoY

Amongst the pillars, the underlying Domestic revenue grew by 3.4% year-on-year, reaching EUR 4,826 million.

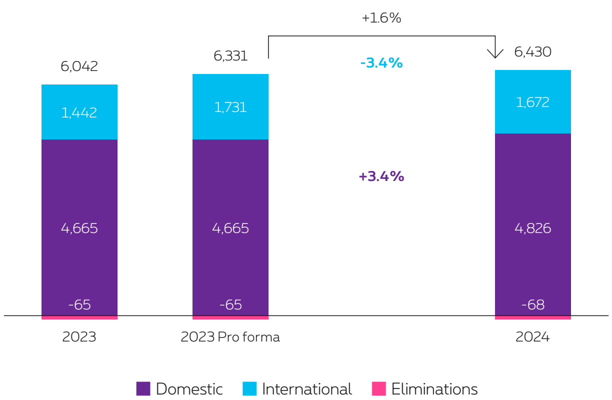
The Residential revenue increased by 4.3% to EUR 2,500 million, driven by a 5.0% increase in revenue from Customer Services. This growth reflects a strong commercial performance further supported by price indexation. Convergent revenue saw robust growth of 9.0%. In addition, revenue from Terminals rose by 9.6%.

The Business unit posted a 2.2% revenue increase compared to 2023. Business Services revenue grew by 1.2%, supported by higher revenue from IT Services (+6.5%) and Fixed Data (+3.3%) which offset declines in Mobile Services (-2.1%) and the ongoing but moderating Fixed Voice revenue erosion (-5.8%). Additionally, strong growth was recorded in Terminals (+19.5%) and IT equipment installations (+2.7%).

Proximus' Wholesale unit recorded revenue of EUR 253 million in 2024, a decrease of 1.8% (EUR -5 million) compared to 2023. This decline was entirely driven by a EUR -25 million decrease in low-margin interconnect revenue, while revenue from Fixed and Mobile wholesale services grew strongly by 14.8% (EUR 21 million).

On a pro forma basis, revenue from Proximus Global declined by 3.4% (-3.2% at constant currency) to EUR 1,672 million. This decrease was primarily driven by headwinds from low-margin legacy Voice services and the ongoing CPaaS transition from SMS to OTT solutions. However, this was partially offset by the uptake in CPaaS Omnichannel solutions, Mobility and IoT services, which deliver higher margins. Compared to 2023 underlying figures, Proximus Global grew by 16.0%, reflecting the inclusion of Route Mobile following its acquisition in May 2024.

Group revenue by segment (underlying, M€)

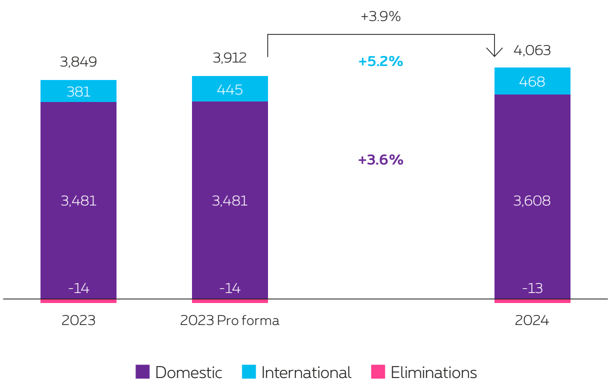


Direct margin

For the full year 2024, Proximus Group posted an underlying direct margin of EUR 4,063 million, an increase of 3.9% (EUR 151 million) compared to pro forma 2023 (5.6% or EUR 214 million compared to 2023 underlying figures). This growth was largely driven by strong contributions from the Domestic segment, which posted a 3.6% increase (EUR 126 million) in its direct margin.

Proximus Global recorded a 5.2% year-on-year increase in Direct margin compared to pro forma 2023, reaching EUR 468 million (+5.3% at constant currency), supported by an 8.1% direct margin growth in Communications & Data.

Direct margin (underlying, M€)



Group underlying direct margin

EUR 4,063M

Up 3.9% YoY

(Pro forma)

Operating expenses (OpEx)

The Proximus Group's operating expenses increased by 4.5% year-on-year on a pro forma basis, reaching EUR 2,213 million. Compared to 2023 underlying figures, operating expenses rose by 5.8%.

Operating expenses increased for 2024, reaching a total of

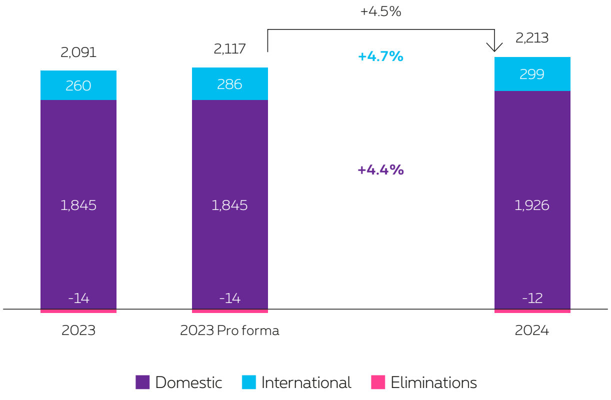
EUR 2,213M

for the Proximus Group.

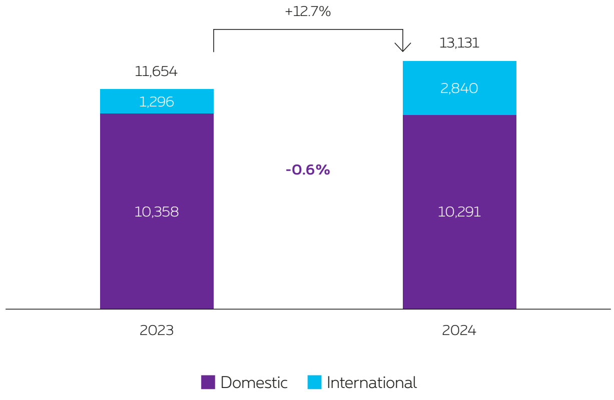
Domestic operating expenses totaled EUR 1,926 million in 2024, reflecting a 4.4% year-on-year increase. This rise was primarily driven by inflationary cost pressures, including salary indexations effective December 1, 2023, and June 1, 2024, as well as other inflation-related effects. Additionally, strong commercial performance led to higher customer-related costs. Transformation costs were also higher, driven by initiatives like Mwingz and Cloudification, amongst others. These impacts were mitigated by optimizations achieved through the company's ongoing cost efficiencies program.

Operating expenses for Proximus Global increased by 4.7% year-on-year on a pro forma basis, reaching EUR 299 million (15.1% on underlying figures). This increase reflects exposure to high-inflation regions, such as India, partially mitigated by initial cost synergies. The headcount evolution for Proximus Global reflects the integration of 1,607 FTE from Route Mobile at year-end 2024.

Operating expenses (underlying, M€)

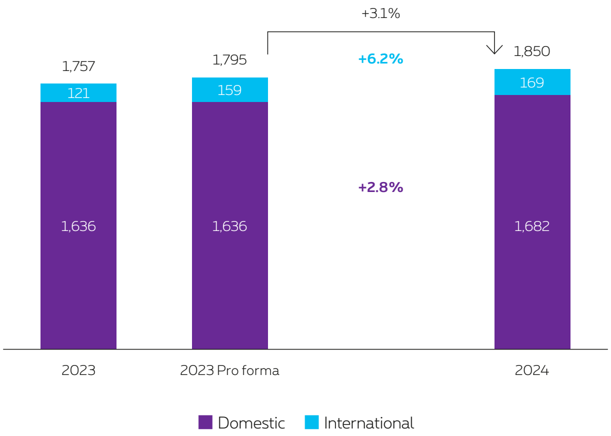


Headcount evolution (FTE)



Underlying EBITDA

Group EBITDA by segment (underlying, M€)



Group underlying EBITDA

EUR 1,850M

Up 3.1% YoY

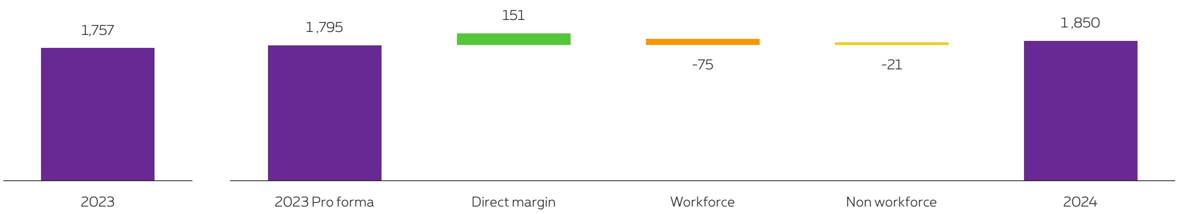
(Pro forma)

The underlying Group EBITDA for 2024 totaled EUR 1,850 million, reflecting a 3.1% increase (EUR 55 million) on a pro forma basis compared to the previous year and a 5.3% rise on underlying figures. This growth was driven by solid contributions from both the Domestic segment and Proximus Global.

Proximus' Domestic operations reported an EBITDA of EUR 1,682 million for 2024, a year-on-year increase of 2.8%. This growth was primarily driven by strong direct margin expansion, which largely offset rising costs.

Proximus Global achieved an EBITDA of EUR 169 million in 2024. This represents a 6.2% year-on-year increase on a pro forma basis and a 39.2% rise on underlying figures.

Group EBITDA evolution (underlying, M€)



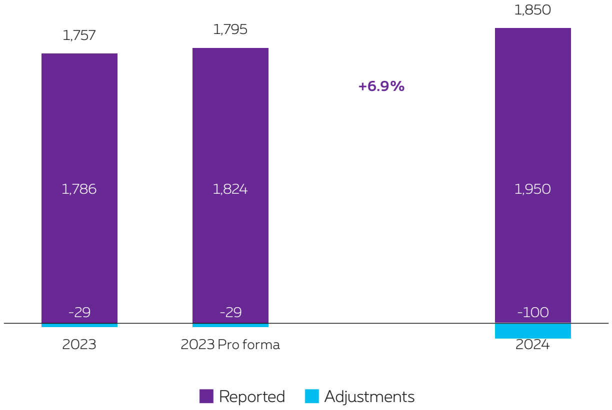
Reported EBITDA

Excluding operating leases and including other adjustments, the Proximus Group reported an EBITDA of EUR 1,950 million for 2024, up 6.9% year-on-year compared to EUR 1,824 million in 2023 on a pro forma basis. On underlying figures, this represents a 9.2% increase from EUR 1,786 million.

In 2024, the Proximus Group recorded net adjustments[1] totaling EUR 100 million compared to EUR 29 million in 2023.

Lease depreciation and interest expenses for 2024 increased by EUR 15 million year-on-year, totaling EUR 105 million. (Since 2019, following the application of IFRS 16, these expenses have been excluded from reported EBITDA.) This increase was partially offset by EBITDA adjustments for transformation costs of EUR 20 million and M&A-related adjustments of EUR 3 million.

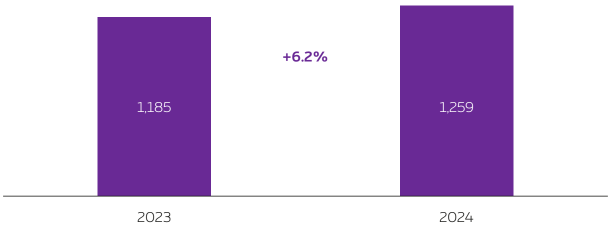
Reported and underlying EBITDA (M€)



Depreciation and amortization

In 2024, the Group depreciation and amortization (D&A) totaled 1,259 million, including lease depreciation. The increase of EUR 74 million compared to EUR 1,185 million in 2023 was for a large part due to the acquisition of Route Mobile, and the higher D&A following an expanding Fiber coverage.

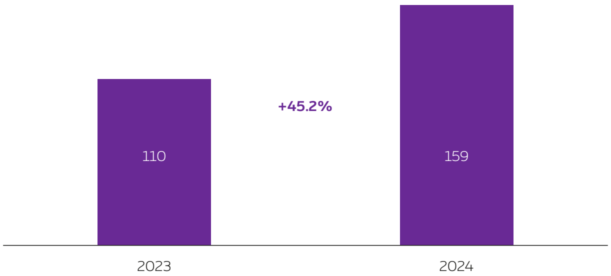
Depreciation and amortization incl. lease depreciation (M€)



Net finance cost

Full-year 2024 net finance costs, including lease interest, totaled EUR 159 million, an increase of EUR 50 million compared to the prior year. Besides the impact of the integration of Fiberklaar as of August 2024, the rise in net finance costs was primarily driven by interests on long-term loans (bonds issued in March and November 2023 and March 2024).

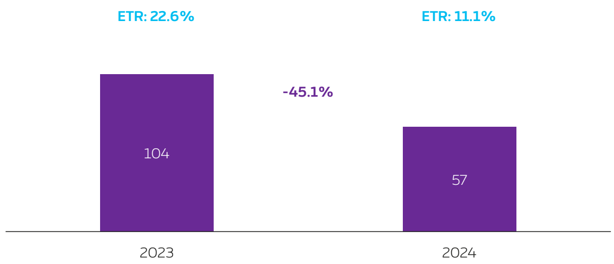
Net finance cost incl. lease interest (M€)



Tax expense

In 2024, tax expenses totaled EUR 57 million, resulting in an effective tax rate (ETR) of 11.1%, significantly lower than the Belgian statutory tax rate of 25%. The ETR is positively impacted by several elements related to current and previous years: investment deduction, higher innovative income deduction and the remeasurement to fair value of the previously held interest in Fiberklaar amongst others.

Tax expense (M€)



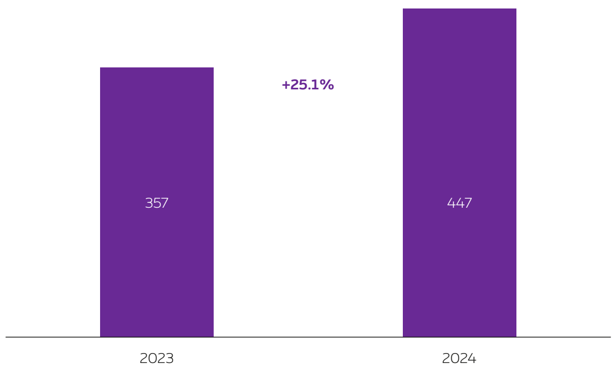
Net income

The Proximus net income (Group share) increased by 25.1% to EUR 447 million resulting from a EUR 164 million increase in Group EBITDA and lower tax expenses, partly offset by higher depreciations and finance costs. The growth in EBITDA was postively impacted by 2 one-offs recognized in 2024: remeasurement of the Fiberklaar participation and the recognition in revenue of the cash received from Immobel.

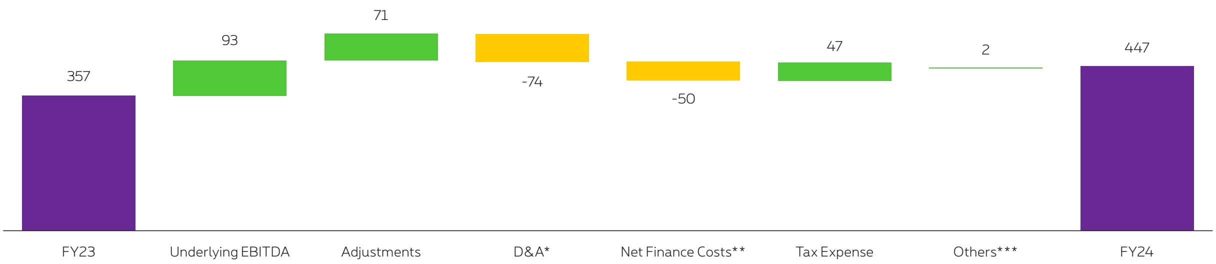
EUR 447M

Net income (Group share)

Net income (Group share) (M€)



Net income (Group share) evolution (M€)



* excluding lease depreciation; ** excluding lease interest; *** includes Non-controlling interests and Share of loss from associates

CapEx

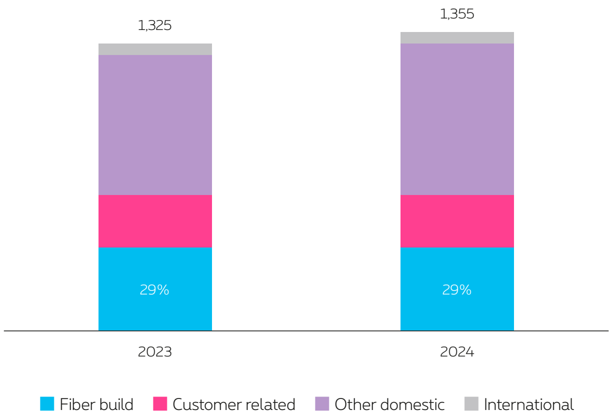
In 2024, the Proximus Group accrued a total CapEx of EUR 1,382 million, including spectrum and football broadcasting rights, representing a slight increase from EUR 1,328 million in 2023. Excluding these items, accrued CapEx totaled EUR 1,355 million, compared to EUR 1,329 million in 2023 on a pro forma basis, aligned with the Group's guidance and slightly above the previous year. The increase primarily reflects the consolidation of Fiberklaar at the end of Q2 2024, with its Fiber-related CapEx included from early Q3 2024. Customer-related investments to connect and activate Fiber customers also rose slightly year-on-year.

Investments in Fiber accounted for 29% of total CapEx, consistent with 2023. By year-end, Proximus was actively rolling out Fiber in 171 cities and municipalities across Belgium. The Fiber footprint grew by 27% year-on-year, reaching 2,224,000 premises by end-2024.

The Mobile network (RAN) consolidation progressed as planned, driven by the joint operation Mwingz, with CapEx aligned to the pace of mobile site integration.

In line with its strategic priorities, Proximus also made significant investments in digitalization and IT to enhance operational efficiency and customer experience.

Accrued CapEx (M€)
(excl. spectrum and football rights)

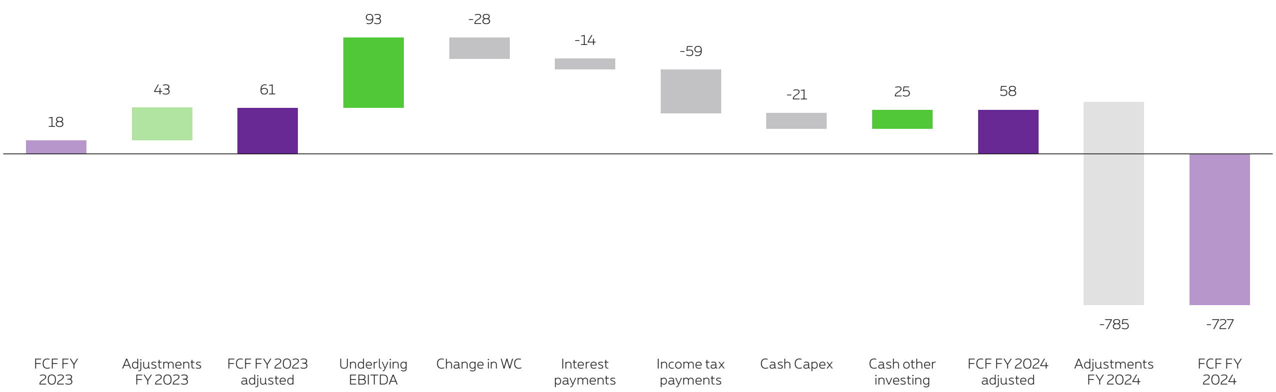


Free Cash Flow

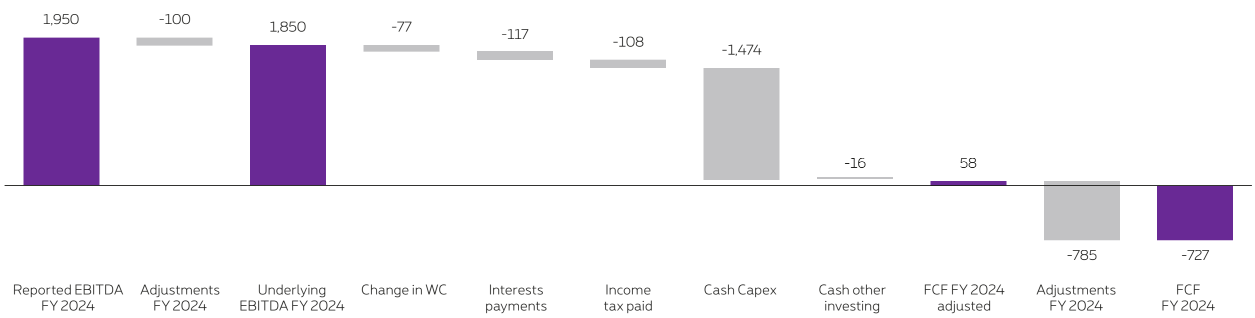
In 2024, reported Free Cash Flow (FCF) amounted to EUR -727 million, including acquisitions and M&A-related costs. Excluding these items, the adjusted FCF stood at EUR 58 million, reflecting a year-on-year decrease of EUR -4 million compared to the adjusted FCF of 2023. The acquisition and M&A-related costs primarily relate to the acquisitions of Route Mobile and Fiberklaar. The decrease in adjusted FCF was driven by interest expenses, increased income tax payments, and higher cash needs for working capital more than offsetting higher EBITDA and lower equity injections.

EUR 58M adjusted FCF

Free Cash Flow Year-on-Year comparison (M€)



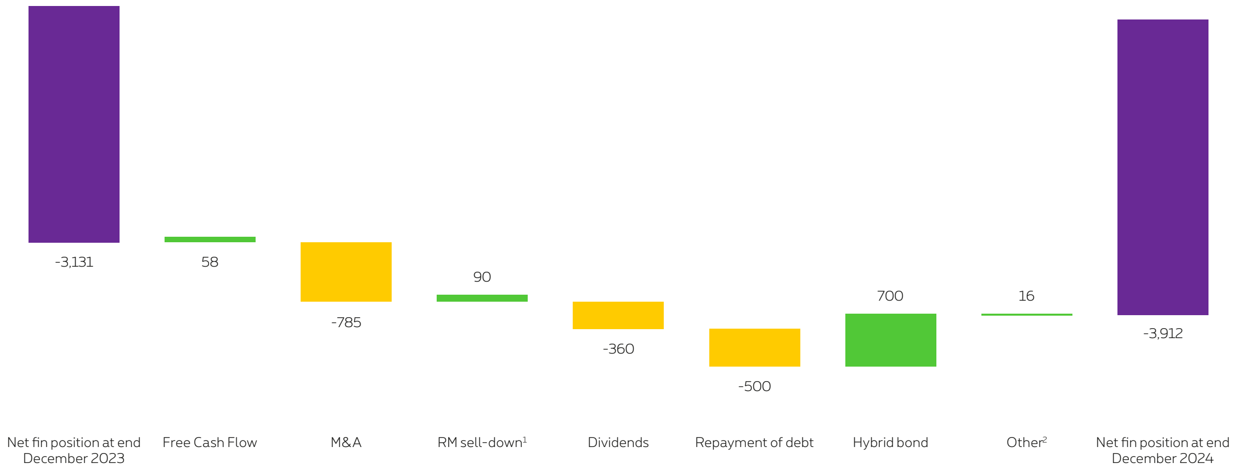
EBITDA conversion to Free Cash Flow (M€)



Net financial position

At the end of December 2024, Proximus' adjusted net financial position was EUR -3,912 million (including re-measurements to fair value), keeping a very sound net debt/EBITDA ratio of 2.9x (as per S&P definition).

Evolution of Adjusted Net Financial Position (excl. lease liabilities), M€



- Domestic revenue reached EUR 4,826 million in 2024, up 3.4% from 2023.
- Proximus achieved robust growth driven by its complementary brand portfolio.
- Residential revenue totaled EUR 2,500 million in 2024, up 4.3% year-on-year.
- Business revenue increased to EUR 1,996 million in 2024, reflecting 2.2% growth compared to 2023.
- Wholesale revenue amounted to EUR 253 million in 2024, down by 1.8% year-on-year, fully attributable to Interconnect revenue erosion with no material margin impact.
- Domestic EBITDA reached EUR 1,682 million, a year-on-year increase of 2.8%.

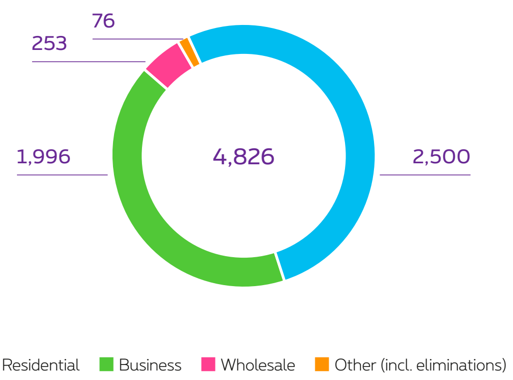
1 Route Mobile sell-down: In September 2024, the Proximus Group finalises the sale of the Route Mobile shares in order to comply with the minimum public ownership requirement. These transactions generate gross proceeds of around EUR 90 million for Proximus Opal and result in a final stake in Route Mobile of 74.90%.

2 Other: mainly re-measurements to fair value & amortisation of loans (incl. CF hedge for new LT loan); Own shares and New debts difference (EUR +5.5 million).

Domestic

For its Domestic operations, Proximus generated revenue of EUR 4,826 million in 2024, representing a 3.4% increase (EUR 160 million) compared to 2023. The Residential unit contributed approximately 52% of total Domestic revenue, the Enterprise unit 41%, and the Wholesale unit 5%.

Following the expanding Fiber footprint of Proximus, with works ongoing in 171 cities and municipalities, Fiber increasingly became a selling argument in both the Residential and Business market. During 2024, the number of activated Fiber customers grew by 167,000, a mix of Residential and Business customers, including both new activations and migrations from copper bringing the total Fiber customer base to 564,000 by year-end. This compares to an increase of 145,000 activated Fiber customers in 2023.



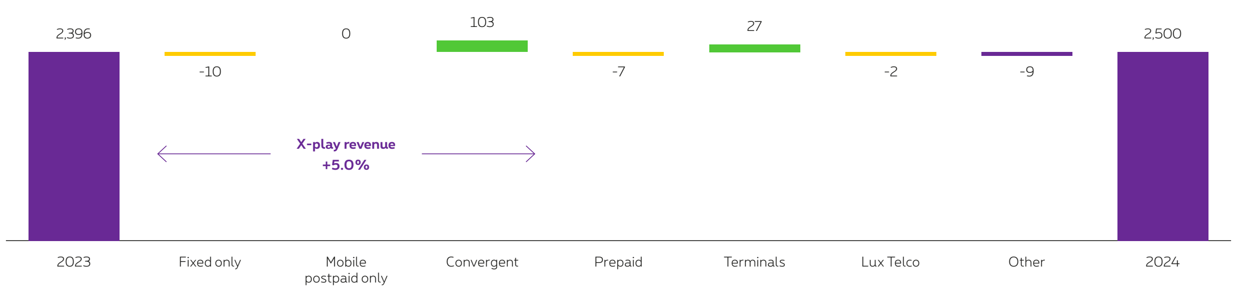
Residential revenue

Revenue generated by Proximus Residential customers totaled EUR 2,500 million over 2024, up by 4.3% (EUR 104 million) compared to 2023.

1,826,000

Fixed Internet customers
Up by 43,000 in 2024

Residential revenue build up (underlying, M€)

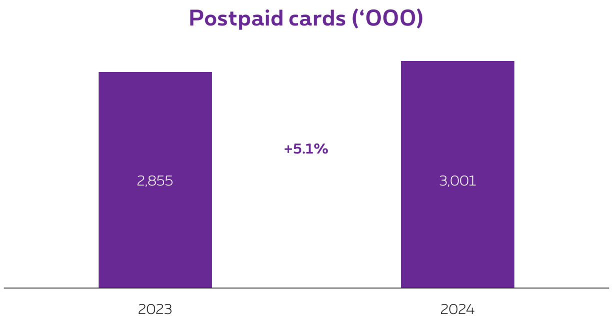


Through its three complementary brands – Proximus, Scarlet, and Mobile Vikings – designed to address diverse residential market needs, Proximus achieved strong growth in its Internet and Mobile Postpaid customer base in 2024. The Fixed Voice base continued its steady decline, reflecting evolving customer preferences.

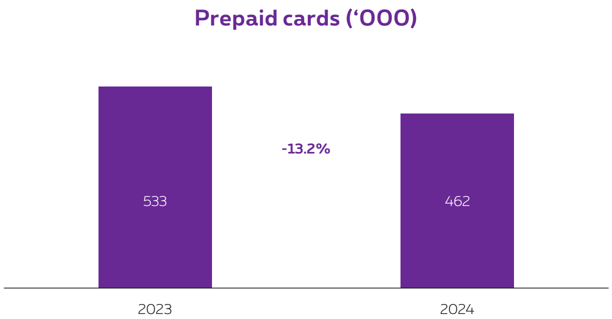
Convergent offers that combine Fixed and Mobile services supported strong performance, particularly driven by the success of Proximus' Flex offers. In addition to a growing base across its core products, Residential revenue also benefited from inflation-based price adjustments on a broad range of Proximus services, implemented to offset inflationary pressures on the company's cost base.

When zooming in on the Residential operational results, 2024 was especially successful for Mobile Postpaid, with the number of Mobile Postpaid cards for the year up by 145,000, in spite of a rising competitive intensity.

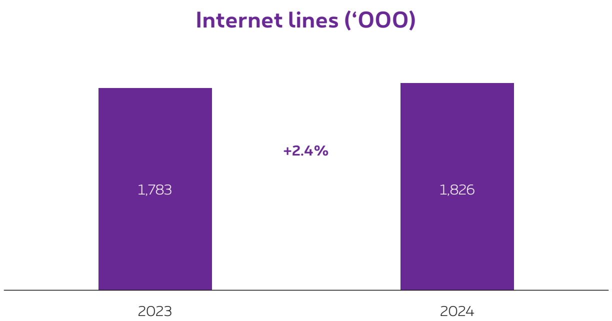
Proximus' mobile growth was driven by the complementary offerings of its premium Proximus brand, Scarlet, and Mobile Vikings, which collectively contributed to its success in Mobile. By the end of December 2024, Proximus' Residential Mobile Postpaid base totaled 3,001,000 cards, representing a 5.1% increase compared to the end of 2023.



The Prepaid base continued its inherent declining trend, stimulated by the attractive Mobile Postpaid offers. Proximus saw the Mobile Prepaid base shrink in 2024 by 70,000 cards, leading to a total number of Prepaid cards of 462,000 by end December 2024.



Strongly supported by Proximus' expanding Fiber footprint, the Residential unit managed to accelerate the growth of its Internet customer base, up by 43,000 customers in a competitive market. This is a 2.4% increase compared to one year ago, with end-2024 the Residential Internet base totaling 1,826,000 Internet lines, being a mix of customers on the historical copper network and a growing number of customers on the new Fiber technology.



The revenue generated by customers subscribing to Proximus' different product lines is referred to as Customer Services revenue or X-Play revenue. For 2024, 79% of the total Residential revenue, i.e., EUR 1,973 million was generated by Customer Services (X-Play), an increase of 5.0% or EUR 93 million compared to 2023. The overall ARPC for 2024 of EUR 57.6 represents an increase of 3.9% from one year back. This was mainly the result of the inflation-based price adjustments, effective on 1 July 2023 and 1 January 2024.

In the mix, it is especially revenue from Convergent customers which showed strong growth, up by 9.0% year-on-year reaching EUR 1,240 million. In 2024, Proximus grew its convergent base by 59,000 customers, reaching a total of 1,172,000, up by 5.3% from 12 months back. The main growth driver of the Convergent revenue is the strong increase in the convergent 2-Play and 3-Play customer base.

Proximus grew its convergent 3-Play base by 32,000 customers, reaching 484,000 customers by end-2024. This was combined with 4.0% growth in 3-Play ARPC to EUR 91.5. This resulted in a 3-Play convergent revenue growth of 11.0% to a total of EUR 512 million.

In continuation of the successful launch of offers combining Mobile with Internet mid-2022, and the decreased TV fee for certain customer units, the dual-play customer base grew by 57,000 customers in 2024.

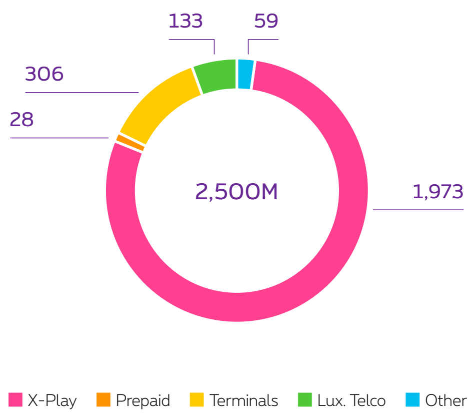
The uptake of 2 and 3-Play convergent offers largely explains the steady downward trend in the number of 4-Play customers, down by 30,000 to a total base of 481,000.

With the number of customers subscribing to Proximus' convergent offers on the rise, Proximus' base of Fixed-only customers decreased to 819,000 by end-2024. These customers generated in 2024, an ARPC of EUR 49.0, a EUR 1.7 increase from the previous year.

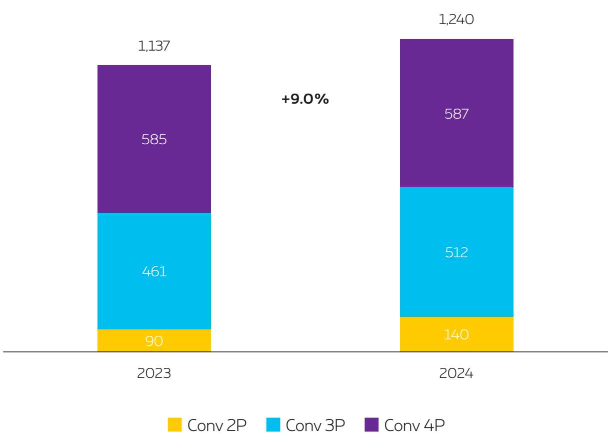
The number of customers who only have a Mobile subscription is stable compared to 2023. By end-2024, the Residential unit counted a Mobile Postpaid-only base of 881,000 customers, Proximus, Scarlet and Mobile Viking brands combined. These Mobile-only customers generated an ARPC of EUR 23.0, slightly down (-1.1%) compared to the previous year.

In addition to the above-described revenue from Customer Services, the Residential unit revenue also includes revenue from Terminals, Mobile Prepaid, its Luxembourg telecom business and Other revenue. In 2024, Terminals' total revenue reached EUR 306 million, a 9.6% increase from 2023. Driven by the decrease in the Proximus Prepaid base, revenue from Mobile Prepaid continued its eroding trend, with revenues down to EUR 28 million for 2024 compared to EUR 35 million in 2023. Proximus Luxembourg telecom revenue decreased by 1.2% year-on-year (EUR 2 million). Proximus' Residential unit recorded EUR 37 million in Other revenue for 2024, reflecting a year-on-year decrease of EUR -9 million.

79% Residential revenue generated by Customer Services



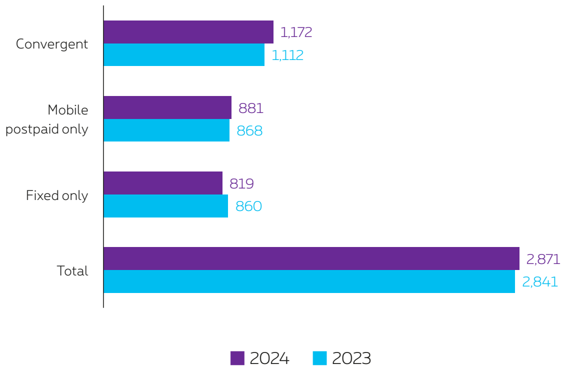
Convergent Revenue ('000)



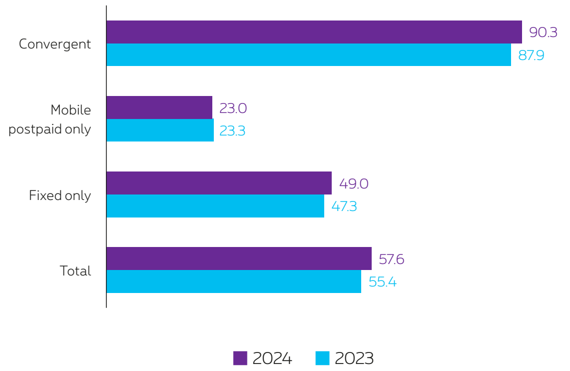
Up 9.0%

Convergent revenue

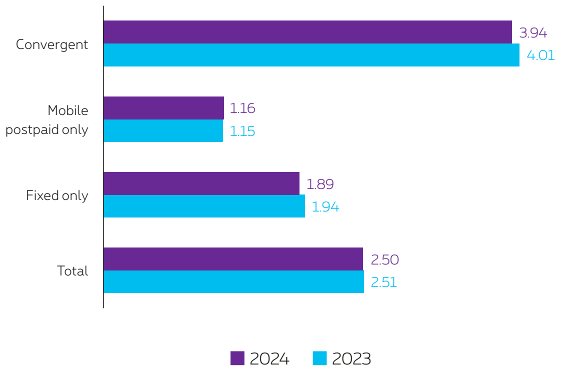
Customers per X-Play ('000)



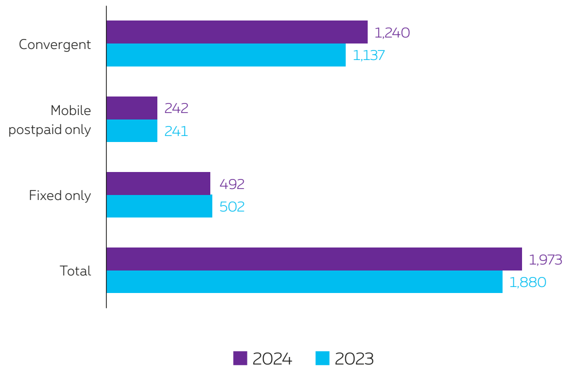
Average Revenue per Customer (€)



Average Revenue Generating Units per Customer



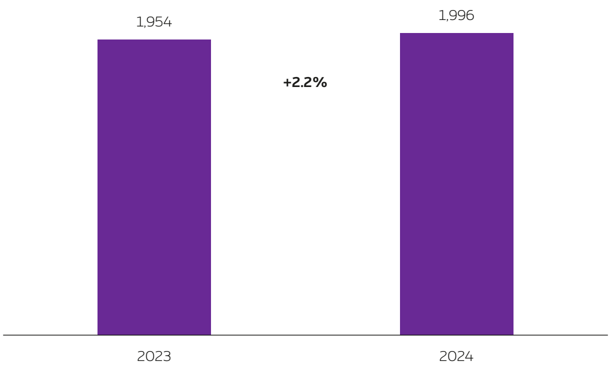
Customer Revenues (M€)



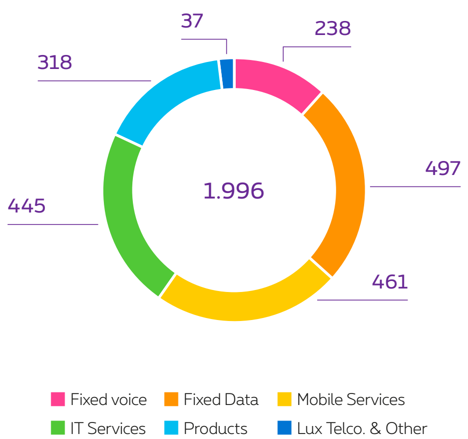
Business revenue

Proximus' Business unit generated revenue of EUR 1,996 million in 2024, a 2.2% increase compared to 2023. This growth was supported by a 6.6% rise in Products revenue and a 1.2% increase in Services revenue. Within Services, higher revenue from Fixed Data and IT Services offset declines in Mobile Services, impacted by the loss of the Flemish Government contract, and the ongoing erosion of Fixed Voice revenue. For Products, revenue growth was driven by strong performance in both Terminals and IT equipment.

2024 revenue (M€)



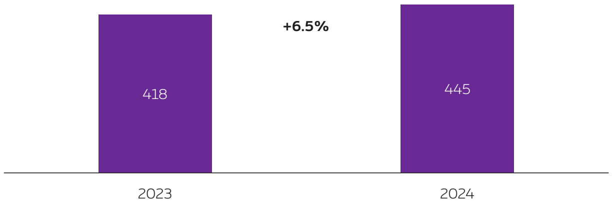
2024 total revenue, per product (M€)



IT Services

Proximus' Business unit delivered strong growth in IT Services revenue, reaching EUR 445 million in 2024, a year-on-year increase of 6.5%. This performance is partly driven by the early success of Proximus NXT IT, a dedicated entity focused on designing, developing, and delivering tailored IT solutions to meet evolving business needs more efficiently, while also aiming to improve margins.

IT Services Revenue (M€)



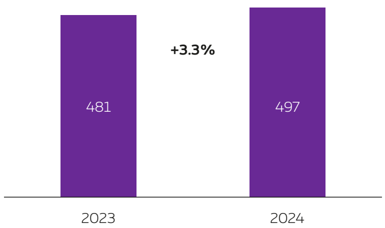
Fixed Data

The revenue from Fixed Data services continued its positive trajectory in 2024, posting an increase of 3.3% from the previous year, totaling EUR 497 million for 2024.

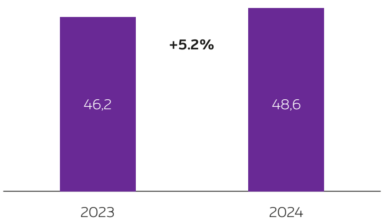
Within the Fixed Data revenue mix, the revenue growth was mainly driven by further improving revenue from Internet services. This was explained by a progressing Broadband ARPU at EUR 48.6 for 2024, up 5.2% on the previous year, mainly benefitting from the price indexation, improved price tiering and a growing share of Fiber in the total Internet park. Over 2024, the Business Internet base slightly progressed to 442,000, up by 0.5% compared to one year back.

Revenue from Data Connectivity was slightly down year-on-year, as growth in new data connectivity offerings did not fully offset the erosion of legacy services. This growth was supported by Proximus' expanding point-to-point Fiber network.

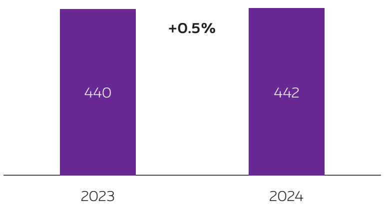
Fixed Data revenue (M€)



Fixed Internet ARPU (€)



Fixed Internet subscriber base ('000)



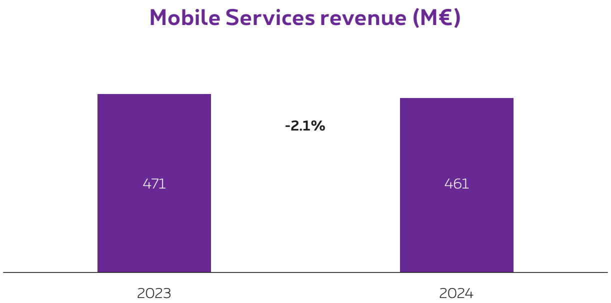
Mobile Services

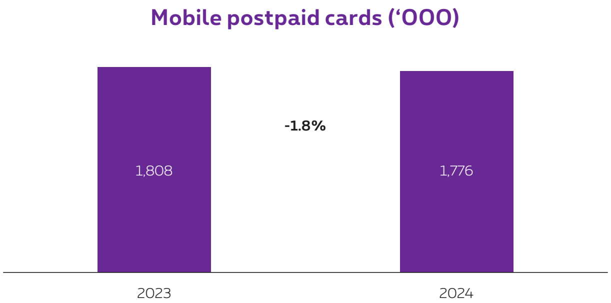
In 2024, the Business unit's Mobile service revenue totaled EUR 461 million, a decline of 2.1% year-on-year. Proximus maintained a solid mobile customer base, with 1,776,000 cards, reflecting a reduction of 32,000 Postpaid cards over the past twelve months (-1.8%). This decline was primarily attributed to the loss of the Flemish Government contract. Additionally, Mobile ARPU experienced a slight decrease of 2.2% compared to 2023.

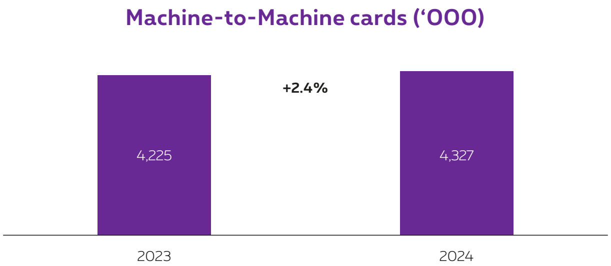
The Business unit continued to grow its M2M park, with 102,000 additional M2M cards activated during the year. By the end of December 2024, the Proximus M2M base reached 4,327,000 cards, marking a 2.4% increase year-on-year.

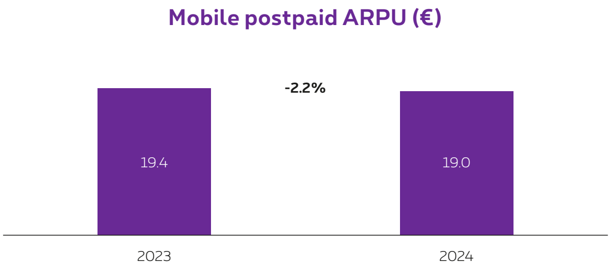
Mobile postpaid cards (including M2M)

Up 70,000



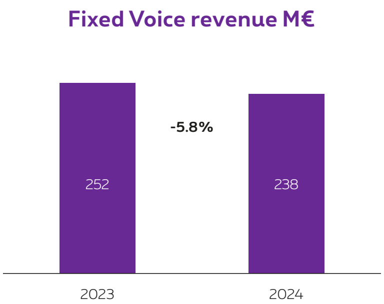


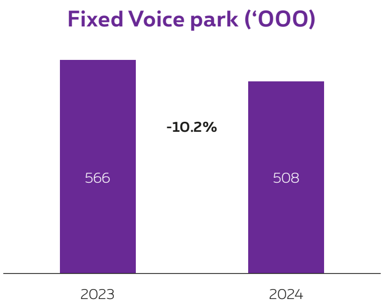


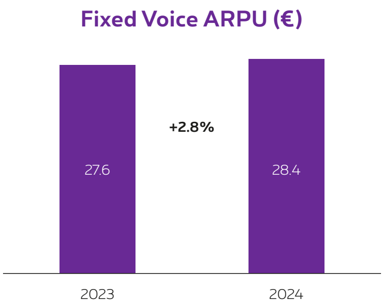


Fixed Voice

The Business unit reported EUR 238 million in Fixed Voice revenue for 2024, reflecting a year-on-year decline of 5.8%. This decline was primarily driven by the ongoing erosion of the Fixed Voice park, which decreased by 10.2% during the year. The Business Fixed Voice base contracted by 58,000 lines, ending 2024 with a total of 508,000 lines. This trend reflects continued customer rationalization of fixed-line connections, reduced usage, and migrations to VoIP technology. Partially offsetting these effects, Fixed Voice ARPU increased by 2.8%, driven by inflation-based price indexation, reaching EUR 28.4.

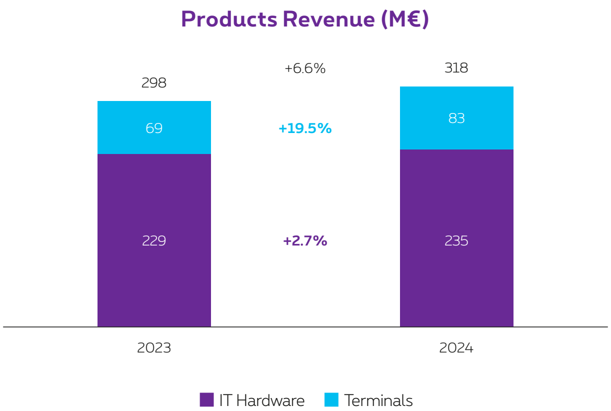






Products

Revenue from Products in 2024 grew by 6.6% year-on-year, an increase of EUR 20 million compared to 2023. This growth was primarily driven by strong performance in Terminals, which increased by 19.5%, and steady growth in IT Hardware, up 2.7%.



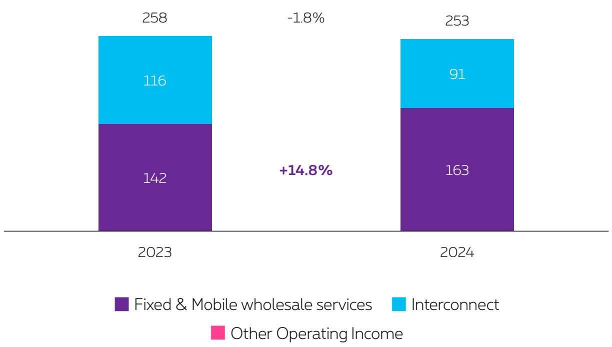
Wholesale revenue

Proximus' Wholesale operations generated revenue of EUR 253 million in 2024, a decrease of 1.8% (EUR 5 million) compared to 2023.

The decline in Wholesale revenue was entirely attributable to a EUR 25 million reduction in Interconnect revenue, which had no material margin impact. This was partially driven by the EU regulation lowering Fixed and Mobile Termination rates effective January 1, 2024. The larger share of the decline resulted from the ongoing shift away from traditional SMS usage in favor of over-the-top applications.

Meanwhile, revenue from Fixed and Mobile wholesale services increased by 14.8%, reaching EUR 163 million. This growth was primarily driven by higher roaming revenue and increased contributions from services provided through Mwingz and Proximus' Fiber Joint Ventures.

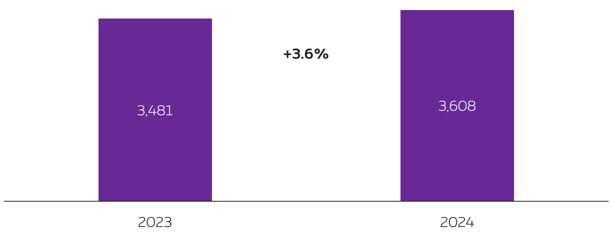
Revenue (M€)



Domestic Direct margin

Proximus' Domestic operations achieved a direct margin of EUR 3,608 million in 2024, representing a 3.6% increase (EUR 126 million) compared to the previous year. This growth was driven by solid customer expansion across Proximus' main services, including Internet and Mobile, and was further supported by inflation-based price increases.

Domestic Direct margin (underlying, M€)



Domestic OpEx

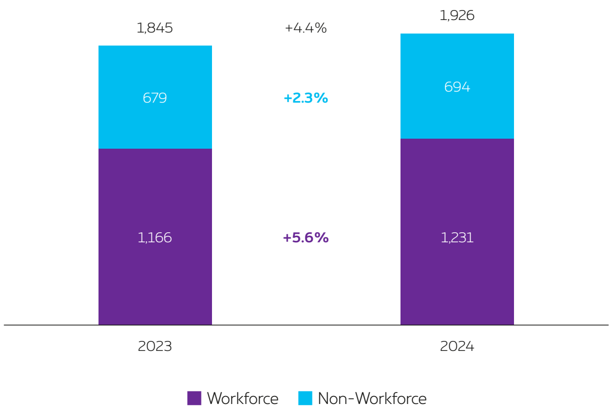
Domestic operating costs increased by 4.4% year-on-year to EUR 1,926 million in 2024. This rise was driven by significant inflationary impacts on the cost base, higher costs to support customer growth – particularly in Fiber – and an increase in transformational costs. These increases were partially offset by Proximus' ongoing cost-efficiency program.

Workforce expenses for the Domestic segment totaled EUR 1,231 million, up 5.6% from the previous year. This was largely due to automatic wage adjustments linked to inflation, including 2 additional inflation-based salary indexations of 2% each.

As of the end of 2024, Proximus' Domestic headcount stood at 10,291 FTEs, a decrease of 66 FTEs compared to 10,358 FTEs at the end of 2023. This reduction was primarily the result of natural attrition and retirements, which more than offset new hiring.

The Domestic non-workforce expenses increased by 2.3% in 2024, representing a year-on-year rise of EUR 5 million. This was primarily driven by general inflationary effects on costs such as maintenance and rental expenses. Additionally, in line with the company's strong customer growth, Proximus experienced an increase in customer-related costs year-on-year.

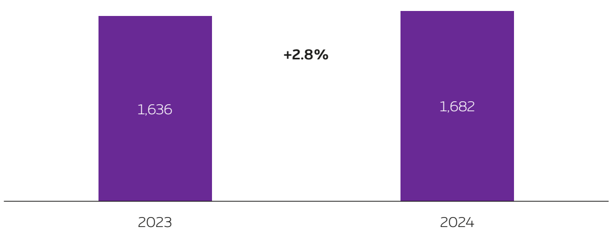
Domestic operating expenses (underlying, M€)



Domestic EBITDA

Proximus' Domestic segment reported an EBITDA of EUR 1,682 million in 2024, reflecting a year-on-year increase of 2.8%. This growth was driven by higher direct margin outweighing the higher costs. The Domestic EBITDA margin as a percentage of revenue stood at 34.8%, compared to 35.1% in 2023.

Domestic EBITDA (underlying, M€)



Proximus Global

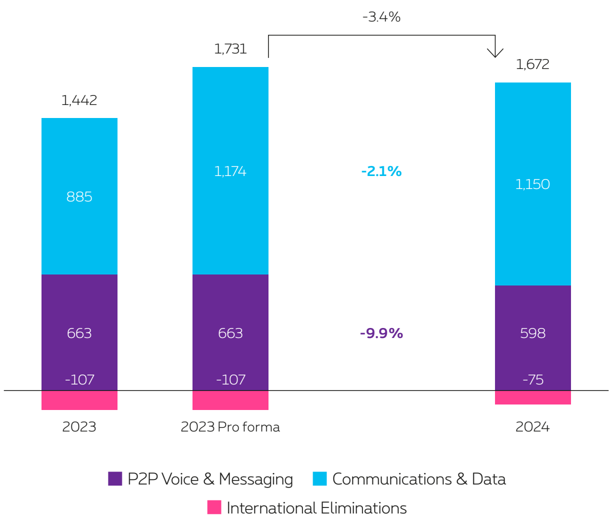
Proximus Global revenue

In 2024, Proximus Global reported EUR 1,672 million in revenue, reflecting a year-on-year decrease of 3.4% on a pro forma basis (an increase of 16.0% compared to underlying figures).

Revenue from Communications & Data totaled EUR 1,150 million, limiting the year-on-year decline to 2.1% on a pro forma basis (and marking a 29.9% increase on underlying figures). While the industry-wide reduction in CPaaS SMS volumes persisted, Proximus Global successfully captured part of this traffic through Omnichannel solutions, which maintained a strong growth trajectory. The segment also posted robust growth in Digital Identity, Mobility, and IoT services.

In an inherently declining market, P2P Voice & Messaging revenue amounted to EUR 598 million, a 9.9% year-on-year decline, driven by lower overall volumes.

Revenue by product group (M€)

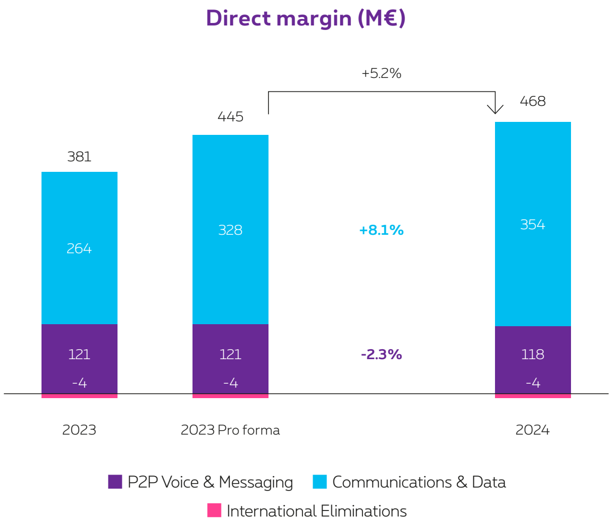


Proximus Global Direct margin

Proximus Global achieved a direct margin increase of +5.3% at constant currency on a pro forma basis, reaching EUR 468 million (up EUR 23 million). Including currency effects, the direct margin grew by 5.2%. This robust performance was driven by growth in Communications & Data services. On underlying figures, the growth including currency effects was up 22.7%.

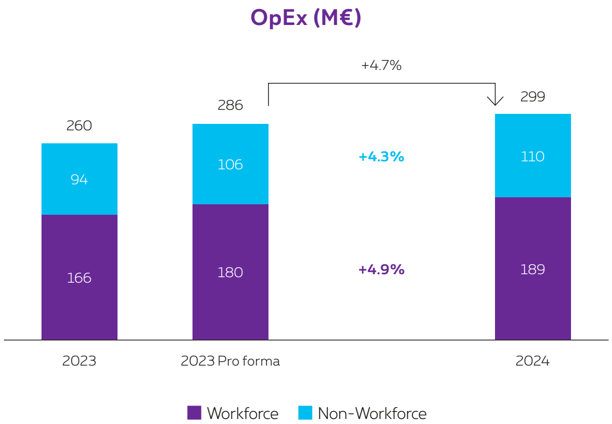
In 2024, Proximus Global achieved a direct margin of EUR 354 million in Communications & Data services, reflecting an 8.1% increase on a pro forma basis and 34.1% growth compared to underlying figures. This strong performance was driven by contributions from nearly all product lines within Communications & Data. In the CPaaS Product group, Proximus successfully recaptured part of the traffic that had shifted from CPaaS SMS, growing by 2.3% on pro forma basis, to CPaaS omnichannel, delivering solid growth for its omnichannel offering. Additionally, Digital Identity showed strong results, with higher direct margin driven by growth in Phone ID.

In 2024, Proximus Global recorded a direct margin of EUR 118 million for P2P Voice & Messaging, a 2.3% decline year-on-year on a pro forma basis. The decrease was driven by the continued erosion of Legacy Voice products, which was not fully compensated by Other Legacy products and capacity.



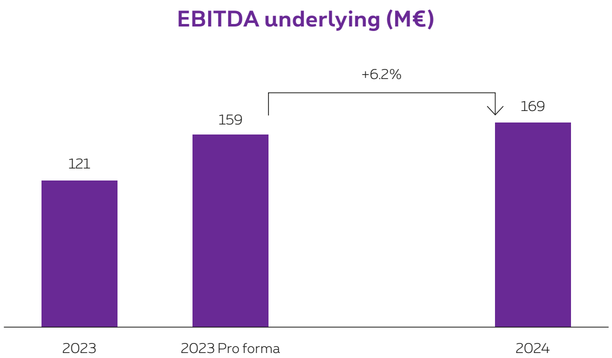
Proximus Global OpEx

Proximus Global OpEx increased by 4.7% year-on-year on a pro forma basis, reaching EUR 299 million in 2024. The rise in Workforce OpEx was primarily driven by exposure to high-inflation markets, such as India, though this was partially mitigated by the realization of cost synergies.



Proximus Global EBITDA

Proximus Global reported an EBITDA of EUR 169 million for 2024, reflecting a year-on-year increase of 6.2% on a pro forma basis and 39.2% based on underlying 2023 figures. This growth was driven by strong direct margin expansion in Communications & Data and the realization of cost synergies, which began to materialize during the year.



Definitions

A2P: Application to Person messages

Adjusted Net Financial Position: is the Net Financial Position from which lease liabilities are excluded.

ARPC: Average underlying revenue per (residential) customer.

Adjusted Free Cash Flow: Free Cash Flow adjusted to exclude M&A transactions and M&A related transaction costs.

Annualized full churn rate of X-play: a cancellation of a customer is only taken into account when the customer cancels all its plays.

ARPU: Average Revenue per Unit.

Business: unit addressing the professional market including Corporates, Medium and Small Enterprises (including businesses with less than 10 employees).

CapEx: this corresponds to the acquisitions of intangible assets and property, plant and equipment, excluding Right of Use assets (leasing).

Communications & Data: one of the two main product groups within Proximus Global alongside "P2P Voice & Messaging". Communications & Data groups CPaaS, DI, Mobility, Cloud communications, and Internet of Things (IoT).

Convergence rate: convergent residential customers taking both Fixed and Mobile services of Proximus. The convergence rate refers to the percentage of convergent customers on the total of multi-play customers.

Cost of Sales: the costs of materials and charges directly related to revenues.

CPaaS: Communications Platform as a Service is a cloud-based delivery model that allows organizations to add real-time communications capabilities, such as voice, video and messaging, to business applications by deploying application program interfaces (APIs).

Digital Identity groups DI – Phone ID and DI – Score products.

Direct margin: the result of cost of sales subtracted from the revenues, expressed in absolute value or in % of revenues.

Domestic: segment defined as the Proximus Group excluding BICS, Telesign and Eliminations.

EBITDA: Earnings Before Interest, Taxes, Depreciation and Amortization; corresponds to Revenue minus Cost of sales, workforce and non-workforce expenses.

Adjustments (Revenue/EBITDA):
- **the lease depreciations and interests in the Operating Expenses,** with the exception of leases that would qualify as finance leases on the basis of the criteria applied to a lessor under IFRS 16;
- **transformation**: costs of employee transformation programs, the effect of settlements of post-employment benefit plans with impacts for the beneficiaries, or pre-identified material* one-shot projects (such as rebranding costs);
- **acquisitions, mergers and disposals**: gains and losses on disposal of buildings or consolidated companies, M&A-related transaction costs, deferred M&A purchase price and impairment losses on goodwill;
- **litigation/regulation:** material* financial impacts of litigation files, fines and penalties and of law changes (one-off impacts relative to previous years).

* The materiality threshold is met when exceeding individually EUR 5 million. No threshold is used for adjustments in a subsequent quarter if the threshold was met in a previous quarter.

EBIT: Earnings Before Interest & Taxes, corresponds to EBITDA minus depreciation and amortization.

Fixed Data Services (Business): total revenues from Fixed Data, consisting of Broadband, Data Connectivity (including Explore solutions and SD-WAN) and TV.

Fixed Voice park: PSTN, ISDN and IP lines. For Business specifically, this also contains the number of Business Trunking lines (solution for the integration of Voice and Data traffic on one single Data network).

Fixed Voice Services (Business): total revenues from Fixed Voice access lines and traffic, as well as fixed telephony systems installed at customer premises or serviced from the cloud.

Free Cash Flow: this is cash flow before financing activities and after lease payments (since 2019).

Internet ARPU (Business): total Internet underlying revenue, excluding activation and installation fees, divided by the average number of Internet lines for the period considered, divided by the number of months in that same period.

Internet park: ADSL, VDSL and Fiber lines. For Residential, this also includes Scarlet and Mobile Vikings.

IT Services revenue (Business): Information Technology (IT) Services, including Managed, Integration and Consultative services, which enable users to access, store, transmit, and manipulate information, with the help of unified communications, computers, as well as necessary enterprise software, middleware, storage, and audio-visual systems. Proximus' IT solutions include, but are not limited to, Security, Cloud, Smart Network, Advanced Workplace and Smart Mobility solutions. It also includes recurring equipment sales to support these services.

IT Products revenue (Business): revenues from one-shot IT products (boxes, hardware) or one-shot licenses, with the change of ownership towards the customer.

Luxembourg Telco: including fixed & mobile services, terminals & other.

M2M: Machine-to-Machine cards

Mobile ARPU (Business): monthly ARPU is equal to total Mobile services revenues (excl. M2M & network services), divided by the average number of active cards for that period, divided by the number of months of that same period.

Mobile cards: refers to active Voice and Data cards, excluding free Data cards. Postpaid customers paying a monthly subscription are by default active. Prepaid customers are considered active when having made or received at least one call and/or sent or received at least one SMS message in the last three months. An M2M card is considered active if at least one Data connection has been made in the last month.

Mobile-only (Residential): refers to Mobile Postpaid whereby no other recurring subscriptions are bought. Mobile Prepaid is not included in the Customer Services revenue but reported separately.

Mobile Services revenue (Business): total revenues from Mobile Services including traditional mobile services, using the mobile network connectivity, as well as IoT (including M2M) and Next Generation Communication (including network services as well as new innovative solutions).

Multi-play customer: two or more Plays, not necessarily in a Pack.

Net Financial Position: refers to the net amount of investments, cash and cash equivalents minus any interest-bearing financial liabilities and related derivatives, including re-measurement to fair value and lease liabilities. The net financial position does not include the "other current & non-current payables interest-bearing".

Network Services (Business): focuses on optimizing the interaction between Enterprise customers and its stakeholders, for which revenues are independent from the number of Postpaid cards.

Non-workforce expenses: all operating expenses excluding workforce expenses and excluding depreciation and amortization.

Other Operating Income: this relates to income from, for example, reimbursements from damages, employees, insurances, gain on disposal, etc.

P2P Voice & Messaging: one of the two main product groups within Proximus Global alongside "Communications & Data". P2P Voice & Messaging groups Voice, Capacity, Other Legacy and P2P MMS messaging.

Play: a subscription to either Fixed Voice, Fixed Internet, dTV or Mobile Postpaid (paying Mobile cards). A 4-Play customer subscribes to all four services.

Proximus Global: defined as including Proximus Group's international affiliates, Route Mobile, BICS and Telesign.

Reported revenues: this corresponds to the TOTAL INCOME.

Residential: unit addressing the residential market, including the Customer Operations Unit.

Revenue-Generating Unit (RGU): for example, a customer with Fixed Internet and 2 Mobile Postpaid cards is considered a 2-Play customer with 3 RGUs.

Terminals: this corresponds to devices for Fixed Voice, Data, Mobile and related accessories. This excludes PABX, IT products and TV CPE.

Underlying: refers to revenue and EBITDA (Total Income and Operating Income before Depreciation and Amortization) corrected for the EBITDA Adjustments in order to properly assess the ongoing business performance.

Wholesale: unit addressing the telecom wholesale market including other telecom operators (incl. MVNOs) and ISPs.

Wholesale fixed & mobile services include all solutions that Proximus offers to other operators. These services include fixed Internet and data connectivity services, fixed telephony and mobile (incl. MVNO and Roaming) services (excl. Interconnect)

Wholesale Interconnect is the process of connecting an operator network with another operator network. This then allows the customers of one operator to communicate with the customers of another operator. Interconnect includes fix voice, mobile voice and mobile SMS/MMS services.

Workforce expenses: expenses related to own employees (personnel expenses and pensions) as well as to external employees.

X-Play: the sum of single play (1-play) and multi-play (2-play + 3-play + 4-play).

The Proximus share

Share listing

Stock Market	First Market of Euronext Brussels
Ticker	PROX
ISIN code	BE0003810273
Bloomberg code	PROX BB
Nasdaq code	PROX-EB
Reuters code	PROX.BR

Proximus share performance in 2024

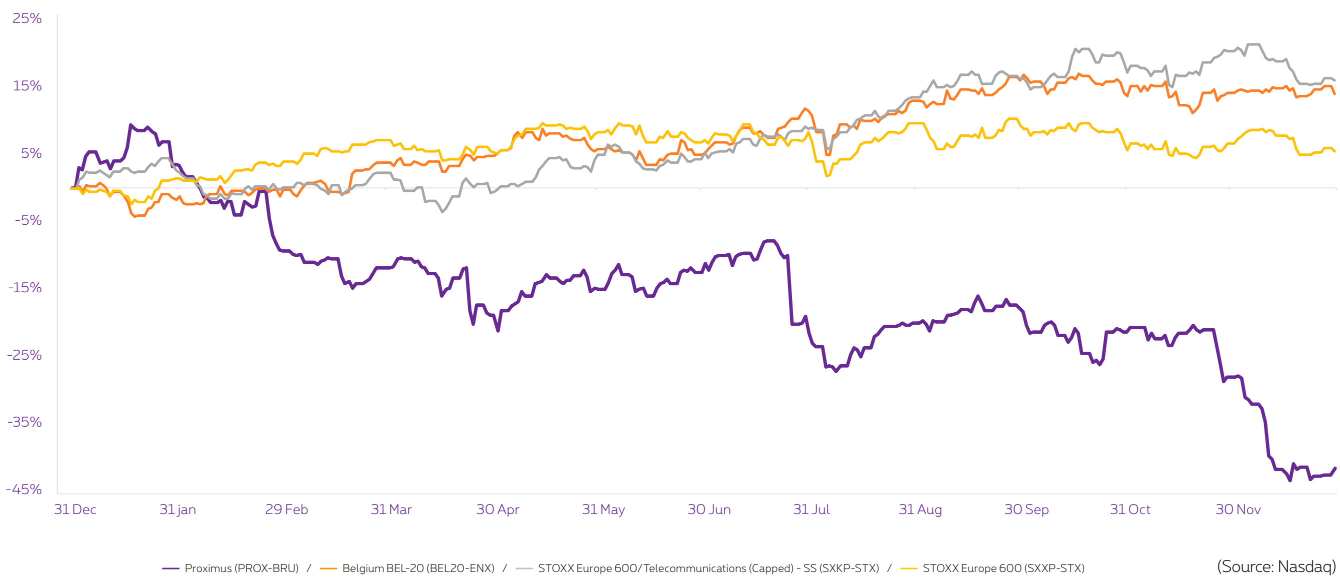
Proximus closed 2024 at €5.025, 41% lower than the final closing price of 2023: Intensive fiber investments and concerns about new market players placed significant pressure on the Proximus share price.

The year began positively, with Proximus shares outperforming the market through January, driven by anticipation of the full-year results and new guidance. However, the share price experienced a sharp decline post-FY 2023 results, despite the strong performance, as concerns about the competitive landscape and investor expectations weighed on market sentiment.

Between late February and July, the share price recovered as the market responded to advances in fiber roll-out and strong Q1 results. During this period, Proximus outperformed the rest of the telecom sector, reflecting optimism about its long-term strategy.

The Q2 results brought renewed challenges, with a sharp decline in the share price triggered by the acquisition of EQT's stake in Fiberklaar, with consequential increases in the CapEx plan for Proximus.

Proximus share price evolution 2024 vs. 3 indices (in %- rebased)



(Source: Nasdaq)

As Proximus' strategic focus remained in sight, the share price recovered to a certain extent in subsequent months. Sales of strategic assets, including the data centers and the tower infrastructure in Luxembourg, gave rise to cautious optimism.

Late in the year, volatility returned especially in the wake of Digi's launch on the Belgian market in mid-December, which is set to intensify competitive pressure. Proximus re-emphasized that the arrival of Digi had already been factored into its plans, and that the company is well-prepared with strong residential brands and a winning strategy.

Key figures about the Proximus share

Share information	2015	2016	2017	2018 IFRS15	2019 IFRS16	2020	2021	2022	2023	2024
Share price high	35.67	31.74	32.81	28.10	28.17	27.12	19.16	18.65	9.85	9.32
Share price low	27.93	25.31	26.42	19.31	21.96	15.01	15.95	8.474	6.42	4.81
Share price at 31 December	30.00	27.36	27.35	23.62	25.52	16.21	17.14	8.996	8.51	5.025
Annual trading volume (number of shares)	179,825,076	157,368,090	147,754,799	169,849,252	168,509,614	206,692,812	199,060,570	259,157,567	225,296,344	106,112,013
Average trading volume per day (number of shares)	702,442	612,327	579,431	650,763	660,822	804,252	774,555	1,008,395	883,515	417,887
Number of outstanding shares	322,003,751	322,637,103	322,638,989	322,703,817	322,982,509	322,690,026	322,741,364	322,392,507	322,623,702	322,461,674
Weighted average number of outstanding shares	321,767,821	322,317,201	322,777,440	322,649,917	322,918,006	322,752,015	322,751,990	322,552,465	322,442,197	322,573,717
Market capitalization at 31 December (billion €)[1]	9.66	8.83	8.82	7.62	8.24	5.23	5.53	2.90	2.75	1.62
Key data per share - on reported basis										
EBITDA	5.12	5.38	5.49	5.56	5.19	5.95	5.66	5.66	5.54	6.04
Earnings[2]	1.50	1.62	1.62	1.58	1.16	1.75	1.37	1.40	1.11	1.39
Price/earnings at 31 December[3]	20.03	16.86	16.90	15.00	22.09	9.27	12.48	6.43	7.67	3.63
Ordinary dividend (gross)[4]	1.00	1.00	1.00	1.00	1.00	0.70	0.70	0.70	0.70	0.10
Interim-dividend (gross)	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Gross dividend yield[3]	5.00%	5.48%	5.48%	6.35%	5.88%	7.40%	7.00%	13.34%	14.10%	11.94%
Key data per share - on underlying basis										
EBITDA	5.38	5.57	5.65	5.78	5.79	5.69	5.49	5.54	5.45	5.74
Earnings	1.68	1.71	1.72	1.71	1.76	1.75	1.38	1.50	1.26	1.34
Price/earnings at 31 December	17.87	15.96	15.92	13.78	14.51	9.25	12.44	6.00	6.75	3.75

1 Calculation based on number of outstanding shares & last closing price of the respective year
2 Corresponds to the Net Income (Group Share) / weighted average number of outstanding shares
3 Based on the last closing price of the respective year
4 Accounting view (not cash view)

Our shareholders

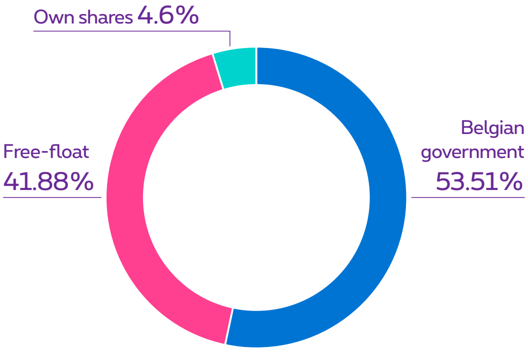
Proximus' main shareholder is the Belgian State, owning 53.51% of the company's shares through the Federal Holding and Investment Company (SFPIM). Proximus held 4.60% of its own shares at the end of 2024. The free float represented 41.88%, or nearly 142 million shares, about 54% of which were held by institutional shareholders.

Proximus' main institutional shareholders are primarily based in the United States and the Benelux countries, as well as in the Nordic countries and the UK.

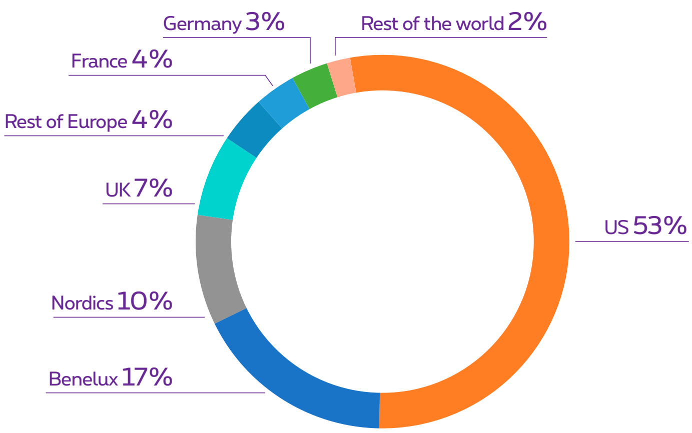
Proximus share ownership – 31 December 2024

	Number of shares	% shares	% voting rights	% dividend rights	Number of shares with voting rights	Number of shares with dividend rights
Belgian state	180,887,569	53.51%	56.10%	55.98%	180,887,569	180,887,569
Proximus own shares	15,563,461	4.60%	0.00%	0.21%	0	693,702
Free-float	141,574,105	41.88%	43.90%	43.81%	141,574,105	141,574,105
o/w Carraun Telecom Holdings Limited	*20,300,000*	*6.01%*	*6.30%*	*6.12%*	*20,300,000*	*20,300,000*
Total	338,025,135	100.00%	100.00%	100.00%	322,461,674	323,155,376

Proximus shares ownership



Institutional shares per geography



Source: Shareholder analysis November 2024

% of identified institutional shareholders - Nasdaq

Evolution of treasury shares

End of period 2023	**15,401,433**
Changes through liquidity contract	244,737
Employee discount purchase plan	82,709
End of period 2024	**15,563,461**

At the end of 2024, Proximus held 15,563,461 treasury shares, representing 4.60% of the total number of shares. In the course of 2024, 82,709 treasury shares were issued in a Discounted Share Purchase Plan, and no options were exercised[1].

The voting rights of all treasury shares are suspended by law. Proximus has 14,869,759 treasury shares that are not entitled to dividend rights and 693,702 treasury shares that are entitled to dividend rights.

Under Belgian law, companies are prohibited from owning more than 20% of their outstanding share capital.

Transparency declarations

According to Proximus bylaws, the thresholds for required shareholding disclosure have been set at 3% and 7.5%, in addition to the legal thresholds of 5% and each multiple of 5%.

In 2024, The Goldman Sachs Group, Inc. and the Belgian State (through SFPIM) notified of changes to their Proximus shareholdings as listed below.

To Proximus' knowledge, no other shareholder owned 3% or more of Proximus' outstanding shares as of 31 December 2024.

Notifications of important shareholdings to be made according to the Law of 2 May 2007 or Proximus bylaws should be sent to:

- FSMA at trp.fin@fsma.be
- Proximus at investor.relations@proximus.com

1 For more information, please see 'Remuneration report'.

				Voting rights		Total incl. equivalent financial instruments	
Date on which threshold was crossed	**Notified on**	**Notifier**	**Reason for notification**	**# voting rights after the notified transaction**	**% voting rights in total of 338,025,135 voting rights**	**# voting rights after the notified transaction**	**% voting rights in total of 338,025,135 voting rights**
16/12/2024	18/12/2024	The Goldman Sachs Group, Inc.	>7.5%	2,158,076	0.64%	26,230,796	7.76%
6/12/2024	12/12/2024	The Goldman Sachs Group, Inc.	>7.5%	3,182,643	0.92%	31,276,566	9.25%
29/11/2024	5/12/2024	The Goldman Sachs Group, Inc.	>7,5%	5,353,218	1.58%	28,527,725	8.44%
10/09/2024	16/09/2024	The Goldman Sachs Group, Inc.	>7.5%	2,258,084	0.67%	25,520,837	7.55%
28/08/2024	3/09/2024	The Goldman Sachs Group, Inc.	<7.5%	1,624,532	0.48%	25,321,982	7.49%
27/05/2024	30/05/2024	The Goldman Sachs Group, Inc.	>7.5%	1,509,415	0.45%	26,797,775	7.93%
23/05/2024	28/05/2024	The Goldman Sachs Group, Inc.	>7.5%	1,550,360	0.46%	27,088,340	8.01%
22/05/2024	28/05/2024	The Belgian State	>55%	196,482,202	58.13%		58.13%
17/05/2024	23/05/2024	The Goldman Sachs Group, Inc.	>7.5%	1,509,415	0.45%	26,998,386	7.99%
6/05/2024	10/05/2024	The Goldman Sachs Group, Inc.	>7,5%	1,510,062	0.45%	26,639,957	7.88%
26/04/2024	3/05/2024	The Goldman Sachs Group, Inc.	>7.5%	2,214,680	0.66%	31,557,946	9.34%
23/04/2024	29/04/2024	The Goldman Sachs Group, Inc.	>3%	10,627,624	3.14%	31,394,024	9.29%
22/04/2024	26/04/2024	The Goldman Sachs Group, Inc.	>7.5 %	5,800,301	1.72%	31,377,038	9.28%
18/04/2024	24/04/2024	The Goldman Sachs Group, Inc.	>7.5 %	4,013,970	1.19%	27,087,632	8.01%
11/01/2024	16/01/2024	The Goldman Sachs Group, Inc.	<7.5%	1,279,778	0.38%	24,845,257	7.35%

Shareholder remuneration

Dividend policy

2024 saw Proximus close its second year of bold2025, a strategy setting out an ambitious path for future growth and value creation for the Proximus Group, continued investment in the #1 Gigabit network for Belgium, enhanced customer experience, next-generation products and services, and further international development, whilst balancing the need to maintain a sound financial position.

In line with the shareholder return policy announced at its Capital Markets Day on January 16, 2023, over the results of 2024 and 2025, Proximus will rebase its dividend level to EUR 0.60 per share. The rebased sustainable dividend takes into account all currently known macro and inflationary headwinds, as well as expected changes in market structure.

The proposed dividend is reviewed and submitted to the Board of Directors on an annual basis, in order to uphold strategic financial flexibility for future growth, organically or through selective M&A, with a clear focus on value creation. This also includes confirming appropriate levels of distributable reserves.

The shareholder remuneration policy is based on a number of assumptions regarding future business and market evolutions and may be subject to change in the event of unforeseen risks or events outside the company's control.

Dividend on the 2024 result

On February 27, 2025, the Board of Directors approved the decision to propose a gross dividend on the 2024 result of EUR 0.60 per share at the Annual General Shareholders' Meeting of April 16, 2025. Of this, an EUR 0.50 interim dividend per share was paid in December 2024.

After approval by the Annual Shareholder Meeting, the normal dividend of EUR 0.10 per share will be paid on April 25, 2025, with a date of recording of April 24, 2025 and ex-dividend date of April 23, 2025.

This brings the total declared dividend from the 2024 result to EUR 194 million.

Investor Relations

Proximus Investor Relations (IR) aims to ensure open communication with the Belgian and international investment world on a regular basis. Through transparent, consistent dialog with investors and financial analysts, the Group strives for a fair share value based on high-quality financial information.

To keep Proximus' current and potential shareholders informed, the management reaches out to the financial community on a regular basis. Each announcement of quarterly results is followed by a conference call and investor/analyst presentation, during which as much time as possible is set aside for a "question & answer" session.

Throughout 2024, Proximus organized several roadshows featuring top management. Furthermore, Proximus participated in a number of major international investment conferences. The Investor Relations (IR) team supports the management all such activities. Additionally, the IR team also offers daily support to retail and institutional shareholders, as well as to sell-side analysts.

A strict quiet period is observed before the communication of the quarterly results. The start of the quiet period is announced on the Proximus Investor Relations website: proximus.com/investors.

Financial calendar[2]

April 16, 2025	Annual General Shareholder Meeting (AGM)
April 17, 2025	Start of quiet period ahead of Q1 2025 results
April 25, 2025	Dividend payment (to be approved by the AGM)
May 09, 2025	Announcement of Q1 2025 results
July 14, 2025	Start of quiet period ahead of Q2 2025 results
July 25, 2025	Announcement of Q2 2025 results
October 15, 2025	Start of quiet period ahead of Q3 2025 results
November 07, 2025	Announcement of Q3 2025 results

2 Note that these dates may be subject to change.

Risk management report

Each of Proximus Group's activities is exposed to a variety of risks that have the potential to impact the financial performance of the Group. Proximus has implemented a risk management methodology that follows ISO 31000 - Risk Management Guidelines. Proximus' Risk Management System aims to identify and assess risks and opportunities in various domains and, wherever possible, to manage or mitigate them to an acceptable level of residual risk, in order to safeguard the Group's assets and protect its financial strength and reputation.

Financial risk management objectives and policies are reported in Note 32 of the Consolidated Financial Statements, published on the Proximus corporate website. Risks related to important ongoing claims and judicial procedures are reported in Note 34 of these statements.

The enterprise, operational and reporting risks are detailed below. It must be noted that this is not an exhaustive analysis of all potential risks that Proximus may face.

Sustainability risks, and the impact they could have on people, society, and the environment, are reported in the Sustainability Statement: "Double Materiality Assessment".

Enterprise-wide risks

Proximus Group's **Enterprise Risk Management** (ERM) is a structured framework designed to identify, assess, respond to and report on strategic and business risks. These risks refer to potential adverse events or circumstances that could significantly impact the achievement of Proximus' strategic objectives.

ERM is integrated into Proximus' annual strategic planning cycle. A bottom-up identification and prioritization process is conducted every two years. This process involves thorough desk-based research, in-depth interviews, and surveys targeting management and subject matter experts. All relevant risks and opportunities are prioritized based on their potential impact and likelihood, taking into account both quantitative and qualitative factors.

Each member of the Proximus Leadership Squad (PLS) takes ownership of a subset of the prioritized risks and identifies the key internal stakeholders accountable for the follow-up measures.

The risk prioritizations and treatments are reviewed at least once per year, or whenever there is a change of context. The ERM report, which provides an overview of major risks and their respective treatment plans, is reviewed and validated by the PLS (more information in the "Corporate governance statement"). The key findings and outcomes are then reviewed in coordination with the Board of Directors.

Among the risks identified by the latest ERM exercise, the following **risk categories** were prioritized:

- Monetization of fiber investments
- Proximus Group international growth
- Human capital: talent attraction, retention and development
- Operating model evolution and cost control
- Belgian telecom market competitive dynamics – residential market
- Belgian ICT market competitive dynamics – enterprise market
- Regulatory and legal risks
- Shareholders' interests alignment

Monetization of fiber investments

Fiber optic is widely recognized as the superior and most future-proof fixed connectivity technology. On top of offering the highest download and upload speeds and low latency, fiber is also highly reliable and secure. Proximus' ambition is to provide gigabit network coverage to 100% of premises in Belgium, maximizing fiber coverage, to:

- support current and future customer needs (remote work, connected homes, next generation videos, gaming, etc.) and enable ARPU uplift;
- retain and grow market share across residential and enterprise customers;
- attract new wholesale market opportunities;
- simplify the operating model and reduce operating costs, by ceasing the sale of copper and ultimately phasing out copper within – at most – five years of the deployment of fiber in a given area.

Should a part of these benefits not materialize, the turnover and profitability of Proximus could be significantly affected.

During the past years, Proximus has significantly increased investments in accelerating the deployment of a fully open and non-discriminatory performant fiber network with the ability to co-use fiber assets together with competition and maximize network utilization. Proximus' gigabit fiber network standalone deployment focuses on areas with the highest population density. In 2021, Proximus created the joint ventures Fiberklaar (in Flanders) and Unifiber (in Wallonia) with the experienced industrial and financial partners EQT Infrastructure and Eurofiber, respectively, to expand the fiber roll-out to medium-dense areas. In July 2024, Proximus acquired full ownership of Fiberklaar to bring about enhanced strategic autonomy and increased flexibility for Proximus in the deployment of fiber in Flanders. In the German-speaking Community, a region that typically has a very low population density, Proximus, Ethias and the government of the German-speaking Community have set-up GoFiber, a public-private partnership and joint venture that will introduce fiber to the German-speaking municipalities by the end of 2026.

Beyond city centers, construction costs increase, making the deployment of fiber networks economically more difficult. Although Proximus has the largest footprint of FTTH (Fiber-To-The-Home) in Belgium, the roll-out of competing FTTH networks could negatively impact the profitability of Proximus' investment by putting pressure on both wholesale and retail prices, making price tiering more difficult, and requiring larger differentiation between the offers. Telenet and Fluvius set up Wyre, a joint infrastructure company with plans to cover up to 78% of all homes in Flanders and parts of Brussels with fiber (FTTH) by 2038. Wyre's roll-out began in the summer of 2023. Orange Belgium has also announced an ambition of up to 66% coverage in Wallonia and Brussels, and 75% of the national footprint by 2040. Digi launched a fiber offer in December 2024 limited to selected suburbs in Brussels, but it intends to scale its fiber footprint rapidly, targeting two million households within two years.

Proximus, Wyre, Telenet, and Fiberklaar have signed a Memorandum of Understanding to potentially collaborate on fiber network deployment in Flanders, aiming to increase access to high-speed gigabit networks. The collaboration aims to accelerate fiber deployment in Flanders, providing more consumers with access to high-speed gigabit networks while reducing civil works. The realization of the collaboration is dependent on reaching a final agreement, obtaining regulatory and antitrust approvals, and ensuring no adverse regulatory impacts.

Scaling both the number of fiber activations and the roll-out can be challenging in a tight labor market (see also "Human capital: talent attraction, retention and development", below). The roll-out of other infrastructure works may have a negative impact on the available capacity for Proximus. Failure to retain the right talent for our deployment capacity could lead to delays in roll-out and activations, which in turn could have an impact on the timing of the benefits and the cost of roll-out. Proximus and its partners are taking several measures to mitigate this risk: transferal of resources from copper to fiber, increase of capacity via outsourcing partners and upskilling our existing employees, structurally reduction of the workload via self-install, and the flattening-out of seasonality via pro-active migrations.

Challenges in obtaining permits from municipalities or quality and compliance issues in operations could impede the speed of the deployment. Proximus management puts a strong focus on quality standards and compliance across both standalone and joint venture footprints. Among other things, Proximus issued a societal responsibility charter for fiber roll-out in March 2023.

Most Belgian consumers not yet connected to fiber already have access to higher speed Internet through VDSL or cable. Proximus mitigates the risk of a lack of demand by promoting fiber and its benefits, including pre-roll-out marketing and remarketing activities. Advertising campaigns, complemented by customer-centric use cases, have created a strong brand association between fiber and Proximus. To reinforce the technological superiority, the multi-gig fiber technology with improved in-home experience has been made available in all areas where fiber coverage exists. Fiber is also available for customers of the other consumer brands of Proximus: Scarlet and Mobile Vikings.

Inflation impacts the cost of roll-out (see also “Operating model evolution and cost control”, below). Rising costs need to be balanced with strong commercial results, price increases and additional efficiencies. Competitive dynamics, with the arrival of Digi on the market, may lead to further pressure on market prices, and/or make price tiering and upselling more difficult. Proximus focuses on product superiority, customer experience, and a multi-brand strategy to mitigate that risk (see also “Belgian telecom market competitive dynamics – residential market”, below).

A customer retention risk also exists in relation to potential customer experience issues during the migration of customers of Proximus and Other Licensed Operators (OLO) to fiber; for example, overly long installation delays in some periods of high demand vs. available personnel. Proximus management is monitoring the fiber migration customer effort and fiber customer experience closely, and taking corrective actions through, among other things, dedicated fiber migration and in-home experience agile teams.

Copper cost avoidance is an important value driver for Proximus. Delays in deployment or gaps in deployment zones could impact copper out-phasing, as the full benefits only materialize once we are able to fully cut the last copper line. For the few customers that cannot be migrated to fiber, Proximus needs an alternative technology. Copper out-phasing is also an important element in Proximus’ sustainability roadmap. Delays in copper out-phasing would thus affect both profitability and sustainability goals. This risk is mitigated through careful planning of customer migrations and the allocation of dedicated resources, including both personnel and IT investments.

FTTH is a regulated activity in Belgium. Pricing and access conditions for FTTH are monitored and/or set by the regulator. Adverse or negative regulatory decisions on FTTH pricing and/or access conditions could negatively impact the roll-out of fiber in Belgium. This could increase the digital divide between the dense city zones and the less dense zones that would prove too expensive to cover.

Proximus Group international growth

The development of the international activities of Proximus Group through Route Mobile, Telesign and BICS gives access to rapid-growth adjacent digital communications markets. Those international activities are forecasted to be a major source of growth in the coming years.

In May 2024, Proximus Group (through Proximus Opal) acquired Route Mobile, a global company specialized in Communications Platform as a Service (CPaaS) services, listed on NSE and BSE in India. After a sell-down of Route Mobile shares to comply with the minimum public holding requirement, Proximus holds a 74.90% stake in Route Mobile. The combined strengths of Route Mobile and Telesign would allow Proximus Group to become one of the worldwide leaders in the fields of CPaaS and digital identity thanks to the high complementarity of Route Mobile and Telesign, both in terms of product offerings and geographic coverage.

In December 2024, Proximus announced the creation of Proximus Global, integrating BICS, Telesign and Route Mobile under one umbrella. As part of the new organizational structure, 100% of the shares of BICS were transferred from Proximus nv/sa to Proximus Opal, the subsidiary of the Proximus Group holding 100% of Telesign as well as the majority stake in Route Mobile. End of 2024, Proximus Opal officially changed its name to Proximus Global. Failure to realize the expected synergies, in the new organization with a streamlined operating model and unified global leadership team, would limit the Group EBITDA growth and ability to crystallize the value in the future.

Profitable growth in a competitive and fragmented digital communications market depends on the ability to maintain and grow the business with existing customers and attract new customers in a cost-effective way. It also depends on the ability to adapt to changing technology standards and customer preferences. Competition is likely to further increase from established competitors and new market entrants, making scale an important factor for success.

The CPaaS market is evolving from being predominantly SMS-based towards a multichannel solution, including WhatsApp and RCS (Rich Communication Services – a standard adopted by Telecom Operators as a successor of SMS) alongside SMS as communication channels. Failure to integrate these new communication channels on a large scale could have a negative impact on the Group's EBITDA growth.

While Proximus Global is deemed to be well positioned to benefit from expected CPaaS spending growth, thanks to the strengthening of omnichannel capabilities and a favorable geographical coverage resulting from the acquisition of Route Mobile, the markets in which Telesign and Route Mobile operate are highly competitive.

Driven by a fragmented market and complex ecosystem, competition is expected to intensify further. New entrants are emerging in the industry and existing competitors are likewise seeking to expand their services. Consolidation among the Group's competitors may also leave it at a competitive disadvantage. In addition, as the Group expands into international markets, it will increasingly compete with local and global providers of messaging services and telecommunications value-added services.

Digital Identity services rely on data acquired from third parties. If a substantial increase in the cost of data acquisition occurs, the Group may not be able to pass that cost increase on to its customers, resulting in a reduced profit margin. Additionally, the Group has no direct control over the quality of data it acquires from its suppliers. If the data quality deteriorates over time, the Digital Identity products coverage may decrease, and even become irrelevant for the customer.

If the Group or its third-party service providers experience a data security breach or network incident that allows – or is perceived to allow – unauthorized access to its solutions or customers' personal data, it could lead to negative publicity, with Proximus Group's reputation, business, financial condition, and results of operations potentially being adversely affected as a result. Additionally, such a (perceived) breach or incident could lead to enforcement actions, litigation, regulatory or governmental audits, investigations, inquiries and possible significant liability, as well as increased numbers of requests by individuals regarding their personal data.

The increasing prevalence of AI-driven phishing fraud attacks poses a significant risk to the effectiveness of Digital Identity products. These sophisticated attacks necessitate continuous updates and enhancements to solutions, to ensure they remain robust and capable of mitigating emerging threats.

Proximus Global's carrier activities could suffer from a slowing of the messaging & roaming market growth or an acceleration of the voice market decline. Proximus Global adapts to this environment by upgrading its offer to the latest technology (e.g. 5G standalone roaming), by addressing new customer segments (enterprises), and by investing in new growth domains (such as IoT, Security or Data Intelligence). Such investments are made possible by cost-reduction initiatives in the legacy and core business (automation, customer tiering, etc.).

Changes in the political situation in a region or country where the Group is active, or changes in overall geopolitical conditions, could impact the financial performance of the Group's international activities. The direct and indirect consequences of military conflicts, including potential measures taken by other countries, remain unpredictable and may contribute to increased instability in the global economy, or negatively impact global trade, currency exchange rates, energy prices and regional economies, thereby posing significant risks to the Group's operations and financial performance. The enlistment of civilians in the army or the imposition of sanctions could also impact operations.

Proximus Global is subject to many laws and regulations (e.g. competition and privacy laws in Europe and beyond). Proximus Group strives for strict compliance and strong controls. Litigations, or regulatory or governmental inquiries, could negatively impact the Group's reputation. Rule changes may also affect revenues and profitability.

Finally, performance can be impacted by current and future economic conditions outside of Proximus Group's control. A recession may increase the number of bad debts; this is mitigated through strict credit risk management. Risks from foreign currencies are hedged to the extent that they are liable to influence the Group's cash flows.

Human capital: talent attraction, retention and development

Failure to recruit, sustainably employ, engage, and retain a talented workforce could impact Proximus' competitiveness and ability to achieve its strategic goals.

The Belgian labor market remains under pressure, with a low unemployment rate, especially in the north of the country, leading to longer times needed to recruit for a broad range of profiles, e.g. field technicians, shop employees and ICT consultants.

To mitigate this risk facing talent attraction, Proximus runs various communication actions both on employer branding and recruitment topics (campaigning, "always on" approaches on social media, presence on external jobsites, events, etc.). Recruitment channels have been diversified: referral by employees (with a reward in the event of successful recruitment), internships, student jobs, etc., have been introduced. Proximus also leverages strong ties with external partners including local agencies and recruiting offices to source needed skills and develop new sourcing pools. The evolution towards Total Talent Management, integrating both internal and external resources, will play a critical role in our sourcing strategy, thanks to the Flecs-MSP Program and its future evolution, with the launch of direct sourcing of freelancers.

Our affiliate, Proximus Ada, supports Proximus in expanding its talent pool in Data Science, AI and cybersecurity. Additionally, transferring our B2B IT activities into a vibrant and dynamic ICT environment (as detailed in the "Belgian ICT market competitive dynamics – enterprise market" section below) will enhance our ability to attract IT talent. Proximus SA, BICS and Telesign also diversify their talent sourcing geographically, through Proximus Doo and Telesign Doo, and affiliates in Serbia, among others. The successful closure of the Route Mobile transaction also opened new sourcing options in India.

In the context of workforce cost increases (see "Operating model evolution and cost control" below), failure to adapt the current workforce's skills to ever-evolving needs would hinder Proximus' ability to execute its strategic plan. A Strategic Workforce Planning program and a skills mapping exercise allow Proximus to anticipate recruitment, upskilling and reskilling needs in both the short- and long-term. To secure future-proof skills and to guarantee sustainable employment for existing employees, Proximus invests extensively in training programs and internal mobility, providing many opportunities for upskilling and development. A dedicated project has been initiated with the aim of optimizing the use of Generative AI for productivity gains in a secure and ethical way.

Thanks to the focus on internal mobility, 738 employees changed jobs internally in 2024. With the evolution of Proximus as a group and its internationalization, synergy initiatives between the recruitment teams have been initiated (common job fairs, common projects such as internships, for example) and will be further developed (intragroup referral program, internationalization of the graduate program, etc.). The importance of intragroup mobility is gaining in importance, with a dedicated framework having been established in 2024.

To boost employee engagement, Proximus' Think possible company culture stimulates agile ways of working for greater empowerment, customer-centricity, simplification and innovation. In 2024, a new evaluation system and a new remuneration system (i.e. a simpler salary increase system to ease market alignment, as well as an optimized bonus system) have been introduced for the employees of Proximus SA, in line with the desired cultural transformation. Those systemic changes increase the focus on performance based on mutual trust and clear feedback.

Eligible Proximus SA employees are allowed up to 3 days of homeworking per week. Proximus offers employees a coherent set of user-friendly and secure digital tools that can be used on any device, allowing increased flexibility and more hybrid ways of working. Diversity, equity and inclusion policies and initiatives further contribute to the employees' well-being and sense of belonging. More information can be found in the Sustainability Statement: "Social information".

Operating model evolution and cost control

With a challenging socio-economic and geopolitical context, and inflation levels that remain high compared to the previous decades, costs need to be carefully managed.

Joint ventures and partnerships, combined with an increasingly global footprint, provide an opportunity to gain scale and reduce operating costs in comparison to standalone operations. This also makes for a more complex group structure for Proximus, which brings with it higher compliance risks and increased third-party risks. Proximus Group's governance structure and control mechanisms are being adapted gradually to better deal with this heightened complexity.

To compensate for the general effects of inflation, Proximus Group implements a strict cost control discipline and cost reduction programs. While being on track for the period 2019–2025 cost reduction ambition, failure to achieve the outstanding cost efficiencies would lead to a decrease in profitability. Proximus is constantly exploring ways by which to enhance and expedite cost savings without compromising customer experience. These include leveraging Generative AI solutions, implementing network transformation initiatives (such as centralization, virtualization, and the phase-out of legacy systems), and optimizing through the IT TCO program and CapEx efficiency initiatives (focusing on further improvements in fiber, 5G, and copper renewals). To mitigate inflationary pressures, we utilize long-term supplier relationships, contract protections, advanced purchasing, multi-sourcing strategies, and hedging mechanisms.

For Proximus SA and its Belgian affiliates, the unique Belgian system of automatic salary indexation to protect employees' purchasing power, and Proximus' obligation to index as soon as the pivotal index is reached, led to 1 salary indexation in 2024. Alongside strict cost management, Proximus SA is countering this impact via price indexations. Should Proximus' brand power not be strong enough, the inability to compensate for part of the cost increase through targeted price increases would impact margins. The potential churn impact of price indexations is mitigated by a more-for-more strategy, with commercial results having remained strong after previous price indexations as a result.

By sharing parts of the mobile network infrastructure with Orange Belgium, Proximus benefits from efficiencies in network operations, and ensures sustainable investments in new network technologies. Proximus aims for 100% 5G coverage in the 2025–2026 timeframe. Alongside unexpected extra costs of maintaining the legacy network and upgrading it to meet capacity demands, significant delays in the RAN swaps could weaken Proximus' mobile leadership position. Proximus closely monitors and follows up on the progress with its partners and suppliers in this regard.

Although the telecom sector's resilience has been demonstrated in recent years, a deteriorating economic climate could lead to a decline in customer spending in both the Consumer and Enterprise markets, as well as higher bad debt levels.

Churn and bad debt evolutions are followed up very closely by management, with no worrying evolutions noted to date. Social tariffs and no-frills offers help keep essential telecom services affordable to all. Struggling customers are offered adapted payment plans.

Inflation can also have a positive commercial impact, as Proximus NXT or BICS customers look toward digitalization or outsourcing options to reduce their own operating costs.

Belgian telecom market competitive dynamics – residential market

The Belgian market is an evolving market with changing competitive dynamics that could impact market value going forward. Proximus has demonstrated its ability to adapt to changing market conditions in the past. Failure to continue to adapt and mitigate the impact of a changing market structure and pricing dynamics could significantly impact Proximus' domestic EBITDA.

As mentioned above (see "Operating model evolution and cost control"), it is critical that Proximus maintains its brand strength and the resulting ability to monetize investments and to index prices to compensate for cost increases.

Proximus' Belgian connectivity revenues are at risk from increased competition, particularly in Wallonia and Brussels, where Proximus has a large market share. Orange Belgium has acquired VOO. Telenet and Orange Belgium have respective commercial wholesale agreements providing access to each other's HFC and FTTH networks for a 15-year period, leading to increased convergent competition across the country.

Following the 2022 spectrum auction with conditions favoring a new entrant, Citymesh and Romania's Digi joined forces to acquire a portion of the spectrum and set up a joint venture for the network company to address business and private individuals respectively. Digi began its commercial operations in Belgium in December 2024 with low mobile tariffs, as well as a fixed Internet offer on their own fiber network (limited to about 10K homes at the time of launch). Orange Belgium immediately responded to Digi's offer by launching an equivalently priced tariff through its “Hey!” subbrand. The pricing environment could deteriorate with the Digi launch and ARPU growth could be negatively impacted.

In August 2023, Proximus reached an agreement with Digi and Citymesh Connect on mobile wholesale services, restricted to the 4G network, and mobile infrastructure. DIGI aims to deploy its own mobile network and achieve 30% 5G population coverage by the end of 2025. The wholesale’s agreement mitigates the potential short-term revenue impact on Proximus Group through wholesale revenues.

Keen to provide the best mobile experience to its customers, Proximus has kept full control of its core network and spectrum assets. Proximus managed to secure more spectrum – across all bands – than other mobile players during the spectrum auctions of 2022. This strength mitigates the mobile churn and pricing risk for Proximus, as it allows Proximus to differentiate and guarantee a superior mobile experience for the next 20 years.

Proximus’ superior fiber technology versus cable helps mitigate the churn risk in fiber zones and strengthen the brand, reduce exposure to price disruption, and maintain pricing power. Proximus has also been consistently improving its multi-play value propositions, and structurally improving customer experience and customer service.

Alongside competitive dynamics, evolving customer needs, such as the acceleration of the ‘cord-cutting’ trend, i.e. customers canceling their digital TV subscriptions, would impact revenues and customer stickiness, as well as cost per digital TV customer due to the high fixed costs. “Over the top” competition (streaming services) is driving up the cost of exclusive content. The high quality of Proximus’ digital TV offer, the content-sharing strategy for sports rights, and the partnerships with streaming services mitigate these risks. Network/product superiority and relevant digital services through the new Proximus+ app, which extends the functionalities beyond the management of the Proximus products, with mobility, energy consumption, budgeting and nearby activities, all contribute to mitigating risks relating to customer stickiness and brand relevance.

The multi-brand strategy of Proximus also contributes to risk mitigation. Scarlet and Mobile Vikings have very strong NPS scores and a convergent offer complementary to the Proximus brand offer. Scarlet addresses the price-sensitive segment, while Mobile Vikings offers competitively priced mobile and Internet to young (at heart) digital-savvy customers.

Finally, Proximus’ domestic financial performance could be impacted by disruptive technologies and new business models. Should Proximus not be able to adapt rapidly and well enough, this would have an impact on market shares and profitability.

Belgian ICT market competitive dynamics – enterprise market

On the domestic B2B mobile market, Proximus enjoys a solid market share. Intensifying price-based competition could lead to lower revenues and margins in the Corporate and Small & Medium Business segments.

Citymesh, as part of European IT company Cegeka, is looking to monetize its mobile spectrum investments, acquired in a joint venture with Digi. The loss of key customers could impact brand perception and Proximus’ pricing power. In fixed connectivity, the range of Explore (convergent service platform) and SD-WAN solutions is managed to address evolving customer needs while limiting revenue impact through targeted and proactive migrations to next-gen solutions. Fixed voice erosion could further accelerate, thus impacting revenues and margins beyond current forecasts. Proximus mitigates the telecom churn and value erosion risks through its network leadership, good customer relationship management, and a strong portfolio of convergent ICT solutions.

In the highly competitive ICT market, the launch of Proximus NXT in June 2023 established a strong brand aimed at building a leadership position in the Benelux region. With ambitions to further enhance its IT offerings and leverage its leading expertise in areas such as workspace, cloud, sovereign cloud, security and AI, Proximus transferred its B2B IT activities to its affiliate, Proximus NXT IT, on July 1, 2024. This merger with existing teams enables a sharper focus on the unique aspects of the IT business, fostering a distinct B2B IT identity and strengthening its integration with Proximus’ affiliate and partner ecosystem.

Failure to effectively address evolving customer needs (including compliance with ESG standards), new technologies and market developments within the enterprise sector in a timely manner, or a failure to introduce competitive products or services, could result in lower revenues and reduced profitability for Proximus NXT IT. These risks, if realized, would ultimately have a negative impact on the overall financial performance of Proximus, affecting both its top and bottom line.

Regulatory and legal risks

Proximus is an autonomous public sector enterprise that has adopted the legal form of a limited liability company under Belgian public law and therefore is also governed by certain provisions of Belgian public and administrative law. The interaction between the laws applicable to all private limited liability companies and the specific public and administrative law provisions and principles has in the past presented and may continue to present difficulties of interpretation and may give rise to legal uncertainties for Proximus.

Proximus' policies and procedures are designed to comply with all applicable laws, accounting and reporting requirements, regulations, and tax requirements, including those imposed by foreign countries, the EU, as well as applicable labor laws.

The complexity of the legal and regulatory environment in which Proximus operates and the related costs of compliance are both increasing due to additional requirements. Furthermore, foreign and supranational laws occasionally conflict with domestic law. Failure to comply with the various laws and regulations, as well as changes in laws and regulations or the way they are interpreted or applied, may result in damage to Proximus' reputation, civil and criminal liability, fines and penalties, an increased tax burden, or costs incurred through regulatory compliance and restatements of Proximus' financial statements. Proximus is subject to significant regulation and supervision, which could require it to make additional expenditures or limit its flexibility, affecting its financial results in general and otherwise adversely affecting its business.

Proximus may be sued by third parties for infringement of proprietary rights. The telecommunications industry and related service businesses are characterized by the existence of a large number of patents and trademarks. Litigation based on allegations of patent infringement or other violations of intellectual property rights is common. As the number of entrants into the market grows, and the overlap of product functions increases, the possibility of an intellectual property infringement claim against Proximus increases. In addition, the Group may be sued for copyright or trademark infringement for purchasing and distributing content through various fixed line or wireless communications and other media, such as through its portals. Any such claims or lawsuits, with or without merit, could be time-consuming, result in costly litigation and diversion of technical and management personnel, lead to product shipment delays or delays in the granting of patent applications, or require the Group to develop non-infringing technology or to enter into royalty or licensing agreements. Such royalty or licensing agreements, if required, may not be available on commercially reasonable terms, or even at all.

If a successful claim of product infringement were to be made against the Group, or it was unable to develop non-infringing technology or license the infringed or similar technology in a timely manner, and on a cost-effective basis and commercially reasonable terms, operating revenue and net profit could decline.

The outcome of pending disputes involving Proximus with or before Belgian governmental bodies could adversely affect Proximus' operating revenue and net profit arising from data acquisition, as Telesign may not be able to pass the associated cost increase on to its customers. This would result in a reduced profit margin for Telesign.

Shareholders' interests alignment

Proximus could be influenced by the Belgian State whose interest may not always be aligned with the interests of Proximus' other shareholders and noteholders.

As majority shareholder, the Belgian State has the power to determine matters submitted for a vote of shareholders, including the ability to control the outcome of certain corporate actions such as dividend policy, mergers and other extraordinary transactions. The Belgian State also has the power to appoint and dismiss the directors, but it must comply with legal and statutory requirements such as, for example, the appointment of independent directors. The interests of the Belgian State regarding director appointments, dividend policy, mergers and other matters and the factors it considers in exercising its votes could be different from the interests of Proximus' other shareholders or creditors.

Periods of political uncertainty can be detrimental to the strategic alignment between Proximus and its majority shareholder and strain Proximus' relationship with other stakeholders.

Operational risks

Operational risk relates to risks arising from systems, processes, people and external events that affect the operation of Proximus' businesses. It includes product life cycle & execution, product safety & performance, information management, data protection & cybersecurity, business continuity, supply chain, and other risks, including human resources and reputational risks. Depending on the nature of the risk involved and the business or function affected, Proximus uses a wide variety of risk mitigation strategies, including adverse scenario stress tests, back-up-/business-continuity plans, business process reviews, and insurance.

Proximus' operational risk measurement and management relies on the Advanced Measurement Approach (AMA) methodology. A dedicated 'as-if' adverse scenario risk register has been developed to make the stress tests relevant.

Proximus is covered by extended general and professional liability, property damage and business interruption insurance, as well as by a dedicated cybersecurity insurance program.

Nevertheless, these insurance programs may not provide indemnification should the traditional insurance exclusions (non-accidental events) apply.

The most prominent examples of operational risk factors are explained below:

- Resilience and business continuity
- Security (confidentiality, integrity, availability)
- Data protection and privacy
- Sourcing and supply chain reliability
- Legacy network infrastructure

Resilience and business continuity

Business Continuity Management is developing its abilities to detect, prevent, minimize and deal with the impact of disruptive events so that business-critical services and functions can be operated at an acceptable level.

This approach is in line with the good practice standards and Belgian regulations on telecoms and critical infrastructure, and is primarily achieved via the development of business continuity plans at corporate level for threats such as power interruptions, ransomware attacks or natural disasters linked to climate change. Building and ensuring the resilience of our network, platforms and IT systems remains a top priority in order to minimize the customer impact in the event of such incidents occurring.

These priorities are managed by the corresponding business units. The business continuity board is the steering committee that defines the priorities and scope, and validates the outcome. The level of preparedness is reported annually to the Audit and Compliance Committee.

Security

Escalating global cyber threats, along with the rise of increasingly sophisticated and targeted cyber-attacks, pose a risk to the security of Proximus as well as its customers, partners, suppliers, and third-party service providers in terms of products, services, business flows, systems and networks. The confidentiality, availability and integrity of the data of Proximus and its customers are also placed at risk.

We are taking the necessary actions and making investments to mitigate those risks by enacting several measures, including employee awareness and training, security-by-design, security testing, protective measures, detective measures, and maintenance of contingency plans.

Proximus' cybersecurity program places an important emphasis on Identity & Access Management for privileged users, business users, partners and vendors, on securing Proximus' critical infrastructure such as API, private and public clouds and DDoS protection, on protecting against advanced disruptive malware (such as ransomware), and expanding monitoring and detection capabilities. Artificial intelligence and machine learning capabilities are also increasingly used in Proximus' cybersecurity.

Besides this, Proximus invests in threat intelligence and security incident response. Moreover, Proximus operates several Malware Information Sharing Platforms (MISPs) that enable the collection and sharing of structured information on cybersecurity threats. Proximus actively participates in a number of cross-industry and international expert groups to stay up to date on the latest threats. Collaboration with and through the expert groups of the European Telecom Operators platform (ETIS), GSMA, the Belgian Cybersecurity Coalition and FIRST has been established in this regard.

Furthermore, Proximus also acts to protect its customers against fraud. With the support of the government, Proximus invests in anti-phishing and anti-fraud platforms (SMS, email, interconnect security)

More information on data protection and privacy can be found in the Sustainability Statement: "Data protection".

Sourcing & supply chain

Proximus depends on its partnerships with suppliers to provide the equipment needed to ensure business continuity and a sustainable supply chain. Global instability, logistics disruptions, energy crises, climate-induced natural disasters, etc. increase the risk to our supply chain resilience.

Any breach of relevant legislation or non-compliance with international standards for human rights by our suppliers could lead to legal action and negatively impact Proximus' reputation.

Risk mitigation is done via multi-sourcing, Tier 2 management, improved inventory management (advanced ordering, better forecasts, etc.), demand reduction, and product and process reengineering. Thanks to our enhanced Supplier Relationship Management (SRM), we are able to continuously assess risks together with the partnering supplier, thus reducing vulnerability and ensuring continuity. The relationship with key suppliers is assessed and documented by means of meeting minutes and surveys, which lay down the common strategies.

We continuously monitor risks through an SCRM (Supply Chain Risk Management) by Sphera, alerting the appropriate stakeholder in the event of any disruption along the supplier chain.

EcoVadis conducts sustainability performance evaluations, risk assessments and audits for national direct suppliers, while major global suppliers undergo these processes through the Joint Alliance for CSR (JAC) initiative.

We strictly follow up on critical suppliers' contractual liability through our Supplier Code of Conduct and Service Level Agreement clauses.

Thanks to our active monitoring and risk mitigation actions, Proximus' supply chain has proven itself resilient in previous crises, with financial impact being limited as a result.

Legacy network infrastructure

In 2004, Proximus was the first operator in Europe to launch an ambitious fiber-to-the-curb program, paving the way for the subsequent national Fiber-To-The-Home network roll-out. And today it is among the world's top five operators for the proportion of fiber in its VDSL network, with tens of thousands of kilometers of optical fiber connecting its street cabinets and a massive increase in the number of kilometers in the access part of the network.

With the rise in customer needs, we foresee a continued increase in data consumption on our networks for the coming year, and this at far higher speeds than in the past. This is why Proximus is pursuing an aggressive multi-gigabit strategy, with the ambition of leveraging more and more fiber and 5G to deliver relevant services to our customers. In this context, the relevance of copper will gradually decrease.

The fast pace of fiber deployment and adoption allows us to consider decommissioning our copper in the future and, as such, to be in a position to realize substantial savings in terms of power consumption and maintenance, and avoid having to replace this ageing technology.

Risk Management & Compliance Committee

In 2024, the Risk Management and Compliance Committee (RMC) held 5 sessions.

The RMC's objectives are:

- to oversee the company's most critical enterprise and operational risks and how management monitors and mitigates those risks;
- to review files in which decisions must be taken by finding a balance between risk-taking and cost, in line with the Group's risk appetite;
- to enhance pending/open internal audit action points that remain open for more than six months.

Proximus has general response strategies for managing risks, which categorize them according to whether the company will avoid, transfer, reduce or accept the risk. These response strategies are tailored to ensure that risks are within acceptable risk and compliance guidelines.

The RMC decisions were reported to the Proximus Leadership Squad and the Audit & Compliance Committee.

Internal Audit

In line with international best practice requirements, Proximus' internal audit function forms an integral part of the Internal Risk Management and Control System, and provides assurance to the Audit and Compliance Committee concerning the 'in-control status' of Proximus Group segments/units/entities and processes. Internal Audit provides independent analyses, appraisals, recommendations, counsel and information to both the Audit and Compliance Committee and Proximus Management. Therefore, the objectives of the Internal Audit, using the Institute of Internal Auditors' standards and other professional frameworks, are to ensure:

- effectiveness and adequacy of internal controls;
- operational effectiveness (doing it right) and/or efficiency (doing it well);
- compliance with laws, regulations and policies;
- the reliability and the accuracy of the information provided.

Internal Audit helps Proximus Group to accomplish these objectives through its systematic and disciplined approach to evaluating and improving the effectiveness of risk management and control & governance processes.

Internal Audit's activities are based on a continuous evaluation of perceived business risks. It has full and unrestricted access to all activities, documents/records, properties and staff. The Internal Audit Lead has a reporting line to the Chairman of the Audit and Compliance Committee. Quarterly Audit activity reports are submitted and discussed with the Audit and Compliance Committee.

Since 2020, Proximus' Internal Audit department, in accordance with IIA Standard 1312 – External Quality Assessment, has been certified by IFACI/IIA.

Financial reporting risks

In the area of financial reporting, besides the general enterprise risks impacting financial reporting, the main risks identified include new transactions and evolving accounting standards, changes in tax law and regulations, and the financial statement closing process.

New transactions and evolving accounting standards

New transactions can have a significant impact on the financial statements, either directly in the income statement or in the notes. Inappropriate accounting treatment can result in financial statements that fail to provide a true and fair view. Changes in legislation (e.g. pension age, customer protection) can also significantly impact the reported financials. New accounting standards may require the gathering of new information and the adaptation of complex (billing) systems. If not adequately foreseen, the timeliness and reliability of the financial reporting could be jeopardized.

It is the responsibility of the Corporate Accounting department to follow developments in the area of evolving standards; both local General Accepted Accounting Principles (GAAP) and International Financial Reporting Standards (IFRS) are considered.

Changes are identified, and the impact on Proximus' financial reporting is proactively analyzed.

For each new type of transaction (e.g. new product, new employee benefit, business combination), an in-depth analysis is conducted from the points of view of financial reporting, risk management, treasury, and tax. In addition, the development requirements for the financial systems are defined in a timely manner and, in compliance with internal and external standards, are systematically analyzed. Emphasis is placed on the development of preventive controls and the setting up of reporting tools that enable a posteriori control. The Audit and Compliance Committee (A&CC) and the Leadership Squad are informed on a regular basis about new and upcoming financial reporting standards and their potential impact on Proximus' financials.

Changes in tax law and regulations

Changes in tax laws and regulations (corporate income tax, VAT, etc.) and their application by the tax authorities can have a significant impact on financial statements. To ensure compliance, it is often necessary to set up additional administrative processes within a short timeframe, to collect relevant information, or to run updates on existing IT systems (e.g. billing systems).

The tax department continuously monitors potential changes in tax law and regulations, as well as interpretations of existing tax laws by the tax authorities. Based on laws, doctrine, case law and political statements, as well as available draft laws, etc., a financial and operational impact analysis is performed. The outcome of this analysis is reflected in the corresponding financial statements, in accordance with the applicable framework.

The evolving complexity of the legal and regulatory environment, particularly in the context of international operations, poses risks to financial reporting. Conflicting requirements among and between domestic, foreign and supranational laws can complicate compliance efforts, increase the likelihood of misstatements, and affect the integrity and accuracy of our financial statements.

Financial statement closing process

The delivery of timely and reliable financial statements remains dependent on an adequate financial statement closing process.

Clear roles and responsibilities in the closing process of the financial statements have been defined. During the monthly, quarterly, half-yearly and annual financial statement closing processes, continuous monitoring of the various steps is undertaken. In addition, different controls are performed to ensure quality and compliance with internal and external requirements and guidelines.

A highly detailed closing calendar is drawn up for Proximus and its major subsidiaries, which includes a detailed overview of cross-divisional preparatory meetings, deadlines for ending specific processes, exact dates and hours when IT subsystems are locked, validation meetings and reporting deliverables.

For every process and subprocess, different controls are performed, including preventive controls, where information is tested before being processed, and detective controls, where the outcome of the processing is analyzed and confirmed.

Special attention is paid to reasonableness tests, where financial information is analyzed against underlying operational drivers, and coherence tests, where financial information from different areas is brought together to confirm results, trends, etc. Tests on individual accounting entries are performed for material or non-recurrent transactions. The combination of all of these tests provides sufficient assurance on the reliability of the financials.

Consolidated Financial Statements

Consolidated Financial Statements

Prepared under International Financial Reporting Standards for each of the two years ended 31 December 2024 and 2023.

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Consolidated Balance Sheet

(EUR million)		As at 31 December	
ASSETS	Note	2023	2024
NON-CURRENT ASSETS		8,932	10,969
Goodwill	3	2,592	3,275
Intangible assets with finite useful life	4	1,702	2,076
Property, plant and equipment	5	3,834	4,745
Right-of-use assets	6	307	307
Lease receivable		10	9
Contract costs	7	111	103
Investments in associates and joint ventures	8	90	23
Deferred income tax assets	10	4	17
Equity investments measured at fair value	9	3	2
Pension assets	11	187	296
Other non-current assets	12	92	117
CURRENT ASSETS		2,220	2,358
Inventories	13	159	147
Trade receivables	14	866	1,046
Contract assets	14	167	198
Current tax assets		12	5
Other current assets	15	202	329
Investments	17	0	41
Cash and cash equivalents	17	716	497
Non-current assets held for sale	16	99	94
TOTAL ASSETS		11,153	13,327

LIABILITIES AND EQUITY	Note		
EQUITY	18	3,300	4,535
Shareholders' equity attributable to the parent	18	3,300	4,310
Non-Controlling interests	18	0	225
NON-CURRENT LIABILITIES		4,794	5,601
Interest-bearing liabilities	19	3,308	3,981
Lease liabilities	6	210	197
Liability for pensions, other post-employment benefits and termination benefits	11	337	324
Provisions	20	137	233
Deferred income tax liabilities	10	197	313
Other non-current payables non-interest-bearing	21	45	31
Other non-current payables interest-bearing	21 (*)	559	522
CURRENT LIABILITIES		3,059	3,191
Interest-bearing liabilities	19	611	525
Lease liabilities	6	88	97
Liability for pensions, other post-employment benefits and termination benefits	11	40	34
Provisions other than for pensions, other post-employment benefits and termination benefits		0	6
Trade payables	(*)	1,433	1,508
Contract liabilities	22	126	121
Tax payables		58	28
Other current payables non-interest-bearing	22	666	824
Other current payables interest-bearing	22 (*)	37	37
Liabilities associated with assets classified as held for sale	16	0	10
TOTAL LIABILITIES AND EQUITY		11,153	13,327

(*) "Other current payables Interest-bearing" include interest-bearing payables "Trade payables"

Consolidated Income Statement

(EUR million)	Note	2023	2024
Net revenue	23	5,993	6,376
Other operating income	24	56	163
Total income		**6,048**	**6,539**
Costs of materials and services related to revenue	25	-2,198	-2,364
Workforce expenses	26	-1,343	-1,435
Non-workforce expenses	27	-722	-790
Total operating expenses before depreciation and amortization		**-4,262**	**-4,589**
Operating income before depreciation and amortization		**1,786**	**1,950**
Depreciation and amortization	28	-1,185	-1,259
Operating income		**601**	**691**
Finance income	29	10	26
Finance costs	29	-119	-185
Net finance costs	29	-110	-159
Share of loss on associates	8.3	-30	-18
Income before taxes		**461**	**513**
Tax expense	10	-104	-57
Net income		**357**	**456**
Attributable to:			
Equity holders of the parent (Group share)		357	447
Non-controlling interests		0	9
Basic earnings per share (in EUR)	30	1.11	1.39
Diluted earnings per share (in EUR)	30	1.11	1.39
Weighted average nb of outstanding ordinary shares	30	322,442,197	322,573,717
Weighted average nb of outstanding ordinary shares for diluted earnings per share	30	322,442,197	322,573,717

Consolidated Statement of Comprehensive Income

(EUR million)	Note	2023	2024
Net income		357	456
Other comprehensive income:			
Items that may be reclassified to profit and loss			
Exchange differences on translation of foreign operations		-5	20
Cash flow hedges:			
Gain/(Loss) taken to equity		-14	-3
Transfer to profit or loss for the period		-4	-14
Other		0	-1
Total before related tax effects		-22	1
Cash flow hedges:			
Gain/(Loss) taken to equity		3	1
Transfer to profit or loss for the period		1	3
Income tax relating to items that may be reclassified		4	4
Total of items that may be reclassified to profit and loss - net of related tax effects		-18	6
Items that will not be reclassified to profit and loss			
Remeasurement of net defined benefit obligations	11	50	110
Total of items that will not be reclassified to profit and loss		50	110
Total before related tax effects		50	110
Related tax effects			
Remeasurement of net defined benefit obligations		-12	-29
Income tax relating to items that will not be reclassified		-12	-29
Total of items that will not be reclassified to profit and loss, net of related tax effects		38	81
Total comprehensive income		377	543
Attributable to:			
Equity holders of the parent		378	529
Non-controlling interests		0	14

Consolidated Cash Flow Statement

(EUR million)	Note	As at 31 December 2023	2024
Cash flow from operating activities:			
Net income		357	456
Depreciation and amortization	4/5/6	1,185	1,259
Net finance costs		110	159
Tax expense		104	57
Share of loss on associates and JV	8.3	30	18
Ebitda (Reported) (1)		1,786	1,950
Adjustments for non-cash items in Ebitda:		5	-51
Impairment on intangible assets and property, plant and equipment	16	0	38
Increase/(decrease) of provisions	20	2	-9
Remeasurement to FV of Previously held interest	8.4	0	-78
(Gain)/loss on disposal of other financial assets		9	0
(Gain) /loss on disposal of property, plant and equipment	24	-6	-3
(Decrease)/increase in working capital (net of interests, income tax, acquisitions/disposals of subsidiaries):		-12	-62
Decrease/(increase) in inventories		28	12
Decrease/(increase) in trade receivables		74	-24
(Decrease)/increase in trade payables		10	-5
Decrease/(increase) in other assets		-60	-30
(Decrease)/increase in other liabilities		-23	14
(Decrease)/increase in net liability for pensions, other post-employment benefits and termination benefits	11	-40	-29
Interests Paid/Received & Other financial cash outflows		-110	-127
Interests Received		8	20
Interests Paid		-111	-146
Other financial cash outflows		-7	-1
Income Tax Paid		-49	-108
A. Net cash flow from operating activities		1,620	1,602
Cash flow from /(to) investing activities:			
Cash paid for acquisitions of intangible assets and property, plant and equipment	4/5	-1,453	-1,474
Cash (paid to)/received from other participating interests (acquisition/sale, loans and/or derivatives)	8.4	-90	-17
Cash paid for acquisition of consolidated companies, net of cash acquired	8.4	0	-737
Cash received from sales of intangible assets, property, plant and equipment and other non-current assets		33	0

B. Net cash flow from / (to) investing activities		-1,510	-2,228
Cash flow before financing activities (A. + B.)		110	-626
C.1 Lease payments	6	-92	-101
Free cash flow (A. + B. + C.1) (2)		18	-727
Cash flow from / (to) financing activities other than lease payments:			
Dividends paid to shareholders	31	-387	-360
Dividends to and transactions with non-controlling interests	18.2	0	-2
Net sale of treasury shares		2	0
Net sale of investments		0	0
Impact of transactions with equity holders	8.4	0	83
Issuance / (repayment) of Perpetual subordinated borrowing	18.1	0	700
Cash received from /(paid to) cash flow hedge instrument related to long term debt		132	-1
Issuance / (repayment) of Asset financing arrangements	19.3	-10	-10
Issuance of long term debt		1,238	714
Repayment of long term debt	19.3	-101	-614
Repayment of short term debt	19.3	-475	-4
C.2 Net cash flow from / (to) financing activities (other than lease payments)		399	506
D. Exchange rate impact		-1	2
Net increase/(decrease) of cash and cash equivalents (A + B + C.1 + C.2 + D)		417	-219
Cash and cash equivalents at 1 January		299	716
Cash and cash equivalents at the end of the period		716	497

(1) Ebitda: Earnings Before Interest, Taxes, Depreciation and Amortization; corresponds to revenue minus cost of sales, workforce and non-workforce expenses.
(2) Free Cash Flow: this is cash flow before financing activities and after lease

Consolidated Statement of Changes in Equity

(EUR million)	Issued capital	Treasury shares	Restric'd reserve	Equity instruments and hedge reserve	Other remeasur - ement reserve	Foreign currency trans- lation	Stock Compen -sation	Retained Earnings	Hybrid Instru- ments	Share'rs' Equity	Non- control. interests	Total Equity
Balance as at 1 January 2023	1,000	-425	100	147	4	16	0	2,465	0	3,307	1	3,308
Total comprehensive income and expense	0	0	0	-13	38	-5	0	357	0	378	0	377
Dividends to shareholders (relating to 2022)	0	0	0	0	0	0	0	-226	0	-226	0	-226
Interim dividends to shareholders (relating to 2023)	0	0	0	0	0	0	0	-161	0	-161	0	-161
Treasury shares												
Sale of treasury shares	0	6	0	0	0	0	0	-4	0	2	0	2
Total transactions with equity holders	0	6	0	0	0	0	0	-391	0	-385	0	-385
Balance as at 31 December 2023	1,000	-419	100	134	42	11	0	2,432	0	3,300	0	3,300
Total comprehensive income	0	0	0	-14	81	15	0	447	0	529	14	543
Dividends to shareholders (relating to 2023)	0	0	0	0	0	0	0	-226	0	-226	0	-226
Interim dividends to shareholders (relating to 2024)	0	0	0	0	0	0	0	-161	0	-161	0	-161
Dividends of subsidiaries to non-controlling interests	0	0	0	0	0	0	0	-2	0	-2	0	-2
Business combination	0	0	0	0	0	0	0	165	0	165	138	303
Partial disposal of a subsidiary without loss of control	0	0	0	0	0	0	0	47	0	47	43	90
Business combination under common control	0	0	0	0	0	0	0	-32	0	-32	32	0
Perpetual subord borrowings	0	0	0	0	0	0	0	-12	700	688	0	688
Treasury shares												
Sale of treasury shares	0	2	0	0	0	0	0	-3	0	-1	0	-1
Stock options												
Exercise of stock options	0	0	0	0	0	0	0	2	0	2	-1	1
Total transactions with equity holders	0	2	0	0	0	0	0	-222	700	481	212	692
Balance as at 31 December 2024	1,000	-417	100	120	124	26	0	2,657	700	4,310	225	4,535

Notes to the consolidated financial statements

Note 1. Corporate information

The consolidated financial statements at December 31st 2024 were authorized for issue by the Board of Directors on February 27th 2025. They comprise the financial statements of Proximus SA, its subsidiaries, as well as the Group's interest in associates and joint ventures accounted for under the equity method and joint operations (hereafter "the Group").

Proximus SA is a "Limited Liability Company of Public Law" registered in Belgium. The transformation of Proximus SA from "Autonomous State Company" into a "Limited Liability Company of Public Law" was implemented by the Royal Decree of 16 December 1994. Proximus SA headquarters are located at Boulevard du Roi Albert II, 27 1030 Brussels, Belgium. Proximus' shares are listed on Euronext Brussels.

Proximus Group (Euronext Brussels: PROX), is a provider of future-proof connectivity, IT and digital services, headquartered in Brussels. The Group is actively engaged in building a connected world that people trust, so society blooms.

The Domestic segment is focused on providing state-of-the art telecommunications and IT services in the Benelux. In Belgium, core products and services are offered under the Proximus, Mobile Vikings and Scarlet brands for the residential market and Proximus NXT for the Enterprise market. The Group is also active in the Netherlands (Proximus NXT) and in Luxembourg (Tango and Proximus NXT).

Proximus Global overarches the international activities of the Group, gathering the strengths of BICS, Telesign and Route Mobile. Encompassing the entire value chain from P2P Voice & Messaging and Mobility services to CPaaS and Digital Identity, Proximus Global is in a unique position to become a global digital communications leader.

The Group has the ambition to build the #1 gigabit network for Belgium and plays a central role in creating inspiring digital ecosystems, while fostering an engaging culture and empowering ways of working. Building upon these strengths, Proximus aims to contribute to an inclusive and sustainable digital society, delight customers with an unrivalled experience and achieve profitable growth both locally and internationally to deliver long-term value for stakeholders.

The number of employees of the Group (in full time equivalents) amounted to 13,131 at December 31st 2024 and 11,654 at December 31st 2023. For the year 2024, the average headcount of the Group was 159 management personnel and 12,470 employees; for the year 2023, the average headcount of the Group was 160 management personnel and 11,490 employees.

Note 2. Material accounting policy information

Note 2.1. Basis of preparation

The accompanying consolidated financial statements as of 31 December 2024 and for the year then ended have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted for use in the European Union. The Group did not early adopt any IASB standards or interpretations.

Note 2.2. Changes in accounting policies

The accounting policies have been applied consistently with those of previous financial year, except for the operating segments, which were redesigned in 2024 (see note 2.3.). The Group applies changes to standards or new standards as adopted by the European Union and as they become mandatory. The new or revised IFRS standards and interpretations that became effective on 1 January 2024 are as follows:

- Amendments to IAS 1 - Classification of Liabilities as Current or Non-Current (2024)
- Amendments to IAS 1 – Non-current liabilities with covenants (2024)
- Amendments to IFRS 16 – Lease liability in a sale and lease back (2024)
- Amendments to IAS 7 and IFRS 7 – Disclosures Supplier Finance Arrangements (2024)

The adoption of these new and amended standards has limited impact on the financial statements of the Group.

Note 2.3. Operating segments

The Group's operating segments are components whose results are regularly reviewed by the Leadership Squad, the Group's Chief Operating Decision Makers (CODM), to make resource allocation decisions and assess performance.

Following the acquisition of Route Mobile in 2024 (see note 8.4), a global CPaaS services provider listed on NSE and BSE in India, the Group revamped its internal decision-making, governance, and management reporting processes to optimize resource allocation and performance assessment of its operating segments.

Consequently, the Group implemented a two-pillar governance structure by establishing a new executive committee, the 'International Management Committee,' alongside the 'Domestic Management Committee.' This international committee was created to facilitate key decisions and ensure alignment among international affiliates, including BICS, Telesign, and the newly acquired Route Mobile. This new executive committee enhances accountability, coordination, and provides a stronger voice in group decision-making for international business.

Segmental information used for internal decision-making and performance assessment by the CODM is now provided at the Domestic and International components, identified as operating segments:

- International Segment: this new segment combines the previously separate international segments BICS and Telesign with the newly acquired Route Mobile.
  - International Carrier Services (BICS): manages international carrier activities in the global communications market.
  - TeleSign: specializes in international delivery authentication and digital identity services for major internet brands, digital champions, and cloud-native businesses.
  - Route Mobile: offers omnichannel communication solutions, including automated SMS or WhatsApp notifications for order updates, appointment reminders, and promotions, as well as voice-based and email solutions. Route Mobile also provides AI-based firewall analytics solutions to mobile network operators worldwide.

- Domestic Segment: remains unchanged from the previous year, providing communication and ICT services to residential, business, and telecom wholesale markets in Belgium/BeNeLux.

Note 2.4. Alternative Performance Measures

The Group uses so called “Alternative Performance Measures” (“APM”) in the financial statements and notes. An APM is a financial measure of historical or future financial performance, financial position, or cash flows, other than a financial measure defined in the applicable financial reporting framework (IFRS). A glossary describing these is included in the section “Management Discussion” of the Consolidated Management Report. They are consistently used over time and when a change is needed, comparable information is restated.

Note 2.5. Basis of consolidation

Subsidiaries are those entities controlled by the Group. Control exists when the Group has the power over the investee, is exposed or has rights to variable returns from its involvement with the investee and has the ability to use its power to affect its returns. Note 8 lists the Group’s subsidiaries, joint operations, joint ventures and associates.

Consolidation of a subsidiary begins from the date on which the Group obtains control over the subsidiary and ceases when the Group loses control over the subsidiary. Intercompany balances and transactions and resulting unrealized profits or losses between Group companies are eliminated in full in consolidation. When subsidiaries accounting policies are not aligned with the Group ones, the Group performs the necessary adjustments to ensure that the consolidated financial statements are prepared using uniform accounting policies.

Changes in Group’s ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transaction. In the event of a decrease in the percentage of ownership, the non-controlling interests (NCI) will be adjusted based on the increase in their percentage of ownership in the net assets of the subsidiary involved in the transaction, after consolidation adjustments and including goodwill. Any difference between the amount by which non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to owners of the Company. Transaction costs associated with the purchase or sale of a non- controlling interest in a subsidiary, when control is maintained, is recognized as a deduction from equity only if they are incremental costs directly attributable to the equity transaction.

Joint ventures are joint arrangements whereby the parties that have joint control of the arrangements have rights to the net assets of the joint arrangements. Joint control is the contractually agreed sharing of control over an arrangement, which exists only when decisions about relevant activities require unanimous consent of the parties sharing control. Joint ventures are incorporated in these consolidated financial statements using the equity method.

Joint operations are joint arrangements whereby the parties that have joint control of the arrangements have rights to the assets, and obligations for the liabilities, relating to the arrangements. Arrangements of which the design and purpose is such that the parties are substantially the only source of cash flows contributing to the continuity of the operations of the arrangement are recognized as joint operations.

When the Group undertakes its activities under joint operations, the Group recognizes based on its ownership interest, net off intercompany eliminations, its share in the assets and liabilities and its share in the costs and revenue. Revenue is only recognized when the joint operation sells its output to third parties.

Associated companies are companies in which the Group has a significant influence, defined as an investee in which the group has the power to participate in its financial and operating policy decisions, but not to control the investee. These investments are also accounted for using the equity method.

Under the equity method, the investments held in associates or joint ventures are initially recognized at cost and the carrying amount is subsequently adjusted to recognize the Group's share in the profit or losses or other comprehensive income of the associate or joint venture as from the date of acquisition. These investments and the equity share of results for the period are shown in the balance sheet and income statement as respectively, investments in associates and joint ventures, and share in the result of the associates and joint ventures. Unrealised profits and losses are eliminated to the extent of Proximus interest in the entity.

Note 2.6. Business Combinations

Acquisitions of businesses are accounted using the acquisition method. The consideration transferred is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree, if any, and the equity interests issued, if any. Acquisition related costs are accounted for as expenses in the periods in which the costs are incurred.

At acquisition date, the identifiable assets acquired, and the liabilities assumed are recognized at their fair value at that date. This also includes fair valuing the unrecognized assets and liabilities in the balance sheet of the acquiree, which concerns mainly customer bases and trade names.

Non-controlling interests are initially measured at the proportionate share of the recognized amounts of the acquiree' s identifiable net assets at acquisition date.

Note 2.7. Judgments and estimates

In preparing the consolidated financial statements, management is required to make judgments and estimates that affect amounts included in the financial statements.

Judgments and estimates that are made at each reporting date reflect conditions that existed at those dates (e.g. market prices, interest rates and foreign exchange rates, as well as existing accounting rules and guidance in domains where there is limited authoritative literature). Although these estimates are based on management's best knowledge of current events and actions that the Group may undertake, actual results may differ from those estimates.

The potential risks and opportunities associated with climate change to which the Group is exposed, as well as broader sustainability considerations, are presented in the Group's non-financial statements. Based on the information currently available to it, management has exercised its judgment in concluding that the main areas potentially affected by climate change, i.e. the useful life of the Group's assets and provisions, are currently and in the short term not significantly affected. These judgments are monitored on an ongoing basis as part of the Group's risk management process, given that the future impacts of climate change depend on environmental, regulatory, and other factors beyond the Group's control, not all of which are currently known.

Note 2.7.1. Critical judgments in applying the Group accounting policies

The following are the critical judgments, apart from those involving estimations (which are presented separately below), that the directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognized in financial statements.

- Assessment of control on entities incorporated in the context of fiber network deployment

In the context of its ultimate objective of connecting Belgium through an open, future-proof network that brings high or very high-speed connectivity to every home and business, including those in less densely populated areas, Proximus co-created three separate companies, Fiberklaar, Unifiber and Glasfaser Ostbelgien, to help it accelerating the fiber roll-out in respectively Flanders, Wallonia and in the German-speaking Community.

These three companies have for business to engineer, design, build, maintain, upgrade, own, deploy, run and market a passive wholesale Point-to-Point Fiber-To-The-Home network in the Footprint (the "FTTH Network"), with a minimum rollout speed, a coverage ambition for the defined footprint, certain technical qualities (speed, capacity…). The networks to be built will be open and neutral, i.e. available to all Service Providers under non-exclusive and non-discriminatory terms to allow Service Providers (Proximus for instance) to compete on downstream markets.

On July 26, 2024, Proximus Group acquired control of Fiberklaar (see note 8.4) by reaching an agreement with EQT Infrastructure, the other co-founder of Fiberklaar, for the acquisition of its majority stake (50.33%) in Fiberklaar Group (hereinafter 'Fiberklaar').

In its assessment of the type of control its exercises on Unifiber and Glasfaser Ostbelgien (control alone, joint control or significant influence), Proximus identified what the companies' relevant activities were, how the decisions about these activities were taken and whether it obtained variable return from its interaction with them, via, among others, the exercise of its voting rights. Other facts and circumstances were also considered in the assessment, such as the companies' social purposes, the nature of the companies' other shareholders, the existence of pre-agreed and negotiated contexts and the companies' dependency to their shareholders as sources of cash flows contributing to the continuity of their operations.

Proximus concluded when these two entities were co-created, that it was not controlling them alone as the decisions about the activities identified as relevant within the context of the arrangements signed with the co-investors are not taken alone by Proximus. These decisions were about essentially the approval of the budget, the appointment and dismissal of senior management, the commercialization of the offer, the building of the network. Furthermore, Proximus expected, based on the information available at that moment, that it would not substantially be the only source of cash flows contributing to the continuity of the operations of the arrangements by these entities. On that basis, the Group concluded that the investments in Unifiber and Glasfaser Ostbelgien, qualified as joint venture and associate, respectively.

These conclusions were periodically reviewed considering the criteria, underlying facts, governance, and existing agreements between shareholders or with the companies. The monitoring of these elements did not reveal any factors that would call into question the current classifications of these arrangements.

Note 2.7.2. Key sources of estimation uncertainty

- Claims and contingent liabilities and assets (see note 34)

Related to claims and contingencies, judgment is necessary in assessing the existence of an obligation resulting from a past event, in assessing the probability of an economic outflow, and in quantifying the probable outflow of economic resources. This judgment is reviewed when new information becomes available and with support of outside experts advises.

- Recoverable amount of cash generating units including goodwill

In the context of the impairment test, the key assumptions that are used for estimating the recoverable amounts of cash generating units to which goodwill is allocated are discussed in note 3 (Goodwill).

- Actuarial assumptions related to the measurement of employee benefit obligations and plan assets

The Group holds several employee benefit plans such as pension plans, other post-employment plans and termination plans. In the context of the determination of the obligation, the plan asset and the net periodic cost, the key assumptions that are used are discussed in note 11 (Assets and liabilities for pensions, other post-employment benefits and termination benefits).

Note 2.8. Foreign currency translation

The individual financial statements of each subsidiary are prepared in the currency of the primary economic environment in which the entity operates. When the factors set out by IAS 21 to determine the functional currency are mixed and the functional currency is not obvious, management judgment is used to determine which functional currency most faithfully represents the economic effects of its underlying transactions, events and conditions.

Foreign currency transactions are recognized in functional currency on initial recognition, at the foreign exchange rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency of the entity at the balance sheet date using the exchange rate at that date. Non-monetary assets and liabilities denominated in foreign currencies are not remeasured. Net exchange differences on the translation of monetary assets and liabilities are classified in “non-workforce expenses” in the income statement in the period in which they arise.

Note 2.9. Foreign operations

Results and financial position of entities with a functional currency other than Euro are included in the Proximus Group accounts as follows:

- Assets and liabilities (including comparatives) are translated at the closing rate at the reporting date.
- Income and expenses are translated at exchange rates at the date of the transaction.
- Non-controlling interests are translated at exchange rates at the date of the transaction.
- All resulting exchange differences are recognized in other comprehensive income. On disposal of such entity, the deferred cumulative amount recognized in other comprehensive income relating to that foreign operation is recognized in profit or loss. The same principle applies for partial disposals without loss of control and implies the recycling to profit and loss (P&L) only pro rata to the proportion disposed of.

Note 2.10. Goodwill

Goodwill represents the excess of the sum of the consideration transferred, the amount of non-controlling interests, if any, and the fair value of the previously held interest, if any, over the net fair value of identifiable assets, liabilities and contingent liabilities acquired in business combination. When the Group obtains control, the previously held interest in the acquiree, if any, is re-measured to fair value through profit or loss.

Goodwill is stated at cost and not amortized but subject to an annual impairment test at the level of the cash generating unit to which it is allocated and whenever there is an indicator that the cash generating unit to which the goodwill has been allocated may be impaired. The Group monitors the goodwill at the level of the operating segments as this reflects the way the Group manages its operations.

Changes in a contingent consideration included in the consideration transferred are adjusted against goodwill when they arise during the provisional purchase price allocation period and when they relate to facts and circumstances existing at acquisition date. In other cases, depending on whether the contingent consideration is classified as equity or not, changes are taken into equity or in profit or loss.

Acquisition costs are expensed, and non-controlling interests are measured at acquisition date at their proportionate interest in the fair value of the identifiable assets and assumed liabilities of the acquiree, on a transaction-by-transaction basis.

Note 2.11. Intangible assets with finite useful life

Intangible assets consist primarily of the Global System for Mobile communication ("GSM") license, the Universal Mobile Telecommunication System ("UMTS") license, 4G and 5G spectrum licenses, customer bases, patents and trade names acquired in business combinations, internally and externally developed software and other intangible assets such as football rights and broadcasting rights.

Intangible assets with finite life acquired separately are measured on initial recognition at cost and subsequently stated at cost less accumulated amortization and impairment losses. Only the fixed portion of the consideration is capitalized. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition.

The residual value of such intangible assets is assumed to be zero.

The Group capitalizes:

- The football broadcasting rights, and all other multi-seasonal sport broadcasting rights, for the full contract duration together with the recognition of the corresponding liability (for the full contract duration)
- For contracts with other TV channels, the costs for the total contract duration, as the content is deemed to be sufficiently identifiable (a major part of the content is already produced) for the non-cancellable duration of the contract (generally 18 months-3 years).
- Certain costs incurred in connection with developing or purchasing software for internal use and certain media production costs when they are identifiable, when the Group controls the asset and when future economic benefits from the asset are probable.
- The unique licence fee (fixed amount) due in connection with the spectrum licences granted to Proximus.

The Group considers the annual fees due in connection with the spectrum licences granted to Proximus to be variable (contingent) payments and therefore expenses them as incurred. The net present value of these annual fees is disclosed in note 34.

The Group enters SaaS arrangement and pays a fee in exchange for a right to receive access to the supplier's application software for a specified term. The Group recognizes a software asset in a cloud-computing arrangement at the contract commencement date if it obtains control of that software at that date. This is when, at the inception of the arrangement:

- The Group has the contractual right to take possession of the software during the hosting period without significant penalty, and
- It is feasible for the Group to run the software on its own hardware or contract with another party unrelated to the supplier to host the software.

The company continues to monitor the related accounting rules and guidance in this domain where there is limited authoritative literature.

Customer bases and trade names acquired in business combinations are straight-line amortized over their estimated useful life (3 to 20 years). Except if the useful life is based on the contractual limits or reflecting management intention, it is set consistently with the expected cash flows used in the valuation model for such an asset. It is defined in such a way that the expected cumulated discounted cash flows generated by the concerned asset over its useful life represent approximately 90% of the total cumulated discounted cash flows expected from the asset.

GSM, UMTS, 4 G and 5G spectrum licenses, other intangible assets and internally generated assets with finite useful life are amortized on a straight-line basis over their estimated useful life. Amortization commences when the intangible asset is ready for its intended use. The licenses' useful lives are fixed by Royal Decree and they range from 5 to 20 years.

The useful lives are assigned as follows:

	Useful life (years)
GSM, UMTS, 4G and other network licenses	Over the license period
SPECTRUM 2600 MHZ	15
SPECTRUM 800 MHZ	20
SPECTRUM 1800 MHZ 2G	20
SPECTRUM 2100 MHZ 3G	20
SPECTRUM 900 MHZ	20
SPECTRUM 1400 MHZ	20
SPECTRUM 700 MHZ	20
SPECTRUM 3600 MHZ	17 years 8 months
Customer bases, trade names, patents and software acquired in a business combination	3 to 20
Software	5
Broadcasting rights for sport seasons	Over the contract period
Rights to use, and other broadcasting rights	Over the contract period (usually from 2 to 5)

The amortization period and the amortization method for an intangible asset with finite useful life are reviewed at least at each financial year-end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortization period or method, as appropriate, and treated as changes in accounting estimates.

Note 2.12. Property, plant and equipment

Property, plant and equipment including assets rented to third parties through operating leases, are presented according to their nature and are stated at cost less accumulated depreciation and accumulated impairment losses. The cost of additions and substantial improvements to property, plant and equipment is capitalized. The cost of maintenance and repairs of property, plant and equipment is charged to operating expenses when it does not extend the life of the asset or does not significantly increase its capacity to generate revenue. The cost of an item of property, plant and equipment includes the costs of its dismantlement, removal or restoration, the obligation for which the Group incurs as a consequence of installing the item.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognized.

Depreciation of an asset begins when the asset is ready for its intended use. Depreciation is calculated using the straight-line method over the estimated useful life of the asset.

The useful lives are assigned as follows:

	Useful life (years)
Land and buildings	
Land	Indefinite
Buildings and building equipment	22 to 33
Facilities in buildings	3 to 10
Leasehold improvement and advertising equipment	3 to 10
Technical and network equipment	
Cables and ducts	15 to 20
Switches	8 to 10
Transmission	6 to 8
Radio Access Network	6 to 7
Mobile sites and site facility equipment	5 to 10
Equipment installed at client premises	2 to 8
Data and other network equipment	2 to 15
Furniture and vehicles	
Furniture and office equipment	3 to 10
Vehicles and smartcables	3 to 10

The asset's residual values, useful life and depreciation methods are reviewed, and adjusted if appropriate, at each financial year-end.

Costs of material, workforce and non-workforce expenses are shown net of work performed by the enterprise that is capitalized in respect of the construction of property, plant and equipment.

Note 2.13. Contract costs

Contract costs eligible for capitalization as incremental costs of obtaining a contract comprise commission paid to dealers relating to postpaid contracts. Contract costs are recognized as non-current assets as the economic benefits from these assets are expected to be received in the period longer than twelve months.

Contract costs relating to postpaid contracts are deferred on a systematic basis that is consistent with the transfer to the customer of the services, being the time, at which related revenue is recognized. The group adopted a portfolio approach for the contract costs. Contract costs related to the residential market, acquired before 2024, are deferred over three years. For contracts acquired from 2024 onwards, costs are deferred over four years, reflecting the observed increase in customer lifetime. This change is primarily attributed to fixed-mobile convergence.

All other commissions are expensed when incurred.

Note 2.14. Impairment of non-financial assets

The Group reviews the carrying value of its non-financial assets at each balance sheet date for any indication of impairment.

The Group compares at least once a year the carrying value with the estimated recoverable amount of intangible assets under construction and cash generating units including goodwill. The Group performs this annual impairment test during the fourth quarter of each year.

An impairment loss is recognized when the carrying value of the asset or cash generating unit exceeds the estimated recoverable amount, being the higher of the assets or cash generating unit's fair value less costs to sell and its value in use for the Group.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash generating unit.

Note 2.15. Deferred taxation

Deferred taxation is provided for all temporary differences between the carrying amount of assets and liabilities in the consolidated balance sheet and their respective taxation bases.

Deferred tax assets associated to deductible temporary differences and unused tax losses carried forward are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary difference or the unused tax losses can be utilized.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. Unrecognized deferred income tax assets are reassessed at each balance sheet date and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset will be realized, or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date.

Changes in deferred tax assets and liabilities are recognized in profit or loss except to the extent that they relate to items recognized directly in equity, in which case the tax effect is also recognized directly in equity.

Note 2.16. Pensions, other post-employment benefits and termination benefits

The Group operates several defined benefit pension plans to which the contributions are made through separately managed funds. The Group also agreed to provide additional post-employment benefits to certain employees. The cost of providing benefits under the plans is determined separately for each plan using the projected credit unit actuarial valuation method.

Actuarial gains and losses, the return on plan assets, excluding amounts included in net interest on the net defined benefit liability (asset) and any change in the effect of asset ceiling– if applicable, are recognized through Other Comprehensive Income. Any past service cost and gain or loss on settlement is recognized in profit and loss when they occur.

The Group classifies the periodic cost in operating and financing activities for their respective components.

The Group also operates several defined contribution plans. For plans with guaranteed minimum return management applied the 'Projected Unit Credit 'method.

The discount rate used to calculate the present value of the defined benefit obligation of the plans is determined by reference to the yield on high-quality corporate bonds (at the end of the reporting period) of currency and term consistent with the liabilities. The net defined benefit liability is defined as the present value of the defined benefit obligation less the fair value of the plan assets (if any).

The Group operates several restructuring programs that involve termination benefits or other forms of additional compensation. Voluntary termination benefits to encourage employees to leave service are recognized when employees accept the offer of those benefits. Involuntary termination benefits are recognized when the Group has communicated its plan of termination to the affected employees and the plan meets specified criteria. Related provisions are recognized when valid expectations are raised in those affected by the plans and implementation is started i.e. an agreement is reached with the unions on the features of the plans and those features are communicated to those affected.

Benefits conditional on future service being provided do not qualify as termination benefits but as long-term employee benefits. The liability for those benefits is recognized over the period of the future service.

For certain participants of the restructuring plans, benefits are paid until the earliest retirement date. Assumptions used to make a reliable estimate of the ultimate cost to the Group are pension age, the discount rate and future price inflation. Assumptions are reviewed at the end of the reporting period. The actuarial gains and losses on the liabilities for restructuring programs are recognized in profit or loss when incurred.

Note 2.17. Short-term and long-term employee benefits

The cost of all short-term and long-term employee benefits, such as salaries, employee entitlements to leave pay, bonuses, medical aid and other contributions, are recognized during the period in which the employee renders the related service. The Group recognizes those costs only when it has a present legal or constructive obligation to make such payment and a reliable estimate of the liability can be made.

Note 2.18. Financial instruments

Note 2.18.1. Classification

The Group classifies its financial assets in the following categories:

- At fair value through profit and loss (“FVTPL”); or
- At fair value through other comprehensive income (“FVTOCI”); or
- At amortized cost.

The Group classifies its financial liabilities in the following categories:

- At fair value through profit and loss (“FVTPL”); or
- At amortized cost.

Financial assets

The Group determines the classification of the financial assets at initial recognition. The classification is driven by the Group’s business model for managing the financial assets (‘hold to collect’, ‘hold to collect and sell’ and ‘other’) and their contractual cash flow characteristics (Solely Payments of Principal and Interest “SPPI” test i.e. whether contractual cash flows are solely payments of principal and interest on the principal amount outstanding).

If a non-equity financial asset fails the SPPI test, the Group classifies it at Fair Value Through Profit or Loss (FVTPL). If it passes the SPPI test, it will either be classified at amortized cost if the ‘hold to collect’ business model test is met, or at Fair Value Through Other Comprehensive Income (FVTOCI) if the ‘hold to collect and sell’ business model test is met.

For equity financial assets other than interests in subsidiaries, associates and joint ventures, the Group makes at initial recognition an irrevocable election (on an instrument-by-instrument basis) to designate them as at FVTOCI or FVTPL.

The equity investments held for trading are always designated at FVTPL.

Financial liabilities

Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL (such as instruments held for trading or derivatives) or the Group has opted to measure them at FVTPL.

Long-term non-interest-bearing liabilities are recognized at their discounted amount.

Hybrid perpetual bonds

Hybrid perpetual bonds are classified as equity instruments. Consequently, the interests to be paid on these securities and the directly attributable transaction costs are recognized directly in equity and presented together with the principal amount as a separate line item within equity. Repayment of the principal amount and interest is disclosed as part of the financing activities in the cash flow statement.

Note 2.18.2. Measurement

- Financial assets at FVTOCI

Investments in equity instruments designated at FVTOCI are initially recognized at fair value plus directly attributable transaction costs. Subsequently they are measured at fair value, with gains and losses arising from changes in fair value recognized in other comprehensive income, with no subsequent recycling to profit or loss.

Accumulated remeasurements of equity instruments carried at FVOCI are reclassified from OCI to retained earnings on disposal or settlements.

The Group holds no other investment measured at FVTOCI.

Dividend income is recognized in profit or loss.

- Financial assets and liabilities at amortized cost

Financial assets, other than trade receivables, and liabilities at amortized cost are initially recognized at fair value plus or minus directly attributable transaction costs. Trade receivables are measured at their transaction price if the trade receivables do not contain a significant financing component.

These financial instruments are subsequently carried at amortized cost using the effective interest rate method less any impairment, if applicable.

- Financial assets and liabilities at FVTPL

Financial assets and liabilities carried at FVTPL are initially recorded at fair value and transaction costs are expensed. Realized and unrealized gains and losses arising from changes in the fair value of the financial assets and liabilities are included in the consolidated net (loss) income in the period in which they arise. The Group has not designated financial liabilities at FVTPL (FV option).

Derivatives are measured at FVTPL, except for those to which hedge accounting is applied.

Note 2.18.3 Expected credit losses

The Group applies the forward-looking expected credit loss (ECL) model.

The ECL model considers all losses that result from all possible default events over the expected life of the financial instrument (life-time expected credit losses) or that result from possible default events over the next 12 months (12-month expected credit losses), depending on whether the credit risk of the financial asset has increased significantly since initial recognition or not (the general ECL model).

The Group recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized costs. Same treatment is applied to contract assets resulting from the application of IFRS 15 and lease receivables, even though these are not classified as financial assets.

At each reporting date, the Group measures the loss allowance for these assets.

The Group has limited trade receivables with financing component. The Group applies a simplified method and measures the loss allowance at an amount equal to the lifetime expected credit losses, for all trade receivables, whether assessed on an individual or collective basis, considering all reasonable and supportable information, including information that is forward-looking.

- Domestic: for receivables on residential and professional market, the payment delays compared to the contractual due dates and the status of the legal actions taken to recover the receivables due are the main information considered to assess whether credit risk has increased significantly since initial recognition. A provision matrix is used.

  The same methodology is applied for contract assets.

- TeleSign calculates the expected credit losses for trade receivables based on a combination of factors considering historical losses adjusted for current market conditions, customer's financial condition, disputes, the current aging and incorporating relevant forward-looking data.
- BICS considers experience and reasonable and supportable information about future expectations to define provision rates on an individual case basis. Following indicators are used by BICS:
  - An actual or expected significant deterioration of the customer's external (if available) or internal credit rating
  - Significant deterioration of the country risk in which the customer is active
  - Existing or forecasted adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations
  - An actual or expected significant deterioration in the operating results of the debtor
  - An actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations
- Route Mobile applies the simplified approach which requires measurement of loss allowance at an amount equal to lifetime expected credit losses. Estimated irrecoverable amounts are based on the ageing of the receivable balance, historical experience and are adjusted for forward looking information.

For financial assets at amortized costs, contract assets and lease receivables, allowances and impairment are recognized in profit or loss.

The Group writes off a financial asset when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are assumed not recoverable by external recovery agency, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognized in profit or loss.

Note 2.18.4. Criteria for initial recognition and for de-recognition of financial assets and liabilities

Financial assets and liabilities are initially recognized when the Group becomes party to the contractual terms of the instruments. "Regular way" ("spot") purchases and sales of financial assets are accounted for at their settlement dates.

Financial assets (or a portion thereof) are derecognized only when the contractual rights to cash flows from the financial assets expire. For equity investments, the accumulated remeasurements to fair value in other comprehensive income are reclassified to retained earnings on de-recognition.

Financial liabilities (or a portion thereof) are de-recognized when the obligation specified in the contract is discharged, cancelled or expires. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

Note 2.18.5. Fair value of financial instruments

The following methods and assumptions are used to estimate the fair value of financial instruments:

- Investments in non-quoted companies are measured at Fair value. Fair value is estimated by reference to recent sale transactions on the shares of these non-quoted companies and, in the absence of such transactions, by using different valuation techniques such as discounted future cash flow models and multiples methods.
- For long-term debts carrying a floating interest rate, the amortized cost is assumed to approximate fair value.
- For long-term debts carrying a fixed interest rate, the fair value is determined based on the market value when available or otherwise based on the discounted future cash flows calculated using the market interest rates at the reporting date.
- For derivatives, fair values are estimated by either considering their quoted price on an active market, and if not available by using different valuation techniques, in particular the discounting of future cash flows.

Note 2.18.6. Criteria for offsetting financial assets and liabilities

Where a legally enforceable right of offset currently exists for recognized financial assets and liabilities, and the Group has the intention to settle the liability and realize the asset simultaneously, or to settle on a net basis, all amounts in the statement of financial position are offset.

Note 2.19. Trade receivables

Trade receivables are measured in the balance sheet at amortized costs (SPPI model applies) less any allowance for expected credit losses.

Note 2.20. Cash and cash equivalents

Cash and cash equivalents include cash, current bank accounts and term accounts with a maturity on acquisition of less than three months. These assets are highly liquid, readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Cash and cash equivalents are carried at amortized cost.

Note 2.21. Non-current assets or disposal group classified as held for sale

The Group classifies assets or disposal group (group of assets with some directly associated liabilities) as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through a continuing use. This condition is met when the assets or disposal group are available for immediate sale in their present condition, the sale is highly probable and expected to occur within one year. Assets or disposal group classified as held for sale are recorded at the lower of their carrying value or fair value less costs to sell and are classified as current assets and current liabilities. The Group no longer amortizes non-current assets classified as held for sale.

Note 2.22. Interest-bearing liabilities

All loans and borrowings are initially recognized at their cost which generally corresponds to the fair value of the consideration received (net of issuance costs associated with the borrowings). After initial recognition, debts are measured at amortized cost using the effective interest rate method, with amortization of discounts or premiums through profit or loss.

Proximus checks regularly whether it has the ability to defer settlement of a loan liability for at least twelve months after the reporting period and if that ability to defer settlement is subject to meeting certain covenants.

Note 2.23. Derivatives

The Group does not hold or issue derivative financial instruments for trading purposes but some of its derivative contracts do not meet the criteria set by IFRS 9 to be subject to hedge accounting and are therefore treated as derivatives held for trading, with changes in fair value recorded in profit or loss.

The Group makes use of derivatives such as IRS, IRCS, forward foreign exchange contracts and options to reduce its risks associated with interest rates fluctuations related to future bonds emissions and with foreign currency fluctuations on underlying assets, liabilities and anticipated transactions. The derivatives are carried at fair value under the caption's other assets (non-current and current), non-interest-bearing liabilities (non-current and current) and other payables (non-current and current).

The group used:

- An IRCS to reduce the Group exposure to interest rate and foreign currency fluctuations on a long-term debt denominated in JPY
- Interest rate swaps to mitigate the risk of Interest rate variations between the hedges inception dates and the issuance dates of highly probable fixed rate long-term debts
- A zero cost collar swaption to protect the value of its existing pre-hedging interest rate swap against interest rates fluctuations

When these hedging instruments are designated in a cash flow hedge relationship, the effective portion of changes in their fair value is recognized in other comprehensive income and gradually reclassified to profit or loss through financial result, in the same period during which the hedged item hits the Group profit or loss through the interests paid. The derivatives to which the Group does not apply hedge accounting are consequently carried at fair value, with changes in fair value recognized in profit or loss through financial result.

The long-term debt expressed in JPY includes an embedded derivative. Such derivative is separated from its host contract and carried at fair value with changes in fair value recognized in profit or loss. The mark-to-market effects on this derivative are offset by those on the IRCS.

- The Group used contingent foreign exchange forward transaction to limit its exposure to the variability in cash flows that is attributable to the currency risk related to a highly probable future transaction, that has actually taken place (Route Mobile acquisition, see note 8.4), and was settled in foreign currency. The Group applied hedge accounting to this hedging transaction. The changes in intrinsic value were recognized in the cash flow hedge reserve (OCI), while the changes in time value and forward element were recognised in the cost of hedging reserve (OCI).

The Group contracted derivatives (forward foreign exchange contracts) to hedge its exposure to currency fluctuations for highly probable forecasted transactions. The Group applied cash flow hedge accounting for part of these hedging transactions.

- For hedging transactions to which the Group does not apply hedge accounting, the derivatives are consequently carried at fair value, with changes in fair value recognized in profit or loss through financial result. When the underlying is recognized in the balance sheet and relates to costs recorded in operating income or to capitalized expenditures, the changes in fair value recognized in profit or loss are reclassified to the operating income when the hedging instrument matures.
- For hedging transactions to which hedge accounting is applied, the effective portion of the gains and losses on the hedging instrument is recognized via other comprehensive income until the hedged transaction occurs. If the hedged transaction leads to the recognition of an asset, the carrying amount of the asset at the time of initial recognition is adjusted with the amount previously recognized via other comprehensive income. If the hedge transaction relates to costs recorded in operating income, the amount previously recognized via other comprehensive income are reclassified in operating income when the costs related to the underlying service are recognized in profit and loss. The ineffective portion of a cash flow hedge is always recognized in profit or loss.

The Group applied IAS 32 to option contracts that are share-based payments not granted in exchange for goods or services nor granted to employees in their capacity as employees. Option contracts, such as written put options to non-controlling interests on a Group subsidiary, that qualify as derivatives and financial liabilities are classified as financial liabilities at fair value through profit and loss (financial result).

The Group entered in 2023 into a Virtual Power Purchase Agreement where it pays a fixed price and receives the spot price for a contractually specified part of the electricity produced by a specific offshore wind farm. The purchase of the electricity is virtual meaning that there is no physical delivery of the power being purchased (net settlement in cash). The objective of the transaction is to reduce the Group's exposure to the volatility of the electricity price and at the same time to receive several Energy Attribute Certificates (EACs) corresponding to the agreed upon green electricity volume. Derivatives embedded in non-derivative host contracts that are not financial assets are treated as separate derivatives when they meet the definition of a derivative, their risks and characteristics are not closely related to those of the host contract and the host contract is not measured at fair value through profit or loss. The Group considers the VPPA as a hybrid instrument with a non-financial host contract for the purchase of the EACs and an embedded derivative related to power. As the power component of the hybrid contract is not closely related to the host contract, it is measured separately and at Fair Value through P&L. The purchase of EACs qualify for own use exemption and the related costs are expensed as the EACs are received.

Note 2.24. Net gains and losses on financial instruments

Dividends, interest income and interest charges arising from financial instruments are posted to the finance income (costs).

Note 2.25. Contract assets

A contract asset is the Group's right to consideration in exchange for goods or services that it has already transferred to a customer and arise essentially in the context of contracts containing mobile and fix joint offer with a subsidized handset delivered at contract inception and which revenue is recognized at a point in time and services to be delivered over the duration of the contract, usually 24 months, the revenue of which being recognized over the duration of the contract. The contract asset corresponds to the excess of revenue allocated to the devices over the cash received. The “contract asset” is transferred to “trade receivable” over the contract term. The assets are classified as current as they are expected to be realized as part of the Group normal operating cycle.

In case of early termination, the customer has to pay a penalty which corresponds to the prorata of the discount offered in the joint offer for the remaining contract duration. This penalty is always higher than the remaining balance of the contract asset. The difference between the reversal of the contract asset and the penalty is recognized as device revenue.

Contract assets is a conditional right recognized on the balance sheet at cost less loss allowance, as defined on the lifetime expected credit loss model.

Note 2.26. Inventories

Inventories are stated at the lower of cost and net realizable value.

Cost is determined based on the weighted average cost method except for IT equipment (FIFO method) and goods purchased for resale as part of specific contracts containing a performance obligation involving the construction of an asset (individual purchase price).

For inventory intended to be sold in joint offers, calculation of net realizable value considers the future margin expected from the telecommunications services in the joint offer, with which the item of inventory is offered.

For contracts including performance obligation involving the construction of an asset, the revenue for that performance is recognized over time based on an input method. That method measures the progress towards complete satisfaction of the related performance obligation by reference to the amount of contract costs incurred for work performed at balance sheet date in proportion to the estimated total costs for the contract. Contract cost includes all expenditures directly related to the specific contract and an allocation of fixed and variable overheads incurred in connection with contract activities based on normal operating capacity.

Note 2.27. Lease agreements

The Group assesses whether a contract is or contains a lease, at inception of the contract. Under IFRS 16 a contract is, or contains, a lease if it conveys the right to control the use of an identified asset (the underlying asset) for a period of time in exchange for consideration.

For some contracts, judgment is required to assess whether a contract conveys the right to control the use of an asset or is instead a contract for a service that is provided using that asset. When a contract does not qualify as a lease under IFRS 16, any amounts prepaid under such contracts are treated as prepaid expense (service), which is the case for certain fibre-related capacity acquired by the Group.

Note 2.27.1. Group as a lessee (receives a right to use an asset from a supplier)

When the Group is lessee, it applies a single recognition and measurement approach for all leases. The Group recognizes a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, The Group does not apply the short-term lease recognition exemption nor the low-value recognition exemption.

The lease term consists of the non-cancellable period of a lease, together with periods covered by options to extend the lease if the Group is reasonably certain to exercise these options, and periods covered by options to terminate the lease if the Group is reasonably certain not to exercise these options. Judgment is required in assessing whether these options will be exercised or not, considering all facts and circumstances that create an economic incentive to exercise an extension or termination option. The assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment.

The Group has defined four major categories of leases:

- Buildings: mainly concern commercial (point of sale) or service activity (office and head office) leases, as well as leases of technical buildings not owned by the Group
- Mobile sites: only includes site rentals for mobile antennas and leases of R-layers (i.e. well identified area of a pylon) on pylons of another operator
- Fleet: contains the lease of vehicles (management, sales, and utility cars) and bikes
- Other: primarily consists of ICT equipment and cloud infrastructure from partnership with HCL

Lease liabilities

The Group recognizes a liability (i.e. a lease liability) at the date the underlying asset is made available. The lease liability is equal to the present value of the lease payments not paid at that date, plus any amounts that the Group is reasonably certain to pay at the end of the lease such as the exercise price of a purchase option (where it is reasonably certain to be exercised) or penalties payable to the lessor for terminating the lease (where such termination option is reasonably certain to be exercised).

The Group systematically determines the lease term as the period during which leases cannot be cancelled, plus periods covered by any extension options that the lessee is reasonably certain to exercise and by any termination options that the lessee is reasonably certain not to exercise.

The lease liability is measured using the interest rate implicit in the contract. If the rate cannot be readily determined, the Group uses its Incremental Borrowing Rate (IBR) which it assumes to be the theoretical interest rate the Group would need to pay when issuing funding over a similar term as in the lease.

The applicable rate per contract is primarily dependent on the total expected term of a lease at its commencement date (new leases) or the total expected remaining lease term in case of a remeasurement of a lease.

The amount of lease liability is reassessed after the lease commencement date to reflect changes introduced in the following main cases:

- A change in term resulting from a contract amendment or a change in assessment of the reasonable certainty that a renewal option will be exercised or a termination option will not be exercised.
- A change in the amount of lease payments, for example following application of a new index or rate in the case of variable payments.
- A change in the assessment of whether a purchase option will be exercised.
- Any other contractual change, for example a change to the scope of the lease or the underlying asset.
- Advances paid on top of the scheduled reimbursements are deducted for the long term debt

The lease liabilities are included in Interest-bearing loans and borrowings (see Note 19).

Right-of-use assets

A right-of use is recognized as an asset, with a corresponding lease liability. Group recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use).

Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

The cost of right-of-use assets includes the amount of lease liabilities recognized, lease payments made at or before the commencement date less any lease incentives received and the estimate of costs to be incurred by the Group in dismantling and removing the underlying asset, restoring the site on which the underlying asset is located or restoring the underlying asset to the condition required by the terms and conditions of the lease. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. The right-of-use assets are also subject to impairment.

Note 2.27.2. Group as a lessor (grants a right to use an asset to a customer)

A contract by which the Proximus customer does not obtain substantially all of the benefits of the identified asset or where the customer has not the right to direct the use of the asset does is not qualify as a lease-out. This is the case for modems and decoders used by Proximus to deliver the services to the customer. Income for these contracts is accounted for on a straight-line basis over the period of use by the customer and is included in revenue in the statement of profit or loss due to its operating nature.

Leases whereby the Group transfers substantially all the risks and rewards incidental to ownership of the underlying asset to the lessee are classified as finance lease. For finance leases the Group recognizes a receivable at an amount equal to the net investment in the lease, this is the gross investment in the lease discounted at the interest rate implicit in the lease. The Group did not enter into material finance lease out contracts.

Note 2.28. Provisions

The amount recognized as provision is the best estimate of the expenditure required to settle the present obligation at the end of the reporting period. Provisions are discounted where the effect of the time value of money is material. The unwinding is recognized via the finance expense.

The estimated costs associated with dismantling and restorations to its original condition are recorded under property, plant and equipment and depreciated over the useful life of the asset. This total cost, discounted to its present value, is recorded under provisions. Where discounting is used, the increase in the provision due to the passage in time is recognized in financial expense in profit or loss.

Note 2.29. Share-based payment

Equity and cash settled share-based payments to employees are measured at the fair value of the instrument at the grant date taking into account the terms and conditions upon which the rights are granted.

For cash settled arrangement the fair value is recognized in workforce expenses over their vesting period together with an increase in the liabilities. The liabilities are regularly re-measured to reflect the evolution of the fair values.

We refer to note 35 for the explanation of the valuation techniques used.

Note 2.30. Contract liabilities

Contract liabilities comprise the Group's obligation to transfer goods or services to a customer for which the Group has received consideration or the amount is due.

Note 2.31. Revenue

When Proximus enters a new contract, it determines the contract duration, the transaction price, the performance obligations included in the contract and the stand-alone selling price for each promise identified.

To define the duration of its contracts the Group considered the contractual period in which the parties to the contract have present enforceable rights and obligations. A contract has a duration when it includes a substantive termination payment. The duration runs until the termination payment is not due anymore. If there is no substantive termination payment clause, the contract has no duration (i.e. open-ended contracts).

The Group assesses at contract inception the goods or services promised in a contract with a customer and identifies as performance obligation each promise to transfer to the customer either a good or service (or a bundle of) that is distinct, either a series of distinct goods or services that are substantially the same and that have the same pattern of transfer to the customer. Identifying the performance obligations requires judgment and a thorough understanding of the contract promises and how they interact with each other.

Performance obligations are identified when following criteria are met

- Capable of being distinct: the customer can benefit from the goods and services on its own or together with other resources readily available to the customer
- Distinct within the context of the contract: a promise within the context of the contract is distinct from other promises in the contract if the Group considers that it fulfils its contractual obligations by delivering the concerned promise independently from the others. Promises in a context of a contract are not distinct within the context of the contract when their nature is to be transferred in combination with other promises.

Following promises can be performance obligations, depending on their natures and interdependencies with the other promises in the contract:

- Traffic and data usage services: revenue is recognized on usage
- TV services: revenue is recognized over the contractual term
- Maintenance services: recognized over the contractual term
- Sale of equipment: revenue is recognized when the customer obtains control over the equipment
- Rent of equipment: rental revenue is recognized over the contractual period
- Setup/installation/activation fees: recognized when delivered
- License of intellectual property: revenue recognized when transferred to the customer.

When these promises are not distinct, the Group combines them with other promises in the arrangement until the combined promises form a promise that is distinct (i.e. a performance obligation). Timing of revenue recognition for a Performance Obligation is based on the pattern of transfer to the customer of the predominant promise in that bundle.

When the “series guidance” applies i.e. when goods and services are distinct and substantially the same, the Group considers them as one performance obligation. Each pricing plan – postpaid and prepaid (mobile voice, fix voice, internet, TV) is therefore considered as single performance obligation.

When contracts include different performance obligations that are not substantially the same, the transaction price is allocated to the different performance obligations of the arrangements based on their relative stand-alone selling prices. When contracts include customer options (i.e. unilateral rights granted to the customer) to acquire additional goods or services with a discount, including sales incentives, customer award points, contract renewal options or other discounts on future goods or services, revenue is allocated to these options when they provide the customer with a material right i.e. an unilateral right for the customer to obtain an advantage because he enters the contract.

When another party is involved in providing goods or services to a customer, the Group assesses for each performance obligation whether the nature of its promise is to provide the specified goods or services itself (ie the Group is a principal) or to arrange for those goods or services to be provided by the other party (ie the Group is an agent). To assess whether it acts as principal or agent in a transaction, when another party is involved, Proximus determines whether it controls the goods and services before they are transferred to its end customer. To this extent, Proximus Group analyses the legal terms of the contracts and their substance through the prism of the indicators of control. Proximus takes also into consideration other facts and circumstance to complete its understanding of the situation.

When the Group acts as agent the commission only is recognized in revenue.

Determination of the stand-alone selling price: in situations where the stand-alone selling price is not directly observable, the Group assesses it using all information (including market conditions, Proximus-specific factors and information about the customer or class of customer) that is reasonably available to it. This situation occurs mainly in the context of combined offers with subsidized devices, for which a cost-plus approach method is applied to one of the components. Discounts granted because a customer entered into a contract, are allocated to all performance obligations triggering the granting of the discount.

Note 2.32. Operating expenses

The costs of materials and services related to revenues include the costs for purchases of materials and services directly related to revenue.

Work force expenses are expenses related to own employees (personnel expenses and pensions) as well as to external employees.

Operating expenses are reported net of work performed by the Group, which is capitalized. They are reported by nature.

Incremental costs to obtain a contract are deferred on a straight-line basis over 3 years for contract for the residential market and 5 years for the professional market.

Note 3. Goodwill

(EUR million)	Goodwill
As at 31 December 2022	2,595
Effect of movements in foreign exchange	-4
As at 31 December 2023	2,592
Acquisitions of the year	675
Route Mobile	421
Fiberklaar	253
Others	1
Impairment loss	-1
Effect of movements in foreign exchange	9
As at 31 December 2024	3,275

Compared to year-end 2023, goodwill increased by EUR 683 million in 2024, primarily due to the acquisition of control of Route Mobile and Fiberklaar (see note 8.4). To a lesser extent, the increase was also influenced by translation differences on the goodwill allocated to TeleSign, whose functional currency is USD (EUR 6.7 million), and on the goodwill allocated to Route Mobile, whose functional currency is INR (EUR 2.6 million).

Goodwill is tested for impairment at the operating segment level, as this is the level at which the Group's Chief Operating Decision monitors the goodwill. As explained in note 2, the Group revamped its internal decision-making, governance, and management reporting processes around two operating segments: Domestic and International. Goodwill is monitored at the level of these two segments.

As of December 31, 2024, all acquired businesses were fully allocated to a single operating segment. This was also the case in 2023, except for the goodwill allocated to BICS and TeleSign, which were then cash-generating units and operating segments. At that time, the goodwill arising from BICS's acquisition of control over TeleSign in 2021 was allocated between BICS and TeleSign based on the expected synergies from the business combination for each company individually. These synergies were identified at the time of the takeover.

The carrying amount of the goodwill is allocated to the operating segments as follows:

	As at 31 December	
(EUR million)	2023	2024
Domestic	2,188	2,442
International	N/A	833
TeleSign	105	
BICS	299	
Total	2,592	3,275

Goodwill Impairment Test outcome

General comments

The valuation of both the Domestic and International segments primarily relies on a discounted free cash flow method, an income valuation technique. The cash flows considered are derived from the Group financial Three-Year Plan (2025-2027), which was presented by management to the Group Board of Directors for approval in October 2024.

The reliability of the impairment test outcome depends on the accuracy of the budgeting exercises on which it is based. The Group financial Three-Year Plan represents management's view of the most likely scenario, based on its understanding of the evolution of the business and the company's long-term strategy.

The Group estimates a separate post-tax weighted average cost of capital for each segment. It takes into consideration:

- The specificities of the segment activities. These specificities are different enough from one segment to another one to justify separate calculations.
- The relative weight of the segment capital structure components, including a risk premium specific to its inherent risks.
- Other risks, such as the country risk, market risk & industry risk, the credit risk and the company size risk. These latest risks are captured in the weighted average cost of capital, through the careful selection of a risk-free interest rate, a beta, a market risk premium and a credit spread attached to the segment, considered for the purpose of the exercise as a separate entity.

Domestic

The recoverable amount of Domestic has been estimated based on its value in use.

The cash flows considered are those of the Group financial Three-Year Plan (2025 - 2027) presented by the management to the October 2024 Group Board of Directors for approval. However, to better capture the expected mid- to long-term positive effects of the ongoing roll-out fiber project, which would not have been possible using a steady growth rate beyond the years covered by the Three-Year Plan, management considered a period up to year 2040 for the fiber related free cash flows, followed by a terminal value for the years thereafter.

This extended period considers the required time to deploy the fiber optic network, to migrate the customers to the new networks and to realize the resulting benefits. The related free cash flows are therefore influenced as follows:

- In dense areas, the finishing of Proximus standalone fiber rollout and customer migrations.
- In mid-dense areas, the integration of financial impacts from existing fiber entities negotiated with the co-owners specifically created to accelerate the rollout of optical fiber and from the acquisition of the full ownership of Fiberklaar since July 2024.
- In the less dense areas, the most likely collaboration scenario for Proximus to get access to Gigabit-networks over the remaining Belgium footprint, taking into consideration the BIPT council communication of 10 October 2023 on possible cooperation agreements to roll out fiber networks in Belgium. In Flanders, this scenario has been described during July 2024 quarterly results communication with the signing of an MoU between Proximus and Wyre for fiber collaboration in the mid- and less dense areas of Flanders. In Wallonia, ongoing discussion are being held for fiber collaboration above Unifiber footprint.

In parallel, an exercise was conducted to extend the Baseline (i.e., before the incremental effects of fiber) up to the year 2040. This was done to better align with the Group's strategic priorities and market evolution. The Baseline trending assumptions were reviewed to consider the following elements:

- The stabilization of the Domestic Telco business despite the entry of a 4th telecom operator in Belgium.
- The profitability growth of Proximus' B2B IT business.
- The ambitious Strategic Workforce Planning and Efficiency plan aimed at reducing the opex cost base. These costs reductions are not related to future restructuring to which the Group is not yet committed and from improving or enhancing the assets performance.

The free cash flows projections are impacted by following key parameters:

- The fiber deployment speed
- The speed of customer migration to the fiber networks
- The Group ability to monetize the fiber investments (ability to upsell the average revenue per customer, to win-back market share and to attract other OLOs as wholesale customers)
- The size and importance of comparable fiber networks
- Fiber roll-out building costs, including impact of inflation and level of interest rates
- The funding policy of the JVs and the related equity injections from their shareholders
- The outcome of possible cooperation agreements in less dense areas including regulator and competition authorities' compliance
- The entrance of 4th telecom operator on the Belgian market

Assumptions made regarding these parameters are based on Proximus experience, the learning curve and available market information (interest rates, inflation, and European benchmarks on "Fiber-To-The-Home" networks).

The free cash flow is also dependent to

- The post-tax weighted average cost of capital (WACC)
- The growth rate in the terminal

Management is confident in the reliability of its projections, as a significant portion of the headroom is generated by the cash capex brought back to normal levels after the temporary fiber investment phase and by the new wholesale revenue from other telco operators going through Fiberklaar which is fully consolidated in Proximus Group financials as from August 2024 following the acquisition of EQT shares in that entity. Limiting a valuation with a terminal value after the Group financial Three-Year Plan, in the middle of the fiber investment phase and without adjusting for these factors would be incorrect and, more importantly, would leave room for speculative estimation of the growth rate in the terminal value.

Management believes that its projections are based on realistic and achievable assumptions, which will be closely monitored as they evolve. However, management is aware that in the current volatile market environment, events beyond its control may impact the accuracy of these projections despite the measures taken to address them, and that the risk of inaccuracy increases with the length of the period covered by the impairment test.

Next to these specific considerations, Domestic operating income before depreciation and amortization is highly sensitive to following operational parameters: number of customers by type of service (TV, fix….), traffic (if applicable), net ARPU by customer for each type of service and manpower unit cost. The value attached to these operational parameters is the result of an internal process, conducted throughout the segment and at group level, by confronting data from the market, market perspectives, and the strategies the Group intends to implement to be adequately prepared for upcoming challenges.

The valuation model assumes following compound growth rates for the Domestic revenue and EBITDA (Earnings Before Interests, Taxes, Depreciation and Amortization) segment:

Period	EBITDA	Revenue
years 2025 to 2027	0.42%	0.93%
years 2028 to 2030	1.04%	1.60%
years 2031 to 2040	1.33%	1.77%
Years 2025 to 2040	1.11%	1.58%

The terminal value, calculated for the years after 2040, was based on a free cash growth rate of 0.43%, unchanged from 2023, and is identical for all FCF components.

The combination of these assumptions, along with those related to other components of the free cash flow (FCF), particularly the assumptions concerning the timing of the Group's cash capex returning to pre-fiber deployment levels, resulted in an implied compound growth rate of 20.5% for FCF over the period 2024–2040, reflecting FCF rebounding from a nearly break-even level to normal levels (i.e., pre-fiber investment period).

To account for the risks inherent in long-term planning and the uncertainties in the assumptions related to key cash flow parameters, especially in a market subject to significant changes, the WACC has been adjusted as follows:

- Similar to 2023, an additional 1.0% size risk premium has been included in the cost of equity. This adjustment reflects the current exceptional market conditions and does not represent a permanent change in the calculation methodology.
- The WACC was increased by 0.5% twice: once in 2028 and again in 2030

As a result, the calculated post-tax weighted average costs of capital for Domestic amounted to 5.31% for the period 2025-2027 (5.55% in 2023), 5.81% for the period 2028-2030 and 6.31% for the years after. The average pre-tax weighted costs of capital was 7.72% in 2024 and 6.82% in 2023.

Taking into account all the inputs and assumptions listed above, the impairment test of the Domestic segment showed an excess of EUR 1.84 billion at December 2024 (1.4 billion at December 31, 2023) of the segment recoverable amount over its carrying amount.

A sensitivity analysis performed on following key parameters, each taken separately (i.e. all other variables being unchanged), show that Domestic recoverable value equals its carrying amount with

- a post-tax weighted average costs of capital of 6.4% (6.5% in 2023); or
- an implied EBITDA growth rate for the years beyond 2027 of - 0.16%

While each of these parameters taken in isolation is unlikely to lead to an impairment of the goodwill allocated to the Domestic segment, an unfavourable combination of several of these parameters could result in an impairment. For instances,

- if the WACC were to globally increase by 0.5% in absolute terms, Domestic recoverable value would equal its carrying amount with an EBITDA implied compound growth rate for the years beyond 2027 of 0.78%.
- If the revenue growth were to globally decrease by 0.5% in absolute terms, Domestic recoverable value would equal its carrying amount with a decrease of the forecasted EBITDA margin percentage for the years beyond 2027 by 1.16 % in absolute terms (decrease of the average margin for the period from 32.78% to 31.62%).

International

As noted in section 2, the operations of this new segment are primarily driven by BICS, TeleSign, and Route Mobile. The segment's valuation is essentially the sum of the valuations of these three companies. Each of the three companies were valued based on their fair values less costs to sell. This fair valuation exercises were conducted in the context of the contribution of all shares held by Proximus SA in BICS, a fully owned entity, to the capital of Proximus Global (see note 8.4) and involves non-controlling interests.

The impairment test of the international segment showed an excess of EUR 1.47 billion at December 2024 of the segment recoverable amount over its carrying amount, using an implicit weighted average cost of capital of 10.79% and a free cash flow growth rate of 3.08% in the terminal value, calculated for the years beyond 2030. The pre-tax weighted average costs of capital were 12.15% in 2023.

Sensitivity analyses performed revealed that no reasonable possible changes in the key assumptions would reduce the value in use to be equal to the carrying amount.

Valuation methodology

All three entities composing the international segment were estimated based on their fair value less costs to sell.

The valuations were conducted using the discounted cash flow method. The cash flows considered are from the Group financial Three-Year Plan (2025 - 2027), which was presented by the management to the Proximus Board of Directors for approval in October 2024) and extended by two years for the purpose of the valuations.

The reasonableness of the values obtained using this valuation method was assessed as follows:

- For BICS: the value was compared with those obtained from third parties and/or other techniques, including validation by an experienced third-party advisor and multipliers of values offered in similar transactions;
- For TeleSign: the value was compared with the results of analyses using multipliers for listed companies active in the CPaaS and Digital Identity sectors; and
- For Route Mobile: the value was compared with a valuation based on Route Mobile's trading value on the Mumbai stock exchange over the three weeks prior to October 31, 2024

The table below summarizes the post-tax weighted average costs of capital and the growth rate used in the determination of these entities fair values:

			Revenue growth rate			
	WACC		2023		2024	
	2023	2024	In 3-Year Plan	In terminal value	In 5-Year Plan	In terminal value
BICS	10.26%	10.30%	0.02%	0.00%	0.34%	0.00%
TeleSign	10.86%	10.50%	8.92%	8.52%	13.28%	3.50%
Route Mobile	N/A	12.00%	N/A	N/A	21.24%	5.00%
International segment	N/A	10.79%	N/A	N/A	9.44%	3.08%

TeleSign

TeleSign's growth rate of 3.50% is based on the average GDP growth rate of the regions where TeleSign sells its services, weighted by TeleSign's market share in those regions. The growth rate has been revised downwards to reflect the declining trend in the SMS market, which primarily affects the CPaaS SMS product. However, this decline is counterbalanced by the strong performance of Digital Identity and the company's ability to seize new opportunities in the Omnichannel market, which offers a better margin profile.

Beyond the long-term growth rate and the post-tax weighted average cost of capital, TeleSign valuation is sensitive to changes in the direct margin and EBITDA, which are mainly impacted by the transaction volumes for identity and communication solutions and the mobile network termination prices, as these affect production costs and the overall pricing of TeleSign solutions.

BICS

Beyond the long-term growth rate and the post-tax weighted average cost of capital (WACC), the key variables used in determining BICS value in use were:

- The direct margin: BICS direct margin is highly sensitive to its voice and messaging activities, transaction volumes, as well as to the pricing of mobility and capacity products, competitive pressure on the margins, speed of new products take off.
- The operational expenditures: BICS expenditures are sensitive to inflation, especially in Belgium where salaries are directly indexed to inflation.
- The capital expenditures.

Route Mobile

Route Mobile's growth rate of 5.00% is based on the weighted average GDP growth rate of the regions where Route Mobile terminates its traffic. The weighting is based on Route Mobile's cost of goods sold in those regions.

Note 4. Intangible assets with finite useful life

(EUR million)	Licenses	Customer base & trade name	TV rights	Intangible Fixed & Mobile network	Software applications	Other intangibles and Intangibles under construction	Total
Cost							
As at 1 January 2023	895	945	561	637	2,734	103	5,874
Additions	0	0	106	61	264	19	450
Derecognition	-134	0	-43	-31	-48	-6	-261
Reclassifications	0	0	0	1	2	-2	0
Foreign exchange adjustment	0	-3	0	0	-1	0	-4
As at 31 December 2023	761	941	624	667	2,951	113	6,058
Additions	9	0	132	62	256	19	479
Acquisition of subsidiary	0	453	0	0	2	20	475
Derecognition	0	-8	-222	-7	-96	-9	-341
Reclassifications	0	0	0	-18	11	7	0
Foreign exchange adjustment	0	8	0	0	3	0	11
As at 31 December 2024	770	1,394	533	705	3,127	151	6,681
Accumulated amortization and impairment							
As at 1 January 2023	-211	-854	-384	-452	-2,124	-70	-4,095
Amortization charge for the year	-37	-21	-142	-74	-240	-11	-525
Derecognition	134	0	43	31	48	6	261
Foreign exchange adjustment	0	2	0	0	1	0	3
As at 31 December 2023	-114	-873	-483	-495	-2,316	-75	-4,356
Amortization charge for the year	-40	-44	-157	-66	-258	-16	-581
Acquisition of subsidiary	0	0	0	0	0	-3	-3
Derecognition	0	8	222	7	96	8	341
Reclassifications	0	0	0	12	-8	-4	0
Foreign exchange adjustment	0	-4	0	0	-2	0	-6
As at 31 December 2024	-154	-912	-417	-543	-2,488	-91	-4,605
Carrying amount as of 31 December 2023	647	69	141	172	635	38	1,702
Carrying amount as of 31 December 2024	617	482	116	162	639	60	2,076

The GSM and UMTS licenses acquisition value include the costs related to the Global System for Mobile communication ("GSM") and Universal Mobile Telecommunication System ("UMTS").

The first phase of the spectrum auction, organized by regulator BIPT, concluded on 20th June 2022. Proximus acquired substantive spectrum rights in the 900 MHz, 1800 MHz and 2100 MHz band, as well as in the newly auctioned 700 MHz and 3600 MHz bands, essential for a large-scale 5G deployment. These spectrum licenses represent a total investment of EUR 491 million for a period of 20 years (18 years for the 3600 MHz band) which is recognized as intangible fixed asset and payable by annual instalments over the same period. In addition to this spectrum package Proximus secured on the 20th of July 2022 45 MHz of spectrum in the 1400 MHz band for a total investment of EUR 109 million for a period of 20 years.

The customer bases, trade names and patents were recognized mainly as a result of the purchase price allocation performed when the Group acquired control over Route Mobile, BICS, TeleSign and Mobile Vikings.

In 2024, the Group acquired TV rights for an amount of EUR 132 million mainly broadcasting rights. In July 2020, Proximus and Eleven entered into an agreement whereby Proximus acquired the right to broadcast to its customers Eleven's Pro League specific channels (national). The contract was signed for a duration of 5 years. The contract with Eleven related to international football events was extended until 2025.

Note 5. Property, Plant and Equipment

(EUR million)	Land and buildings	Fixed Network	Mobile Network	Network for converged services	Technical equipment	Other tangible assets and assets under construction	Total
Cost							
As at 1 January 2023	166	9,327	1,477	40	1,325	263	12,599
Additions	6	669	103	2	88	12	878
Derecognition	-17	-541	-593	0	-122	-130	-1,402
Reclassifications	0	0	4	0	5	-9	0
As at 31 December 2023	155	9,455	991	43	1,296	136	12,075
Additions	7	581	126	5	76	108	904
Acquisition of subsidiary	3	0	0	0	73	536	612
Derecognition	-7	-516	-95	-7	-80	-6	-711
Classified as held for sale (*)	-44	0	0	0	-158	0	-202
Reclassifications	0	0	0	0	76	-76	0
Exchange adjustment	0	0	0	0	1	0	1
As at 31 December 2024	113	9,520	1,022	41	1,284	699	12,679
Accumulated depreciation and impairment							
As at 1 January 2023	-59	-6,519	-1,182	-28	-1,040	-240	-9,068
Depreciation charge for the year	-9	-353	-90	-5	-110	-5	-572
Derecognition	15	541	593	0	122	130	1,400
As at 31 December 2023	-53	-6,332	-679	-33	-1,028	-116	-8,241
Depreciation charge for the year	-10	-362	-88	-4	-106	-6	-575
Acquisition of subsidiary	0	0	0	0	-2	0	-2
Impairment charge	0	0	0	0	0	-36	-36
Derecognition	6	514	95	7	82	6	710
Classified as held for sale (*)	39	0	0	0	136	36	211
Reclassifications	1	-1	0	0	2	-2	0
Foreign exchange adjustment	0	0	0	0	-1	0	-1
As at 31 December 2024	-18	-6,181	-672	-30	-916	-118	-7,934
Carrying amount as of 31 December 2023	102	3,123	312	10	268	20	3,834
Carrying amount as of 31 December 2024	96	3,339	350	11	368	580	4,745

(*) see note 16

The carrying amount of tangible fixed assets increased by EUR 910 million to EUR 4,745 million, mainly driven by the strong ramp-up of fiber deployment, resulting from Proximus own activities and from the acquisition of control on Fiberklaar and the Mobile network upgrade and consolidation, supporting the Group growth and efficiency ambitions. Other tangibles and assets under construction increased by EUR 634 million essentially attributable to the acquisition of Fiberklaar. Within Fiberklaar, fiber roll out is classified as Assets Under Construction (AUC) until the 60% Home Passed (HP) milestone is reached.

Per December 2024, the gross carrying amount of fully depreciated property, plant and equipment that is still in use amounts to EUR 5.525 million the majority of which is related to technical and network equipment.

Note 6. Leases

The Group leases several assets including buildings (offices, shops, technical rooms …), mobile sites (i.e. facilities to install mobile communication equipment), fleet (management cars, utility cars & bikes) and ICT equipment (mainly through the partnership with HCL Technologies that provides the datacenters with equipment). Other assets, like printing machines, are included in ICT because the amounts are not material.

The leases generally have lease terms between 4 and 15 years and the average lease term is 9 years.

The carrying amounts of right-of-use assets recognized and the movements during the period are disclosed below

(EUR million)	Buildings	Mobile sites	Fleet	ICT & Other	Total
As at 1 January 2023	126	91	41	20	277
New contracts	40	10	37	16	103
Depreciations	-27	-29	-26	-6	-88
Contract modifications/disposals/reassessments	-2	16	1	-1	16
As at 31 December 2023	137	89	53	29	308
New contracts	13	8	44	18	83
Depreciations	-32	-29	-32	-10	-103
Contract modifications/disposals/reassessments	6	11	-3	5	19
As at 31 December 2024	124	79	63	42	307

In 2023 the increase in new building contracts was driven by the lease of 'Boreal', the office that serves as temporary residence during the development of Proximus' new headquarters. This contract made 2023 an exception in the year-over-year downward trend of building leases. The breakthrough of electric cars leads to a significant increase in the purchase price of new fleet contracts.

The electrification of the Proximus fleet continued in 2024, at an even higher pace. The number and value of ICT equipment leases increased significantly as well. The downward trend of building leases was resumed after one year. In mobile site leases the effect can be observed, for the first time, from the consolidation with Orange (through Mwingz).

The carrying amounts of lease liabilities and the movements during the period are disclosed below:

(EUR million)	Buildings	Mobile sites	Fleet	ICT & Other	Sub-leases	Total
As at 1 January 2023	126	83	40	13	9	272
New contracts	40	10	37	15	0	103
Contract modifications/disposals/reassessments	-2	16	2	-1	0	16
Interest expenses	3	3	1	0	0	7
Capital Reimbursements	-26	-29	-26	-14	2	-93
Interest Reimbursements	-3	-2	-1	0	0	-5
As at 31 December 2023	138	82	53	14	11	298
New contracts	13	8	88	3	0	112
Contract modifications/disposals/reassessments	7	11	-47	13	0	-16
Interest expenses	4	3	2	0	0	10
Capital Reimbursements	-31	-28	-32	-8	-2	-101
Interest Reimbursements	-4	-3	-2	0	0	-10
As at 31 December 2024	126	73	63	22	10	294
Current portion	28	25	26	13	3	96
Non-current portion	99	48	36	10	6	198

There is no material cash outflow in 2024 relating to leases that have not commenced on 31 December 2024.

(EUR million)	2023	2024
The following are the amounts recognized in profit or loss:		
Depreciation	-88	-103
Interest expenses	-7	-10
Total	-95	-113
The Group had total cash outflows for leases of		
Repayment of lease liabilities (cash out for financing activities)	-93	-101
Interest expenses (in the operating cash flow)	-5	-10
Total	-98	-110

The maturity table of the undiscounted expected future cashflows to the lease liabilities are disclosed below:

(EUR million)	2024	2025	2026	2027	2028	2029	2030-2048	Total
As at 31 December 2023								
Undiscounted lease payments	96	65	54	32	18	14	40	318
As at 31 December 2024								
Undiscounted lease payments		103	69	45	26	18	50	311

Note 7. Contract costs

Contract costs include mainly the asset recognized in relation to commissions paid to dealers for the acquisition of post-paid contracts. These costs directly related to contracts, are incurred only because the Group entered into contracts and are expected to be recovered over the contract duration. Contract costs include also the expenses activated to ensure the matching principle with revenue. These activated expenses are taken to profit and loss at the same pace as the recognition of the related revenue.

For commissions related to the acquisition of mobile prepaid customers, the Group applies the practical expedient provided for in IFRS 15, allowing to expense as incurred incremental costs to obtain a contract if otherwise would have been deferred over one year or less.

The asset is deferred on a straight-line basis over 3 years for residential contracts acquired before 2024. For contracts acquired from 2024 onwards, costs are deferred over four years, reflecting the observed increase in customer lifetime. Contracts belonging to the enterprise market are deferred over 5 years. The deferral of these costs is recognized according to their nature being 'cost of material and services related to revenue'.

Movements on contract costs in 2024 and 2023 are as follows:

	As at 31 December	
(EUR million)	**2023**	**2024**
Balance as at 1 January	111	111
Decrease/ Increase in contract assets relating to existing contracts in the opening balance		
Normal evolution	-68	-63
New contract costs	68	55
Balance as at 31 December	111	103

The portion of the balance as at 31 December 2024 and 2023 of the contract costs deferred within the year and deferred more than one year are as follows:

	As at 31 December	
(EUR million)	**2023**	**2024**
	111	103
Deferred within 12 months	56	48
Deferred beyond 12 months	55	54

Note 8. Investments in subsidiaries, joint operations, joint ventures and associates

Note 8.1. Investments in subsidiaries

The consolidated financial statements include the financial statements of Proximus SA and the subsidiaries listed in the following table (the percentage in the table below represents the percentage of shares held by the Group):

Name	Registered office	Country of incorporation	2023	2024
Proximus SA under Public Law	Bld du Roi Albert II 27 1030 Bruxelles VAT BE 0202.239.951	Belgium	Parent company	
PXS Re	Rue de Merl 74 2146 Luxembourg	Luxemburg	100%	100%
Connectimmo SA	Bld du Roi Albert II 27 1030 Bruxelles VAT BE 0477.931.965	Belgium	100%	100%
Proximus Media House SA	Rue Carli 2 1140 Evere VAT BE 0875.092.626	Belgium	100%	100%
Proximus NXT Nederland BV (previously named Telindus Isit BV)	Krommewetering 7 3543 AP UTRECHT VAT NL 30135115	The Netherlands	100%	100%
Proximus Luxembourg SA	18 rue du Puits Romain 8070 Bertrange VAT LU 15605033	Luxemburg	100%	100%
Proximus NXT IT SA	Koning Albert II laan 27 1030 Brussels VAT BE 0826.942.915	Belgium	100%	100%
Proximus Global SA (previously named Proximus Opal SA)	Bld du Roi Albert II 27 1030 Bruxelles VAT BE 0861.585.672	Belgium	100%	91%
Be-Mobile SA	Kardinaal Mercierlaan 1A 9090 Melle VAT BE 0881.959.533	Belgium	93%	93%
Flitsmeister BV	Landjuweel 24 3905 PG Veenendaal VAT NL 55408567	The Netherlands	93%	93%
Cascador BV	Koning Albert II laan 27 1030 Brussels VAT BE 0648 964 048	Belgium	100%	100%

Name	Registered office	Country of incorporation	2023	2024
Clearmedia NV	Merksemsesteenweg 148 2100 Deurne VAT BE 0831.425.897	Belgium	100%	100%
Davinsi Labs NV	Borsbeeksebrug 28/2verd 2600 Antwerpen VAT BE 0550.853.793	Belgium	100%	100%
Belgacom International Carrier Services Mauritius Ltd	Chancery House 5th floor , Lislet, Geoffrey Street Port Louis 1112-07	Mauritius (1)	100%	91%
Belgacom International Carrier Services SA	Bld du Roi Albert II 27 1030 Brussels VAT BE 0866.977.981	Belgium (1)	100%	91%
Belgacom International Carrier Services Deutschland GMBH	Eichweisenring 11 70567 Stuttgart VAT DE 812.710.228	Germany (1)	100%	91%
Belgacom International Carrier Services UK Ltd	2 New Bailey, 6 Stanley Street, Salford Greater Manchester M3 5GS	United Kingdom (1)	100%	91%
Belgacom International Carrier Services Nederland BV	Wilhelminakade 173, unit 41 32 3072 AP Rotterdam VAT NL 808.026.628.B01	The Netherlands (1)	100%	91%
Belgacom International Carrier Services North America Inc	Corporation trust center - 1209 Orange street USA - 19801 Willington Delaware	United States (1)	100%	91%
Belgacom International Carrier Services Asia Pte Ltd	C/O Tricor Singapore Pte Ltd 9 Raffles Place, #26-01 Singapore 048619	Singapore (1)	100%	91%
Belgacom International Carrier Services (Portugal) SA	Avenida da Republica, 50, 10th floor 1069-211 Lisboa VAT PT 505.146.720	Portugal (1)	100%	91%
Belgacom International Carrier Services Italia Srl	Via della Moscova 3 20121 Milano VAT IT 13276650150	Italy (1)	100%	91%
Belgacom International Carrier Services Spain SL	Calle Salvatierra, 4, 2c 28034 Madrid	Spain (1)	100%	91%
Belgacom International Carrier Services Switzerland AG	Gesellschaftsstrasse 27 3001 Bern VAT CHE-109.559.886	Switzerland (1)	100%	91%
Belgacom International Carrier Services Austria GMBH	Wildpretmarkt 2-4 1010 Wien	Austria (1)	100%	91%
Belgacom International Carrier Services Sweden AB	Drottninggatan 30 411-14 Goteborg	Sweden (1)	100%	91%
Belgacom International Carrier Services JAPAN KK	10-10 Shirokanedai 3-Chome, Minato-ku Tokyo 108-0071	Japan (1)	100%	91%
Belgacom International Carrier Services China Ltd	5/F Manulife Place 348 Kwun Tong Road, Kowloon Hong Kong	China (1)	100%	91%

Name	Registered office	Country of incorporation	2023	2024
Belgacom International Carrier Services Australia Pty Ltd	1 Margaret Street - Level 11 Sydney NSW 2000 Australia VAT AU93.604.062.900	Australia (1)	100%	91%
Belgacom International Carrier Services Dubai FZ-LLC	Dubai Internet City Premises 306 - Floor 03- Building 02 -PO box 502307 Dubai	United Arab. Emirates (1)	100%	91%
Belgacom International Carrier Services South Africa Proprietary Ltd	Highveld Technopark 119 Witch-Hazel Avenue Highveld Technopark	South Africa (1)	100%	91%
Belgacom International Carrier Services Kenya Ltd	5th Floor, West Wing, ICEA Lion Center Riverside Park, PO Box 10643 00100 Nairobi	Kenya (1)	100%	91%
Belgacom International Carrier Services France SAS	Rue du Colonel Moll 3 75017 Paris VAT FR87.422.588.285	France (1)	100%	91%
Belgacom International Carrier Services Malaysia	Level 6, Menara 1 Dutamas Solaris Dutamas, No. 1 Jalan Dutamas 1, 50480 Kuala Lumpur No. 202001015524 (1371844-D)	Malaysia (1)	100%	91%
TeleSign Holdings Inc	13274 Fiji Way , Suite 600 Marina del Rey, CA 90292	United States	100%	91%
TeleSign Corporation	13274 Fiji Way , Suite 600 Marina del Rey, CA 90292	United States	100%	91%
TeleSign UK	2 New Bailey, 6 Stanley Street, Salford Greater Manchester M3 5GS	United Kingdom	100%	91%
TeleSign Mobile Ltd	2 New Bailey, 6 Stanley Street, Salford Greater Manchester M3 5GS	United Kingdom	100%	91%
TeleSign Doo	Tresnjinog cveta 1 11070 Novi Beograd	Serbia	100%	91%
TeleSign Netherlands B.V.	2 New Bailey, 6 Stanley Street, Salford Greater Manchester M3 5GS	United Kingdom	100%	91%
TeleSign Singapore Pte. Ltd.	1 Robinson Road, #17-00 AIA Tower Singapore (048542)	Singapore	100%	91%
TeleSign (Beijing) Technology Co., Ltd.	Office 1551, 15/F, Office Building A, Parkview 9 Dongdaqiao Road, Chaoyang District Beijing 100020	P.R. China	100%	91%
Codit Holding BV	Gaston Crommenlaan 14, box 301 9050 Ledeberg VAT BE 662.946.401	Belgium	100%	100%
Codit BV	Gaston Crommenlaan 14, box 301 9050 Ledeberg VAT BE 0471.349.823	Belgium	100%	100%
Codit Switzerland AG	Wiesenstrasse 10a 8952 Schlieren VAT CHE-335.776.516	Switzerland	100%	100%

Name	Registered office	Country of incorporation	2023	2024
Codit Integration Ltd.	25 Cabot Square E14 4QZ London VAT GB 241.5781.10	United Kingdom	100%	100%
Codit Managed Services BV	Gaston Crommenlaan 14, box 301 9050 Ledeberg VAT BE 0835.734.875	Belgium	100%	100%
Codit Mare Limited	International House, Mdina Road BKR 3000 Mriehel C55412	Malta	100%	100%
Codit Nederland B.V	Krommewetering 7 3543 AP Utrecht VAT NL 30246968	The Netherlands	100%	100%
Votijnit Lda. (Codit Portugal)	Edificio LACS Anjos, Rua Febo Moniz, 27 1150-152 Lisboa NIPC 510.595.251	Portugal	100%	100%
Codit Software Limited	International House, Mdina Road BKR 3000 Mriehel C64225	Malta	100%	100%
Codit France S.A.S.	18, Boulevard Malesherbes 75008 Paris 08 VAT FR 0478.300.189	France	100%	100%
UMBRiO Holding BV	Bisonspoor 3002-A501 3605 LT Maarssen VAT NL 58566317	The Netherlands	100%	100%
Mobile Vikings NV	Kempische Steenweg 309 - box1 3500 Hasselt VAT BE 0886,946,917	Belgium	100%	100%
Telesign Belgium	Koning Albert II laan 27 1030 Brussels VAT BE 0781.957.877	Belgium	100%	91%
3M Digital Networks Private Limited (Mobtexting)	45/B, Subam Complex, 1st A Main 3rd Floor, Rear Wing, Sarakki Indl Layout, J P Nagar, Phase-3, Bengaluru, Karnataka 560 078 U72200KA2012PTC066750	India (1)	100%	91%
Proximus Ada	Koning Albert II laan 27 1030 Brussels VAT BE 0781.848.902	Belgium	100%	100%
Doktr	Koning Albert II laan 27 1030 Brussels VAT BE 0787.949.212	Belgium	80%	80%
Proximus Luxembourg Infrastructure	18 rue du Puits Romain 8070 Bertrange VAT LU 34353281	Luxemburg	100%	100%
Proximus d.o.o	Tresnjinog Cveta 1/9 Beograd-Novi Beograd	Serbia (5)	100%	100%
BICS South Korea LLC	#401, 4F, 23 Jong-ro 12-gil (Gwancheol-dong), Jongno-gu, Seoul	South Korea (5)	100%	91%
Telesign Colombia S.A.S	Cr71 B N°49 A27- Sec 2 Bogota DC Tax ID 9016318595	Colombia (5)	100%	91%

Name	Registered office	Country of incorporation	2023	2024
Route Mobile (UK) Limited	183-189 The Vale London, W3 7RW VAT GB117999757	United Kingdom (2) (3)	0%	68%
Route Mobile Inc.	3240 E State Street Ext. Hamilton, NJ 08619	United States (2) (3)	0%	68%
Route Connect (Kenya) Limited	Standard House Plot Number 209/4045, House Nairobi, Standard Street, P.O. Box 67290 Postal Postal Code - 00200 - City Square.	Kenya (2) (3)	0%	68%
365squared Limited	Velzon Building, Block B, Triq Pantar, Lija LJA2023, Malta VAT MT21313106	Malta (2) (3)	0%	68%
Route Mobile Nepal Private Limited	Ward no 11, Trade tower Thapathali,Kathmandu Metropolitan City, Nepal 44600 VAT 606705057	Nepal (2) (3)	0%	68%
Route Mobile Lanka (Private) Limited	47, Alexandra Place Colombo 07, 00700	Sri Lanka (2) (3)	0%	68%
Route Mobile (Bangladesh) Limited	Genetic Bharo Bhuiyan House CWN 3A (A), Road-49, Level 13 Gulshan 2, Dhaka-1212, Bangladesh VAT 001224203-0101	Bangladesh (2) (3)	0%	68%
Route Mobile Malta Limited	Velzon Building, Block B Triq Pantar, Lija LJA2023, Malta VAT MT25478605	Malta (2) (3)	0%	68%
Route Mobile Uganda Limited	Ntinda Complex, Plot 33 Minds Road Block B, 3rd Floor, P O Box. 40411, Kampala	Uganda (2) (3)	0%	68%
Route SMS Solutions Zambia Limited	2nd Floor, Lotti House, Suite 5 Western Wing, Cario Road Lusaka	Zambia (2) (3)	0%	68%
PT Route Mobile Indonesia	Grand Slipi Tower Lt.9 Unit G Jl. Letjen S.Parman Kav22-24, Palmerah Jakarta Barat 11480, Indonesia VAT 42.515.929.0-031.000	Indonesia (2) (3)	0%	68%
Send Clean INC	16192 Coastal Highway in the city of Lewes, Country of Sussex	United States (2) (3)	0%	68%
Masivian S.A.S	Carrera 13# 98-70 Of. 305, Bogota, Colombia Bogota, Colombia VAT 901.034.523-5	Columbia (2) (3)	0%	68%
Masiv Chile SpA	Luis Thayer Ojeada 236 of 31 Comuna providencia	Chili (2) (3)	0%	68%
Mobilelink Telecomunicaciones SpA	Av del Parque 5339 of 202 Huechuraba	Chili (2) (3)	0%	68%
Route Mobile Mexico S. de R.L. de C.V.	Calzada las Aguilas 1124 C304 San Clemente Sur	Mexico (2) (3)	0%	68%
Estratec S.A.S	Carrera 13#98-70 OF 305 Bogota, Colombia VAT 830.121.553-1	Columbia (2) (3)	0%	68%

Name	Registered office	Country of incorporation	2023	2024
Elibom Colombia S.A.S	Carrera 13#98-70 OF 305 Bogota, Colombia VAT 830.126.387-8	Colombia (2) (3)	0%	68%
Masivian Peru SAC	Av. Juan de Arona 755 Int 1101 1102 san isidro lima, Perú	Peru (2) (3)	0%	68%
Trusense Identity Limited	183-189 The Vale London, W3 7RW	United Kingdom (2) (3)	0%	68%
Route SMS Solutions Nigeria Limited	Suite 202, AHCN Towers, CIPM Road Central Business District, Alausa, Ikeja, Lagos VAT 17929373-0001	Nigeria (2) (3)	0%	68%
Route SMS Solutions FZE	A1-401B, Building No. A1 Al Hamra Industrial Zone-FZ, RAK United Arab Emirates VAT 100295481400003	United Arab Emirates (2) (3)	0%	68%
M.R Messaging FZE	Al Shmookh Business Center, One UAQ, UAQ Umm Al Quwain, U.A.E VAT 100464091600003	United Arab Emirates (2) (3)	0%	68%
Mr Messaging (Holding) Limited	BONNICI HOUSE, TRIQ IS- SARDIN, ST. PAUL'S BAY, Malta	Malta (2) (3)	0%	68%
Mr Messaging Limited	2nd Floor BONNICI HOUSE, TRIQ IS- SARDIN, ST. PAUL'S BAY, Malta VAT MT21787513	Malta (2) (3)	0%	68%
Mr Messaging South Africa (Pty) Limited	21 KLEIN CONSTANTIA ROAD, CONSTANTIA, CONSTANTIA, CONSTANTIA, WESTERN CAPE, VAT 4140278476	South-Africa (2) (3)	0%	68%
Route Ledger Technologies Private	408, Fourth Floor, Evershine Mall Mind Space New Link Road,Malad (West) VAT 27AALCS0827P1ZR	India (2) (3)	0%	68%
Send Clean Private Limited	401,Fourth Floor, Evershine Mall New link Road, Malad West., Mumbai, VAT 27AACCC1301P1ZT	India (2) (3)	0%	68%
Route Mobile PTE Ltd.	23 New Industrial Road, #04-09 Solstice Business Center, Singapore 536209 VAT 201628553C	Singapore (2) (3)	0%	68%
Call 2 Connect India Private Limited	401,Fourth Floor, Evershine Mall New link Road, Malad West. Mumbai-400064 VAT 27AACCC1911B1ZE	India (2) (3)	0%	68%
Route Connect Private Limited	401, Fourth Floor, Evershine Mall,Meter Cabin New Link Road, Malad West, Mumbai City MUMBAI, Maharashtra, India, 400064 VAT 27AAICR8602G1Z9	India (2) (3)	0%	68%
Fiberklaar Midco BV	Raymonde de Larochelaan 13 9051 Sint-Denijs-Westrem VAT BE 760.489.106	Belgium (4)	0%	100%
Fiberklaar BV	Raymonde de Larochelaan 13 9051 Sint-Denijs-Westrem VAT BE 760.489.106	Belgium (4)	0%	100%
Datacenter United Brussels	Rue Carli 2 1140 Evere VAT 1 015 614 744	Belgium (2)	0%	100%

(1) Entity of BICS Group

(2) Entity created/acquired in 2024

(3) Entity of Route Mobile Group

(4) Entity fully acquired in 2024

(5) Entity created/acquired in 2023

Note 8.2. Material subsidiaries with non-controlling interests

Detail of non-wholly owned subsidiaries of the Group that have material non-controlling interests

	Proportion of ownership interests and voting rights held by non-controlling interests			
	As at 31 December 2024	As at 31 December 2024	As at 31 December 2024	As at 31 December 2024
	Proximus Global SA (previously named Proximus Opal SA) (1)	Route Mobile (Group)	BICS (Group)	Telesign Group
	Belgium	India	Belgium	United States
	9%	32%	9%	9%
	(4)	(4) (5)	(3) (4) (5)	(4) (5)
Summarized financial information in respect of each of the Group's subsidiaries that has material non-controlling interests				
Current assets	135	301	680	103
Non-current assets	96	882	461	176
Current liabilities	1	123	542	162
Non-current liabilities	0	210	31	5
Equity attributable to owners of the company	223	682	518	112
Equity attributable to non-controlling interests	8	168	49	0
Revenue (total)	0	335	959	483
Expenses (operating)	-2	-293	-838	-492
Profit for the year	0	8	70	-19
Attributable to:				
Equity holders of the parent	1	-2	70	-19
Non-controlling interests	-1	10	0	0
Dividends paid to non-controlling interests	0	2	0	0
Net cash inflow from operating activities	555	48	101	-18
Net cash outflow from investing activities	-629	40	-38	-12
Net cash inflow / (outflow) from financing activities (2)	178	-27	-59	17
Exchange rate impact	0	0	0	2
Net cash inflow / (outflow)	103	61	4	-11

(1) Proximus Global SA is the mother company of Telesign Holdings Inc and Belgacom International Carrier Sevices SA, and holds 100% of the shares in those entities
(2) Including lease payments
(3)The partial disposal of BICS took place on December 31, 2024
(4) Including intercompany transactions
(5) excluding intercompany transactions within the Sub Group

As of December 31, 2024, there are no significant restrictions on the ability of these companies to transfer funds to the Group head company, either in the form of cash dividends or loan repayments.

Note 8.3. Investments in joint operations, joint ventures and associates

Note 8.3.1 Investments in joint operations

The Group has a material joint operation in MWingz, located Bld Simon Bolivar 34 in 1000 Brussels (VAT BE 0738 987 372). In November 2019, Proximus and Orange Belgium entered into a strategic agreement to share a part of their mobile access networks. The shared mobile access network is planned, built and operated by this joint company, owned 50/50 by Proximus and Orange Belgium which started its services to the shareholders in April 2020. The agreement is based on the following principles:

- The operators contractually share control of the agreement, i.e. decisions about the relevant activities require unanimous consent of the parties.
- Mwingz exclusively delivers services to the parents.

In its consolidated financial statements, the Group accounts Mwingz as a joint operation and recognizes its share in the assets and liabilities and its share in Mwingz costs from third parties, based on its ownership interest. Revenues from the sale of joint operation services to Proximus and Orange Belgium are eliminated.

Note 8.3.2 Investments in joint ventures and associates

(EUR million)	2023	2024
Carrying amount	90	23
Profit / (loss) of continuing operations	-30	-18

The decrease in carrying amount of EUR 67 million is due to Proximus acquiring full control of Fiberklaar in 2024. The entity has now been reclassified from an associate to a subsidiary. New investments (EUR 20 million) and losses of the year (EUR -20 million) do offset each other. The Group had interests in the following joint ventures and associates:

Name	Registered office	Country of incorporation	Group's participating interests	
			2023	2024
Associates				
Belgian Mobile ID SA/NV	Markiesstraat 1 1000 Brussel VAT BE 541.659.084	Belgium (2)	15%	15%
Synductis CV	Brusselsesteenweg 199 9090 Melle VAT BE 502.445.845	Belgium (2)	17%	17%
Experience @ work CVBA	Minderbroedersgang 12 2800 Mechelen VAT BE 627.819.632	Belgium	30%	30%
Tessares SA/NV	Avenue Jean Monnet 1 1348 Ottignies-Louvain-la-Neuve VAT BE 600.810.278	Belgium	23%	23%
Fiberklaar Midco BV	Raymonde de Larochelaan 13 9051 Sint-Denijs-Westrem VAT BE 760,489,106	Belgium (1)	50%	0%
Fiberklaar BV	Raymonde de Larochelaan 13 9051 Sint-Denijs-Westrem VAT BE 760,540,475	Belgium (1)	50%	0%
aug.e NV (former I.Leco NV)	Berkenlaan 8C 1831 Machelen VAT BE 471,967,356	Belgium	48%	48%
Belgian Parking Register NV	Kardinaal Mercierlaan 1A 9090 Melle VAT BE 0778.406.687	Belgium	50%	50%
Ads&Data	Harensesteenweg 226 1800 Vilvoorde VAT BE 0809.309.701	Belgium (2)	11%	11%
Glasfaser Ostbelgien	Klötzerbahn 24 4700 Eupen VAT BE 0791.811.295	Belgium	50%	50%
FTI NV (Flanders Technology&Innovation)	Green Energy Park Research Park 160 1731 Zellik VAT BE 11003,648,706	Belgium (4)	11%	11%
Clarence S.A.	202, Z.A.E.Wolser F. 3290 Bettembourg VAT LU 35.288.286	Luxemburg (4)	40%	40%
Route Mobile LLC	ONE BY OMNIYATH, SHAIKH ZAYED ROAD SHAIKH ZAYED ROAD, BUSINESS BAY DUBAI, Dubai, United Arab Emirates, 58526 VAT 100284371000003	United Arab (3) (5)	0%	33%
Route Mobile Communication Services	34, Wafra Downtown, Floor 4, Office No. 7 Block 5, Ahmed Al Jaber st, P.O.Box - 443-8000 Sharq 153000, Kuwait.	Kuwait (3) (5)	0%	33%
Route Mobile Arabia Telecom	Office 14, Building 7533, 4260 12476, Othman Al Taawun District, Riyadh, Kingdom of Saudi VAT 311053171900003	Saudi-Arabia (3) (5)	0%	48%
Route Mobile Limited (Ghana)	Plot 8 (HW9) Teshie Rasta Rd, Mangoase La Dade – Kotopon, GL – 094-6225 VAT C0006675603	Ghana (3) (5)	0%	48%
Joint ventures				
Unifiber Midco SA	Waterloo Office Park Drève Richelle 161 D, Boite 20 1410 Waterloo 0771.814.647 RPR/RPM	Belgium	50%	50%
Unifiber SA	Waterloo Office Park	Belgium	50%	50%

	Drève Richelle 161 D, Boite 20 1410 Waterloo 0771.870.372 RPR/RPM

(1) Entity fully acquired in 2024
(2) Significant influence as proximus has a board member
(3) Entity of Route Mobile Group
(4) Entity created in 2023
(5) Entity acquired in 2024

Fiberklaar was co-created in March 2021 with EQT Infrastructure to accelerate the roll-out of fiber in Flanders. Fiberklaar works to design, build, maintain, and upgrade the fiber network across the region to accelerate super-fast and stable fiber connectivity in Flanders. Fiberklaar's target is to connect 0.8 million homes and businesses in Flanders by 2028. At the end of July 2024, Proximus acquired all the shares held by EQT, thereby obtaining 100% ownership of Fiberklaar (see note 8.4). Consequently, Proximus has fully consolidated Fiberklaar since that date, having previously accounted for it as an associate (under IAS 28).

Unifiber was co-created in July 2021 with Eurofiber to accelerate the roll-out of fiber in Wallonia. Unifiber works to design, build, maintain, and upgrade the fiber network across the region to accelerate super fast and stable fiber connectivity in Wallonia. Unifiber's target is to connect 0.6 million homes and businesses in Wallonia by 2028. Proximus holds 49.99% of Unifiber and the arrangement qualifies as joint venture under IAS 28.

In September 2022, Proximus co-created "Glasfaser Ostbelgien" or GO Fiber, a public-private partnership with the German-speaking Community and Ethias. Its objective is to connect almost all the 40,000 homes and businesses in this region, including in the so-called "white zones". Proximus owns 49.96% of Glasfaser Ostbelgien. The arrangement qualifies as associate under IAS 28.

Contingencies and commitments in relation with the joint-ventures and associates fiber entities (Unifiber and Glasfaser Ostbelgien):

Imposed to the fiber entities

- After the roll-out period, Unifiber is required to meet the net debt/EBITDA target ratios defined in their shareholders' agreements. Available cash must be used to meet these targets as a matter of priority before any distribution to shareholders.

Imposed to the fiber entities' shareholders

- Proximus has a contractual obligation to financially support Unifiber by acquiring a predefined volume of fiber connections for the already deployed areas. This will be done by the complete migration of its customer base and the phasing out of its copper network within a few years after the completion of the fiber rollout. For Glasfaser Ostbelgien, there is no predefined volume, but there is still the migration commitment.
- Upon the occurrence of a "Flip Over Event" (such as the achievement of the deployment of the network on a targeted number of households, a predefined date, etc.), the shareholders of the fiber entities are obliged to transfer the minimum number of shares required to Proximus for the latter to obtain control by having the majority of the shareholding. If necessary, and in the most limited way possible, adaptations could be made to the shareholders' agreements in order to ensure control at Proximus after Flip Over. The earliest change of control is expected to occur in 2031.
- At the timing of the Flip Over, Proximus has the right to acquire the number of shares necessary to own at least 50% plus one and up to 75% minus one of Glasfaser Ostbelgien Shares.

- Unifiber and Glasfaser Ostbelgien will maximize their funding through debt and operating cash flows. The shareholders will supplement the remaining financing needs with a capital injection, pro rata to their share.
- All shares held by Midco Unifiber in Unifiber are pledged to financial institutions as part of the financing arrangements obtained by Unifiber. The same applies to the shares held in Glasfaser Ostbelgien

Changes in associates and joint ventures:

(EUR million)	Unifiber SA	Fiberklaar BV	Other Associates	Total
Carrying amount				
As at 1 January 2023	2	39	2	43
Investments	15	60	2	77
Loss for the year	-7	-21	-2	-30
As at 31 December 2023	11	77	2	90
Investments	15	0	3	18
Loss for the year	-9	-11	2	-18
Transfer to subsidiaries	0	-67	0	-67
As at 31 December 2024	17	0	7	23

Summary of balance sheet, profit and loss and other comprehensive income of the material associates and joint ventures:

	Unifiber		Fiberklaar	
(EUR million)	2023	2024	2023	YTD-Jul 24*
Non-current assets	188	363	492	630
Current assets	26	26	31	46
Cash and cash equivalents	14	20	26	38
Total assets	214	390	523	676
Equity	26	37	180	162
Non-current liabilities	153	302	290	460
Interest-bearing liabilities	151	302	290	460
Current liabilities	35	51	53	54
Total liabilities and equity	214	390	523	676
Total income	1	1	2	4
Total operating expenses before depreciation and amortization	-4	-4	-15	-7
Depreciation and amortization	-1	-1	-1	-2
Finance income	1	3	3	3
Interests and debt charges on financial instruments at amortized costs	-18	-19	-18	-17
Tax expense	0	2	0	0
Profit or loss from continuing operations	-21	-19	-28	-18
Total comprehensive income	-21	-19	-28	-18
% ownership	50%	50%	50%	50%
Share held in Equity	13	18	90	81
Harmonization and retreatment	-2	-2	-12	-14
Carrying amount	11	17	77	67

Note 8.4. Acquisitions and disposal of subsidiaries, joint ventures and associates

Acquisitions in 2024

Acquisition of Route Mobile Limited

On May 8, 2024, after receiving all necessary regulatory approvals, Proximus Group completed the acquisition of a 58% stake in Route Mobile. Route Mobile is a global service company developing cloud communication services that has created a scalable and flexible industry leading global CPaaS platform, with omnichannel capabilities and built a position as a gateway, with global network and coverage, and full suite of A2P messaging solutions. This acquisition was conducted through Proximus Global, a Proximus group wholly owned subsidiary prior to the transaction. The initial cash consideration for this transaction was INR 59,224 million (EUR 662 million), which equates to a share price of INR 1,626.40.

To mitigate the risk of currency fluctuations until the closing of the transaction, Proximus Global entered a derivative foreign exchange forward contract at the time of deal signing. This hedging transaction, to which hedge accounting was applied, was settled in May 2024, resulting in a payment of EUR 26 million to Proximus Global.

Additionally, a mandatory tender offer (MTO) was completed on April 26, 2024. Under this offer, Proximus Global acquired an additional 25.11% stake in Route Mobile at the same initial share price, amounting to a consideration of EUR 293 million.

As a result of these transactions, Route Mobile has become a subsidiary of Proximus Global, with Proximus Global holding 83.11% of the extended voting share capital and common stock of Route Mobile. This percentage changed post-acquisition (see chapter “Post-Acquisition Date”) due to a sale of shares by Proximus Global in the third quarter of 2024, the exercise of stock options granted by Route Mobile under the two ESOP plans launched in 2017 and 2021 (see note 35) and the contribution of BICS shares, a Group subsidiary fully owned by Proximus SA before the contribution, to Proximus Global. The shareholding percentage remains subject to further dilution due to the outstanding stock options as of December 31, 2024.

Concurrently with the above acquisition, the founding shareholders of Route Mobile acquired a 12.72% equity stake in Proximus Global on May 23, 2024, for a consideration of EUR 300 million. In substance, this transaction represents a change in ownership interest in Proximus Global without loss of control by Proximus Group. Therefore, it qualifies as an equity transaction between shareholders under the economic entity model in IFRS 10. The difference between the amount by which the non-controlling interests of Proximus Global (excluding interest in Route Mobile) is recorded (EUR 17 million), and the fair value of the consideration transferred (EUR 182 million), amounted to EUR 165 million and was recognized directly in equity.

After accounting for this reinvestment to acquire Route Mobile, the total net cash outflow (excluding the cash present within Route Mobile at the acquisition date) amounted to EUR 629 million. This was financed by the issuance of a EUR 700 million bond on March 20, 2024. As a result, Proximus Group held a 72.54% ownership stake in Route Mobile.

The different steps of the acquisition are one single transaction as they were negotiated together and/or result from legal requirements.

The consideration is detailed as follows (EUR million) :	
Mandatory tender offer (MTO) of 25.11% of ownership interests in Route Mobile	293
Acquisition of 58% of ownership interests in Route Mobile	662
Impact of cash flow hedge	-26
Cash received from Sellers	-300
Cash Consideration	629
Sale 12,72% shares of Proximus Opal (excluding interest in Route Mobile)	182
Total Consideration	812

The cash outflow on acquisition is as follows (EUR million):	
Total net cash outflow to acquire the subsidiary	629
Net cash acquired of the subsidiary	-41
Transaction costs (being part of the operating cash flow)	28
Net cash outflow	616

Assets acquired and liabilities assumed

The table below shows the provisional amounts for the net assets acquired and goodwill recognized at the acquisition date:

The fair value of the identifiable assets and liabilities of Route Mobile as at the date of acquisition is detailed as follows:

EUR million	Fair Value recognized at acquisition	Carrying value
Goodwill acquired	0	57
Intangible assets with finite useful life	469	38
Property, plant and equipment	5	4
Right of use asset	3	3
Deferred income tax assets	2	1
Other non-current assets	136	43
Trade receivables	146	146
Current income tax assets	1	1
Other current assets	20	20
Investments	30	30
Cash and cash equivalents	41	41
Total assets	853	386
Non-current interest-bearing liabilities	9	9
Lease liabilities	3	3
Liability for pensions and termination benefits	1	1
Provisions for liabilities and charges	114	3
Deferred income tax liabilities	97	5
Other non-current payables non-interest bearing	8	8
Current interest-bearing liabilities	25	25
Trade payables	70	70
Contract liabilities	3	3
Other current payables	4	4
Income tax payables	9	9
Total liabilities	343	140
Net assets acquired	510	245
Consideration	812	
Non-controlling interests (PPA)	120	
Preliminary Goodwill arising on acquisition	421	

The table above includes a sellers indemnification asset of EUR 93 million for the sole benefit of Proximus Global, recognized in relation to contingent liabilities, within the framework of the PPA. This asset is therefore entirely allocated to Proximus Global. No NCI has been calculated on it, unlike the contingent liabilities.

The Group identified and separately recognized on an aggregated basis the following intangible assets in this business combination: trademarks, customer relationships and technology platforms, software and licences and non-compete agreements. All together, the fair value of the identified intangible assets is EUR 469 million as of December 31, 2024. The valuation of assets identified was based on the following methods:

(1) Customer relationships: using a Multi Excess Earnings Method (MEEM), in which the value of a specific intangible asset is estimated from the residual earnings after fair returns on all other assets employed (including other intangible assets) are deducted from the business' after-tax operating earnings.

(2) Trademarks and technology platforms: using the Relief-from-royalty method, estimating the value of future foregone royalty payments over the life of the asset by virtue of owning the asset.

The recognition of the fair value of the intangible assets resulted in additional amortization expense amounting to EUR 23 million for the period between the acquisition date and December 31, 2024.

The fair value of PPE ("land & buildings") amounts to EUR 5 million as of December 31, 2024. A fair value step-up of EUR 0.5 million has been recognised related to the office in Dubai estimated on the basis of publicly available selling price per square foot of similar buildings in Dubai (i.e., market comparable prices) with a 10% discount.

Fair value estimates are based on a complex series of judgments about future events and uncertainties and rely heavily on estimates and assumptions used to determine the estimated fair value assigned to each class of assets acquired and liabilities assumed, as well as asset lives.

The deferred tax liability of EUR 92 million as of December 31, 2024, has been recognized in relation to the fair value step up of tangible and intangible assets applying the Indian corporate income tax rate.

Contingent liabilities that met recognition requirements under IFRS 3 have been identified and provisionally measured at EUR 104 million, pending further investigation and detailed risk analysis. These contingencies are valued based on currently available information and could be revised depending on the outcome of ongoing review work. In accordance with the Route Mobile Share Purchase Agreement, these contingencies are largely offset by the seller's indemnification for the benefit of Proximus Global, amounting to EUR 93 million (100 million USD), limiting the net exposure to less than EUR 20 million as of the acquisition date. Recalculations have not yet been fully performed and finalised in this respect as of December 31, 2024.

Additional provisions for onerous supplier contracts have been recognized for a total amount of EUR 6 million, as SMS volumes from clients reduced significantly due to stringent sanctions imposed upon Myanmar. The contract allows for renegotiation in such situations. Although the outcome of the discussions is still pending, the estimated amount has already been recognized on the opening balance sheet as of the date of acquisition. A deferred tax asset of EUR 0.3 million has been recognized in relation to the provision for onerous contracts, applying the Maltese corporate income tax rate.

The Group elected to recognize non-controlling interests at their proportionate share of the acquired net identifiable assets, valued at their acquisition date fair value. Additionally, the outstanding vested and unvested ESOP share-based payment transactions have been measured at their market-based value as if the acquisition date were the grant date. They are allocated to the non-controlling interest based on the ratio of the portion of the vesting period completed to the total vesting period, for an amount of EUR 4 million. As a result of the revised purchase price allocation exercise, the total non-controlling interests amounted to EUR 120 million in addition to the EUR 17 million recognized in relation to the transaction qualifying as an equity transaction (see above the text on the equity transaction).

The goodwill is attributable to expected synergies with the Group, as the combination will enable it to thrive by delivering a distinctive customer value proposition and making structural changes to create a more sustainable and efficient operating model. The acquisition also brings the potential to drive significant revenue and margin synergies for the Group, contributing to the Group's revenue growth from closing date and being accretive to Proximus' earnings in future years.

Route Mobile was consolidated using the full-integration method as of April 30, 2024. In the course of the period ended December 31, 2024, the accounting for the business combination related to the Route Mobile transaction ("purchase price allocation") is still provisional. The allocation of the acquisition price to Route Mobile's underlying assets has been changed since acquisition, as explained above, which resulted in an increase of goodwill by EUR 7 million. The condensed consolidated statement of financial position as per December 31, 2024, has been restated accordingly.

Acquisition-related costs, which include legal and other fees, amounted to EUR 28 million, have been recorded primarily under operating expense. According to IFRS 3 'Business Combinations', the payment of these costs cannot be considered part of the consideration transferred to the sellers in exchange for control of Route Mobile. The costs to issue the EUR 700 million bond to finance the transaction, and are part of the acquisition-related costs, are deferred over the duration of the bond. These costs amounted to EUR 6.2 million.

Post-acquisition date

To comply with Indian regulation, which mandates that the public shareholding of an Indian listed company must be at least 25%, Proximus Global sold 5,024,376 shares in the third quarter of 2024. This sale, equivalent to 8.0% of Route Mobile's total outstanding shares, generated proceeds of EUR 90 million. Consequently, Proximus Global's shareholding in Route Mobile decreased from 83.11% to 75.11% as of December 31, 2024. The Group's shareholding percentage consequently decreased from 72.54% to 65.56%. This transaction qualified as an equity transaction as resulting in a decrease of ownership without loss of control. It led to an increase of the non-controlling interests by EUR 43 million and of the shareholders 'equity by EUR 47 million. These two items account for nearly the entire EUR 83 million reported in the cash flow from financing activities.

The exercise of stock options granted by Route Mobile under the two ESOP plans launched in 2017 and 2021 (see note 35) in September and November 2024 led to further dilution of the Group's shareholding in Route Mobile. A total of 174,165 shares were exercised, resulting in Proximus Global's stake in Route Mobile decreasing from 75.11% to 74.90% (and from 65.56% to 65.37% at Group level). These transactions qualified as equity transactions as resulting in a decrease of ownership without loss of control.

The Group transferred all of the BICS shares owned by Proximus SA (ownership of 100% before the transaction) to Proximus Global, an entity that it controlled and owned at 87.28 %. This transfer, effective as of December 31, 2024, encompassed all business activities of BICS and was structured as a contribution in kind against issuance of new shares of Proximus Global. The transaction led to the increase of the Proximus Group shareholding in Proximus Global from 87.28% to 91.30%, and de facto, to an increase in the shareholding in TeleSign (from 87.28% to 91.30% and Route Mobile from 65.37% to 68.35% and a decrease in BICS shareholding from 100% to 91.30%. The transaction qualifies as a business combination under common control, for which the Group opted to use the 'predecessor accounting' method. The choice of the method was based on the transaction substance and specific facts and circumstances and because it better reflects the continuity of control. Consequently, the transaction resulted in a EUR 32 million loss recognized in shareholders' equity, as also qualifying as equity transaction. Non-controlling interests increased by EUR 32 million.

EUR 304 million revenue (Group share) is included in the Group consolidated income statement for the reporting period since acquisition. Except for transaction and acquisition costs, the net income (Group share, incl. PPA adjustments) generated by Route Mobile included in the consolidated income statement for the reporting period since acquisition is EUR -2 million.

Route Mobile contribution to the Group revenue (Group share) and net income (Group share, incl. PPA adjustments), assuming that Route Mobile acquisition date would have been January 1, 2024, would have been, by the end of December 2024, EUR 454 million, and EUR 16 million accordingly and would have been materially different from what is included now in the consolidated income statement.

Acquisition of Fiberklaar

Fiberklaar was co-created in March 2021 by Proximus and EQT Infrastructure to accelerate the roll-out of fiber in Flanders. Fiberklaar works to design, build, maintain, and upgrade the fiber network across the region to accelerate super-fast and stable fiber connectivity in Flanders.

On 26 July 2024, Proximus Group reached an agreement with EQT Infrastructure on the acquisition of its majority stake (50.33%) in Fiberklaar Group (hereinafter 'Fiberklaar'), for a purchase price of EUR 246 million. Of this amount, EUR 186 million was paid at the acquisition date, with the remaining balance to be paid in December 2025. This acquisition was conducted by Proximus NV/SA from the seller of Nexus Infrastructure SARL ('EQT'). As a result of the acquisition, Fiberklaar has become a subsidiary of Proximus NV/SA, holding 100% of the extended voting share capital and common stock of Fiberklaar.

It has been concluded that the acquisition of Fiberklaar by Proximus is qualified as a business combination under IFRS 3. Fiberklaar has substantive processes that are critical to the ability to develop and convert the inputs and conduct its operations.

Prior to the acquisition, Proximus already held a 49.67% stake in Fiberklaar which qualified as an associate under IAS 28. As a result, the transaction qualifies as a business combination achieved in stages (known as a 'step acquisition') as Proximus acquires control of Fiberklaar through this transaction. The previously held equity interest is remeasured to fair value immediately before the acquisition date, and the resulting gain is recognized in profit or loss. The fair value of the previously held interest then forms one of the components that is used to calculate goodwill, along with consideration, less the fair value of identifiable net assets.

The transaction is financed by the issuance of commercial paper and an EUR 700 million long-term hybrid bond (see note 19).

The fair value of previously held interests of 49.67% in Fiberklaar is the following:

Fair value of previously held equity interest (EUR million)	Fair value
Carrying amount of equity interest	67
Gain on equity interest	78
Fair value of previously held equity interest	144

The consideration transferred consists of the following items:

Consideration transferred (EUR million)	Fair value
I. Upfront consideration	186
II. Deferred consideration	57
Total consideration transferred	243

At transaction date, the net cash outflow to acquire the control of Fiberklaar is as follows:

The cash outflow on acquisition is as follows (EUR million):	
Total net cash outflow to acquire the subsidiary	186
Net cash acquired of the subsidiary	-38
Transaction costs (being part of the operating cash flow)	2
Net cash outflow	150

The table below shows the final amounts for the net assets acquired and goodwill recognized for this acquisition.

The fair value of the identifiable assets and liabilities of Fiberklaar as at the date of acquisition is detailed as follows:

EUR million	Fair Value recognized at acquisition	Carrying value
Intangible assets with finite useful life	3	3
Property, plant and equipment	606	627
Right of use asset	2	0
Other non-current assets	0	0
Trade receivables	4	4
Other current assets	3	5
Cash and cash equivalents	38	38
Total assets	656	676
Non-current interest-bearing liabilities	460	460
Lease liabilities	2	0
Trade payables	47	47
Other current payables	12	7
Total liabilities	522	514
Net assets acquired	134	162
Net identifiable assets acquired (excluding pre-existing relationships)	134	
Consideration	243	
Fair value of previously held equity interest	144	
Trade payable of Proximus to Fiberklaar (previously existing relationship)	-1	
Trade receivable of Proximus from Fiberklaar (previously existing relationship)	1	
Goodwill arising on acquisition	253	

The business combination settled pre-existi ng relationships between Proximus and Fiberklaar. This includes contractual seller and customer relationships between these parties. The settlement occurred as the relationship became an 'inter-company' relationship and was eliminated upon acquisition in the net amount of EUR 0.51 million. This is not part of the business combination and is accounted for separately. In accordance with IFRS 3, no gain or loss has been recognized related to the pre-existing contractual relationships that have been effectively settled by the transaction, as the terms of those contracts for the favorable or unfavourable part of are neither favourable or unfavourable at the acquisition date.

The fair value of assets acquired, and liabilities assumed, the allocation of the acquisition price to underlying assets has been finalized during the measurement period at the reporting date as of December 31, 2024. Fair value estimates are based on a complex series of judgments about future events and uncertainties and rely heavily on estimates and assumptions. The goodwill as presented above is not subject to further change. Compared to initial business combination accounting, and the opening balance sheet as of July 31, 2024, the fair value of derivative liabilities has been increased with EUR 0.53 million, which also resulted in a corresponding increase in goodwill. This measurement period adjustment does not have a material impact on the Group's results of operations and financial position.

The goodwill is attributable to expected synergies with the Group. The acquisition ensures enhanced strategic autonomy and increased flexibility for Proximus in the deployment of fiber in Flanders. Through the future integration of its operations, Proximus secured full owner-economics of the network. The agreement is expected to generate synergies through optimizing funding and operating costs and will allow to exchange best practices and continue to roll out fiber in an efficient, qualitative, and customer-friendly way going forward. Fiberklaar will pursue its operations as a standalone entity within the Proximus Group. Fiberklaar will continue to be led by the current management team, with 100% representation of Proximus in the Board of Directors and reinforced operational collaboration between both companies.

Acquisition-related costs, which include legal and other fees for an amount of EUR 1.7 million have been recorded essentially under operating expenses. The payment of these costs cannot be considered as being part of the consideration transferred to the sellers in exchange for control of Fiberklaar in accordance with the provisions in IFRS 3 'Business Combinations'.

Acquisitions and disposals of 2023

EDPNET

In March 2023 Proximus acquired the activities and assets of Belgian and Dutch EDPNET. Immediately after this acquisition, the Belgian Competition Authority (BCA) however informed Proximus of the opening of an ex officio investigation into a possible abuse of dominance by Proximus by means of the acquisition. Proximus, which contested the allegations of abuse of dominance, cooperated in good faith with the investigators of the BCA. Eventually and to avoid a lengthy procedure, Proximus and Citymesh entered in November 2023 into and completed an agreement pursuant to which Proximus divested EDPNET Belgium to Citymesh. Further to this agreement, the BCA has terminated its abuse of dominance proceeding. The appeal filed by Citymesh against the assignment of EDPNET to Proximus was terminated.

Note 9. Equity investments measured at fair value

At 31 December 2024 and 2023, the group held participating interests in non-quoted companies, the fair value amounted to EUR 3 million in 2023 and EUR 2 million in 2024.

The group elected to classify at initial recognition these interests at fair value through other comprehensive income as they are not held for a purpose of trading but acquired with a long-term strategic view.

Note 10. Income taxes

Gross deferred income tax assets / (liabilities) relate to the following:

(EUR million)	As at 31 December	
	2023	2024
Accelerated depreciation	-37	-32
Fair value adjustments on acquisition	-18	-101
Statutory provision not retained under IFRS	-10	-11
Remeasurement of financial instruments to fair value	-51	-47
Deferred taxation on sales of property, plant and equipment	-8	-7
Post-employment, termination and other benefits	-37	-65
Deferred taxation on contract assets & contract costs	-69	-75
Gross deferred income tax liabilities	-229	-340
Fair value adjustment on fixed assets	11	11
Tax losses carried forward	0	15
Provisions for liabilities and charges	12	9
Other	13	9
Gross deferred income tax assets	36	44
Net deferred income tax assets / (liabilities), when grouped per taxable entity, are as follows :		
Net deferred income tax liability	-197	-313
Net deferred income tax asset	4	17

The movements in 2024 of the deferred tax position are as follows

(EUR million)	
As at 31 December 2023	-193
Decrease as the result of the purchase price allocation	-92
Decrease recognized through other comprehensive income	-29
Increase recognized in income statement	18
As at 31 December 2024	-296

The 2024 deferred tax expense in the profit or loss is mainly the consequence of the increase in the FV adjustments on acquisitions, tax losses carried forward, and the post-employment and termination benefits. This expense is partially offset by the decrease of the deferred tax on temporary differences.

The deferred income tax assets on fair value adjustment of fixed assets relate mainly to the elimination of the gain resulting from the intercompany sale at fair value of certain fixed assets.

2024 in EUR	Total tax deductions and credit carried forward	Tax losses to carry forward	Dividend received deduction	Tax credit carried forward	Limitation disallowed expenses carried forward	Recognized as deferred tax asset
Belgacom International Carrier Services Deutschland GMBH	9,231,248	9,231,248		0	0	0
Belgacom International Carrier Services France SAS	1,267,314	1,267,314		0	0	0
Codit Holding BV	147,057	147,057		0	0	0
DOKTR	3,336,880	3,336,880	0	0	0	
TeleSign Corporation	42,606,651	37,624,990		3,412,855	1,568,806	14,760,270
	56,589,150	51,607,489	0	3,412,855	1,568,806	14,760,270

Deferred tax assets have not been recognized in respect of the losses of subsidiaries that have been loss-making for several years. Cumulative tax losses and other assets carried forward available for such companies amounted to EUR 57 million at 31 December 2024 All tax losses are carried forward, unlimited in time without any expiring date.(EUR 46 million in 2023). The offset of US tax losses is generally limited to 80% of the taxable income.

In the income statement, deferred tax income/ (expense) relate to the following:

	Year ended 31 December	
(EUR million)	2023	2024
Accelerated depreciation	3	5
Fair value adjustments on acquisition	2	9
Remeasurement of financial instruments to fair value	-3	0
Deferred taxation on sales of property, plant and equipment	-1	0
Post-employment, termination and other benefits	-5	0
Tax losses carried forward	0	15
Contract assets and contract cost	-8	-6
Other	2	-5
Deferred tax expense of the year	-10	18

The consolidated income statement includes the following tax expense:

	As at 31 December	
(EUR million)	2023	2024
Current income tax expense	-94	-75
Deferred income tax	-10	18
Income tax expense reported in consolidated income statement	-104	-57

The reconciliation of income tax expense at the statutory income tax rate to income tax expense at the group's effective income tax rate for each of the two years ended is as follows:

(EUR million)	2023	2024
Income before taxes	461	513
At Belgian statutory income tax rate of 25%	115	128
Lower income tax rates of other countries	2	2
Non-taxable income	-27	-40
Non-deductible expenditures for income tax purposes	11	12
Non-deductible losses from subsidiaries	0	13
Non-deductible losses from joint ventures and associates	7	5
Non-taxable remeasurement	0	-19
Investment deduction	0	-6
Income tax adjustments related to prior years	0	-23
Other	-4	-14
Income tax expense	104	57
Effective income tax rate	22.61%	11.15%

The 2024 effective income tax rate amounts to 11,15% which is lower compared to the effective income tax rate of 22.61% in 2023. The lower tax rate in 2024 compared to 2023 is mainly linked to the non-taxable remeasurement resulting from the Fiberklaar acquisition and the tax adjustments related to prior years. The latter includes partially the recognition of the deferred tax assets for losses carried forward of Telesign, investment tax incentives and R&D tax incentives. The effective tax rate for 2024 is positively impacted by tax provision adjustments related to prior years (recording of previously non-recognized tax attributes carried forward and tax investment incentives relating to prior years but granted in 2024) and a non-taxable remeasurement gain. The normalized ETR for FY24 correcting for the above elements amount to a similar percentage as last year. The non-taxable income mainly relates to the application of general principles of tax law such as the patent and innovation income deduction applicable in Belgium.

Pillar II

The Pillar II Model Rules released on 20 December 2021 are part of the Two-Pillar Solution to address the tax challenges of the digitalisation of the economy that were agreed by 137 member jurisdictions of the OECD/G20 Inclusive Framework on BEPS and endorsed by the G20 Finance Ministers and Leaders in October 2021. The Pillar Two Model Rules are designed to ensure large multinational enterprises (MNEs) pay a minimum level of tax on the income arising in each jurisdiction where they operate.

Pillar Two legislation has been enacted or implemented in some jurisdictions where the Group is active, including in Belgium where the Group is headquartered. The Group is in scope of the Pillar II legislation, given its consolidated revenues exceed the applicable thresholds. The legislation is effective for the Group's financial year 2024.

IAS 12 has been amended and now includes a temporary exception to recognising and disclosing information about deferred tax assets and liabilities that are related to tax law that is enacted or substantively enacted to implement the Pillar Two legislation. The Group applies this temporary exception.

Currently, the implementation of Pillar II does not materially affect the Group's effective tax rate (ETR), deferred tax accounting and overall tax planning strategy. Therefore, the Group does not anticipate a material increase in its overall tax expenses due to Pillar II adjustments, with no substantial impact on cash tax outflows in the short to medium term.

Note 11. Assets and liabilities for pensions, other post-employment benefits and termination benefits

The Group has several plans that are summarized below:

	As at 31 December	
(EUR million)	2023	2024
Termination benefits and additional compensations in respect of restructuring programs	82	61
Defined benefit plans for complementary pension plans net liability / (net asset)	-187	-296
Other pension plans	1	3
Post-employment benefits other than pensions	293	293
Net asset recognized in the balance sheet	187	296
Net liability recognized in the balance sheet	377	358
Net liability (current)	40	34
Net liability (non-current)	337	324

The calculation of the liability is based on the assumptions established at the balance sheet date. The assumptions for the various plans have been determined based on both macro-economic factors and the specific terms of each plan relating to the duration and the beneficiary population.

The discount rate used for the valuation of pension plans, other post-employment benefit plans and termination benefits is based on the yield of Eurozone high quality corporate bonds with a duration matching the duration of such plans.

Note 11.1. Termination benefits and additional compensations in respect of restructuring programs

Termination benefits and additional compensations included in this chapter relate to employee restructuring programs. No plan assets are accumulated for these benefits.

In 2016, the Group implemented a voluntary leave program allowing for early termination from the age of 60 (or 58 for a small group). For certain participants to the early leave restructuring plan, benefits are paid from the age of 60 until the earliest retirement date. For those entering in the plan before the age of 60 and therefore required to render service until 60, the cost of the plan was recognized for the period of service still to be delivered between the moment of entering in the program and 60. The cost evolves with the index and the discount rate. The staff turnover is considered to be zero.

In 2019, Proximus launched its Fit for Purpose (FFP) transformation plan. An analysis based on the company's future challenges has led to the identification of areas of activity that either are being modified or that are disappearing. The provision for termination benefits was entirely booked as a result of a detailed and formal communication to those affected by the plan and as these benefits were not conditional to future service. The provision includes all benefits that are paid to the participants either at dismissal date or until earlier pensionable date. The provisions also include outplacement costs. The long-term part of the provision relates to the payments to be made after more than one year (mainly until pensionable date). This evolves with the index and discount rate. The staff turnover assumption is considered to be zero in the calculation.

Any subsequent re-measurement of the liability for termination benefits and additional compensations is recognized immediately in the profit or loss.

The funded status of the plans for termination benefits and additional compensations is as follows :

	As at 31 December	
(EUR million)	2023	2024
Benefit Obligation	82	61
Benefit obligation in excess of plan assets	82	61

The movement in the net liability recognized in the balance sheet is as follows :

	As at 31 December	
	2023	2024
At the beginning of the year	116	82
Total expense (income) for the period	2	3
Payment to the participants	-35	-23
At the end of the year	82	61

The liability for termination benefits and additional compensations was determined using the following assumptions:

	As at 31 December	
(EUR million)	2023	2024
Discount rate	3.20%	2.72%
Future price inflation	2.60%	2.60%

Sensitivity analysis

An increase or decrease of 0.5% in the effective discount rate involves a fluctuation of the liability by approximately EUR 1 million.

The Group expects to pay an amount of EUR 14 million for termination benefits and additional compensations in 2025. The payments in 2024 amounted to EUR 23 million.

Note 11.2. Defined contribution and benefit plans for complementary pensions

Defined benefit plans of Proximus SA and some subsidiaries

Proximus SA and some of its Belgian subsidiaries offer defined benefit pension plans for their employees. These plans provide pension benefits, for services as of 1 January 1997 at the earliest. They provide benefits based on salary and years of service. They are financed through the Proximus Pension Fund, a legally separate entity created in 1998 for that purpose.

The financing method is intended to finance the current value of future pension obligations (defined benefit obligation – DBO) relating to the years of service already rendered in the company and taking into account future salary increase. The financing method is derived from calculations under IAS 19. The annual contribution is equal to the sum of the service cost, the net financial cost (interest cost on DBO minus the expected interest income on plan assets) and the amortization of the difference between the assets and the DBO exceeding 10% of the higher of the DBO or the assets. Therefore, the amount contributed may differ from the amount recognized in the income statement.

At 31 December 2024, the assets of the Pension Fund exceed the minimum required by the pension regulator, being the technical provision. The technical provision represents the amount needed to guarantee the short-term and long-term equilibrium of the Pension Fund. It is constituted of the vested rights increased with an additional buffer amount in order to guarantee the long-term durability of the pension financing. The vested rights represent the current value of the accumulated benefits relating to years of service already rendered in the company and based on current salaries. They are calculated in accordance with the pension regulation and applicable law regarding actuarial assumptions.

As for most of defined benefit plans, the pension cost can be impacted (positively or negatively) by parameters such as interest rates, future salary increases and inflation. These risks are not unusual for defined benefit plans.

For the complementary defined benefit pension plan, actuarial valuations are carried out at 31 December by external independent actuaries. The defined benefit obligation (DBO) and the current service cost and past service cost are measured using the projected unit credit method.

The funded status of the pension plans is as follows :

	As at 31 December	
(EUR million)	2023	2024
Defined Benefit Obligation	785	807
Plan assets at fair value	-971	-1,103
Deficit / (surplus)	-187	-296

The components recognized in the income statement and other comprehensive income are as follows :

	Year ended 31 December	
(EUR million)	2023	2024
Current service cost - employer	45	47
Net interest	-6	-8
Recognized in the income statement	39	40
Remeasurements		
Actuarial (gains)/losses from changes in financial assumptions	-19	-7
Actuarial (gains)/losses from changes in demographic assumptions	0	0
Actuarial (gains) / losses arising from experience adjustments	38	-22
Actuarial (gains) / losses related to return on assets, excluding amounts included in the net interest cost	-69	-86
Recognized in other comprehensive income	-50	-115
Total	-12	-75

The movement in the net liability recognized in the balance sheet is as follows :

	Year ended 31 December	
(EUR million)	2023	2024
At the beginning of the year	-140	-187
Expense for the period recognized in the income statement	39	40
Remeasurement recognized in other comprehensive income	-50	-115
Contributions paid	-35	-33
Net deficit/ (Net surplus)	-187	-296

Change in plan assets:

	As at 31 December	
(EUR million)	2023	2024
At the beginning of the year	857	971
Interest income	30	32
Return on assets, excluding amounts included in the net interest expense	69	86
Contributions paid	35	33
Benefits payments and expenses	-20	-20
At the end of the year	971	1,103

Change in the defined benefit obligation:

	As at 31 December	
(EUR million)	2023	2024
At the beginning of the year	716	785
Service cost	45	47
Interest cost	24	25
Benefits payments and expenses	-20	-20
Actuarial losses/ (gain)	19	-29
At the end of the year	785	807

The pension liability was determined using the following assumptions:

	As at 31 December	
(EUR million)	2023	2024
Discount rate	3.30%	3.20%
Future price inflation	2.60%	2.60%
Nominal future salary increases	3.10%-3.85%	3.30%-3.85%
Nominal future baremic salary increase	3.60%-3.75%	3.60%-3.75%
Mortality	BE Prospective IA/BE	BE Prospective IA/BE

The staff turnover is considered in the calculation of the pension liability. For statutory employees it is assumed to be zero and for contractual employees is based on a degressive withdrawal rate based on the age.

The pension liability is determined based on the entity's best estimate of the financial and demographic assumptions which are reviewed on an annual basis.

The duration of the obligation is 12.93 years.

Sensitivity analysis

Significant actuarial assumptions for the determination of the defined benefit plans obligations are discount rate, inflation and real salary increase. The sensitivity analysis has been determined based on reasonable possible changes of the respective assumptions, while holding the other assumptions constant.

We expect, that considering the current uncertainties on the market, the level of discount rate to remain comparable in 2025 and that the inflation will slightly evolve but remain relatively high still for a relatively long period of time,

If the discount rate increases (or decreases) by 0.5%, the estimated impact on the defined benefit obligation would be a decrease (or increase) by around 6% to 7%.

If the inflation rate increases (or decreases) by 0.25%, the defined benefit obligation would increase (or decrease) by around 2% to 3%. If the real salary increases (decreases) by 0.25%, the defined benefit obligation would increase (decrease) by around 5 % to 6%.

Plan assets

The assets of the pension plans are detailed as follows:

	As at 31 December	
(EUR million)	2023	2024
Equity instruments	49.9%	51.5%
Debt instruments	35.8%	35.3%
Convertible bonds	4.5%	4.3%
Other (property, infrastructure, Private equity funds, insurance deposits)	9.8%	9.0%

The actual return on plan assets is as follows:

	As at 31 December	
(EUR million)	2023	2024
Actual return on plan assets	100	118

The investment strategy of the Pension Fund is defined to optimize the return on investment within strict limits of risk control and taking into account the profile of the pension obligations. The relatively long duration of the pension obligations (12.93 years) allows to allocate a reasonable portion of its portfolio to equities. Over the last five years, the pension fund has significantly increased the diversification of its investment portfolio across asset classes, regions and currencies in order to reduce the overall risk and improve the expected return.

At the end of 2024 the portfolio was invested by about 51.5% in listed equities (in Europe, US, World and Emerging Markets), about 35.3% in debt instruments (government bonds, corporate bonds, senior loans and private debt) and about 4.3% in convertible bonds (World ex US), the remaining part being invested in European infrastructure, global private equity, European non-listed real estate and cash. The actual implementation of the investments is outsourced to specialized asset managers.

Nearly all investments are done via mutual investment funds. Direct investments amount for less than 1% of the assets. Equity instruments, debt instruments (except private debt) and convertible bonds have quoted prices in active markets. The other assets, amounting for less than 10.0% of the portfolio are not quoted. The Pension Fund does not directly invest in Proximus shares or bonds, but it is not excluded that some Proximus shares, or bonds are included in some of the mutual investment funds in which the pension Funds invests.

The Proximus Pension Fund has taken a proactive approach about the inclusion of ESG criteria in its investment policy. As almost all investments are made through collective funds managed by external managers, this approach involves an ongoing dialogue with the managers, inviting them to take these criteria into account.

The Group expects to contribute an amount of EUR 23 million *to this Defined Benefit Plan in 2025*.

Other pension plans

The Group also operates another defined benefit plan with a more limited amplitude, being a Defined Benefit Obligation EUR 7 million and plan assets of EUR 5 million resulting in a net liability of EUR 2 million. A newly acquired subsidiary in the group operates limited amplitude unfunded gratuity plans, being a Defined Benefit Obligation EUR 1 million.

The Group operates some plans based on contributions for qualifying employees. For the plans operated abroad, the Group does not guarantee a minimum return on the contribution. For those operated in Belgium a guaranteed return is provided. All plans (operated in Belgium and abroad open and closed) are not material at Group level and do not present any net liability material for the Group.

Note 11.3. Post-employment benefits other than pensions

Historically, the Group grants to its retirees' post-employment benefits other than pensions in the form of socio-cultural aid premium, train tickets and other social benefits including a subsidized hospitalization plan. There are no plan assets for such benefits.

The subsidy to the hospitalization plan is based on an indexed fixed amount per beneficiary.

The funded status of the plans is as follows :

	As at 31 December	
(EUR million)	2023	2024
Defined Benefit Obligation	293	293
Net liability recognized in the balance sheet	293	293

The components recognized in the income statement and other comprehensive income are as follows :

	Year ended 31 December	
(EUR million)	2023	2024
Current service cost - employer	3	3
Interest cost	10	9
Expense recognized in the income statement, before curtailment, settlement and special termination benefits	13	12
Special termination benefits		
Curtailment or settlement loss / (gain) and past service cost	0	-2
Recognized in the income statement	13	10
Remeasurements		
Actuarial losses from changes in financial assumptions	1	6
Effect of experience adjustments	-1	-1
Recognized in other comprehensive income	0	5
Total	13	15

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The movement in the net liability recognized in the balance sheet is as follows :

	As at 31 December	
(EUR million)	2023	2024
At the beginning of the year	295	293
Expense for the period recognized in the income statement	13	10
Remeasurement recognized in other comprehensive income	0	5
Payment to the participants	-15	-15
At the end of the year	293	293

The liability for post-employment benefits other than pensions was determined using following assumptions :

	As at 31 December	
	2023	2024
Discount rate	3.30%	3.20%
Future cost trend (index included)	2.60%	2.60%
Mortality	BE Prospective IA/BE	BE Prospective IA/BE

The liability for post-employment benefits other than pensions is determined based on the entity's best estimate of the financial and demographic assumptions which are reviewed on an annual basis.

The duration of the obligation is 11.75 years.

Sensitivity analysis

Significant actuarial assumptions for the determination of the defined benefit plans obligations are discount rate, inflation, future cost trend and mortality. The sensitivity analysis has been performed based on reasonable possible changes of the respective assumptions, while holding the other assumptions constant.

If the discount rate increases (or decreases) by 0.5%, the defined benefit obligation would decrease (or increase) by around 6%.

If the future cost trend increases (or decreases) by 0.5%, the defined benefit obligation would increase (or decrease) by around 6%.

If a 1-year age correction would be applied to the mortality tables, the defined benefit obligation would change by around 4%.

The Group expects to contribute an amount of EUR 17 million to these plans in 2025.

Note 12. Other non-current assets

(EUR million)	Note	As at 31 December 2023	As at 31 December 2024
Other derivatives	32.1	71	1
Income tax receivable		0	3
Other financial assets at amortized cost		21	113
Total		92	117

The amount of EUR 71 million at December 31, 2023, relating to derivatives, consisted mainly of the following items:

- A 10-year forward starting interest rate swap for a notional amount of EUR 500 million entered on February 2022 to cover the Group exposure to the variability in cash flows attributable to the long-term interest rate risk associated with a highly probable forecasted transactions, being a 10-year bond to be issued in April 2025. The Group applies hedge accounting to this swap. The fair value of this financial instrument amounted to EUR 58 million as at 31 December 2023.
- A zero-cost collar swaption entered by the group in 2023 to protect the value of its existing pre-hedging interest rate swap against interest rates fluctuations. The fair value of this financial instrument amounted to EUR 13 million as at 31 December 2023.

These two financial instruments were reclassified as short-term during 2024, their underlying maturing in 2025 (see note 15).

Other financial assets concern long term cash guarantees and long-term receivables non-trade. As of 31 December 2024, these assets comprise a seller's indemnification asset of EUR 93 million, exclusively benefiting Proximus Global. This asset is recognized in relation to contingent liabilities within the framework of Route Mobile Purchase Price Allocation (PPA) (see note 8.4).

Note 13. Inventories

(EUR million)	As at 31 December 2023			As at 31 December 2024		
	Gross amount	Written off	Net amount	Gross amount	Written off	Net amount
Raw materials, consumables and spare parts	55	-6	48	43	-6	37
Work in progress and finished goods	21	0	21	27	0	27
Goods purchased for resale	95	-5	89	86	-3	83
Total	171	-12	159	156	-8	147

'Raw materials, consumables, and spare parts' are mainly materials for the gigabit network, like cables and installation tools.

'Work in progress and finished goods' contain mainly projects which are not yet completed.

Goods purchased for resale are CPE's (customer premises equipment), like smartphones/tablets and their related accessories (52%), equipment for internet and TV at home (decoders (13%), modems (13%), TV's (3%)), ICT equipment (12%), terminals (4%) and PABX (2%).

Note 14. Trade receivables and contract assets

14.1 Trade receivables

	As at 31 December	
(EUR million)	2023	2024
Trade receivables	866	1,046
Trade receivables - gross amount	952	1,128
Loss allowance	-86	-82

Trade receivables are amounts due by customers for goods sold or services performed in the ordinary course of business. Most trade receivables are non-interest bearing and are usually on 30-90 days terms. For TeleSign most customers have a 30-day term, with few exceptions which have a 60-day term. Terms are somewhat longer for the receivables of the International Carrier Services segment (BICS) since major part of its trade receivables relates to other Telco operators. Given the bilateral nature of BICS business, netting practice is very common, but this process can be quite long. The related netting agreements are not legally enforceable.

BICS business being rather volatile, therefore when analysing variances in the cashflow those related to trade receivables and trade payables should be considered together.

For the Domestic business, the netting payment is also applied with some other telecom operators.

Route Mobile applies netting payments for a limited number of customers. The amounts concerned are immaterial.

For the years presented, no trade receivables were pledged as collaterals. In 2024, Proximus Group received bank and parent guarantees of EUR 7 million (in 2023, EUR 7 million) as securities for the payment of outstanding invoices.

14.2 Contract assets

	As at 31 December	
(EUR million)	2023	2024
Contract assets gross	176	210
Settled within 12 months of the reporting period	127	152
Settled after 12 months of the reporting period	49	58
Loss allowance	-10	-12
Contract assets net	167	198

The evolution of the gross amount of the contract assets during the year, can be explained as follows:

	As at 31 December	
(EUR million)	**2023**	**2024**
Balance at 1 Jan	145	176
Decrease in contract assets relating to existing contracts in the opening balance	-165	-203
Normal evolution	-142	-173
Anticipated termination	-23	-30
New contract assets	197	236
Balance at 31 Dec	176	210

Contract assets are mainly generated by contracts containing joint mobile and fixed-line telephony offers with a subsidized handset and services to be provided over a 24-month period. (see note 2). The increase in the balance of contract assets compared with 2023 is mainly due to the increase in the number of Proximus SA contracts in force at the end of 2024, and to the increase in the price of handsets included in the offers.

14.3 Loss allowance on trade receivables and contract assets

The group applies the IFRS 9 simplified approach for measuring the expected credit losses. This approach uses a lifetime expected loss allowance for all trade receivables and contract assets. To measure the expected credit losses, trade receivables and contract assets of residential and corporate markets have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to a right to consideration in exchange of goods and services that have already transferred and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Group has therefore concluded that the expected loss rates for trade receivables of the residential and corporate markets are a reasonable approximation of the loss rates for the contract assets. These expected loss rates correspond to historical credit losses experienced. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

The methodology applied to measure the expected credit losses for trade receivables is described in note 2.20.3.

The analysis of trade receivables that were past due but not impaired is as follows:

As at 31 December (EUR million)	Gross receivables / contract assets	Loss allowance	Net carrying amount	Not past due	Past due < 30 days	Past due 30-60 days	Past due 60-90 days	Past due 90-180 days	Past due 180-360 days	Past due > 360 days
Trade receivables										
2022	1,025	-87	938	593	86	42	25	60	10	123
2023	952	-86	866	557	85	25	16	49	25	110
2024	1,128	-82	1,046	700	105	48	23	49	25	96
2024 % loss allowance on trade receivables			7%	1%	1%	3%	8%	17%	21%	35%
The loss allowance on contract assets was as follows :										
Contract assets	210	-12	198	198						
2024 % loss allowance on contract asset			6%	6%						

The closing loss allowances for trade receivables and contract assets as at 31 December 2024 reconciles to the opening loss allowances as follows:

The evolution of the allowance for doubtful debtors is as follows:

(EUR million)	Trade receivables	Contract assets	Total
As at 1 January 2023	87	8	95
Increase in loss allowance through income statement	34	2	36
Receivables written off as uncollectible	-33	0	-33
Other movements	-1	0	-1
As at 31 December 2023	86	10	96
Increase in loss allowance through income statement	32	2	34
Receivables written off as uncollectible	-37	0	-37
As at 31 December 2024	82	12	93

Note 15. Other current assets

(EUR million)	Note	As at 31 December 2023	As at 31 December 2024
VAT receivables		6	13
Derivatives	32.1	2	69
Prepaid expenses		153	181
Accrued income		4	5
Other receivables		36	61
Total		202	329

The amount of EUR 69 million at December 31, 2024, relating to derivatives, consisted mainly of two financial instruments reclassified from the other non-current assets during 2024 (see note 12):

- a 10-year forward starting interest rate swap for a notional amount of EUR 500 million, that was entered on February 2022 to cover the Group exposure to the variability in cash flows attributable to the long-term interest rate risk associated with one highly probable forecasted transaction, being the issue of a 10-year bond to be issued in April 2025. The Group applies hedge accounting to this swap. The fair value of this instrument amounted to EUR 56 million as of 31 December 2024.
- a zero-cost collar swaption entered by the group in 2023 to protect the value of its existing pre-hedging interest rate swap against interest rates fluctuations. The fair value of this financial instrument amount to EUR 12 million as at 31 December 2024. The Group does not apply hedge accounting to this financial instrument.

Prepaid expenses growth is largely due to ICT fees (EUR 105 million in 2024 versus EUR 75 million in 2023), spectrum interests (EUR 26 million in 2024 versus EUR 35 million in 2023) (see also Note 29 and 32.2 for P&L impact of spectrum interests), and fiber deployment (EUR 17 million in 2024 versus EUR 8 million in 2023).

Other receivables increase is mainly related to short-term security deposits (EUR 30 million 2024 versus EUR 0 million in 2023) originating from the acquisition of Route Mobile.

Note 16. Non-current assets held for sale

(EUR million)	Assets		Liabilities	
As at 31 December	2023	2024	2023	2024
Proximus Towers	99	62	0	0
Datacenter business	0	23	0	2
Mobile towers infrastructure in Luxemburg	0	8	0	8
Total	99	94	0	10

Proximus Towers

Following the termination of the redevelopment project of Proximus headquarters with Immobel, Proximus launched a new Request for Proposal (RFP) in September 2024 for its new headquarters in Brussels. This RFP included specific minimum requirements for the disposal of the towers. By December 2024, Proximus had entered the final phase of the RFP selection process and, therefore, considered the criteria for classifying this asset as held for sale to be met as of December 31, 2024. The

Group recognized an impairment loss of EUR 36 million in December 2024 to adjust the carrying amount of the assets concerned to their fair value less cost to sell.

(EUR million)	Land and buildings	Technical equipment	Total
Cost	364	18	383
Depreciation	-272	-12	-284
Carrying amount as of 31 December 2023	92	6	99
Impairment loss	-30	-6	-36
Carrying amount as of 31 December 2024	62	0	62

Sale of datacenter business to Datacenter United

In the fourth quarter of 2024, Proximus reached an agreement with the Belgium-based service provider Datacenter United to sell its datacentre business for an enterprise value of EUR 128 million. The transaction is expected to close by the first quarter of 2025, pending applicable regulatory approvals and the completion of social dialogue regarding the transfer of affected employees. The transaction perimeter includes real estates in Evere and Mechelen.

The table below provides the carrying amount of the main assets and liabilities associated with the business to be transferred, which were reclassified as 'held for sale' as of December 31, 2024.

Carrying amount of the assets and liabilities classified as "held for sale" (in EUR million)	As at 31 December 2024
Plant property and equipment	23
Assets classified as held for sale	23
Trade payable	2
Liabilities classified as held for sale	2

Sale of mobile tower infrastructure in Luxembourg

Proximus Group signed on November 2024 a binding agreement with InfraRed Capital Partners (InfraRed) to sell 100% of the shares of Proximus Luxembourg Infrastructure (PLI) for a total consideration of EUR 108 million (including cash on the balance sheet) to InfraRed's European Infrastructure Income Fund 4 (EIIF4). In the context of this transaction, Proximus Luxembourg will remain an anchor tenant on the sites transferred.

The table below provides the carrying amount of the main assets and liabilities associated with the business to be transferred, which were reclassified as 'held for sale' as of December 31, 2024.

Carrying amount of the assets and liabilities classified as "held for sale" (in EUR million)	As at 31 December 2024
Plant property and equipment	4
Right-of-Use PPE	4
Assets classified as held for sale	8
Leasing and similar obligations	4
Provisions for liabilities and charges	2
Current tax liabilities	2
Liabilities classified as held for sale	8

Note 17. Investments and Cash and cash equivalents

		As at 31 December	
(EUR million)	Note	2023	2024
Marketable securities		0	2
Term account at amortized costs		0	40
Investments		0	41
Term account at amortized costs	32.4	488	252
Cash at bank and in hand	32.4	227	245
Cash and cash equivalents		716	497

Note 17.1. Investments

Investments rose by EUR 41 million in 2024 compared to 2023, following the acquisition of Route Mobile. These investments, managed by Route Mobile, consist of EUR 39 million in short-term deposits with original durations exceeding three months, and EUR 2 million in fund shares, which are remeasured at fair value through profit and loss (level 2 financial instruments).

Note 17.2 Cash and cash equivalents

Short-term deposits are made for original periods varying between one day and three months, depending on the immediate cash requirements of the Group, and earn or pay interest at the respective short-term deposit rates. Interest rates applied on cash with banks are floating as corresponding to the daily bank deposit rates.

The cash and cash equivalents are held with financial institutions, sovereign and supranational agencies, money market funds counterparties with a long-term credit rating of minimum A-. Therefore, the expected credit loss on cash and cash equivalents is deemed immaterial.

Note 18. Equity

Note 18.1 Shareholders' equity

At 31 December 2024, the share capital of Proximus SA amounted to EUR 1 billion (fully paid up), represented by 338,025,135 shares, with no par value and all having the same rights, provided such rights are not suspended or cancelled in the case of treasury shares. The Board of Directors of Proximus SA is entitled to increase the capital for a maximum amount of EUR 200 million until September 6, 2026.

The Company may acquire its own shares and transfer the shares thus acquired in accordance with the provisions of the New Commercial Code of Companies and Associations. The Board of Directors is empowered by article 13 of the Articles of Association to acquire the maximum number of own shares permitted by law. The price paid for these shares must not be more than five percent above the highest closing price in the thirty-day trading period preceding the transaction nor more than ten percent below the lowest closing price in that same thirty-day period. Said authorization is renewed and granted for a period of five years as of 21 April 2021.

In December 2015, a new law was adopted by the Belgian Parliament with the purpose of modernizing the 1991 Law reforming certain economic public companies, especially by the flexibility of certain organizational constraints in order to create a level playing field with competing companies, by aligning the corporate governance to the normal rules for listed companies in Belgium and by defining the framework for the government to decrease their participation below 50%. The General Shareholders Meeting of 2016 decided to change the bylaws in order to incorporate the amendments made to the 1991 Law.

On 31 December 2024, the number of treasury shares amounted to 15,563,461 (15,401,433 in 2023).

In 2024 and 2023, the Group sold respectively 7,709 and 2,746 treasury shares to its senior management for less than EUR 1 million under share purchase plans at a discount of 16.66% (see note 35). In addition, on July 25, 2024, the Board of Directors decided to grant 75,000 shares for free to the Chief Executive Officer (see note 35).

Number of shares (including treasury shares):	2023	2024
As at 1 January	338,025,135	338,025,135
As at 31 December	338,025,135	338,025,135

Number of treasury shares:	2023	2024
As at 1 January	15,632,628	15,401,433
Sale under a discounted share purchase plan	-2,746	-7,709
Free grant of shares	0	-75,000
Purchase / (Sale) of treasury shares	-228,449	244,737
As at 31 December	15,401,433	15,563,461

Following specific significant events have impacted the equity attributable to the shareholders in 2024:

- The issuance of a hybrid bond for EUR 700 million:
  On 2 October 2024, Proximus completed the placement of an inaugural hybrid bond issuance for an amount of EUR 700 million (pricing date: 25 September 2024). The hybrid notes are subordinated, perpetual and will initially carry a coupon of 4.75% until 2 October 2031 (the "First Reset Date"), with a reset on that date and every five years thereafter. The notes will be callable from 2 July 2031 to the First Reset Date and on any interest payment date thereafter. The hybrid bond is rated BB+ by S&P and Baa3 by Moody's and are eligible to an intermediate 50% equity content from both S&P and Moody's. The Group classified this hybrid bond as equity instrument as the security is a perpetual instrument without any obligation for the Group to redeem the principal amount except under the winding-up of the issuer which corresponds, based on the terms and conditions of the contract, to the current definition of liquidation under IAS 32..
  The accrued interests and the issuance costs, amounting to EUR 12 million as of 31 December 2024, were recognized directly in equity.
- Acquisition of control of Route Mobile (+ EUR 181 million):
  As explained in note 8.4, the Group acquired the control of Route Mobile in 2024. The transaction itself (impact on equity: EUR 165 million), followed by a partial disposal of the Group stake in the entity (EUR 47 million), in compliance with the Indian regulation, and the contribution of BICS shares from Proximus SA to Proximus Global (EUR -32 million), led to an increase of the shareholders' equity by EUR 181 million.

Note 18.2 Non-controlling interests

Non-controlling interests increased in 2024 essentially due to the acquisition of control in Route Mobile in May 2024 (see Note 8.4). The transaction itself (+ EUR 138 million), followed by a partial disposal of the Group stake in the entity (+ EUR 43 million), in compliance with the Indian regulation, and the contribution of BICS shares from Proximus SA to Proximus Global (EUR 32 million), led to an increase of the shareholders" equity by EUR 213 million.

Note 19. Interest-bearing liabilities

Note 19.1 Non-current interest-bearing liabilities

		As at 31 December	
(EUR million)	Note	2023	2024
Unsubordinated debt (bonds, notes)		2,881	3,079
Credit institutions		400	884
Other loans		27	19
Total		3,308	3,981

2024 events

On March 20, 2024, Proximus issued an EUR 700 million bond that carries an annual fixed coupon of 3.75% with a 10-year maturity due March 27, 2034. The issue is rated BBB+ by S&P and A2 by Moody's, in line with the long-term credit rating of Proximus.

Proximus acquired control of Fiberklaar on August 1, 2024 (see note 8.4). The entity had signed a capex facility with a consortium of credit institutions to finance the rollout of its fibre optic network. The capex facility is drawn based on the entity's capex needs. The interest rate applicable to the entire amount borrowed is variable and reviewed quarterly (last applicable rate was 5.65%). The entire credit line is repayable in full in October 2028. As of 31 December 2024, the amount borrowed amounted to €480 million (EUR 460 million at acquisition date).

An EUR 500 million bond has been transferred from non-current to current interest-bearing liabilities as maturing in October 2025.

On 2 October 2024, Proximus completed the placement of an inaugural hybrid bond issuance for an amount of EUR 700 million (pricing date: 25 September 2024). The financial instrument is classified entirely as equity (see notes 2 and 18) and is consequently not included in the table above.

2023 events

On March 8, 2023, Proximus issued an EUR 500 million bond carrying an annual fixed coupon of 4.00% with a 7-year maturity due 8 March 2030. The cash flow hedge for a nominal amount of EUR 500 million was unwound at that date and resulted in a payment of EUR 20 million received from the hedge counterparty.

On the 10th of November 2023, Proximus successfully priced a EUR 750 million bond transaction. The bond carries a coupon of 4.125% and has a 10-year maturity due on the 17th of November 2033. The related cash flow hedge for a nominal amount of EUR 600 million was unwound at that date and resulted in a payment of EUR 111 million received from the hedge counterparty.

An EUR 600 million bond had been transferred from non-current to current interest-bearing liabilities in 2023 as maturing in April 2024.

Other

In 2021, Proximus entered a partnership with HCL Technologies whereby that company operates and maintains Proximus' private cloud infrastructure. Other loans consist in the long-term part of the asset financing arrangement (nominal amount of EUR 65 million) received by Proximus in 2022. As at 31 December 2024, Proximus had already repaid this financial liability for

EUR 37 million (EUR 28 million by year-end 2023) resulting from the partnership, for the infrastructure that remains in the Proximus datacenters and under its control.

All long-term debt is unsecured. During 2024 and 2023 there have been no defaults or breaches on loans payables.

Non-current interest-bearing liabilities as at 31 December 2024 are summarized as follows:

	Carrying amount (EUR million)	Nominal amount (EUR million)	Measurement under IFRS 9	Maturity date	Interest payment / repriceable (b)	Interest rate payable	Effective interest rate
Unsubordinated debentures							
Floating rate borrowings							
JPY (a)	11	11	Amortized cost	Dec-26	Semi-annually	2.48%	2.48%
Fixed rate borrowings							
EUR	150	150	Amortized cost	Mar-28	Annually	3.19%	3.22%
EUR	100	100	Amortized cost	Sep-31	Annually	1.75%	1.78%
EUR	150	150	Amortized cost	May-40	Annually	1.50%	1.52%
EUR	734	750	Amortized cost	Nov-36	Annually	0.75%	1.05%
EUR	496	500	Amortized cost	Mar-30	Annually	4.00%	3.60%
EUR	744	750	Amortized cost	Nov-33	Annually	4.13%	2.75%
EUR	694	700	Amortized cost	Mar-34	Annually	3.75%	3.86%
Credit institutions							
Fixed rate borrowings							
EUR	400	400	Amortized cost	Mar-28	Annually	1.23%	1.04%
Floating rate borrowings							
EUR	480	480	Amortized cost	Dec-28	Quarterly	5.65%	5.65%
USD	4	4	Amortized cost	Oct-26	Quarterly	7.28%	7.28%
Other loans							
EUR	19	19	Amortized cost	Nov-28	Monthly	3.04%	3.04%
Total	3,981	4,013					

(a) converted into a floating rate borrowing in EUR via currency interest rate swap
(b) for floating rate borrowings, interest rate is the one prevailing at the last repricing date before 31 December 2024

Non-current interest-bearing liabilities as at 31 December 2023 are summarised as follows:

	Carrying amount (EUR million)	Nominal amount (EUR million)	Measurement under IFRS 9	Maturity date	Interest payment / repriceable (b)	Interest rate payable	Effective interest rate
Unsubordinated debentures							
Floating rate borrowings							
JPY (a)	11	11	Amortized cost	Dec-26	Semi-annually	3.76%	3.76%
Fixed rate borrowings							
EUR	150	150	Amortized cost	Mar-28	Annually	3.19%	3.22%
EUR	499	500	Amortized cost	Oct-25	Annually	1.88%	2.05%
EUR	150	150	Amortized cost	May-40	Annually	1.50%	1.52%
EUR	733	750	Amortized cost	Nov-36	Annually	0.75%	1.05%
EUR	495	500	Amortized cost	Mar-30	Annually	4.00%	3.60%
EUR	100	100	Amortized cost	Sep-31	Annually	1.75%	1.78%
EUR	743	750	Amortized cost	Nov-33	Annually	4.13%	2.75%
Credit institutions							
Fixed rate borrowings							
EUR	400	400	Amortized cost	Mar-28	Annually	1.23%	1.04%
Other loans							
EUR	27	27	Amortized cost	Nov-28	Monthly	3.04%	3.04%
Total	3,308	3,338					

(a) converted into a floating rate borrowing in EUR via currency interest rate swap
(b) for floating rate borrowings, interest rate is the one prevailing at the last repricing date before 31 December 2023

Unsubordinated debentures in EUR and in JPY are issued by Proximus SA. The capital is repayable in full on the maturity date. Loans from credit institutions labelled in USD were part of the liabilities assumed when Proximus acquired Route Mobile (see note 8.4).

Over the two years presented, an interest rate and currency swap (IRCS) was used to manage the currency and interest rate exposure on the JPY unsubordinated debentures. The swap enabled the Group to transform the interest rate on these debentures which are fully hedged economically, from a fixed interest rate to a floating interest rate. and converting the remaining liability in JPY into fixed rate liability in EUR (see note 32.1).

The group used interest rate swaps to mitigate the risk of interest rate variations between the hedge inception date and the issuance date of highly probable fixed rate long-term debts. In the tables above, the effective interest rates of the debts affected by these hedges incorporate the effects of these hedges once they have matured.

Among all the bonds listed above, only the €400 million bond issued by Proximus from the EIB on March 7, 2018, with a maturity date in 2028, included covenants. These covenants could trigger a mandatory prepayment of the bond in following situations:

- Change of Law. Change of Law typically refers to any modification, repeal, or introduction of new laws, regulations, directives, treaties, or legal interpretations that could impact the terms, performance, or enforceability of the loan agreement.
- Illegality.

- Loss-of-rating event. A loss-of-rating event includes situations where:
    i. the Group S&P credit rating would drop to BBB or below, or
    ii. the Group Moody's credit rating would drop to Baa2 or below, or
    iii. all of the credit ratings of both rating agencies referred to cease to be published.
- Proximus currently has a S&P credit rating of BBB+ and a Moody's credit rating of A3.

These conditions were met at the end of the reference period and the Group expects this to be the case for the entire term of the loan.

As of December 31, 2024, there were no indications of potential non-compliance with these covenants within the twelves next months.

Note 19.2 Current interest-bearing liabilities

	As at 31 December	
(EUR million)	2023	2024
Current portion of amounts payable > 1 year		
Unsubordinated debt (bonds, notes)	600	499
Credit institutions	0	17
Other loans	10	9
Credit institutions	1	0
Total	611	525

2024 events

A bond of EUR 500 million will mature in October 2025 and was transferred from non-current to current interest-bearing liabilities.

An EUR 600 bond had been transferred from non-current to current interest-bearing liabilities in 2023. It.matured in April 2024.

2023 events

The Group repaid in May 2023 a bond of EUR 100 million which was transferred from non-current to current interest-bearing liabilities in 2022.

Other

The other loan represents the current portion part of the asset financing arrangement with HCL.

The tables below detail the current portion of the unsubordinated debentures maturing within one year.

Current interest-bearing liabilities as at 31 December 2024 are summarised as follows:

	Carrying amount (EUR million)	Nominal amount (EUR million)	Measurement under IFRS 9	Maturity date	Interest payment / repriceable	Interest rate payable	Effective interest rate
Current portion of interest-bearing-liabilities > 1 year							
Unsubordinated debentures							
Fixed rate borrowings							
EUR	499	500	Amortized cost	Oct-25	Annually	1.88%	2.05%
Credit institutions							
Floating rate borrowings							
USD	2	2	Amortized cost	Apr-25	Quarterly	6.99%	6.99%
USD	14	14	Amortized cost	Oct-25	Quarterly	7.28%	7.28%
Other loans							
Fixed rate borrowings							
EUR	9	9	Amortized cost	Nov-25	Monthly	3.04%	3.04%
Total	525	526					

Current interest-bearing liabilities as at 31 December 2023 are summarized as follows:

	Carrying amount (EUR million)	Nominal amount (EUR million)	Measurement under IFRS 9	Maturity date	Interest payment / repriceable	Interest rate payable	Effective interest rate
Current portion of interest-bearing-liabilities > 1 year							
Unsubordinated debentures							
Fixed rate borrowings							
EUR	600	600	Amortized cost	Apr-24	Annually	2.38%	2.46%
Other loans							
EUR	10	10	Amortized cost	Nov-28	Monthly	3.04%	3.04%
Interest-bearing-liabilities							
Credit institutions							
Fixed rate borrowings							
EUR	1	1	Amortized cost	Daily	Daily	8.90%	8.90%
Total	611	611					

Note 19.3 Information about the Group financing activities related to interest-bearing liabilities

(EUR million)	As at 31 December 2023	Cash flow issuance	Cash flow repayments	Non-cash changes	As at 31 December 2024
Non-current					
Unsubordinated debt (bonds, notes)	2,881	694	0	-496	3,079
Credit institutions	400	20	0	464	884
Other loans	27	0	0	-9	19
Current portion of amounts payable > one year					
Unsubordinated debt (bonds, notes)	600	0	-600	499	499
Credit institutions held to maturity	0	0	-14	31	17
Other current interest-bearing liabilities					
Credit institutions	1	0	-1	0	0
Other loans	10	0	-10	9	9
Total liabilities from financing activities excluding lease liabilities	3,919	714	-625	498	4,506
Lease liabilities current and non-current	298	0	0	-4	294
Total liabilities from financing activities including lease liabilities	4,217	714	-625	494	4,800

(EUR million)	As at 31 December 2022	Cash flow issuance	Cash flow repayments	Non-cash changes	As at 31 December 2023
Long-term					
Unsubordinated debt (bonds, notes)	2,239	1,238	0	-597	2,881
Credit institutions	400	0	0	0	400
Other loans	37	0	0	-10	27
Current portion of amounts payable > one year					
Unsubordinated debt (bonds, notes)	100	0	-100	600	600
Credit institutions held to maturity	1	0	-1	0	0
Other current interest-bearing liabilities					
Credit institutions	0	1	0	0	1
Other loans	10	0	-10	10	10
Unsubordinated debt (bonds, notes)	477	0	-477	0	0
Total liabilities from financing activities excluding lease liabilities	3,264	1,239	-588	3	3,919
Lease liabilities current and non-current	272	0	-92	119	298
Total liabilities from financing activities including lease liabilities	3,535	1,239	-680	122	4,217

2024 events

The cash flow issuance of EUR 694 million corresponds to the issuance of an EUR 700 million bond on March 20, 2024, net of transaction costs and re-offer price effects. The increase in loan from credit institutions (EUR 20 million) corresponds to the additional amount borrowed by Fiberklaar for the deployment of its fibre network since its acquisition by Proximus Group.

The non-cash charges related to the credit institutions in 2024, refer essentially for the non-current items to the loans assumed in the business combination involving Fiberklaar, for EUR 460 million, and Route Mobile for the balance. For the current portion of non-current credit institutions, the amount of EUR 31 million is entirely related to Route Mobile acquisition.

The 2024 non-cash changes were also affected by the transfer from non-current to current of the EUR 500 million bond maturing in October 2025.

The cash flow repayments and the non-cash changes in relation with the current and non-current other loans in 2024 and 2023 relate to the short-term and long-term part of the asset financing arrangement (nominal amount of EUR 65 million) foreseen in the context of that partnership with HCL Technologies (see note 19.1).

2023 events

The cash flow issuance of EUR 1,238 million corresponds to the cash obtained by Proximus from the two bonds emissions (March and November 2023), net of all directly related costs of issuance.

The non-cash changes in 2023 refer to the transfer of a EUR 600 million bond from non-current to current.

Note 20. Provisions

(EUR million)	Workers' accidents	Litigation / Claims	Illness days	Dismantling pylons	Business combinations	Other	Total
As at 1 January 2023	26	29	14	41	0	25	136
Additions	1	7	0	0	0	7	15
Utilisations	-2	-1	0	-2	0	-1	-6
Withdrawals	0	-4	-1	0	0	-6	-11
Unwinding	1	1	0	0	0	1	3
As at 31 December 2023	26	32	13	40	0	27	137
Additions	0	5	0	1	105	16	126
Utilisations	-2	-7	0	-5	0	-2	-17
Withdrawals	-1	-2	-1	0	0	-7	-11
Unwinding	1	1	0	0	0	0	3
Held for sale	0	0	0	-2	0	0	-2
Transfer to ST	0	0	0	0	0	-3	-3
Transfer	0	3	0	0	1	-4	0
As at 31 December 2024	24	31	12	34	106	27	233

The provision for workers' accidents relates to compensation that Proximus SA should pay to members of personnel injured (including professional illness) when performing their job and on their way to work. Until 31 December 2002, according to the law of 1967 (public sector) on labour accidents, compensation was funded and paid directly by Proximus. This provision (annuities part) is based on actuarial data including mortality tables, compensation ratios, interest rates and other factors defined by the law of 1967 and calculated with the support of a professional insurer. Considering the mortal ity table, it is expected that most of these costs will be paid out until 2062. As from 1 January 2003, contractual employees are subject to the law of 1971 (private sector) and statutory employees remain subject to the law of 1967 (public sector). For both the contractual and statutory employees, Proximus is covered as from 1 January 2003 by insurance policies for workers' accidents and therefore will not directly pay members of personnel.

The provision for litigation/claims represents management's best estimate for probable losses due to pending litigation where the Group has been sued by a third party or is subject to a judicial dispute. The expected timing of the related cash outflows depends on the progress and duration of the underlying judicial procedures. It also represents claims that arise from damage suffered by third parties for which Proximus is held liable.

The provision for illness days represents management's best estimate of probable charges related to the granting by Proximus of accumulating non-vesting illness days to its statutory employees.

The provision for dismantling of pylons includes the expected costs for dismantling and restoration of the sites on which the antennas are located. It is expected that most of these costs will be paid during the period 2024-2050. The provision for restoration costs is estimated at current prices and discounted using a discount rate of 3.4% based on the expected timing to settle the obligation.

The Group recognized the fair value of a contingent liability within the framework of the Route Mobile purchase price allocation (see note 8.4)

The provision for other risks is mainly HR-related (time saving, jubilee premium, ...).

Note 21. Other non-current payables

	As at 31 December	
(EUR million)	**2023**	**2024**
Other non-current payables interest-bearing	559	522
Other non-current payables non-interest-bearing	45	31
Derivatives	1	3
Other amounts payable	44	28
Total	604	553

The interest-bearing liabilities include spectrum licenses. This non-current interest-bearing payable is settled through annual instalments over the life of the license (note 4 and 29). The interest on the payable is calculated on the outstanding long-term debt. The legal interest rate used is equal to the average of the 1-year EURIBOR interest rate for the month of December of the previous year, rounded up to the nearest quarter % and increased by 2%.

The non-interest-bearing liabilities include broadcasting and content rights payable over the part of the contract duration that is more than one year (mostly less than 5 years), the part of the spectrum licenses that is non-interest-bearing, and the fair value of the part of the Virtual Power Purchase Agreement (see note 2) that will settle in more than one year (EUR 3 million).

The transfer of long-term debts to short-term debts was greater than the new additions in 2024, which explains the decrease in the balance of other non-current debts compared to the situation end of 2023.

Note 22. Other current payables

	As at 31 December	
(EUR million)	**2023**	**2024**
VAT payables	42	41
Payables to employees	121	134
Accrual for holiday pay	97	101
Accrual for social security contributions	51	67
Advances received on contracts	41	12
Other taxes	108	118
Deferred income	11	8
Accrued expenses	44	65
Other debts non-interest-bearing	150	279
Subtotal Other debts non-interest-bearing	666	824
Other debts interest-bearing	37	37
Subtotal Other current payables	703	861
Contract Liability	126	121
Total	829	982

Contract liabilities comprise the Group's obligation to transfer goods or services in the future to a customer for which the Group has received consideration from the customer or the amount is due. The part of the contract liability as of 31 December 2023 recognized in revenue in 2024 is disclosed in Note 23.

The increase of the captions "payables to employees" and "accrual for social security contribution" is mainly linked to the implementation of a different concept on bonus calculation. The increase of the caption "other taxes" is linked to an increase of property tax and tax on pylons. The increase of the accrued expenses is due to the increase of the accrued interest payables. The decrease in the "advances received" is linked to the recognition in the 2024 income statement of the EUR 30 million indemnity received from Immobel in 2023.

The other debts interest and non-interest-bearing are mainly payables linked to broadcasting, spectrum and the portion of Fiberklaar' s purchase price deferred to last quarter of 2025 (see note 8.4).

Tax on pylons

Local taxes on mobile network equipment have been levied by certain provinces and municipalities for over 20 years in Belgium.

Proximus has consistently challenged the legality of these taxes in all regions, based on a variety of legal arguments. The European Court of Justice ruled in two Proximus cases of December 2015 that a tax on pylons is not, per se, in contradiction with European law. Proximus continues to launch legal proceedings with respect to taxes on pylons received from municipalities and provinces in the three regions based on other arguments.

Provisions are recorded based on assessments of the legal proceedings of outside counsel based on prevailing case law. Interest charges for unpaid tax bills are recorded monthly at the legal tax rate.

The position recognized in the Financial Statements reflects management's best estimate of the probable outcome.

Note 23. Net revenue

Net revenue corresponds to the revenue from contracts with customers. The group derives revenue from the transfer of goods and services over time and at a point in time as follows:

	As at 31 December	
(EUR million)	**2023**	**2024**
Net revenue recognized at one point in time	710	728
Net revenue recognized over time	5,283	5,648
Total	5,993	6,376

The disaggregation of net revenue is based on types of goods and services delivered and market and type of customers as follows:

(EUR million)		As at 31 December 2023	2024
Domestic			
Residential			
	Customer services revenues (X-play) (1)	1,880	1,973
	Prepaid	35	28
	Terminals (2)	279	306
	Lux. Telco (3)	135	133
	Other	46	37
	Total Residential	*2,375*	*2,477*
Business			
	Services (4)	1,622	1,641
	Products (5)	298	318
	Lux. Telco (3)	25	27
	Total Business	*1,945*	*1,986*
Wholesale			
	Fixed & Mobile wholesale services (6)	142	163
	Interconnect (7)	116	91
	Total Wholesale	*258*	*253*
Other		*32*	*49*
Total Domestic		4,610	4,766
Communications & Data		882	1,146
P2P Voice & Messaging		663	598
Global eliminations		-106	-75
Total International		1,439	1,669
Eliminations		-56	-59
Total Net Revenue		5,993	6,376

(1) Customer services revenues (X-play): 'Play' is a subscription to either Fixed Voice, Fixed Internet, dTV or Mobile Postpaid (paying Mobile cards).

A 4-Play customer subscribes to all four services. 'X-Play' is the sum of single play (1-play) and multi-play (2-play + 3-play + 4-play).

(2) Terminals: corresponds to devices for Fixed Voice, Data, Mobile and related accessories. This excludes PABX, IT products and TV CPE.

(3) Luxembourg Telco: including Fixed & Mobile services, Terminals & Other

(4) Business Services: corresponds to Fixed Data, Fixed Voice, Mobile & IT

(5) Business Products: corresponds to Terminals & IT

(6) Wholesale Fixed & Mobile services includes all solutions that Proximus offers to other operators. These services include fixed internet and data connectivity services, fixed telephony and mobile (incl. MVNO and Roaming) services (excl. Interconnect)

(7) Wholesale Interconnect: the process of connecting an operator network with another operator network. This then allows the customers of one operator to communicate with the customers of another operator. Interconnect includes fixed voice, mobile voice and mobile SMS/MMS services.

The following table presents the transaction price assigned to unfulfilled performance obligations at December 31, 2024 and 2023. Unfulfilled performance obligations are the services that the Group is obliged to provide to customers during the remaining fixed term of the contract and consideration received from customers before satisfying performance obligations such as advances for airtime.

Unfulfilled performance obligations at 31 December 2024

	Expected timing of recognition		
(EUR million)	**2025**	**2026**	**> 2026**
Transaction price allocated to performance obligations that are unsatisfied at reporting date	225	77	29
Related to contract liabilities	73	19	29
Related to contract assets	152	58	0

Unfulfilled performance obligations at 31 December 2023

	Expected timing of recognition		
(EUR million)	**2024**	**2025**	**> 2025**
Transaction price allocated to performance obligations that are unsatisfied at reporting date	201	66	36
Related to contract liabilities	74	17	36
Related to contract assets	127	49	0

The increase in the balance of contract assets (see note 14.2) compared with 2023 is mainly due to the increase in the number of Proximus SA contracts in force at the end of 2024, and to the increase in the price of handsets included in the offers.

Note 24. Other operating income

(EUR million)	2023	2024
Gain on disposal of intangible assets and property, plant and equipment	6	3
Miscellaneous reinvoicing and recovery of expenditures	45	48
Other income	4	112
Total	56	163

"Miscellaneous reinvoicing and recovery expenditures" includes compensation for network damage by third parties as well as employee and third-party contributions for sundry services.

The 2024 increase in Other Income is mainly the result of the remeasurement to fair value (EUR 78 million) of previously held equity interest in Fiberklaar, immediately before the acquisition of the entity (see note 8.4), and the indemnity (EUR 30 million) received from Immobel as final settlement of the project related to the redevelopment of Proximus headquarters by this company.

Note 25. Costs of materials and services related to revenue

	As at 31 December	
(EUR million)	2023	2024
Purchases of materials	554	601
Purchases of services	1,644	1,766
Total	2,198	2,367

Goods and services directly related to revenue are external variable costs incurred in the context of a sales transaction, and that changes in proportion to sales. In the Proximus Group, it mainly includes traffic expenses (interconnection costs, termination costs…) , subscriber acquisition and retention costs, external costs directly related to ICT contracts such as equipment, maintenance, vendor support being recharged to the customers and costs related to Proximus TV such as content costs and variable broadcasting rights. It includes also cost of goods and work in progress being invoiced to customers.

Purchases of materials are shown net of work performed by the enterprise that is capitalized for an amount of EUR 76 million in 2024 and of EUR 88 million in 2023. It includes mainly modems, WIFI boosters and set top boxes installed on client premises.

Note 26. Workforce expenses

(EUR million)	2023	2024
Salaries and wages	766	800
Social security expenses	177	196
Pension costs	45	47
Post-employment benefits other than pensions and termination benefits	3	2
External Workforce	282	305
Other workforce expenses	71	85
Total	1,343	1,435

Workforce expenses are expenses related to own employees as well as to external working parties.

Salaries & wages and social security expenses are shown net of work performed by the enterprise that is capitalized for an amount of EUR 149 million in 2024 and EUR 152 million in 2023. The higher increase of social security expenses, compared to salaries & wages, is partially linked to post-covid discounts granted by the government (until medio 2023).

Post-employment benefits other than pensions and termination benefits include the impact of the FFP transformation plan that was implemented in 2019.

External workforce expenses include consultancy and outsourcing costs.

Other workforce expenses include costs relating to internal workforce (such as meal vouchers, social activities, workers accident insurance, train tickets for actives).

Note 27. Non-Workforce expenses

(EUR million)	2023	2024
Service and capacity contracts and non-lease components of renting contracts	83	105
Maintenance	116	121
Utilities	111	100
Advertising and public relations	105	106
Administration, training, studies and fees	156	151
Telecommunications, postage costs and office equipment	28	30
Loss allowance	34	34
Taxes other than income taxes	15	32
Other non-workforce expenses	73	112
Total	722	790

The increase in Other Non-Workforce expenses is mainly related to an impairment on assets held for sale.

Note 28. Depreciation and amortization

(EUR million)	2023	2024
Amortization of licenses and other intangible assets	525	581
Depreciation of property, plant and equipment	572	575
Depreciation of right of use	88	103
Total	1,185	1,259

Note 29. Net finance cost

	As at 31 December	
(EUR million)	**2023**	**2024**
Finance income	10	27
Interest income on financial instruments		
At amortized costs	7	17
Fair value adjustments of financial instruments		
Not in a hedge relationship - FVTPL	0	4
Other finance income	2	5
Finance costs	-119	-186
Interests and debt charges on financial instruments at amortized costs		
Interests charges on non-current debenture (bonds and loans)	-65	-119
Deferral of debentures issuance costs	-3	-4
Recycling to profit or (loss) of matured hedged	4	14
Lease interests	-8	-11
Interest charges on long term payables	-32	-37
Interests charges on short term debt	-9	-9
Fair value adjustments of financial instruments		
Not in a hedge relationship - FVTPL		
Zero collar swaption	13	-1
Currency option	-1	-1
Interest rate swaps	0	-4
Put option on non-controlling interests	-2	-2
VPPA	-6	0
Discounting charges		
On provisions	-2	0
On pensions and other post-employment benefits	-7	-7
Other finance costs	-3	-4
Total	-110	-159

Main items affecting negatively the Group net finance cost

The increase in interest on unsubordinated debentures (EUR – 55 million) is primarily due to the progressive rise in Proximus' debt, which includes bond issuances in March 2023 (EUR 500 million), November 2023 (EUR 750 million), as well as April 2024 (EUR 700 million). This effect is partially offset by the repayment of a bond (EUR 600 million) in April 2024. The growth in interest expenses is also impacted by the interest recognized (EUR 15 million) on long-term loans consolidated by Proximus following the acquisitions of Fiberklaar and Route Mobile.

Lower (EUR -15 million) positive remeasurement to fair value of the zero-collar swaption entered in May 2023 by the Group to protect the positive Mark-to-Market value of the existing pre-hedge for April 2025. The Group does not apply hedge accounting to this transaction.

Unfavourable remeasurements to fair value (EUR - 4 million) of the hedges entered by Fiberklaar to cover its exposure to the variability in cash flows attributable to its long-term borrowings.

Interest charges on long term payables, include essentially the interests due on the spectrum liabilities, which were negatively affected by the evolution of the interest rates.

Main items affecting positively the Group net finance cost

The increase in short-term interest of EUR 10 million is primarily due to an average cash surplus that was higher than in 2023.

The positive remeasurement of €4 million for the EUR/INR option was entered into by the Group as a hedge against currency risk related to the Mandatory Takeover Offer (MTO) conducted in accordance with Indian regulations, following the acquisition of Route Mobile (see note 32.1).

The positive impact (EUR 10 million) of the recycling to profit of the two interest-rates hedges, to which the Group applied hedge accounting, and that were unwound in March and November 2023 when the corresponding bonds were issued.

The remeasurement to fair value of the Virtual Power Purchase Agreements, a hedging instrument to which the Group does not apply hedge accounting, amounted to EUR - 6 million in 2023. The value of this instrument stabilized in 2024 around its value at year end 2023.

Note 30. Earnings per share

Basic earnings per share are calculated by dividing the net income for the year attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share is calculated by dividing the net income for the year attributable to ordinary shareholders, by the weighted average number of ordinary shares outstanding during the year, both adjusted for the effects of dilutive potential ordinary shares.

The following table reflects the income and share data used in the computation of basic and diluted earnings per share.

	2023	2024
Net income attributable to ordinary shareholders (EUR million)	357	447
Adjusted net income for calculating diluted earnings per share (EUR million)	357	447
Weighted average number of outstanding ordinary shares	322,442,197	322,573,717
Weighted average number of outstanding ordinary shares for diluted earnings per share	322,442,197	322,573,717
Basic earnings per share (EUR)	1.11	1.39
Diluted earnings per share (EUR)	1.11	1.39

The sale of shares to the company management under share purchase plans at a discount of 16.70% had a dilutive effect, as did the 75,000 shares granted to the Chief Executive Officer at no cost (see note 35). The effect was insignificant in both 2024 and 2023.

Note 31. Dividends paid and proposed

	2023	2024
Dividends on ordinary shares:		
Proposed dividends (EUR million)	388	194
Number of outstanding shares with dividend rights	323,317,404	323,155,376
Dividend per share (EUR)	1.2	0.6
Interim dividend paid to the shareholders (EUR million)	161	161
Interim dividend per share (EUR)	0.5	0.5

The proposed dividends for 2023 have been effectively paid in April 2024, net of the interim dividend paid in December 2023. The interim dividends for 2024 have been paid in December 2024.

Note 32. Additional disclosures on financial instruments

Note 32.1. Derivatives

The Group makes use of derivatives such as interest rate swaps (IRS), interest rate and currency swaps (IRCS), forward foreign exchange contracts and currency options. In the tables below, derivatives to which the Group applies hedge accounting are referred to as “Derivatives held-for-hedging”.

		As at 31 December	
(EUR million)	**Note**	**2023**	**2024**
Non-current assets			
Derivatives held-for-hedging	12	58	0
Derivatives held-for-trading		13	0
Other derivatives	12	0	1
Current assets			
Derivatives held-for-hedging	15	2	57
Derivatives held-for-trading	15	2	12
Total assets		76	70
Non-current liabilities			
Derivatives held-for-trading		3	4
Current liabilities			
Derivatives held-for-hedging		1	1
Derivatives held-for-trading		2	13
Total liabilities		5	18

The tables below show the positive and negative fair value of derivatives, included in the balance sheet respectively as current/non-current assets or liabilities.

As at 31 December 2024	Fair value	
(EUR million)	Asset	Liability
Forward foreign exchange contracts	1	-1
Interest rate swaps	56	0
Derivatives qualifying for hedge accounting	57	-1
Virtual Power Purchase Agreement (VPPA)	0	-4
Zero collar swaption	12	0
Interest rate and currency swaps	0	-1
Interest rate swaps	0	-9
Interests and currency related - other derivatives	1	0
Forward foreign exchange contracts	0	-3
Derivatives not qualifying for hedge accounting	14	-17
Total	70	-18

As at 31 December 2023	Fair value	
(EUR million)	Asset	Liability
Forward foreign exchange contracts	2	-1
Interest rate swaps	58	0
Derivatives qualifying for hedge accounting	60	-1
Virtual Power Purchase Agreement (VPPA)	0	-3
Zero collar swaption	13	0
Forward foreign exchange contracts	2	0
Non-deliverable currency option	0	-1
Derivatives not qualifying for hedge accounting	16	-5
Total	76	-5

The group entered a forward interest rate swap for a notional amount of EUR 500 million on February 2022 to cover the Group exposure to the variability in cash flows attributable to the long-term interest rate risk associated with a highly probable forecasted transactions, being a 10-year bond to be issued in April 2025 (Note 12). The Group applies hedge accounting to this swap (cash flow hedging). The fair value of this instrument amounted to EUR 56 million in 2024 and EUR 58 million in 2023.

In order to preserve the positive Mark-to-Market value of the existing pre-hedge for April 2025, Proximus entered in May 2023 a swaption collar. The trade was structured as a zero-cost collar swaption, so that there was no upfront premium to be paid. The Group does not apply hedge accounting to this transaction. The fair value of this financial instrument amounted to EUR 12 million as of 31 December 2024 and EUR 13 million as at 31 December 2023.

Fiberklaar, an entity specializing in the rollout of fiber optic networks and controlled by Proximus since May 1, 2024, has signed a loan agreement with a credit institution to finance the rollout of its fiber optic network. The credit line negotiated under the loan agreement is drawn quarterly, according to Fiberklaar needs. The interest rate applicable to the entire amount borrowed is variable and reviewed quarterly. The entire credit line will be repayable in full in October 2028. Fiberklaar has hedged its exposure to the variability of cash flows attributable to the long-term interest rate risk associated with the utilization of the credit line by entering into a forward interest rate swap for a notional amount of up to EUR 750 million. The entity does not apply hedge accounting to this interest-rate swap. The fair value of this instrument amounted to - 9 million euros as of December 31, 2024.

On 17 July 2023, Proximus Group has signed a definitive agreement to acquire through Proximus Global, a 58% interest in Route Mobile, a global company specialized in CPaaS services, listen on NSE and BSE in India with a market capitalization of EUR 1.1billion. At the signing of the deal the Group entered a derivative foreign exchange forward contract in a hedge accounting relationship, in order to hedge against exposure to changes in the Indian rupee exchange rate for the purchase consideration between signing and closing. The Group applies hedge accounting to this hedging transaction. The fair value of this financial instrument amounted to EUR 2 million as of 31 December 2023. It was settled in April 2024 for a total amount of EUR 26 million in favour of Proximus Group.

The acquisition of the majority stake in Route Mobile was expected to trigger, in accordance with Indian regulations, a Mandatory Takeover Offer (MTO) for up to 26% of the total shares outstanding. This MTO occurred, as a result of which Proximus Group acquired an additional 25.11% interest in Route Mobile. Proximus Group entered an EUR/INR option for this MTO process. The Group did not apply hedge accounting to this hedging transaction. This hedging instrument is remeasured to Fair Value through P&L (financial result). Its fair value amounted to EUR -1 million as of 31 December 2023. It was settled in March 2024 for a total amount of EUR 2.6 million in favour of Proximus Group.

Interest rate and currency swaps (IRCS) are used to manage the currency and interest rate exposure on outstanding JPY 1.5 billion unsubordinated debentures (see note 19). The value of the IRCS was immaterial in 2023 and amounted to EUR -1 million as of 31 December 2024.

Note 32.2. Financial risk management objectives and policies

The Group's main financial instruments comprise unsubordinated debentures, trade receivables and trade payables. The main risks arising from the Group's use of financial instruments are interest rate risk, foreign currency risk, liquidity risk and credit risk.

All financial activities are subject to the principle of risk minimization. To achieve this, all matters related to funding, foreign exchange, interest rate and counterparty risk management are handled by a centralized Group Treasury department. Simulations are performed using different market (including worst case) scenarios with a view to estimating the effects of varying market conditions. All financial transactions and financial risk positions are managed and monitored in a centralized treasury management system.

Group Treasury operations are conducted within a framework of policies and guidelines approved by the Leadership Squad and the Board of Directors. Group Treasury is responsible for implementing these policies. According to the policies, derivatives are used to hedge interest rate and currency exposures. Derivatives are used exclusively as hedging instruments, i.e., not for trading or other speculative purposes. Derivatives used by the Group mainly include forward exchange contracts, interest rate swaps and currency options.

The tables below provide a reconciliation of changes in equity and statement of OCI by hedge type for 2024 and 2023

(EUR million)	Note	Gain taken to equity	Transfer to profit or loss for the period
Cash flow hedge on foreign currency transactions	OCI	-1	0
Interest rate swaps	OCI	-1	0
Amortization of cumulated remeasurements of settled interest rate swap	OCI	0	-10
Changes in other comprehensive income in relation with cash flow hedges		-3	-10

OCI = other comprehensive income

The amount of EUR – 10 million corresponds to the recycling to profit of four hedges, entered in relation with future issuance of bonds, and that matured in 2018, 2021 and 2023.

(EUR million)	Note	Gain taken to equity	Transfer to profit or loss for the period
Cash flow hedge on foreign currency transactions	OCI	2	0
Interest rate swaps	OCI	-12	0
Amortization of cumulated remeasurements of settled interest rate swap	OCI	0	-3
Changes in other comprehensive income in relation with cash flow hedges		-10	-3

OCI = other comprehensive income

The amount of EUR – 12 million corresponds to the negative remeasurement to fair value of the interest rate hedges during the year, two of which settled respectively in March and November 2023.

Interest rate risk

The Group's exposure to changing market interest rates primarily relates to its long-term financial obligations. Group Treasury manages exposure of the Group to changes in interest rates and the overall cost of financing by using a mix of fixed and variable rate debts, in accordance with the Group's financial risk management policies. The aim of such policies is to achieve an optimal balance between total cost of funding, risk minimization and avoidance of volatility in financial results, whilst considering market conditions and opportunities as well as overall business strategy.

Proximus' non-current interest-bearing liabilities (including their current portions) as at 31 December 2024 and 2023 were mainly fixed-rate debts, as shown in the tables below. These tables also show the average interest rate of these debts, as well as their average time to maturity and the effect of the interest rate and currency swap agreements (IRCS) on the bond labelled in JPY. Lease liabilities and current interest-bearing liabilities are not considered in these two tables.

The weighted average interest rates shown in the tables below include the effects of the hedges entered to cover the Group exposure to the variability in cash flows attributable to the long-term interest rate risk associated with bonds to be issued and that were issued as planned, in 2018, 2021 and 2023.

	Direct borrowing			IRCS agreements			Net obligations		
	Notional amount	Weighted average interest rate (1)	Average time to maturity	Amount payable (receivable)	Weighted average interest rate (1)	Average time to maturity	Amount payable (receivable)	Weighted average interest rate (1)	Average time to maturity
	(EUR million)		(in years)	(EUR million)		(in years)	(EUR million)		(in years)
EUR									
Fixed	5,180	2.85%	7				5,180	2.85%	7
Variable				11	2.48%	2	11	2.48%	2
JPY									
Fixed	11	5.04%	2	-11	-5.04%	2			
Variable									
USD									
Variable	20	7.27%	1				20	7.26%	1
Total	5,211	2.85%	7	0			5,211	2.85%	7

(1) Weighted average interest rate taking into account last repriced interest rates for floating borrowings.

The loans from credit institutions labelled in USD are financial liabilities assumed from Route Mobile when Proximus Group acquired the control of this entity in 2024.

The Group issued two bonds in 2024, among which an EUR 700 million hybrid bond classified as equity instrument (see notes 2 and 18), for a total notional amount of EUR 1,400 million and repaid a maturing bond for an amount of EUR 600 million. The table above includes the hybrid bond. The Group also assumed an additional loan from credit institutions when it acquired the control of Fiberklaar (see note 8.4). The carrying amount of this loan amounted to EUR 480 million as of 31 December 2024.

	As at 31 December 2023								
	Direct borrowing			IRCS agreements			Net obligations		
	Notional amount	Weighted average interest rate (1)	Average time to maturity	Amount payable (receivable)	Weighted average interest rate (1)	Average time to maturity	Amount payable (receivable)	Weighted average interest rate (1)	Average time to maturity
	(EUR million)		(in years)	(EUR million)		(in years)	(EUR million)		(in years)
EUR									
Fixed	3,900	1.97%	7				3,900	1.97%	7
Variable				11	3.76%	2.96	11	3.76%	3
JPY									
Fixed	11	5.04%	3	-11	-5.04%	2.96			
Total	3,911	1.98%	7	0			3,911	1.98%	7

(1) Weighted average interest rate taking into account last repriced interest rates for floating borrowings.

The Group issued two bonds in 2023 for a notional amount of EUR 1,250 million and repaid a maturing bond for an amount of EUR 100 million. The Group acquired spectrum licences in 2022 (see Note 4) and the corresponding unique fees (fixed amounts) are payable in annual instalments over the duration of the contractual rights acquired. The interest rate applicable to the outstanding liabilities is variable (see note 21) and revised annually. The Group does not hedge its exposure to the variability in cash flows attributable to changes in this interest rate.

Foreign currency risk

The Group's main currency exposures result from its operating activities. Such exposure arises from sales or purchases by operating units in currencies other than their balance sheet currency. Transactions in foreign currencies mainly occur in the global segment, including International Carrier Services ("BICS"), TeleSign and Route Mobile, an entity acquired in 2024. Indeed, their activities generate payments to and receipts from the companies they interact with in various foreign currencies. Next to these, Proximus as well as several of its affiliates also engage in international activities (ICT, roaming, capital and operating expenditure) giving rise to currency exposures.

Risks from foreign currencies are hedged to the extent that they are liable to influence the Group's cash flows. Foreign currency risks that do not influence the Group's cash flows (i.e., the risks resulting from the translation of assets and liabilities of foreign operations into the Group's reporting currency) as a rule are not hedged. However, the Group could envisage hedging such so-called translation differences should their potential impact become material to the Group's consolidated financial statements.

The typical financial instruments used to hedge foreign currency risk are forward foreign exchange contracts and currency options.

In 2024 and 2023, the Group only incurred currency exposures relative to its operating activities. Foreign currency transactions are recognized in functional currency on initial recognition at the foreign exchange rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at balance sheet date using the exchange rate at that date. The net exchange difference on the translation of these monetary assets and liabilities are recorded via the income statement. However, in a limited number of cases, hedge accounting has been applied, the effective portion of the gains and losses on the hedging instrument is recognized via other comprehensive income until the hedged item occurs. If the hedged transaction leads to the recognition of an asset, the carrying amount of the asset at the time of initial recognition incorporates the amount previously recognized via other comprehensive income. The ineffective portion of a cash flow hedge is always recognized in profit or loss.

The Group performed a sensitivity analysis on the main currency pairs to which it is exposed in its operating activities, for the year 2024.

Foreign currency Group's net position as at 31/12/2024 (in currency)			P&L effect if foreign								Closing rate
			-15.0%	-10.0%	-5.0%	-2.5%	2.5%	5.0%	10.0%	15.0%	
4,218,629	USD	USD/EUR	-609,100	-406,067	-203,033	-101,517	101,517	203,033	406,067	609,100	0.96
-890,073	GBP	GBP/EUR	161,016	107,344	53,672	26,836	-26,836	-53,672	-107,344	-161,016	1.21
-3,364,907	CHF	CHF/EUR	536,269	357,512	178,756	89,378	-89,378	-178,756	-357,512	-536,269	1.06
7,194,197	SDR	SDR/EUR	-1,354,113	-902,742	-451,371	-225,686	225,686	451,371	902,742	1,354,113	1.25
3,506,976	AUD	AUD/EUR	-313,646	-209,097	-104,549	-52,274	52,274	104,549	209,097	313,646	0.60
4,218,629	EUR	EUR/USD	-632,794	-421,863	-210,931	-105,466	105,466	210,931	421,863	632,794	1.04
487,499	EUR	EUR/INR	-73,125	-48,750	-24,375	-12,187	12,187	24,375	48,750	73,125	88.93
-530,342	USD	USD/INR	76,573	51,048	25,524	12,762	-12,762	-25,524	-51,048	-76,573	85.60
6,899,311	EUR	EUR/GBP	-1,034,897	-689,931	-344,966	-172,483	172,483	344,966	689,931	1,034,897	0.83
-16,717,538	USD	USD/GBP	2,413,736	1,609,158	804,579	402,289	-402,289	-804,579	- 1 609 158	-2,413,736	0.80
-242,190	EUR	EUR/AED	36,328	24,219	12,109	6,055	-6,055	-12,109	-24,219	-36,328	3.80
395,001	GBP	GBP/AED	-71,456	-47,638	-23,819	-11,909	11,909	23,819	47,638	71,456	4.59
-466,527	USD	USD/COP	67,359	44,906	22,453	11,226	-11,226	-22,453	-44,906	-67,359	4386.71

Notes:

- Net position, in the table above, is defined as the sum, for all Group entities with the same balance sheet (base) currency, of cash positions in foreign currencies, customers' and suppliers' invoices expressed in foreign currencies, and currency derivatives. Foreign currency positions are expressed in their respective currencies (not translated in EUR).
- +xx % means when foreign currency wins xx % vs. its base currency. The result is converted in EUR.
- -xx% means when foreign currency loses xx% vs. its base currency. The result is converted in EUR.
- A positive sign means a profit in P&L
- A negative sign means a loss in P&L

Credit risk and significant concentrations of credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

Credit risk encompasses all forms of counterparty exposure, i.e. where counterparties may default on their obligations to Proximus in relation to lending, hedging, settlement and other financial activities.

The Group's maximum exposure to credit risk (not taking into account the value of any collateral or other security held) in the event the counterparties fail to perform their obligations in relation to each class of recognized financial assets, including derivatives with positive market value, is the carrying amount of those assets in the balance sheet and bank guarantees granted.

To reduce the credit risk in respect of financing activities and cash management of the Group, transactions are only entered into with leading financial institutions whose long-term credit ratings equal at least A- (S&P).

The Group applies the IFRS 9 simplified approach for measuring the expected credit losses for trade receivables and contract assets, meaning the lifetime expected credit loss. The determination of this loss allowance might be at portfolio or individual level, depending on the assessed risk related to the customer.

Credit risk on operating activities with significant clients is managed and controlled on an individualized basis. When needed, the Group requests additional collaterals. These significant customers are however not material to the Group, since the client portfolio of the Group is mainly composed of many small customers. Hence, credit risk and concentration of credit risk on trade receivables is limited. For amounts receivable from other telecommunication companies, the concentration of credit risk is also limited due to netting agreements (see note 14.3) with accounts payable to these companies, prepayment obligations, bank guarantees, parent guarantees and the use of credit limits obtained via credit insurance.

The Group is exposed to credit loss in the event of non-performance by counterparty on short-term bank deposits and financial derivatives (see note 32.2). However, the Group does not anticipate non-performance by any of these counterparties as it only deals with prime financial institutions, and, as a rule, only invests in highly liquid and short-term securities (mainly cash and cash equivalents), for which, seen the excellent rating of the counterparts, the Group do not calculate loss allowances provisions.

Moreover, the Group monitors potential changes in credit risk on counterparties by tracking their external credit ratings on an ongoing basis as well as evolutions in its bank's credit default swap rates (a leading indicator often anticipating on future rating changes).

In addition, the Group is exposed to credit risk by occasionally granting non-recourse bank guarantees in favour of some of its institutional or governmental clients. It had granted bank guarantees for an amount of EUR 52 million as at 31 December 2024 (EUR 102 million at 31 December 2023).

Finally, the Group has not pledged any financial assets, nor does it hold any collateral against any of its counterparties, except for all shares held by Midco Unifiber in Unifiber, as explained in note 8.3.2.

Liquidity risk

In accordance with the treasury policy, Group Treasury manages its overall cost of financing by using a mix of fixed and variable rate debts.

A liquidity reserve in the form of credit lines and cash is maintained to always guarantee the solvency and financial flexibility of the Group. For this purpose, Proximus entered committed bilateral credit agreements with different maturities and into a committed sustainable linked Syndicated Revolving Facilities for a total amount of EUR 750 million (EUR 750 million in 2023). For medium to long-term funding, the Group uses bonds and medium-term notes. The maturity profile of the debt portfolio is spread over several years. Group Treasury frequently assesses its funding resources considering its own credit rating and general market conditions.

The table below summarizes the maturity profile of the Group's non-current (and related current portions) interest-bearing liabilities at each reporting date. This maturity profile is based on contractual undiscounted interest payments and capital reimbursements. For floating rate liabilities, interest rates used to determine cash outflows are the ones prevailing at their last price fixing date before reporting date (as of 31 December 2024 and 2023, respectively). Lease liabilities (for the leasing liabilities maturity profile, see note 6), derivatives and current interests-bearing liabilities are not considered in this table.

(EUR million)	2024	2025	2026	2027	2028	2028-2040
As at 31 December 2023						
Capital	610	509	18	7	155	2,650
Interests	95	81	71	71	70	272
Total	705	590	89	77	225	2,922
As at 31 December 2024						
Capital		526	21	7	1,035	2,950
Interests		135	125	124	124	429
Total		661	146	131	1,159	3,379

The tables below summarize for 2024 and 2023, the repayment of spectrum liabilities and interest payments on the outstanding balance. The interest shown in this table is calculated based on a rate of 4.5% for 2024 and the remaining maturities (respectively 5.75% and 5% in 2023). Spectrum liabilities are included in the current and non-current interest-bearing liabilities.

(EUR million)	2025	2026	2027	2028	2028-2042
As at 31 December 2024					
Capital	37	37	39	39	419
Interests	23	22	20	19	105
Total	61	59	60	57	524

(EUR million)	2025	2026	2027	2028	2028-2042
As at 31 December 2023					
Capital	37	37	37	37	412
Interests	26	24	22	21	116
Total	63	61	59	57	528

Bank credit facilities at 31 December 2024

In addition to the interest-bearing liabilities disclosed in notes 19.1 and 19.2, the Group is backed by committed credit facilities of EUR 750 million (EUR 750 million in 2023). These facilities are provided by a diversified group of Belgian and international banks. As at 31 December 2024, there were no outstanding balances under any of these facilities. A total of EUR 750 million (EUR 750 million in 2023) of credit lines was therefore available for drawdown as at 31 December 2024.

The Group also uses a EUR 5 billion Euro Medium-term Note ("EMTN") Program and a EUR 1 billion Commercial Paper ("CP") Program. As at 31 December 2024, there was an outstanding balance under the EMTN Program of EUR 3,600 million, whereas the Commercial Paper Program was fully undrawn with an outstanding amount of EUR 0 million.

Supplier finance arrangements

Proximus utilized bills of exchange to extend the payment term for one of its vendors from 30 days to the Proximus' standard payment term of 60 days. The extension to the payment term of 60 days is subject to a standard interest rate based on market conditions. Since these liabilities are for goods or services formally invoiced by suppliers and are part of the working capital used in Proximus' normal operating cycle, they remain classified as trade payables on the Balance Sheet, along with other trade payables.

(EUR million)	As at 31 December 2023	As at 31 December 2024
Carrying amount of the financial liabilities that are subject to supplier finance arrangements	15	18
Presented as part of "Trade and other payables", including:	15	18
Trade payables for which suppliers have already received payment from the finance provide	15	18

Note 32.3. Net financial position of the Group and capital management

The Group defines the net financial position as the net amount of investments, cash and cash equivalents minus any interest-bearing financial liabilities and related derivatives, including re-measurement to fair value and lease liabilities. The net financial position does not include non-current trade payables.

Adjusted Net Financial Position refers to the total interest-bearing debt (short term + long term) minus cash and cash equivalents, excluding lease liabilities.

(EUR million)	Note	As at 31 December 2023	As at 31 December 2024
Investments, Cash and cash equivalents	16 / 17	716	538
Derivatives (current and non-current)	12	72	57
Assets		787	595
Non-current liabilities (*)	19.1	-3,518	-4,175
Current liabilities (*)	19.2	-699	-626
Liabilities		-4,217	-4,801
Net financial position (*)		-3,429	-4,206
Of which Leasing liabilities		298	294
Adjusted financial position (**)		-3,131	-3,912

(*) Including derivatives and leasing liabilities

(**) The adjusted financial position excludes leasing liabilities

The purpose of the Group's capital management is to maintain net financial debt and equity ratios that always allow for security of liquidity via flexible access to capital markets, to be able to finance strategic projects and to offer an attractive remuneration to shareholders. Over the two years presented, the Group did not issue new shares or any other dilutive instruments, except for the shares sold to senior management of the group at a discount of 16.66% and those granted for free to the Group Chief Executive Officer (see note 35).

Note 32.4 Categories of financial instruments

The following tables present the Group's financial instruments per category defined under IFRS 9, as well as gains and losses resulting from re-measurement to fair value.

Based on market conditions at 31 December 2024, the carrying amount of the unsubordinated debentures and of the different loans granted by credit institutions to Proximus SA, Fiberklaar and Route Mobile, and that are accounted for at amortized cost, exceeded by EUR 240 million, or 5%, their fair value (EUR 268 million in 2023, or 7%).

The 2024 and 2023 fair values, calculated for each debenture separately, were obtained by discounting the cumulated cash outflows generated by each debenture with the interest rates at which the Group could borrow at respectively 31 December 2024 and 31 December 2023 for similar debentures with the same remaining maturities.

The Group did not reclassify, during the period, financial instruments from one category to another.

The following table shows the classifications under IFRS 9 for each class of assets and financial liabilities as at 31 Dec 2024. In the tables below, derivatives to which the Group applies hedge accounting are referred to as "Derivatives held-for-hedging".

The following table shows the classifications under IFRS 9 for each class of assets and financial liabilities as at 31 Dec 2024

As at 31 December 2024 (EUR million)

ASSETS				
Non-current assets				
Equity investments	9	FVOCI	2	2
Other non-current assets				
Derivatives held for trading	32.1	FVTPL	1	1
Other financial assets		Amortized cost	12	12
Current assets				
Trade receivables	14	Amortized cost	1,046	1,046
Interests bearing				
Other receivables		Amortized cost	5	5
Non-interests bearing				
Other receivables		Amortized cost	46	46
Derivatives held for trading	32.1	FVTPL	12	12
Derivatives held-for-hedging	32.1	Hedging instrument	56	56
Derivatives held-for-hedging	32.1	Hedging instrument	1	1
Investments	16	FVTPL	2	2
Investments	16	Amortized cost	40	40
Cash and cash equivalents				
Short-term deposits	17	Amortized cost	252	252
Cash at bank and in hand	17	Amortized cost	245	245
LIABILITIES				
Non-current liabilities				
Interest-bearing liabilities				
Unsubordinated debt (bonds, notes)	19.1	Amortized cost	3,079	2,898
Credit institutions	19.1	Amortized cost	884	862
Other loans	19.1	Amortized cost	19	19
Non-interest-bearing liabilities				
Derivatives held-for-trading	32.1	FVTPL	3	3
Derivatives held-for-trading	32.1	FVTPL	1	1
Other non-current payables	21	FVTPL	2	2
Other non-current payables	21	Amortized cost	26	26
Other amounts payable, interest-bearing		Amortized cost	522	522
Current liabilities				
Interest-bearing liabilities, current portion				
Unsubordinated debt (bonds, notes)	19.2	Amortized cost	499	495
Credit institutions	19.2	Amortized cost	17	17
Other loans	19.2	Amortized cost	9	9
Trade payables		Amortized cost	1,508	1,508
Other current payables				
Derivatives held-for-hedging	32.1	Hedging instrument	1	1
Derivatives held for trading	32.1	FVTPL	3	3
Derivatives held for trading	32.1	FVTPL	9	9
Other debt		FVTPL	8	8
Other amounts payable		Amortized cost	571	571
Other amounts payable, interest-bearing		Amortized cost	37	37

FVTPL: Financial assets/liabilities at fair value through profit and loss

FVTOCI: Financial assets at fair value through other comprehensive income
The following table shows the classifications under IFRS 9 for each class of assets and financial liabilities as at 31 Dec 2023

As at 31 December 2023 (EUR million)	Note	Classification under IFRS 9	Carrying amount under IFRS 9	Fair value
ASSETS				
Non-current assets				
Equity investments	9	FVOCI	3	3
Other non-current assets				
Derivatives held for trading	32.1	FVTPL	13	13
Derivatives held-for-hedging	32.1	Hedging instrument	58	58
Other financial assets		Amortized cost	6	6
Current assets				
Trade receivables	14	Amortized cost	866	866
Interests bearing				
Other receivables		Amortized cost	15	15
Non-interests bearing				
Other receivables		Amortized cost	19	19
Derivatives held for trading	32.1	FVTPL	2	2
Derivatives held-for-hedging	32.1	Hedging instrument	2	2
Cash and cash equivalents				
Short-term deposits	17	Amortized cost	488	488
Cash at bank and in hand	17	Amortized cost	227	227
LIABILITIES				
32.1				
Interest-bearing liabilities				
Unsubordinated debt (bonds, notes)	19.1	Amortized cost	2,881	2,684
Credit institutions	19.1	Amortized cost	400	370
Other loans	19.1	Amortized cost	27	27
Non-interest-bearing liabilities				
Derivatives held-for-trading	32.1	FVTPL	3	3
Other non-current payables	21	Amortized cost	43	43
Other amounts payable, interest-bearing		Amortized cost	559	559
Current liabilities				
Interest-bearing liabilities, current portion				
Unsubordinated debt (bonds, notes)	18	Amortized cost	600	597
Other loans	19.1	Amortized cost	10	10
Interest-bearing liabilities				
Credit institutions		Amortized cost	1	1
Trade payables		Amortized cost	1,433	1,433
Other current payables				
Derivatives held for trading	32.1	FVTPL	1	1
Derivatives held for trading	32.1	FVTPL	1	1
Derivatives held-for-hedging	32.1	Hedging instrument	1	1
Other debt		FVTPL	5	5
Other amounts payable		Amortized cost	453	453
Other amounts payable, interest-bearing		Amortized cost	37	37

FVTPL: Financial assets/liabilities at fair value through profit and loss

FVTOCI: Financial assets at fair value through other comprehensive income

Note 32.5 Fair value of financial assets and liabilities

Financial instruments measured at fair value are disclosed in the table below according to the valuation technique used. The hierarchy between the techniques reflects the significance of the inputs used in making the measurements:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: valuation techniques for which all inputs which have a significant effect on the recorded fair value are observable for the asset or liability, either directly or indirectly.

Level 3: valuation techniques for which all inputs which have a significant effect on the recorded fair value are not based on observable market data.

The Group holds financial instruments classified in Level 1, 2 and 3.

The valuation techniques for fair value measuring the Level 2 financial instruments are:

- Derivatives in Level 2

These derivatives include mainly the interest rate swaps and interest rate and currency swaps (IRCS) the Group entered to reduce the interest rate and currency fluctuations on some of its long-term debentures and also the zero-collar swaption entered into to preserve the positive Mark-to-Market value of the existing pre-hedge for April 2025. The fair values of these instruments are determined by discounting the expected contractual cash flows using interest rate curves in the corresponding currencies and currency exchange rates, all observable on active markets.

- Unsubordinated debentures

The unsubordinated debentures are recognized at amortized cost. Their fair values, calculated for each debenture separately, were obtained by discounting the interest rates at which the Group could borrow at 31 December 2023 for similar debentures with the same remaining maturities.

The financial instruments classified among the level 3 category include:

- Virtual Power Purchase Agreement

The power component of the Virtual Power Purchase Agreement, entered into in 2023, is an embedded derivative instrument where Proximus has agreed to pay a fixed price for the associated electricity and to receive the electricity spot price with a monthly net settlement in cash. There is no physical delivery of the electricity.

The valuation of the power component of the VPPA is considered as a 'level 3' fair value. It is determined using a discounted cash flow model. The main factors determining the fair value of the VPPA agreement are the discount rates (level 2), the estimated electricity volume based on the historical power production of the windfarm (level 3) and the forward market prices of electricity (level 2 & level 3).

The remeasurement to fair value of the VPPA in 2024 resulted in a cost of less than EUR 1 million.

- Put option

The put option is the right granted to the former owner of Be-Mobile to sell its own remaining shares to Proximus at specific times for a price to be determined in accordance with contractually agreed terms. The elements on which the valuation is based are not directly or indirectly observable on the market. The instrument fair value is very depending on Be-mobile realistic present and future performances.

The fair value of the put option increased by EUR 2 million compared to its value as of 31 December 2023.

- Contingent consideration related to Route Mobile

Route Mobile's net asset acquired included a contingent liability related to a past business combination. This financial liability is classified as a level 3 financial instrument measured at fair value.

The table below shows the changes in this debt since the acquisition date (in M€)

(EUR million)	
Balance as at acquisition date (01/05/24)	8
Fair value change of contingent consideration	-5
Payment of purchase consideration for business combination	-2
Foreign currency translations adjustment	1
Balance as at 31 December 2024	2

The tables below disclose the Group assets and liabilities measure at fair value and their classification (level 1, 2 or 3), as of 31 December 2024 and 2023.

As at 31 December 2024				Fair values measurement at end of the reporting period using:		
(EUR million)	Note	Classification under IFRS 9	Fair value	Level 1	Level 2	Level 3
ASSETS						
Non-current assets						
Equity investments	9	FVOCI	2			X
Other non-current assets						
Derivatives held for trading	32.1	FVTPL	1		X	
Current assets						
Non-interests bearing						
Derivatives held for trading	32.1	FVTPL	12		X	
Derivatives held-for-hedging	32.1	Hedging instrument	56		X	
Derivatives held-for-hedging	32.1	Hedging instrument	1	X		
Investments	16	FVTPL	2		X	
LIABILITIES						
Non-current liabilities						
Interest-bearing liabilities						
Unsubordinated debt (bonds, notes)	19.1	Amortized cost	2,898		X	
Credit institutions	19.1	Amortized cost	862		X	
Other loans	19.1	Amortized cost	19		X	
Non-interest-bearing liabilities						
Derivatives held-for-trading	32.1	FVTPL	3			X
Derivatives held-for-trading	32.1	FVTPL	1		X	
Other non-current payables	21	FVTPL	2			X
Current liabilities						
Interest-bearing liabilities, current portion						
Unsubordinated debt (bonds, notes)	19.2	Amortized cost	495		X	
Credit institutions	19.2	Amortized cost	17		X	
Other loans	19.2	Amortized cost	9		X	
Other current payables						
Derivatives held-for-hedging	32.1	Hedging instrument	1	X		
Derivatives held for trading	32.1	FVTPL	3	X		
Derivatives held for trading	32.1	FVTPL	9	X		
Other debt		FVTPL	8			X

FVTPL: Financial assets/liabilities at fair value through profit and loss

FVTOCI: Financial assets at fair value through other comprehensive income

As at 31 December 2023				Fair values measurement at end of the reporting period using :		
				Level 1	Level 2	Level 3
Non-current assets						
Equity investments	9	FVOCI	3			X
Other non-current assets						
Derivatives held for trading	33.1	FVTPL	13		X	
Derivatives held for hedging	32.1	Hedging instrument	58		X	
Non-interest-bearing receivables						
Derivatives held for trading	32.1	FVTPL	2	X		
Derivatives held-for-hedging	33.1	Hedging instrument	2		X	
LIABILITIES						
Interest-bearing liabilities						
Unsubordinated debt (bonds, notes) except for their "non-closely related" embedded derivatives	19.1	Amortized cost	2,684		X	
Credit institutions	19.1	Amortized cost	370		X	
Other loans	19.1	Amortized cost	27		X	
Non-interest-bearing liabilities						
Other derivatives	32.1	FVTPL	3			X
Current liabilities						
Interest-bearing liabilities, current portion						
Unsubordinated debt (bonds, notes)	19.2	Amortized cost	597		X	
Other loans	19.2	Amortized cost	10		X	
Interest-bearing liabilities						
Credit institutions	19.2	Amortized cost	1		X	
Non-interest-bearing liabilities						
Derivatives held for trading	32.1	FVTPL	1		X	
Derivatives held for trading	32.1	FVTPL	1			X
Derivatives held-for-hedging	33.1	Hedging instrument	1			
Other debt		FVTPL	5			X

FVTPL: Financial assets/liabilities at fair value through profit and loss
FVTOCI: Financial assets at fair value through other comprehensive income

Note 33. Related party disclosures

Note 33.1. Consolidated companies

Subsidiaries, joint-operations, joint-ventures and associates are listed in note 8.

Commercial terms and market prices apply for the supply of goods and services between Group companies.

The transactions between Proximus SA and its subsidiaries, being related parties, are eliminated for the preparation of the consolidated financial statements. The transactions between Proximus SA and its subsidiaries are as follows:

Proximus SA transactions with its subsidiaries and joint operations	As at 31 December	
(EUR million)	2023	2024
Revenues	97	147
Costs of materials and services related to revenue	-121	-106
Net finance costs	-26	-26
Dividends received	245	108

Proximus SA position with its subsidiaries and joint operations	As at 31 December	
(EUR million)	2023	2024
Trade receivables	21	36
Trade payables	-26	-69
Interest-bearing receivables/liabilities	-695	-878
Other receivables and liabilities	-551	-3

Note 33.2. Relationship with shareholders and other State-controlled enterprises.

The Belgian State is the majority shareholder of the Group, with a stake of 53.51%. The Group holds treasury shares for 4.60%. The remaining 41.88% are traded on the First Market of Euronext Brussels.

Relationship with the Belgian State

The Group supplies telecommunication services to the Belgian State and State-related entities. The Group also acquired substantive spectrum rights (note 4 intangible assets with finite useful life) in the spectrum auction organised by regulator BIPT, a State-related entity;. State related enterprises are those that are either State-controlled or State-jointly-controlled or State-influenced. All such transactions are made within normal customer/supplier relationships on terms and conditions that are not more favourable than those available to other customers and suppliers. The services provided to State-related enterprises do not represent a significant component of the Group's net revenue, meaning less than 5%.

Relationship with Belfius Bank NV

Belfius and Proximus, both state-controlled enterprises with the Belgian State as their majority shareholder, have reviewed their strategic partnership. As Belfius is considered a "related party" under IFRS standards, their cooperation agreement required approval from the Board of Directors, which was granted on April 29, 2021, following an independent review. The financial impact of this partnership on consolidated figures was minor as of 2022.

As part of this collaboration, the digital banking app "Banx," launched in 2020 as a sustainable banking experience ("Imagined by Proximus, powered by Belfius"), will be discontinued as of December 24. Despite its innovative approach, scaling Banx in a mature market proved difficult. Instead, Proximus customers will gain access to an exclusive Belfius banking offer, integrated within the Proximus+ app, which provides services related to energy, mobility, and future budget management.

Banx customers will receive support for migrating to Belfius or closing their accounts. Meanwhile, the successful "Beats" program—offering Proximus telecom packs via Belfius channels—will continue, having significantly grown since its 2021 launch. This restructuring strengthens the collaboration between the two enterprises, aligning with their goal of offering an integrated banking and telecom ecosystem while ensuring regulatory compliance and financial stability.

Note 33.3. Relationship with key management personnel

The remuneration of the Board of Directors was decided by the General Shareholders' Meeting of 2004.

The principles of this remuneration remained applicable in 2024 and no substantial change of the policy is expected: it foresees an annual fixed compensation of EUR 50,000 for the Chairman of the Board of Directors and of EUR 25,000 for the other members of the Board of Directors, except for the CEO. All members of the Board of Directors, except for the CEO, have the right to an attendance fee of EUR 5,000 per attended meeting of the Board of Directors. This fee is doubled for the Chairman. Attendance fees of EUR 2,500 are foreseen for each member of an advisory committee of the Board of Directors, except for the CEO. For the Chairman of the respective advisory committee, these attendance fees are doubled.

The members also receive EUR 2,000 per year for communication costs. For the Chairman of the Board of Directors, the communication costs are also doubled.

The Chairman of the Board of Directors is also Chairman of the Joint Committee and of the Pension Fund and Proximus ART. He is member of the Board of Connectimmo, our real estate affiliate); He does not receive any fees for these mandates.

For the performance of their Board mandates, the non-executive Directors do not receive any variable performance-based remuneration, nor do they receive benefits linked to complementary pension plans or any other group insurance.

The total remuneration for the Directors amounted to gross EUR 1.296.068 for 2024 and to gross EUR 1.491.432 for 2023. The directors have not received any loan or advance from the Group.

The number of meetings of the Board of Directors and advising committees are detailed as follows:

	2023	2024
Board of Directors	14	10
Audit and Compliance Committee	6	6
Nomination and Remuneration Committee	5	6
Transformation & Innovation Committee	2	2
International Committee	0	2

In its meeting of 24 February 2011, the Board adopted a "related party transactions policy" which was updated in September 2016, which governs all transactions or other contractual relationships between the company and its board members. Proximus has contractual relationships and is also a vendor for telephony, Internet and/or ICT services for many of the companies in which Board members have an executive or non-executive mandate. These transactions take place in the ordinary course of business and are arm's length of nature.

For the year ended 31 December 2023, a total gross amount (included the long-term performance-based payments) of EUR 9,110,937 (before employer social security costs) was paid or granted in aggregate to the members of the Leadership Squad, Chief Executive Officer included. In 2023, the members of the Leadership Squad were Guillaume Boutin, Dirk Lybaert (until 1 September 2023), Ben Appel (as of 16 August 2023), Geert Standaert, Renaud Tilmans, Jan Van Acoleyen, Anne-Sophie Lotgering, Jim Casteele, Antonietta Mastroianni and Mark Reid.

For the year ended 31 December 2024, a total gross amount (included the long-term performance-based payments) of EUR 10,115,929 (before employer social security costs) was paid or granted in aggregate to the members of the Leadership Squad, Chief Executive Officer included. In 2024, the members of the Leadership Squad were Guillaume Boutin, Geert Standaert, Renaud Tilmans, Jan Van Acoleyen, Anne-Sophie Lotgering, Jim Casteele, Antonietta Mastroianni, Mark Reid and Ben Appel.These total amounts of key management compensation include the following components:

- Short-term employee benefits: annual salary (base and short-term variable) as well as other short-term employee benefits such as medical insurance, private use of management cars, meal vouchers, and excluding employer social security contributions paid on these benefits.
- Post-employment benefits: insurance premiums paid by the Group in the name of members of the Executive Committee. The premiums cover mainly a post-retirement complementary pension plan.
- Performance based payments (long-term):
  - In 2024, the Group Chief Executive Office (CEO) was granted 75.000 shares for free under a deferred share-based remuneration plan. These shares, irrevocably awarded, are subject to a three-year blocking period creating pay-out rights as from August 2027 only.
  - under the Performance Value Plan, which creates pay-out rights in May 2026 (granted in 2023) or in May 2027 (granted in 2024) depending on the achievement of company driven performance criteria which consist of the free cash flow, a reputation KPI, the company's Total Shareholder Return compared to a predefined group of other European telecom operators and Environmental, Social and Governance KPI.

	As at 31 December	
EUR	2023	2024
Short-term employee benefits	6,411,511	7,198,593
Post-employment benefits	1,186,739	922,766
Termination benefits		
Performance based payments	1,512,687	1,994,570
Total	9,110,937	10,115,929

* All these amounts are gross amounts before employer's social contribution

Note 33.4. Regulations

The telecommunications sector is regulated by European legislation, Belgian federal and regional legislation and by decisions of sectors specific regulators (the Belgian Institute for Postal services and Telecommunications, commonly referred to as the "BIPT/IBPT" and the regional regulators competent for media) or administrative bodies such as the Competition authorities.

Note 34. Rights, commitments and contingent liabilities

Note 34.1. Claims, legal and tax proceedings

Our policies and procedures are designed to comply with all applicable laws, accounting and reporting requirements, regulations and tax requirements, including those imposed by foreign countries, the EU, as well as applicable labour laws.

The complexity of the legal and regulatory environment in which we operate and the related cost of compliance are both increasing due to additional requirements. Furthermore, foreign and supranational laws occasionally conflict with domestic laws. Failure to comply with the various laws and regulations as well as changes in laws and regulations or the way they are interpreted or applied, may result in damage to our reputation, liability, fines and penalties, increased tax burden or cost of regulatory compliance and impacts of our financial statements.

The telecommunications industry and related service businesses are characterized by the existence of many patents and trademarks. Litigation based on allegations of patent infringement or other violations of intellectual property rights is common. As the number of entrants into the market grows and the overlap of product functions increases, the possibility of an intellectual property infringement claim against Proximus increases.

Proximus is currently involved in various claims and legal proceedings, including those for which a provision has been made and those described below for which no or limited provisions have been accrued, in the jurisdictions in which it operates concerning matters arising in connection with the conduct of its business. These also include proceedings before the Belgian Institute for Postal services and Telecommunications ("BIPT"), appeals against decisions taken by the Belgian competition Authority, and proceedings with the tax administrations.

Note 34.1.1. Broadband/Broadcast Access Related Cases

Between 12 and 14 October 2010, the Belgian Directorate General of Competition started a dawn raid in Proximus's offices in Brussels. This investigation concerns allegations by Mobistar and KPN regarding the wholesale DSL services of which Proximus would have engaged in obstruction practices. This measure is without prejudice to the final outcome of the full investigation. Following the inspection, the Directorate General of Competition is to examine all the relevant elements of the case. Eventually the College of Competition Prosecutors may propose a decision to be adopted by the Competition Council. During this procedure, Proximus will be in a position to make its views heard. (This procedure may last several years.)

During the investigation of October 2010, many documents were seized (electronic data such as a full copy of mailboxes and archives and other files). Proximus and the prosecutor of the Competition authority exchanged extensive views on the way to handle the seized data. Proximus wanted to be sure that the lawyers "legal privilege" (LPP) and the confidentiality of in-house counsel advices are guaranteed. Moreover, Proximus sought to prevent the Competition authority from having access to (sensitive) data that were out of scope. Not being able to convince the prosecutor of its position, Proximus started two proceedings, one before the Brussels Court of Appeal and one before the President of the Competition Council, in order to have the communication to the investigation teams of LPP data and data out of scope suspended. On 5 March 2013, the Court of Appeal issued a positive judgment in this appeal procedure by which it ruled that investigators had no authority to seize documents containing advice of company lawyers and documents that are out of scope and that these documents should be removed/destroyed. To be noted that this is a decision on the procedure in itself and not on the merit of the case.

On 14 October 2013, the Competition authority launched a request for cassation against this decision. Proximus has joined this cassation procedure. Eventually, on 22 January 2015, the Supreme Court decided to confirm the Judgment of 5 March 2013, except for a restriction regarding older documents, which was annulled. It is up to the Court of Appeal now to take a new decision on this restriction.

In March 2014, KPN has withdrawn its complaint; Mobistar remaining the sole complainant.

Based on the facts and information available per end December 2024, management recorded no provision for this case.

Note 34.1.2. Mobile On-net cases related

In the proceedings following a complaint by KPN Group Belgium in 2005 with the Belgian Competition Authority the latter confirmed on 26 May 2009 one of the five charges of abuse of dominant position put forward by the Prosecutor on 22 April 2008, i.e., engaging in 2004-2005 in a "price-squeeze" on the professional market. The Belgian Competition Authority considered that the rates for calls between Proximus customers ("on-net rates") were lower than the rates it charged competitors for routing a call from their own networks to that of Proximus (=termination rates), increased with several other costs deemed relevant. All other charges of the Prosecutor were rejected. The Competition Authority also imposed a fine of EUR 66.3 million on Proximus (former Belgacom Mobile) for abuse of a dominant position during the years 2004 and 2005. Proximus was obliged to pay the fine prior to 30 June 2009 and recognized this charge (net of existing provisions) as a non-recurring expense in the income statement of the second quarter 2009.

Proximus filed an appeal against the ruling of the Competition Authority with the Court of Appeal of Brussels, contesting many elements of the ruling: amongst other the fact that the market impact was not examined. Also, KPN Group Belgium and Mobistar filed an appeal against said ruling.

Following the settlement agreement dated 21 October 2015, the appeals of Base and Mobistar against the decision of the Belgian Competition Authority are withdrawn. Proximus will continue its appeal procedure against this decision.

In its interim judgment of 7th of October 2020, the Brussels Court of Appeal partially annulled the decision of 26th of May 2009 of the Competition Council, based on the reasoning that (i) the Belgian Competition Authority could not have established the existence of an abuse of a dominant position for 2004 without the document seized during the illegal dawn raid, while (ii) the documents seized during the illegal dawn raid were not indispensable for the establishment of the abuse of a dominant position for 2005. Consequently, Court decided that the procedure should only be continued for the latter period (both for other procedural issues and on merits). Proximus launched a "pourvoi en cassation" against this judgment in so far, according to Proximus, the decision should not have been annulled partially (2004), but totally (2004 and 2005), exactly because of the illegality of the dawn raid. This "pourvoi en cassation" was rejected on 12th of January 2023, meaning that the procedure before the Brussels Court of Appeal further continues.

In October 2009, seven parties (Telenet, KPN Group Belgium (former Base), KPN Belgium Business (Tele 2 Belgium), KPN BV (Sympac), BT, Verizon, Colt Telecom) filed an action against Belgacom mobile (currently Proximus and hereinafter indicated as Proximus) before the Commercial Court of Brussels formulating allegations that are similar to those in the case mentioned above (including Proximus-to-Proximus tariffs constitute an abuse of Proximus's alleged dominant position in the Belgian market), but for different periods depending on the claimant, in particular, in the 1999 up to now timeframe (claim for EUR 1 provisional and request for appointment of an expert to compute the precise damage). In November 2009 Mobistar filed another similar claim for the period 2004 and beyond.

Following the settlements with Telenet, KPN, BASE Company and Orange, the only remaining claimants are BT, Verizon and Colt Telecom.

On 17th June 2024, the Commercial Court of Brussels has decided to appoint an expert. Following this decision, the parties entered into settlement discussions, which led to an agreement on 26th of December 2024, which will put definitively an end to this procedure.

Note 34.1.3. GDPR case Telesign

Mid 2023, NOYB (a non-profit privacy activist organisation) representing 9 (currently unnamed) complainants has made public that it has filed a complaint in connection with the activities of Telesign before the Belgian Data Protection Authority (BDPA).

In its complaint, NOYB alleges that Proximus failed to answer adequately and timely the access requests of 2 complainants, that BICS did not properly inform data subjects about the processing of their personal data, misused electronic communication data for other purposes than those allowed by the regulatory framework and transferred personal data to a US company without respecting the conditions set after the so-called "Schrems II decision", and that Telesign did not properly inform data subjects about the processing of their personal data, lacks a valid legal basis, applies unlawful profiling and automated decision making, and does not respect the conditions of the aforementioned "Schrems II decision" when transferring personal data to the US and further to their customers.

Mid 2024, Proximus, BICS and TeleSign have each received a letter from the Belgian Data Protection Authority (BeDPA), containing a series of questions to which answers were formulated and shared. Proximus, BICS and Telesign will fully collaborate with the BeDPA in relation to possible additional answers, the timing of which is not known. Based on the facts and information available, management recorded no provision for this case.

Note 34.1.4. Tax proceedings

Indian case

BICS received withholding tax assessments from the Indian tax authorities in relation to payments made by an Indian tax resident customer to BICS in the period 1 April 2007 to 31 March 2017. For 2 assessment years (AY2008-2009 and AY 2012-2013), an appeal filed by BICS is still pending with the High Court after the Indian courts had annulled earlier assessments notes issued by the Indian tax authorities. For the other assessment years, the Indian competent Courts issued positive judgments, annulling the withholding tax assessments. The limitation to file an appeal has lapsed for 6 assessment years and for 2 assessment years (AY 2014-2015 and AY 2015-2016), the tax authorities can still file an appeal. BICS also received a new withholding tax assessment from the Indian tax authorities for the period 1 April 2017 to 31 March 2018 for which BICS filed appeal. Given the evolution in the case pattern the Group does no longer consider this to be a contingent liability at year-end. Management assesses that the position as recognized in the financial statements reflects the best estimate of the remote outcome.

Excess profit ruling

On 11 January 2016, the European Commission announced its decision to consider Belgian tax rulings granted to multinationals regarding "Excess Profit" as illegal state aid (hereafter "Decision").

BICS applied such tax ruling for the period 2010-2014 and paid the deemed aid recovery assessments. Furthermore, both BICS and the Belgian State filed an appeal against the decision of the European Commission before the EU General Court. The EU General Court ruled in its decision of 14 February 2019 in favour of the Belgian State against the European Commission based on the argument that there is no "state aid scheme". The European Commission filed an appeal against this decision with the Court of Justice of the EU (hereafter CJEU) on 24 April 2019. In addition, on 16 September 2019, the European Commission opened a separate in-depth investigation into 39 individual excess profit rulings, including the excess profit rulings obtained by

BICS. The individual opening decisions were eventually published on 31 August 2020. BICS submitted its comments to the Commission on 29 September 2020. On 16 September 2021, the CJEU held that the Decision correctly found that the excess profit ruling system constitutes an "aid scheme" and referred the case back to the General Court, for a decision on whether or not the EPR "scheme" also amounted to illegal State aid. On 20 September 2023, the EU General Court determined that the European Commission was correct to find, in 2016, that the Belgian tax scheme relating to excess profit infringes EU State aid rules. The amount to recover is EUR 24 million (to be increased with possible moratorium interests). On 30 November 2023, BICS introduced an appeal before the CJEU against the decision of the EU General Court. Management assesses that the position as recognized in the financial statements still reflects the best estimate of the probable outcome.

Note 34.2. Capital expenditure commitments

At 31 December 2024, the Group had contracted commitments of EUR 534 million (intangible assets EUR 17 million; tangible assets EUR 517 million). Investments will occur mainly during the year 2025 (€530 million).

At 31 December 2023 the contracted commitments amounted EUR 708 million (intangible assets EUR 35 million; tangible assets EUR 673million)

In addition, by acquiring certain spectrum rights in 2022, the group committed to pay annual fees, that it considers to be variable and contingent, for a net present value of EUR 262 million. The "annual fee" is a spectrum availability fee and is subject to an annual indexation adjustment.

The tangible assets are mainly related to commitments related to technical and network equipment related to the further accelerated investment plan for Fiber.

Note 34.3. Purchase commitments of shares

In the context of various acquisitions, there are contingent commitments (put option) for a total amount of EUR 7,5 million per end of 2024 (EUR 5.2 million as at 31 December 2023).

Note 34.4. Other rights and commitments

At 31 December 2024, the Group has the following other rights and commitments:

Note 34.4.1. Guarantees

The Group received guarantees for EUR 7 million from its customers to guarantee the payment of its trade receivables and guarantees for EUR 30 million from its suppliers to ensure the completion of contracts or works ordered by the Group. The Group granted guarantees for an amount of EUR 142 million (including the bank guarantees mentioned in note 32.2) to its customers and other third parties to guarantee, among others, the completion of contracts and works ordered by its clients and the payment of rental expenses related to buildings and sites for antenna installations.

Note 34.4.2. Partnership with HCL Technologies

In 2021 Proximus entered a partnership with HCL Technologies whereby that company operates and maintains Proximus' private cloud infrastructure.

HCL and Proximus concluded an asset financing arrangement (nominal amount of EUR 65 million, carrying amount of EUR 28 million, see Note 5) for the infrastructure that remains in the Proximus datacenters and under Proximus control which is recognized as a finance lease for which Proximus has an obligation to repurchase the assets. On top of that financing for existing assets the partnership includes a lease for the renewal of infrastructure (nominal amount of €31 million, carrying amount of €25 million, see Note 6).

Note 34.4.3. Partnership between BICS and Ooredoo Group

BICS has entered into multiyear contractual agreements whereby BICS will manage end-to-end traffic for operators. These agreements include a commitment (subject to satisfying certain conditions on ongoing basis) from BICS to send inbound traffic to certain operators for an aggregated amount not exceeding EUR 50 million per annum with a maximum duration of 3 years, of which 1 year remaining.

Note 34.4.4. Partnership with Microsoft

In the second quarter of 2024, Proximus entered into a five-year strategic partnership with Microsoft. Under this agreement, Proximus Group has committed €140 million over a five-year period (from mid-2024 to mid-2029) to utilize Azure services (Public Cloud) and Marketplace services (for the purchase of non-Microsoft licenses) through the Microsoft platform. Should Proximus fail to meet this commitment by the end of the fifth year, it will have an additional sixth year (grace period) to fulfil its obligations.

Note 34.4.5. Wallonia Deal (Tax on Pylons - TOP)

On 6th June 2024, Proximus and the other mobile telecom operators signed a new deal with the Walloon Region for the period FY23-FY26 (potentially to be extended to FY27). In exchange for the commitment of the Walloon Region not to levy regional TOPs and to take measures to incentivize Walloon communes and provinces not to levy any communal / provincial TOPs, the operators have agreed to (i) a payment obligation of EUR 20.5 million at sector level over the deal period to the Walloon Region and (ii) to make additional investments in the Walloon Region for an amount of EUR 45 million sector level over the deal period. A protection mechanism is foreseen enabling operators to deduct TOPs (capped at a maximum of EUR 8.8 million at sector level over the deal period) still levied by Walloon communes and provinces from the payments due to the Region. Sector level amounts will be split to the different Operators per an allocation key based on the Operator's actual mobile footprint.

Note 34.4.6. Sale of datacenter business to Datacenter United

In the fourth quarter of 2024, Proximus reached an agreement with the Belgium-based service provider Datacenter United for the sale of its datacenter business. The transaction is expected to close by the first quarter of 2025, pending applicable regulatory approvals and the completion of social dialogue regarding the transfer of affected employees. In the context of this agreement, Proximus will enter into a 10-year Master Service Agreement (MSA) with the acquirer to secure the provision of datacenter service. Proximus is committed to a certain colocation capacity and related services for approximately 7 million euros per year for the MSA period. The transaction perimeter also includes real estate in Evere and Mechelen where Proximus will then enter into a separate multi-year Lease Agreement for office and telecommunications spaces. It represents rental expense of approximately 3 million euros till 2028 and approximately 0.6 million euros thereafter.

Note 34.4.7. Sale of mobile tower infrastructure in Luxembourg

Proximus Group signed in November 2024 a binding agreement with InfraRed Capital Partners to sell 100% of the shares of Proximus Luxembourg Infrastructure for a total consideration of EUR 108 million (including cash on the balance sheet) to InfraRed's European Infrastructure Income Fund 4. In the context of this transaction, Proximus Luxembourg will remain an anchor tenant on the sites transferred. A long-term master service agreement has been signed and will ensure continued access to the infrastructure for Proximus Luxembourg, guaranteeing uninterrupted mobile services and consistent network coverage for Tango and Proximus NXT customers.

Note 35. Share-based Payment

Discounted Share Purchase Plans

In 2024 and 2023, the Group launched Discounted Share Purchase Plans.

Under the 2024 and 2023 plans, Proximus sold respectively 7,709 and 2,746 shares to the senior management of the Group at a discount of 16.66% compared to the market price (discounted price for EUR 6,11 per share in 2024 and for EUR 6.12 in 2023). The cost of the discount is below EUR one million in 2024 and in 2023 and was recorded in profit or losses workforce expenses (see note 26). This has an immaterial dilutive effect.

In addition, on July 25, 2024, the Board of Directors decided to grant 75,000 shares for free to the Chief Executive Officer. This has an immaterial dilutive effect.

Performance Value Plan

In 2019, 2020 and 2021 Proximus launched tranches of the “Performance Value Plan” for its senior management. Under this Cash-Settled Long-Term Performance Value Plan, the granted awards are blocked for a period of 3 years after which the Performance Values vest. The final paid amount depends on the results of 3 KPI’s which are: the Proximus’ Total Shareholder Return compared to a group of peer companies (40%), the group Free Cash Flow (40%) and the Reputation Index (20%). The final KPI is the average of the intermediary results of the 3 calendar years.

In 2022, 2023 and 2024, Proximus launched tranches of the “Performance Value Plan” for its senior management. Under this Cash-Settled Long-Term Performance Value Plan, the granted awards are blocked for a period of 3 years after which the Performance Values vest. The final paid amount depends on the results of 4 KPI’s which are: the Proximus’ Total Shareholder Return compared to a group of peer companies (25%), the group Free Cash Flow (25%), the Reputation Index (25%) and the Environmental, Social and Governance (ESG) (25%). The final KPI is the average of the intermediary results of the 3 calendar years.

The fair value of the tranches 2022, 2023 and 2024 amounted respectively to EUR 6, 7 and 10 million as of 31 December 2024 based on actual calculation. The annual charge of these tranches amounted to respectively EUR 2 million each.

Employee Stock Option Plans

Share-based compensation benefits are provided to employees via the “ROUTE MOBILE LIMITED” Employee Stock Option Plan 2017 and 2021 (the ‘ESOP scheme’), under which options to subscribe for the Route Mobile holding company’s shares have been granted to certain employees including key management personnel. All the options issued are equity share based options which must be settled in equity shares only. The shares were allotted to employees for no consideration.

The description of the existing ESOPs scheme granted is summarised as follows:

Particulars	RML ESOP 2017	RML ESOP 2021
Total number of stock options approved	2,500,000	2,800,000
Total number of stock options granted (Grant I)	1,452,500	736,500
Total number of stock options granted (Grant II)	888,500	4,720
Total number of stock options granted (Grant III)	470,500	N/A
Vesting schedule	Grant I: 25% of granted options shall vest on 12 October 2018, 12 October 2019, 12 October 2020 and 12 October 2021 respectively.	Grant I / Category I: 25% of granted options shall vest on 11 October 2022, 11 October 2023, 11 October 2024 and 11 October 2025 respectively.
	Grant II: 25% of granted options shall vest on 20 February 2021, 20 February 2022, 20 February 2023 and 20 February 2024 respectively.	Grant I / Category II: (a) Time based vesting (25% and/or 20%, as specified in grant letter of respective employee[s]) at the end of First year; and
	Grant III: 25% of granted options shall vest on 25 June 2021, 25 June 2022, 25 June 2023 and 25 June 2024 respectively.	(b) 25% each for one employee and 20%, 20% and 40% for others at the end of Second, Third and Fourth Year respectively from the date of Grant, subject to achievement of performance conditions as specified in grant letter of respective employee[s].
		Grant II: 25% of granted options shall vest on 17 February 2023, 17 February 2024, 17 February 2025 and 17 February 2026 respectively

For the RML ESOP 2017, vesting is contingent upon continued employment or service. For the RML ESOP 2021, vesting is contingent upon continued employment or service, as well as meeting performance-based vesting conditions. More detailed information about the ESOP plans is available in the Route Mobile financial statements.

The granted options do not confer any rights or status as a shareholder with respect to any shares covered by the grant.

The movement of stock options in 2024 and 2023 are summarized below:

Movement of stock options	RML ESOP-2017	RML ESOP-2021
	Number of options	Number of options
Outstanding at the date of acquisition (30 April 2024)	239,550	280,220
Options exercisable at the date of acquisition (30 April 2024)	147,685	149,610
Movements of the year		
Exercised	-209,050	0
Forfeited	-10,000	-7,360
Vested	91,865	58,875
Options outstanding at the end of the year (31 December 2024)	20,500	272,860
Options exercisable at the end of the year (31 December 2024)	20,500	201,125

As of 31 December 2024 there were 2,527,140 unallocated options. However, the granting of these options is fully at Route Mobile Board discretion.

For share options exercised during the period, the weighted average share price at the period of exercise was INR 325,30 per share.

The range of exercise price and weighted average remaining contractual life (comprising the vesting period and exercise period) of options outstanding as of 31 December 2024 is as follows:

As of 31 December 2024	Exercise price per option (in INR)	Weighted average remaining contractual life (in months)
ESOP Plan 2017		
Grant I (13 October 2017)	300	0 - 21
Grant II (21 February 2020)	326	14 - 50
Grant III (26 June 2020)	326	18 - 54
ESOP Plan 2021		
Grant I (12 October 2021)	2,296	33 - 69
Grant II (17 February 2022)	1,601	38 - 74

The Route Mobile Group has recorded compensation costs for all grants made to employees under the fair value method of accounting, the fair value of the services received from beneficiaries by reference to the fair value of the equity instruments granted. The fair value of options granted under RML ESOP 2017 is estimated on the date of grant using the discounted cash flow method. The fair value of options granted under RML ESOP 2021 is estimated on the date of grant using the Black-Scholes model. The expected price volatility is determined using annualised standard deviation (a measure of volatility used in Black-Scholes-Merton option pricing) and the historic volatility based on remaining life of the options. There is no market condition attached to the grant and vest.

The assumptions used for calculating the option fair value are as follows:

	ESOP Plan 2017		ESOP Plan 2021	
	Grant I	Grant II & Grant III	Grant I	Grant II
Risk Free interest rate	6.70%	6.55%	5.54%	5.95%
Expected Option life (in years)	4	4	4.60	5.01
Expected volatility	56.00%	100.00%	54.07%	55.53%
Market risk premium	8.82%	2.32%	-	-
Cost of debt	11.00%	12.87%	-	-
Terminal Growth Rate	4.00%	3.00%	-	-
Cost of Capital	11.06%	12.53%	-	-
Weighted-average values of share price (*)	300	326.16	2296.05	1600.95
Exercise price (*)	300	326.16	2296.05	1600.95
Dividend yield	0.09%	0.09%	0.09%	0.09%
Expected dividends	-	-	0.09	0.12

Total expenses, reversal included, arising from share-based payment transactions recognised during the period (since April 30, 2024) as part of employee benefit expense were lower than EUR 1 million.

Route Mobile Group deducts from the option grantee's salary (meaning in cash and not by withholding the number of shares with a fair value equal to the monetary value of the employee's tax obligation) or recovers any tax (also in cash) that is required to be deducted or recovered under the applicable laws.

Note 36. Relationship with the auditors

The Group expensed for the Group's auditors during the year 2024 for an amount of EUR 2.974.518 for audit mandate and control missions and EUR 739.495 for other missions.

This last amount is detailed as follows:

EUR	Auditor	Network of auditor
Audit mandate	1,562,926	540,011
Other Control Missions	166,985	704,596
Other missions	257,120	482,375
Total	1,987,031	1,726,982

Note 37. Segment reporting

The structure of the operating segments has been redesigned in 2024 (see note 2.3).

The Chief Operating Decision Maker assesses performance and makes decisions about resource allocation and performance based on the EBITDA net of incidentals.

Capex information is not provided to the CODM by operating segment but by key domain being e.g. fiber, mobile, content…

Group financing (including finance expenses and finance income) and income taxes were managed on a group basis and are not allocated to operating segments.

The accounting policies of the operating segments are the same as the significant accounting policies of the Group. Segment results are therefore measured on a similar basis as the operating result in the consolidated financial statements but are disclosed excluding "incidentals" and including lease depreciation and interest. The Group defines "incidentals" as material items that are out of usual business operations (see definitions).

Intercompany transactions between legal entities of the Group are invoiced on an arm's length basis.

	As at 31 December 2024						
	Proximus Group				underlying by segment		
(EUR million)	**Reported (IFRS 16)**	**Lease depreciation and interest**	**Incidental**	**Underlying**	**Global**	**Domestic**	**Eliminations**
Net revenue	6,376	0	0	6,376	1,669	4,766	-59
Other operating income	163	0	-110	54	4	60	-9
TOTAL INCOME	6,539	0	-110	6,430	1,672	4,826	-68
Costs of materials and services related to revenue	-2,364	-2	0	-2,367	-1,204	-1,218	56
Direct margin	4,175	-2	-110	4,063	468	3,608	-13
Workforce expenses	-1,435	0	17	-1,418	-189	-1,231	2
Non workforce expenses	-790	-103	98	-794	-110	-694	10
TOTAL OPERATING EXPENSES	-2,225	-103	115	-2,213	-299	-1,926	12
OPERATING INCOME before depreciation & amortization	1,950	-105	6	1,850	169	1,682	0
Depreciation and amortization	-1,259	0	0	-1,259	-101	-1,159	0
OPERATING INCOME	691	-105	6	591	68	523	0
Net finance costs	-159						
Share of loss on associates	-18						
INCOME BEFORE TAXES	513						
Tax expense	-57						
NET INCOME	456						
Attributable to:							
Equity holders of the parent (Group share)	447						
Non-controlling interests	9						

	Proximus Group				underlying by segment		
(EUR million)	**Reported (IFRS 16)**	**Lease depreciation and interest**	**Incidental**	**Underlying**	**Global**	**Domestic**	**Eliminations**
Net revenue	5,993	0	0	5,993	1,439	4,610	-56
Other operating income	56	0	-7	49	3	55	-9
TOTAL INCOME	6,048	0	-7	6,042	1,442	4,665	-65
Costs of materials and services related to revenue	-2,198	-1	6	-2,193	-1,060	-1,184	51
Direct margin	3,851	-1	-1	3,849	381	3,481	-14
Workforce expenses	-1,343	0	14	-1,329	-166	-1,166	3
Non workforce expenses	-722	-89	49	-762	-94	-679	11
TOTAL OPERATING EXPENSES	-2,064	-89	62	-2,091	-260	-1,845	14
OPERATING INCOME before depreciation & amortization	1,786	-90	62	1,757	121	1,636	0
Depreciation and amortization	-1,185	0	0	-1,185	-63	-1,123	0
OPERATING INCOME	601	-90	62	572	59	513	0
Net finance costs	-110						
Share of loss on associates	-30						
INCOME BEFORE TAXES	461						
Tax expense	-104						
NET INCOME	357						
Attributable to:							
Equity holders of the parent (Group share)	357						
Non-controlling interests	0						

In respect of geographical areas, the Group realized EUR 4.080 million net revenue in Belgium in 2023 and EUR 4.221 million in 2024 based on the country of the customer. The net revenue realized in other countries amounted to EUR 1,913 million in 2023 and EUR 2.156 million in 2024. More than 90% of the segment assets are located in Belgium.

Note 38. Recent IFRS pronouncements

The Group does not early adopt the standards or interpretations that are not yet effective at 31 December 2024.

The standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's financial statements are disclosed below. The Group intends to adopt these standards, if applicable, when they become effective.

This means that the Group did not apply the following standards or interpretations that are applicable for the Group as from 1 January 2025 or later:

- Newly issued standards, interpretations and amendments:
- Amendments to IFRS 9 and IFRS 7 – Classification and Measurement of Financial Instruments (2026)
- IFRS 18 – Presentation and Disclosure in Financial Statements (2027)
- IFRS 19 – Subsidiaries without Public Accountability – Disclosures (2027)
- Annual Improvements – volume 11 (2026)
- Amendments to IFRS 9 and IFRS 7 -Contracts referencing Nature-dependent Electricity (2026)

The Group will continue investigating the possible impacts of the application of these new standards and interpretations on the Group's financial statements in the course of 2025.

The Group does not anticipate material impacts from the initial application of those IFRS, except for IFRS 18.

Note 39. Post balance sheet events

In January 2025, Fiberklaar announced a reduction in headcount within the support functions. This announcement does not have a significant financial impact on Proximus Group.

On January 17, 2025, Proximus successfully refinanced its €700 million Revolving Credit Facility with a pool of Belgian and international banks, extending its maturity and further strengthening its financial flexibility.

The sale of the datacenter business to Datacenter United, as disclosed in Note 16, is expected to take place on February 28th, 2025.

Auditor's reports and Management responsibility statement

Deloitte.

Proximus NV van publiek recht / SA de droit public

Limited assurance report of the statutory auditor on the consolidated sustainability statement of Proximus NV van publiek recht / SA de droit public

Limited assurance report of the statutory auditor on the consolidated sustainability statement of Proximus NV van publiek recht / SA de droit public

To the general shareholders' meeting

In the framework of our legal limited assurance engagement on the consolidated sustainability statement of Proximus NV van publiek recht / SA de droit public ("the company") and its subsidiaries ("the group"), we hereby submit our report on this mission.

We have been appointed by the general meeting dated 17 april 2024, in accordance with the proposal of the board of directors issued upon recommendation of the audit committee, to perform a limited assurance engagement on the consolidated sustainability statement of the group, included in section Sustainability Statement of the Integrated Annual Report on 31 December 2024 and for the year then ended (the "consolidated sustainability statement").

Our mandate will expire on the date of the general meeting deliberating on the financial statements for the financial year ended 31 December 2024. We have performed our limited assurance engagement on the consolidated sustainability statement for the first time during the current reporting period.

Limited assurance conclusion

We have performed a limited assurance engagement on the consolidated sustainability statement of the group.

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the consolidated sustainability statement, in all material respects:

- has not been prepared in accordance with the requirements stipulated in article 3:32/2 of the Code of Companies and Associations, including compliance with the applicable European Sustainability Reporting Standards (ESRS);
- has not been prepared in accordance with the process carried out by the group to identify the information reported in the consolidated sustainability statement (the "process") as set out in the note "General information ";
- does not comply with the requirements of Article 8 of EU Regulation 2020/852 (the "Taxonomy Regulation") regarding the disclosures in subsection EU Taxonomy of the consolidated sustainability statement.

Basis for conclusion

We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), Assurance engagements other than audits or reviews of historical financial information ("ISAE 3000 (Revised)"), as applicable in Belgium.

Our responsibilities under this standard are described in more detail in the section of our report "Responsibilities of the statutory auditor relating to the limited assurance engagement on the consolidated sustainability statement".

We have complied with all ethical requirements relevant to limited assurance engagements on the consolidated sustainability statement in Belgium, including those regarding independence.

We apply the International Standard on Quality Management 1 (ISQM 1), which requires us to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We have obtained from the board of directors and the group's officials all explanations and information required for our limited assurance engagement.

We believe that the evidence we have obtained in the framework of our limited assurance engagement is sufficient and appropriate to provide a basis for our conclusion.

Other matters

The scope of our work is limited to our limited assurance engagement on the consolidated sustainability statement of the group for the year ended 31 December 2024. Our limited assurance engagement does not extend to information related to the comparative figures included in the consolidated sustainability statement.

Responsibilities of the board of directors relating to the preparation of the consolidated sustainability statement

The board of directors is responsible for designing and implementing a process and for disclosing this process in the note "General Information" of the consolidated sustainability statement. This responsibility includes:

- understanding the context in which the group's activities and business relationships take place and developing an understanding of its affected stakeholders;
- the identification of the actual and potential impacts (both negative and positive) related to sustainability matters, as well as risks and opportunities that affect, or could reasonably be expected to affect, the group's financial position, financial performance, cash flows, access to finance or cost of capital over the short-, medium-, or long-term;
- the assessment of the materiality of the identified impacts, risks and opportunities related to sustainability matters by selecting and applying appropriate thresholds; and
- making assumptions and estimates that are reasonable in the circumstances.

The board of directors is also responsible for the preparation of the consolidated sustainability statement, which includes the information established by the process,

- in accordance with the requirements set out in article 3:32/2 of the Code of Companies and Associations, including the applicable European Sustainability Reporting Standards (ESRS);
- in compliance with the requirements of Article 8 of the Taxonomy Regulation regarding the disclosure of the information included in subsection EU Taxonomy within the environmental section of the consolidated sustainability statement.

This responsibility comprises:

- designing, implementing and maintaining such internal control that the board of directors deems necessary for the preparation of the consolidated sustainability statement that is free from material misstatement, whether due to fraud or error; and
- the selection and application of appropriate sustainability reporting methods and making assumptions and estimates that are reasonable in the circumstances.

The audit committee is responsible for overseeing the group's sustainability reporting process.

Inherent limitations in preparing the sustainability statement

In reporting forward-looking information in accordance with ESRS, the board of directors is required to prepare the forward-looking information on the basis of disclosed assumptions about events that may occur in the future and possible future actions by the group. Actual outcomes are likely to be different since anticipated events frequently do not occur as expected and deviations may be of material importance.

Responsibilities of the statutory auditor relating to the limited assurance engagement on the consolidated sustainability statement

Our responsibility is to plan and perform the assurance engagement to obtain limited assurance about whether the consolidated sustainability statement is free from material misstatement, whether due to fraud or error, and to issue a limited assurance report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken based on the consolidated sustainability statement.

As part of a limited assurance engagement in accordance with ISAE 3000 (Revised), as applicable in Belgium, we apply professional judgement and maintain professional scepticism throughout the engagement. The work performed in an engagement aiming to obtain a limited level of assurance, for which we refer to the section “Summary of the work performed” is less in scope than in an engagement aiming to obtain a reasonable level of assurance. Therefore, we do not express an opinion with a reasonable level of assurance as part of this engagement.

Since the forward-looking information in the consolidated sustainability statement and the assumptions on which it is based, relate to the future, they may be affected by events that may occur in the future and/or by potential actions of the group. The actual outcomes are likely to be different from the assumptions made, as the anticipated events often do not occur as expected, and the deviation from them could be material. Therefore, our conclusion does not provide any assurance that the reported actual outcomes will correspond with those included in the forward-looking information in the consolidated sustainability statement.

Our responsibilities in respect of the consolidated sustainability statement, in relation to the process, include:

- obtaining an understanding of the process, but not for the purpose of providing a conclusion on the effectiveness of the process, including the outcome of the process; and
- designing and performing procedures to evaluate whether the process is consistent with the group’s description of its process, as disclosed in the note “General Information”.

Our other responsibilities in respect of the consolidated sustainability statement include:

- acquiring an understanding of the group’s control environment, the relevant processes, and information systems for preparing the consolidated sustainability statement, but without assessing the design of specific control activities, obtaining supporting information about their implementation, or testing the effective operation of the established internal control measures;
- identifying where material misstatements are likely to arise in the consolidated sustainability statement, whether due to fraud or error; and
- designing and performing procedures responsive to where material misstatements are likely to arise in the consolidated sustainability statement. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Summary of the work performed

A limited assurance engagement involves performing procedures to obtain evidence about the consolidated sustainability statement. The procedures in a limited assurance engagement vary in nature and timing and are less in extent than procedures performed for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

The nature, timing and extent of the procedures selected depend on professional judgement, including the identification of areas where material misstatements are likely to arise in the consolidated sustainability statement, whether due to fraud or error.

In conducting our limited assurance engagement, with respect to the process, we:

- obtained an understanding of the process by:
  - performing inquiries to understand the sources of the information used by management (e.g., stakeholder engagement, business plans and strategy documents); and
  - reviewing the group's internal documentation of its process; and
- evaluated whether the assurance evidence obtained from our procedures with respect to the process implemented by the group was consistent with the description of the process set out in the note "General information".

In conducting our limited assurance engagement, with respect to the consolidated sustainability statement, we have:

- obtained an understanding of the group's reporting processes relevant to the preparation of its consolidated sustainability statement by obtaining an understanding of the group's control environment, processes and information system relevant to the preparation of the consolidated sustainability statement but not with the purpose of providing a conclusion on the effectiveness of the group's internal control;
- evaluated whether the information identified by the process is included in the consolidated sustainability statement;
- evaluated whether the structure and the presentation of the consolidated sustainability statement has been prepared in accordance with the ESRS;
- performed inquires with relevant personnel and analytical procedures on selected information in the consolidated sustainability statement;
- performed substantive assurance procedures on selected information in the consolidated sustainability statement;
- compared disclosures in the sustainability statement with the corresponding disclosures in the financial statements and Integrated Annual Report;
- obtained evidence on the methods and assumptions for developing estimates and forward-looking information as described in the section "Responsibilities of the statutory auditor related to the limited assurance engagement on the consolidated sustainability statement";
- obtained an understanding of the group's process to identify taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the consolidated sustainability statement;

Statement related to independence

Our audit firm and our network have not performed any engagements which are incompatible with the limited assurance engagement, and our audit firm has remained independent of the group throughout the course of our mandate.

Signed at Zaventem.

The statutory auditor

Digitally signed by
Koen Neijens
DocuSign
Signed By: Koen Neijens (Signature)
Signing Time: 12-mrt-2025 | 19:17 CET
C: BE
Issuer: Citizen CA
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Deloitte Bedrijfsrevisoren/Réviseurs d'Entreprises BV/SRL
Represented by Koen Neijens

Proximus NV van publiek recht / Proximus SA de droit public

Statutory report of the joint auditors to the shareholders' meeting for the year ended 31 December 2024 - Consolidated financial statements

The original text of this report is in Dutch and French

Statutory report of the joint auditors to the shareholders' meeting of Proximus NV van publiek recht / Proximus SA de droit public for the year ended 31 December 2024 - Consolidated financial statements

In the context of the statutory audit of the consolidated financial statements of Proximus NV van publiek recht / Proximus SA de droit public ("the company") and its subsidiaries (jointly "the group"), we hereby submit our statutory audit report. This report includes our report on the consolidated financial statements and the other legal and regulatory requirements. These parts should be considered as integral to the report.

We, members of the joint auditors, were appointed in our capacity as statutory auditor by the shareholders' meeting of 20 April 2022, in accordance with the proposal of the board of directors issued upon recommendation of the audit and compliance committee. Our mandate will expire on the date of the shareholders' meeting deliberating on the financial statements for the year ending 31 December 2024. Deloitte Bedrijfsrevisoren / Réviseurs d'Entreprises BV/SRL has performed the statutory audit of the consolidated financial statements of Proximus NV van publiek recht / Proximus SA de droit public for 15 consecutive periods. Luc Callaert BV/SRL has performed the statutory audit of the consolidated financial statements of Proximus NV van publiek recht / Proximus SA de droit public for 3 consecutive periods.

Report on the consolidated financial statements

Unqualified opinion

We have audited the consolidated financial statements of the group, which comprise the consolidated balance sheet as at 31 December 2024, the consolidated income statement, the consolidated statement of other comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, as well as the summary of significant accounting policies and other explanatory notes. The consolidated balance sheet shows total assets of 13 327 million EUR and the consolidated income statement shows a profit for the year then ended of 456 million EUR.

In our opinion, the consolidated financial statements give a true and fair view of the group's net equity and financial position as of 31 December 2024 and of its consolidated results and its consolidated cash flow for the year then ended, in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium.

Basis for the unqualified opinion

We conducted our audit in accordance with International Standards on Auditing (ISA), as applicable in Belgium. In addition, we have applied the International Standards on Auditing approved by the IAASB applicable to the current financial year, but not yet approved at national level. Our responsibilities under those standards are further described in the "Responsibilities of the joint auditors for the audit of the consolidated financial statements" section of our report. We have complied with all ethical requirements relevant to the statutory audit of consolidated financial statements in Belgium, including those regarding independence.

We have obtained from the board of directors and the company's officials the explanations and information necessary for performing our audit.

We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters	How our audit addressed the key audit matters
Revenue recognition on telecommunication activities The accuracy of revenue is an inherent risk in the telecommunications industry. This is driven by the complexity of billing systems, the magnitude of volumes of data in combination with different products on the market and price changes during the year. The correct application of revenue recognition accounting standards to the separate elements of a customer's contract is complex and requires judgement by management. The details on revenue recognition are included in notes 2 'Material accounting policy information', 14.2 'Contract Assets', 22 'Other current payables and contract liabilities' and 23 'Net Revenue'.	We addressed this key audit matter by applying the following controls and substantive test procedures to the material revenue streams: • We tested the design, implementation and operating effectiveness of the relevant key controls in place in the revenue cycle, as well as in the IT environment in which billing, rating and other relevant support systems reside, including the change control procedures in place around systems that support material revenue streams; • We performed tests of details on a sample of individual revenue transactions, tracing these back to order documentation and cash receipts; and • We performed a substantive analytical review. Additionally, we assessed the appropriateness of the group's accounting policies with respect to revenue recognition and assessed compliance with the applicable accounting standards.
Goodwill impairment test Per 31 December 2024, goodwill amounts to 3 275 million EUR and relates to the group's two Cash Generating Units ('CGU'), respectively Domestic CGU (2 442 million EUR) and International CGU (833 million EUR). The annual impairment testing of goodwill was important for our audit because it relies on a number of critical judgements, such as the determination of the CGU as well as estimates and assumptions used in a discounted free cash flow model to determine the CGU's recoverable value, especially with respect to the ongoing fiber roll-out project which impacts free cash flows over a longer period than the typical forecast period of three years. The group uses a business plan reflecting its strategy and using internal and external sources for macro-economic assumptions such as inflation and long-term industry growth rate, as well as group specific assumptions on tax rates, capital spending and discount rates.	We obtained an understanding, evaluated the design of controls over the group's goodwill impairment review process. We performed audit procedures that included evaluating the appropriateness of the determination of the CGU's identified and tested the allocation of assets and liabilities to the carrying value of each CGU. We assessed the available information with reference to the recoverable value of the CGU: • We assessed the key assumptions, methodologies, key areas of judgement and data used by the group in its determination of the recoverable value, for example by analysing sensitivities in the group's discounted cash flow models and benchmarking with external macro-economic data to determine if they were reasonable and consistent with the current economic climate.

The details on the accounting for goodwill and the disclosure requirements under IAS 36 - *Impairment of assets* are included in note 2 'Material accounting policy information' and 3 'Goodwill' of the consolidated financial statements.	• We assessed management's methodology to determine the recoverable value, the mechanical accuracy of the model and the appropriateness of other assumptions applied. • We involved our valuation specialists to challenge the determination of the discount rate given the sensitivity of the Domestic model. • We assessed the historical accuracy of management's estimates. • We assessed the sensitivities of assumptions on the CGU's headroom and verified whether a reasonable possible change in assumptions could cause the carrying amounts to exceed its recoverable value. • We assessed the adequacy of the company's disclosures in the consolidated financial statements.
Purchase Price Allocation for the business combination of Route Mobile On 8 May 2024, Proximus Group completed the acquisition of a 58% stake in Route Mobile for a total consideration of 812 million EUR. IFRS 3 Business combinations requires a purchase price allocation exercise, whereby the total consideration is allocated to identifiable assets, liabilities and contingent liabilities, with the remaining amount being presented as goodwill. A purchase price allocation exercise has been performed by management assisted by an external expert. Management has the discretion to make judgments, estimates and assumptions in allocating the purchase price and determining the fair values. Changes in these assumptions could have a significant effect on the purchase price allocation and fair values. We focused on this because the acquisition is significant to the group and requires use of significant management judgment regarding the identification of assets acquired and the valuation of assets and liabilities acquired. More details on the acquisition accounting and the disclosure requirements under IFRS 3 Business Combinations are included in note 8.4 'Acquisitions and disposal of subsidiaries, joint ventures and associates".	We addressed this key audit matter through the following main procedures: • We obtained an understanding of management's processes over the acquisition accounting • We obtained the underlying documentation, terms and conditions of the transaction and assessed the accounting treatment of the consideration transferred and the assets and liabilities acquired in accordance with IFRS 3 Business Combinations; • We performed a risk assessment over the assets acquired and liabilities assumed to determine the nature and extent of further procedures and performed opening balance sheet testing for selected acquired assets and liabilities; • Together with our valuation specialists we audited management's valuations and assessed the methodology used to determine the assets acquired and liabilities assumed, in particular the methodologies and discount rates as key assumptions, used in the valuation of the acquired business, and a reconciliation of the key inputs used in the fair value measurement. • We assessed the adequacy of related disclosures in note 8.4.

Responsibilities of the board of directors for the preparation of the consolidated financial statements

The board of directors is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium and for such internal control as the board of directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the board of directors is responsible for assessing the group's ability to continue as a going concern, disclosing, as applicable, matters to be considered for going concern and using the going concern basis of accounting unless the board of directors either intends to liquidate the group or to cease operations, or has no other realistic alternative but to do so.

Responsibilities of the joint auditors for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a statutory auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

During the performance of our audit, we comply with the legal, regulatory and normative framework as applicable to the audit of consolidated financial statements in Belgium. The scope of the audit does not comprise any assurance regarding the future viability of the company nor regarding the efficiency or effectiveness demonstrated by the board of directors in the way that the company's business has been conducted or will be conducted.

As part of an audit in accordance with ISA, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from an error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board of directors;
- conclude on the appropriateness of the use of the going concern basis of accounting by the board of directors and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our statutory auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our statutory auditor's report. However, future events or conditions may cause the group to cease to continue as a going concern;

- evaluate the overall presentation, structure and content of the consolidated financial statements, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities and business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the audit and compliance committee regarding, amongst other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the audit and compliance committee with a statement that we have complied with relevant ethical requirements regarding independence, and we communicate with them about all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated to the audit and compliance committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our report unless law or regulation precludes any public disclosure about the matter.

Other legal and regulatory requirements

Responsibilities of the board of directors

The board of directors is responsible for the preparation and the content of the directors' report on the consolidated financial statements, including the sustainability statement and other matters disclosed in the annual report on the consolidated financial statements.

Responsibilities of the joint auditors

As part of our mandate and in accordance with the Belgian standard complementary to the International Standards on Auditing (ISA) as applicable in Belgium, our responsibility is to verify, in all material respects, the director's report on the consolidated financial statements and other matters disclosed in the annual report on the consolidated financial statements, as well as to report on these matters.

Aspects regarding the directors' report on the consolidated financial statements and other information disclosed in the annual report on the consolidated financial statements

The annual report contains the sustainability statement which is the subject of a separate limited assurance report on the sustainability statement. This section does not pertain to the assurance on the consolidated sustainability statement included in the annual report. For this part of the annual report on the consolidated financial statements, we refer to the relevant report on the matter.

In our opinion, after performing the specific procedures on the directors' report on the consolidated financial statements, this report is consistent with the consolidated financial statements for that same year and has been established in accordance with the requirements of article 3:32 of the Code of companies and associations.

In the context of our statutory audit of the consolidated financial statements we are responsible to consider, in particular based on information that we became aware of during the audit, if the directors' report on the consolidated financial statements and other information disclosed in the annual report on the consolidated financial statements are free of material misstatement, either by information that is incorrectly stated or otherwise misleading. In the context of the procedures performed, we are not aware of such material misstatement.

Statements regarding independence

- No services, incompatible with the statutory audit of consolidated financial statements as referred to by the law, have been performed and our audit firms and, if applicable, our networks remained independent from the company during the performance of our mandate.
- The fees for the additional non-audit services compatible with the statutory audit, as defined in article 3:65 of the Code of companies and associations, have been properly disclosed and disaggregated in the notes to the consolidated financial statements.

Single European Electronic Format (ESEF)

In accordance with the draft standard on the audit of the compliance of the financial statements with the Single European Electronic Format ("ESEF"), we have also performed the audit of the compliance of the ESEF format and of the tagging with the technical regulatory standards as defined by the European Delegated Regulation No. 2019/815 of 17 December 2018 ("Delegated Regulation").

The board of directors is responsible for the preparation, in accordance with the ESEF requirements, of the consolidated financial statements in the form of an electronic file in ESEF format (“digital consolidated financial statements”) included in the annual financial report.

Our responsibility is to obtain sufficient and appropriate evidence to conclude that the format and the tagging of the digital consolidated financial statements comply, in all material respects, with the ESEF requirements as stipulated by the Delegated Regulation.

Based on our work, in our opinion, the format and the tagging of information in the digital consolidated financial statements included in the annual financial report of the company as of 31 December 2024 are, in all material respects, prepared in accordance with the ESEF requirements as stipulated by the Delegated Regulation.

Other statements

This report is consistent with our additional report to the audit committee referred to in article 11 of Regulation (EU) No 537/2014.

Signed at Brussels.

The joint auditors

Digitally signed by
Koen Neijens
Signed By: Koen Neijens (Signature)
Signing Time: 12-mrt-2025 | 15:57 CET
DocuSign
C: BE
Issuer: Citizen CA
2A8E2DCFD59C4E1FB8A5EA30AB0224A5

Deloitte Bedrijfsrevisoren/Réviseurs d’Entreprises BV/SRL
Represented by Koen Neijens

Digitally signed by
Luc Callaert
Signed By: Luc Callaert (Signature)
Signing Time: 12-mrt-2025 | 17:34 CET
DocuSign
C: BE
Issuer: Citizen CA
BDEBD8125C204907810F620A60ED35B5

Luc Callaert BV/SRL
Represented by Luc Callaert

Management responsibility statement

The Proximus Executive Committee declares that, to the best of its knowledge, the consolidated financial statements, established in accordance with International Financial Reporting Standards (‘IFRS’) as adopted by the EU, give a true and fair view of the assets, financial position and results of Proximus and of the entities included in the consolidation.

The financial report gives an accurate overview of the information that needs to be disclosed.

The Proximus Executive Committee is represented by Guillaume Boutin, CEO, assisted by the Proximus Leadership Squad, the Domestic Management Committee and the International Management Committee.

Guillaume Boutin
CEO

Annex

ESRS Index 415

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Table of Task Force on Climate-Related Financial Disclosures (TCFD) 447

Contribution to the SDGs 449

ESRS Index

Legend of colors used — Identification of Voluntary DPs

ESRS 2 - General disclosures

General basis for preparation

ID	Location in Proximus integrated annual report
BP-1_01-03	Sustainability Statement - General information - Basis of preparation - Sustainability reporting scope
BP-1_04	Sustainability Statement - General information - Basis of preparation - Sustainability reporting scope - Value chain information
BP-1_05-06	Not applicable

Specific circumstances for preparation

ID	Location in Proximus integrated annual report
BP-2_01-02	Sustainability Statement - General information - Basis of preparation - Methodologies and assumptions - Time horizon and under the chapters when necessary
BP-2_03-08	Sustainability Statement - General information - Basis of preparation - Methodologies and assumptions - Estimations and under the chapters when necessary
BP-2_09	Sustainability Statement - General information - Basis of preparation - Methodologies and assumptions and under the chapters when necessary
BP-2_10-12	Sustainability Statement - General information - Basis of preparation - Methodologies and assumptions and under the chapters when necessary
BP-2_13-15	Not applicable
BP-2_16-17	Not applicable. The only sustainability framework applied is the ESRS/CSRD.
BP-2_18-19	Disclosure not mandatory
BP-2_20	Sustainability Statement - General information - Basis of preparation - Methodologies and assumptions and under the chapters when necessary
BP-2_21-27	Not applicable as Proximus has more than 750 employees.

The composition and role of management

ID	Location in Proximus integrated annual report
GOV-1_01-02	Corporate governance statement - Board of Directors
GOV-1_03	Not applicable as Proximus has no representant of employees in the Board of Directors.
GOV-1_04	Proximus Group at a glance - Governance overview - Board of Directors
GOV-1_05-07	Corporate governance statement - Board of Directors
GOV-1_08	Sustainability Statement - General information - Sustainability governance - Structure, roles and responsibilities
GOV-1_09	Corporate governance statement - Board of Directors Sustainability Statement - General information - Sustainability governance - Structure, roles and responsibilities - Corporate ESG Governance
GOV-1_10-12	Sustainability Statement - General information - Sustainability governance - Structure, roles and responsibilities - Operational ESG Governance
GOV-1_13	Sustainability Statement - General information - Sustainability governance - Structure, roles and responsibilities

GOV-1_14	Sustainability Statement - General information - Sustainability governance - Structure, roles and responsibilities - Operational ESG Governance
GOV-1_15-17	Proximus Group at a glance - Governance overview - Board of Directors

Sustainability information provided to management

ID	Location in Proximus integrated annual report
GOV-2_01	Sustainability Statement - General information - Sustainability governance - Corporate ESG governance
GOV-2_02	Not yet available
GOV-2_03	Sustainability Statement - General information - Double Materiality Assessment - The outcome - Impacts, risks and opportunities overview
GOV-2_04	Disclosure not mandatory

Incentive scheme

ID	Location in Proximus integrated annual report
GOV-3_01-06	Governance - Remuneration of Board of Directors and executive management board

Sustainability due diligence

ID	Location in Proximus integrated annual report
GOV-4_01	Sustainability Statement - General information - Basis of preparation

Risk management and internal controls

ID	Location in Proximus integrated annual report
GOV-5_01-02	Sustainability Statement - General information - Sustainability governance - Risk management and internal controls over sustainability reporting
GOV-5_03	Sustainability Statement - General information - Basis of preparation - Methodologies and assumptions - Main challenges Sustainability Statement - General information - Sustainability governance - Risk management and internal controls over sustainability reporting
GOV-5_04-05	Sustainability Statement - General information - Sustainability governance - Risk management and internal controls over sustainability reporting and under risk management chapter

Market position, strategy and business model

ID	Location in Proximus integrated annual report
SBM-1_01-02	Report on our activities
SBM-1_03-04	Sustainability Statement - Social information - Our own workforce - Working rights, fair pay and social dialogue - Performance
SBM-1_05	Not applicable
SBM-1_06-08	Not applicable. It will be published once the sector ESRS are available.
SBM-1_09-20	Not applicable
SBM-1_21-23	Not yet available
SBM-1_24	Not applicable
SBM-1_25-28	Proximus Group at a glance - Value creation model Sustainability Statement - General information - Our value chain

Stakeholder views and interests

ID	Location in Proximus integrated annual report
SBM-2_01-07	Sustainability Statement - General information - Stakeholder engagement
SBM-2_08-11	Sustainability Statement - General information - Double Materiality Assessment - Next steps
SBM-2_12	Sustainability Statement - General information - Stakeholder engagement - Customers Sustainability Statement - General information - Stakeholder engagement - Employees

DMA - Material impacts in relation to strategy

ID	Location in Proximus integrated annual report
SBM-3_01-07	Sustainability Statement - General information - Double Materiality Assessment - The outcome - Impacts, risks and opportunities overview
SBM-3_08	Sustainability Statement - General information - Double Materiality Assessment - Double Materiality Assessment process - Assessment of the impact materiality and financial materiality
SBM-3_09	Phase-in provision is used and will be reported on in 2025.
SBM-3_10	Not yet available
SBM-3_11	Sustainability Statement - General information - Double Materiality Assessment - The outcome
SBM-3_12	Sustainability Statement - General information - Double Materiality Assessment - The outcome - Materiality matrix

DMA - Materiality assessment process

ID	Location in Proximus integrated annual report
IRO-1_01	Sustainability Statement - General information - Double Materiality Assessment - Double Materiality Assessment process - Scope of the assessment
IRO-1_02	Sustainability Statement - General information - Double Materiality Assessment - Double Materiality Assessment process
IRO-1_03	Sustainability Statement - General information - Double Materiality Assessment - Double Materiality Assessment process - Scope of the assessment
IRO-1_04	Sustainability Statement - General information - Double Materiality Assessment
IRO-1_05	Sustainability Statement - General information - Double Materiality Assessment - Double Materiality Assessment process - Identification of the topics and associated impacts, risks and opportunities
IRO-1_06-12	Sustainability Statement - General information - Double Materiality Assessment - Double Materiality Assessment process - Assessment of the impact materiality and financial materiality
IRO-1_13-14	Sustainability Statement - General information - Double Materiality Assessment - Double Materiality Assessment process
IRO-1_15	Not applicable

DMA - Material topics included and omitted

ID	Location in Proximus integrated annual report
IRO-2_01-03	Not applicable
IRO-2_04-12	Disclosure not mandatory
IRO-2_13	Sustainability Statement - General information - Double Materiality Assessment

Minimum Disclosure Requirement

ID	Location in Proximus integrated annual report
MDR-P	This information is presented within the "Policies" subsection for each material topic chapter.
MDR-A	This information is presented within the "Taking actions on impacts" subsection for each materiality topic chapter.
MDR-T	This information is presented within the "Strategic objectives" subsection for each materiality topic chapter.
MDR-M	This information is presented within the "Performance" subsection for each materiality topic chapter.

ESRS E1 - Climate change

Integration of sustainability-related performance in incentive schemes

ID	Location in Proximus integrated annual report
E1.GOV-3_01-03	Sustainability Statement - Environmental information - Climate change - Climate change mitigation and energy - Performance

Transition plan

ID	Location in Proximus integrated annual report
E1-1_01	Sustainability Statement - Environmental information - Climate change - Climate change mitigation and energy - Climate Transition Plan
E1-1_02	Sustainability Statement - Environmental information - Climate change - Climate change mitigation and energy - Strategic objectives
E1-1_03	Sustainability Statement - Environmental information - Climate change - Climate change mitigation and energy - Climate Transition Plan
E1-1_04-06	Sustainability Statement - General information - Proximus' sustainability strategy - Financial resources allocated to sustainability action plan
E1-1_07	Sustainability Statement - Environmental information - Climate change - Climate change mitigation and energy - Climate Transition Plan - Our vision
E1-1_08	Sustainability Statement - Environmental information - Climate change - EU Taxonomy
E1-1_09-11	Not applicable
E1-1_12	Not applicable as Proximus is not excluded from Paris-Aligned Benchmarks.
E1-1_13-15	Sustainability Statement - Environmental information - Climate change - Climate change mitigation and energy - Climate Transition Plan
E1-1_16	Not applicable

Material impacts, risks and opportunities and their interaction with strategy and business model

ID	Location in Proximus integrated annual report
E1.SBM-3_01	Sustainability Statement - Environmental information - Climate change - Our impacts, risks and opportunities - Climate change risks
E1.SBM-3_02-05	Sustainability Statement - Environmental information - Climate change - Our impacts, risks and opportunities - Climate change risks - Climate change risks identification methodology
E1.SBM-3_06	Sustainability Statement - Environmental information - Climate change - Our impacts, risks and opportunities - Climate change risks
E1.SBM-3_07	Sustainability Statement - Environmental information - Climate change - Our impacts, risks and opportunities - Climate change risks - Climate change risks identification methodology

Description of the processes to identify and assess material climate-related impacts, risks and opportunities

ID	Location in Proximus integrated annual report
E1.IRO-1_01	Sustainability Statement - General information - Double Materiality Assessment - The Double Materiality Assessment process Sustainability Statement - General information - Double Materiality Assessment - The outcome - Impacts, risks and opportunities overview
E1.IRO-1_02	Sustainability Statement - Environmental information - Climate change - Our impacts, risks and opportunities - Climate change risks - Climate change risks identification methodology
E1.IRO-1_03-07	Sustainability Statement - General information - Double Materiality Assessment - Double Materiality Assessment process Sustainability Statement - General information - Double Materiality Assessment - The outcome - Impacts, risks and opportunities overview
E1.IRO-1_08	Sustainability Statement - Environmental information - Climate change
E1.IRO-1_09-15	Sustainability Statement - General information - Double Materiality Assessment - Double Materiality Assessment process Sustainability Statement - General information - Double Materiality Assessment - The outcome - Impacts, risks and opportunities overview
E1.IRO-1_16	Not yet available

Policies in place to manage its material impacts, risks and opportunities related to climate change mitigation and adaptation

ID	Location in Proximus integrated annual report
E1.MDR-P_01-06	Sustainability Statement - Environmental information - Climate change - Policies

Policies

ID	Location in Proximus integrated annual report
E1-2_01	Sustainability Statement - Environmental information - Climate change - Policies

Disclosures to be reported in case Proximus has not adopted policies

ID	Location in Proximus integrated annual report
E1.MDR-P_07	Not applicable
E1.MDR-P_08	Disclosure not mandatory

Actions and resources related to climate change mitigation and adaptation

ID	Location in Proximus integrated annual report
E1.MDR-A_01-05	Sustainability Statement - Environmental information - Climate change - Climate change mitigation and energy - Climate Transition Plan
E1.MDR-A_06-07	Sustainability Statement - General information - Proximus' sustainability strategy - Financial resources allocated to sustainability action plan The link with Financial statements is not yet available.
E1.MDR-A_08	Disclosure not mandatory
E1.MDR-A_09-12	Sustainability Statement - General information - Proximus' sustainability strategy - Financial resources allocated to sustainability action plan The link with Financial statements is not yet available.

Disclosure to be reported if Proximus has not adopted actions

ID	Location in Proximus integrated annual report
E1.MDR-A_13	Not applicable
E1.MDR-A_14	Disclosure not mandatory

Actions & resources

ID	Location in Proximus integrated annual report
E1-3_01	Sustainability Statement - Environmental information - Climate change - Climate change mitigation and energy - Climate Transition Plan
E1-3_02	Disclosure not mandatory
E1-3_03-05	Sustainability Statement - Environmental information - Climate change - Climate change mitigation and energy - Climate Transition Plan
E1-3_06-08	Not yet available

Tracking effectiveness of policies and actions through targets

ID	Location in Proximus integrated annual report
E1.MDR-T_01-13	Sustainability Statement - Environmental information - Climate change - Climate change mitigation and energy - Strategic objectives

Disclosure to be reported if Proximus has not set any measurable outcome-oriented targets

ID	Location in Proximus integrated annual report
E1.MDR-T_14-15	Disclosure not mandatory
E1.MDR-T_16-19	Not applicable

Disclosures to be reported for metrics

ID	Location in Proximus integrated annual report
E1.MDR-M_01-02	Performance subsections within each material topic chapter
E1.MDR-M_03	Sustainability Statement - General information - Basis of preparation - Methodologies and assumptions - Our focus

Targets

ID	Location in Proximus integrated annual report
E1-4_01	Sustainability Statement - Environmental information - Climate change - Climate change - Policies / Climate change mitigation and energy - Context Sustainability Statement - Environmental information - Climate change - Climate change adaptation - Strategic objectives
E1-4_02	Sustainability Statement - Environmental information - Climate change - Climate change mitigation and energy - Climate Transition Plan
E1-4_03	Sustainability Statement - Environmental information - Climate change - Climate change mitigation and energy - Climate Transition Plan - Our vision
E1-4_04-05	Not applicable
E1-4_06-07	Sustainability Statement - Environmental information - Climate change - Climate change mitigation and energy - Climate Transition Plan
E1-4_08-11	Not applicable

E1-4_12-13	Sustainability Statement - Environmental information - Climate change - Climate change mitigation and energy - Climate Transition Plan - Our vision
E1-4_14	Not applicable
E1-4_15-16	Sustainability Statement - Environmental information - Climate change - Climate change mitigation and energy - Proximus climate transition plan - Our vision
E1-4_17	Not applicable
E1-4_18	Sustainability Statement - Environmental information - Climate change - Climate change mitigation and energy - Strategic objectives
E1-4_19	Disclosure not mandatory
E1-4_20	Sustainability Statement - Environmental information - Climate change - Climate change mitigation and energy - Performance - How we calculate our greenhouse gas emissions and energy footprint
E1-4_21	Not applicable
E1-4_22	Sustainability Statement - Environmental information - Climate change - Climate change mitigation and energy - Strategic objectives
E1-4_23	Sustainability Statement - Environmental information - Climate change - Climate change mitigation and energy - Climate Transition Plan
E1-4_24	Sustainability Statement - Environmental information - Climate change - Our Impacts, risks and opportunities - Climate change risks - Climate change risks identification methodology

Energy consumption

ID	Location in Proximus integrated annual report
E1-5_01-09	Sustainability Statement - Environmental information - Climate change - Climate change mitigation and energy - Performance - Energy
E1-5_10-14	Not applicable
E1-5_15-17	Sustainability Statement - Environmental information - Climate change - Climate change mitigation and energy - Performance - Energy
E1-5_18-21	Not applicable
E1-5_22-23	Disclosure not mandatory

GHG Scope 1, 2 & 3 emissions

ID	Location in Proximus integrated annual report
E1-6_01-04	Sustainability Statement - Environmental information - Climate change - Climate change mitigation and energy - Performance - Greenhouse gas emissions
E1-6_05	Not applicable
E1-6_06-07	Sustainability Statement - Environmental information - Climate change - Climate change mitigation and energy - Performance - Greenhouse gas emissions
E1-6_08	Not applicable
E1-6_09-14	Sustainability Statement - Environmental information - Climate change - Climate change mitigation and energy - Performance - Greenhouse gas emissions
E1-6_15	Sustainability Statement - Environmental information - Climate change - Climate change mitigation and energy - Performance - How we calculate our greenhouse gas emissions and energy footprint
E1-6_16	Not applicable
E1-6_17-18	Sustainability Statement - Environmental information - Climate change - Climate change mitigation and energy - Performance - Greenhouse gas emissions
E1-6_19	Sustainability Statement - Environmental information - Climate change - Climate change mitigation and energy - Performance - Energy

E1-6_20	Disclosure not mandatory
E1-6_21-23	Sustainability Statement - Environmental information - Climate change - Climate change mitigation and energy - Performance - Energy
E1-6_24	Not applicable
E1-6_25	Sustainability Statement - Environmental information - Climate change - Climate change mitigation and energy - Performance - Greenhouse gas emissions
E1-6_26-27	Sustainability Statement - Environmental information - Climate change - Climate change mitigation and energy - Performance - How we calculate our greenhouse gas emissions and energy footprint
E1-6_28	Not applicable
E1-6_29	Sustainability Statement - Environmental information - Climate change - Climate change mitigation and energy - Performance
E1-6_30-35	Sustainability Statement - Environmental information - Climate change - Climate change mitigation and energy - Performance - Greenhouse gas emissions

GHG removal project

ID	Location in Proximus integrated annual report
E1-7_01-09	Not applicable
E1-7_10-11	Sustainability Statement - Environmental information - Climate change - Climate change mitigation and energy - Performance - Greenhouse gas emissions
E1-7_12	Not applicable
E1-7_13	Sustainability Statement - Environmental information - Climate change - Climate change mitigation and energy - Performance - Greenhouse gas emissions
E1-7_14-15	Not applicable
E1-7_16	Sustainability Statement - Environmental information - Climate change - Climate change mitigation and energy - Performance - Greenhouse gas emissions
E1-7_17-19	Not applicable
E1-7_20	Not yet available
E1-7_21-25	Not applicable

Internal carbon pricing

ID	Location in Proximus integrated annual report
E1-8_01-09	Not applicable

Financial effects

ID	Location in Proximus integrated annual report
E1-9_01-11	Phase-in provision is used and will be reported on in 2025.
E1-9_12-13	Disclosure not mandatory
E1-9_14-23	Phase-in provision is used and will be reported on in 2025.
E1-9_24-28	Disclosure not mandatory
E1-9_29-35	Phase-in provision is used and will be reported on in 2025.
E1-9_36-38	Disclosure not mandatory
E1-9_39-44	Phase-in provision is used and will be reported on in 2025.

ESRS E2 - Pollution

Description of the processes to identify and assess material pollution-related impacts, risks and opportunities

ID	Location in AR
E2.IRO-1_01-15	Sustainability Statement - General information - Double Materiality Assessment - Double Materiality Assessment process

All the other disclosure requirements are not material based on the DMA.

ESRS E3 - Water and marine resources

Description of the processes to identify and assess material water and marine resources-related impacts, risks and opportunities

ID	Location in AR
E3.IRO-1_01-15	Sustainability Statement - General information - Double Materiality Assessment - Double Materiality Assessment process

All the other disclosure requirements are not material based on the DMA.

ESRS E4 - Biodiversity and ecosystems

Description of processes to identify and assess material biodiversity and ecosystem-related impacts, risks and opportunities

ID	Location in AR
E4.IRO-1_01-15	Sustainability Statement - General information - Double Materiality Assessment - Double Materiality Assessment process

All the other disclosure requirements are not material based on the DMA.

ESRS E5 - Resource use and Circular Economy

Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities

ID	Location in Proximus integrated annual report
E5.IRO-1_01	Sustainability Statement - General information - Double Materiality Assessment - Double Materiality Assessment process Sustainability Statement - Environmental information - Circular economy and waste - Our impacts, risks and opportunities
E5.IRO-1_02	Sustainability Statement - General information - Double Materiality Assessment - Double Materiality Assessment process

Policies to manage Proximus' material impacts, risks and opportunities related to resource use and circular economy

ID	Location in Proximus integrated annual report
E5.MDR-P_01-06	Sustainability Statement - Environmental information - Circular economy and waste - Policies

Disclosures to be reported in case Proximus has not adopted policies

ID	Location in Proximus integrated annual report
E5.MDR-P_07	Not applicable
E5.MDR-P_08	Disclosure not mandatory

Policies

ID	Location in Proximus integrated annual report
E5-1_01-02	Sustainability Statement - Environmental information - Circular economy and waste - Policies
E5-1_03-04	Disclosure not mandatory

Actions and resources related to climate change mitigation and adaptation

ID	Location in Proximus integrated annual report
E5.MDR-A_01-05	Sustainability Statement - Environmental information - Circular economy and waste - Action plans
E5.MDR-A_06-07	Sustainability Statement - General information - Proximus' sustainability strategy - Financial resources allocated to the sustainability action plan The link with Financial statements is not yet available.
E5.MDR-A_08	Disclosure not mandatory
E5.MDR-A_09-12	Sustainability Statement - General information - Proximus' sustainability strategy - Financial resources allocated to the sustainability action plan The link with Financial statements is not yet available.

Disclosure to be reported if Proximus has not adopted actions

ID	Location in Proximus integrated annual report
E5.MDR-A_13	Not applicable
E5.MDR-A_14	Disclosure not mandatory

Actions & resources

ID	Location in Proximus integrated annual report
E5-2_01-10	Disclosure not mandatory

Tracking effectiveness of policies and actions through targets

ID	Location in Proximus integrated annual report
E5.MDR-T_01-13	Not applicable as no measurable target yet

Disclosures to be reported if Proximus has not adopted targets

ID	Location in Proximus integrated annual report
E5.MDR-T_14-15	Disclosure not mandatory
E5.MDR-T_16-19	Sustainability Statement - Environmental information - Circular economy and waste - Performance

Disclosures to be reported for metrics

ID	Location in Proximus integrated annual report
E5.MDR-M_01-02	Sustainability Statement - Environmental information - Circular economy and waste - Performance
E5.MDR-M_03	Sustainability Statement - General information - Basis of preparation - Methodologies and assumptions - Our focus

Targets

ID	Location in Proximus integrated annual report
E5-3_01-04	Sustainability Statement - Environmental information - Circular economy and waste - Strategic objectives
E5-3_05	Not applicable
E5-3_06-07	Sustainability Statement - Environmental information - Circular economy and waste - Performance - Resources outflows / Waste
E5-3_08-09	Sustainability Statement - Environmental information - Circular economy and waste - Strategic objectives
E5-3_10-12	Disclosure not mandatory
E5-3_13	Not applicable

Resource inflows

ID	Location in Proximus integrated annual report
E5-4_01-06	Sustainability Statement - Environmental information - Circular economy and waste - Performance - Resource inflow
E5-4_07	Disclosure not mandatory
E5-4_08	Not applicable

Resource outflows

ID	Location in Proximus integrated annual report
E5-5_01-06	Sustainability Statement - Environmental information - Circular economy and waste - Performance - Resources outflows
E5-5_07-17	Sustainability Statement - Environmental information - Circular economy and waste - Performance - Waste
E5-5_18	Disclosure not mandatory

Financial effects

ID	Location in Proximus integrated annual report
E5-6_01-04	Phase-in provision is used and will be reported on in 2025.
E5-6_05-06	Disclosure not mandatory

ESRS S1 - Own workforce

Material impacts, risks and opportunities and their interaction with strategy and business model

ID	Location in Proximus integrated annual report
S1.SBM-2_01-03	Sustainability Statement - General information - Stakeholder engagement
S1.SBM-3_01-02	Sustainability Statement - Social information - Our own workforce - Employees' and non-employees' definitions
S1.SBM-3_03-05	Sustainability Statement - General information - Double Materiality Assessment - The outcome - Impacts, risks and opportunities overview
S1.SBM-3_06-12	Not applicable

Policies to manage material impacts, risks and opportunities related to Proximus' workforce

ID	Location in Proximus integrated annual report
S1.MDR-P_01-06	Sustainability Statement - Social information - Our own workforce - Policies

Disclosures to be reported in case Proximus has not adopted policies

ID	Location in Proximus integrated annual report
S1.MDR-P_07	Not applicable
S1.MDR-P_08	Disclosure not mandatory

Policies

ID	Location in Proximus integrated annual report
S1-1_01	Sustainability Statement - Social information - Our own workforce - Policies
S1-1_02	Disclosure not mandatory
S1-1_03-09	Sustainability Statement - Social information - Our own workforce - Working rights, fair pay and social dialogue - Policies
S1-1_10-11	Sustainability Statement - Social information - Our own workforce - Working rights, fair pay and social dialogue - Policies Sustainability Statement - Social information - Our own workforce - Diversity and inclusion - Policies
S1-1_12	Sustainability Statement - Social information - Our own workforce - Diversity and inclusion - Strategic objectives
S1-1_13	Sustainability Statement - Social information - Our own workforce - Diversity and inclusion - Policies
S1-1_14-22	Disclosure not mandatory

Process: Worker engagement

ID	Location in Proximus integrated annual report
S1-2_01-04	Sustainability Statement - Social information - Our own workforce - Processes for engaging with own workforce
S1-2_05	Not applicable as Proximus does not have a Global Framework Agreement or other agreements with workers representatives.
S1-2_06	Sustainability Statement - Social information - Our own workforce - Processes for engaging with own workforce
S1-2_07	Sustainability Statement - Social information - Our own workforce - Diversity and inclusion - Taking actions on impacts
S1-2_08	Not applicable
S1-2_09-15	Disclosure not mandatory

Process: Remediate impacts

ID	Location in Proximus integrated annual report
S1-3_01	Sustainability Statement - Social information - Our own workforce - Work-life balance and well-being - Processes to remediate negative impacts Sustainability Statement - Social information - Our own workforce - Employee health and safety - Processes to remediate negative impacts
S1-3_02	Sustainability Statement - Governance information - Business conduct - Taking actions on impacts - Grievance mechanisms Sustainability Statement - Social information - Our own workforce - Processes for engaging with own workforce
S1-3_03-04	Disclosure not mandatory
S1-3_05	Sustainability Statement - Governance information - Business conduct - Taking actions on impacts - Grievance mechanisms Sustainability Statement - Social information - Our own workforce - Processes for engaging with own workforce
S1-3_06	Sustainability Statement - Governance information - Business conduct - Taking actions on impacts - Grievance mechanisms
S1-3_07	Sustainability Statement - Governance information - Business conduct - Taking actions on impacts - Grievance mechanisms Sustainability Statement - Governance information - Business conduct - Performance - Corporate culture metrics
S1-3_08-09	Sustainability Statement - Governance information - Business conduct - Taking actions on impacts - Grievance mechanisms
S1-3_10	Not applicable
S1-3_11	Disclosure not mandatory

Action plans and resources to manage its material impacts, risks and opportunities related to Proximus' workforce

ID	Location in Proximus integrated annual report
S1.MDR-A_01-05	Within the material topic chapter
S1.MDR-A_06-07	Sustainability Statement - General information - Proximus' sustainability strategy - Financial resources allocated to the sustainability action plan The link with Financial statements is not yet available.
S1.MDR-A_08	Disclosure not mandatory
S1.MDR-A_09-12	Sustainability Statement - General information - Proximus' sustainability strategy - Financial resources allocated to the sustainability action plan The link with Financial statements is not yet available.

Disclosure to be reported if Proximus has not adopted actions

ID	Location in Proximus integrated annual report
S1.MDR-A_13	Not applicable
S1.MDR-A_14	Disclosure not mandatory

Taking actions on impacts

ID	Location in Proximus integrated annual report
S1-4_01-04	Within each material topic section
S1-4_05	Sustainability Statement - Social information - Our own workforce - Human Resources governance
S1-4_06-07	Within each material topic section
S1-4_08	Sustainability Statement - Social information - Our own workforce - Working rights, fair pay and social dialogue - Taking actions on impacts Sustainability Statement - Social information - Our own workforce - Work-life balance and well-being - Taking actions on impacts Sustainability Statement - Social information - Our own workforce - Employee health and safety Sustainability Statement - Social information - Our own workforce - Diversity and inclusion - Taking actions on impacts Sustainability Statement - Social information - Employee upskilling, reskilling and employability - Taking actions on impacts

S1-4_09	Resources and responsibilities subsections within the material topic sections
S1-4_10-18	Disclosure not mandatory
S1-4_19	Not applicable
S1-4_20	Disclosure not mandatory

Targets set to manage material impacts, risks and opportunities related to Proximus' workforce

ID	Location in Proximus integrated annual report
S1.MDR-T_01-13	Sustainability Statement - Social information - Our own workforce - Employee health and safety - Strategic objectives Sustainability Statement - Social information - Our own workforce - Diversity and inclusion - Strategic objectives

Disclosures to be reported if Proximus has not adopted targets

ID	Location in Proximus integrated annual report
S1.MDR-T_14-15	Disclosure not mandatory
S1.MDR-T_16-19	Within the material topic chapter

Targets

ID	Location in Proximus integrated annual report
S1-5_01-03	Not applicable
S1-5_04-06	Disclosure not mandatory

Disclosures to be reported for metrics

ID	Location in Proximus integrated annual report
S1.MDR-M_01-02	Performance subsections within each material topic chapter
S1.MDR-M_03	Sustainability Statement - General information - Basis of preparation - Methodologies and assumptions - Our focus

Employee characteristics

ID	Location in Proximus integrated annual report
S1-6_01	Sustainability Statement - Social information - Our own workforce - Working rights, fair pay and social dialogue - Performance
S1-6_02-03	Not applicable
S1-6_04	Sustainability Statement - Social information - Our own workforce - Working rights, fair pay and social dialogue - Performance
S1-6_05-06	Not applicable
S1-6_07	Sustainability Statement - Social information - Our own workforce - Working rights, fair pay and social dialogue - Performance
S1-6_08	Not applicable
S1-6_09-10	Not applicable
S1-6_11-16	Sustainability Statement - Social information - Our own workforce - Working rights, fair pay and social dialogue - Performance
S1-6_17	Consolidated financial statements - Note 1 Corporate information
S1-6_18-20	Disclosure not mandatory

Non-employee characteristics

ID	Location in Proximus integrated annual report
S1-7_01-10	Phase-in provision is used and will be reported on in 2025.

Collective bargaining

ID	Location in Proximus integrated annual report
S1-8_01	Sustainability Statement - Social information - Our own workforce - Working rights, fair pay and social dialogue - Performance Phase-in provision used for non-EEA countries.
S1-8_02	Sustainability Statement - Social information - Our own workforce - Working rights, fair pay and social dialogue - Performance Phase-in provision used for non-EEA countries.
S1-8_03	Phase-in provision used for non-EEA countries and will be reported in 2025.
S1-8_04-05	Disclosure not mandatory
S1-8_06	Sustainability Statement - Social information - Our own workforce - Working rights, fair pay and social dialogue - Performance Phase-in provision used for non-EEA countries.
S1-8_07	Sustainability Statement - Social information - Our own workforce - Working rights, fair pay and social dialogue - Performance Phase-in provision used for non-EEA countries.
S1-8_08	Phase-in provision is used and will be reported on in 2025.

Diversity metrics

ID	Location in Proximus integrated annual report
S1-9_01-06	Sustainability Statement - Social information - Our own workforce - Diversity and inclusion - Performance

Adequate wages

ID	Location in Proximus integrated annual report
S1-10_01	Sustainability Statement - Social information - Our own workforce - Working rights, fair pay and social dialogue - Performance
S1-10_02-03	Not applicable
S1-10_04	Disclosure not mandatory

Social protection

ID	Location in Proximus integrated annual report
S1-11_01-09	Phase-in provision is used and will be reported on in 2025.

Persons with disabilities

ID	Location in Proximus integrated annual report
S1-12_01	Phase-in provision is used and will be reported on in 2025.
S1-12_02	Disclosure not mandatory
S1-12_03	Phase-in provision is used and will be reported on in 2025.

Training and skills

ID	Location in Proximus integrated annual report
S1-13_01-04	Phase-in provision is used and will be reported on in 2025.
S1-13_05-07	Disclosure not mandatory

Health and safety

ID	Location in Proximus integrated annual report
S1-14_01-05	Sustainability Statement - Social information - Our own workforce - Employee health and safety - Performance
S1-14_06-07	Phase-in provision is used and will be reported on in 2025.
S1-14_08-12	Disclosure not mandatory

Work-life balance

ID	Location in Proximus integrated annual report
S1-15_01-04	Phase-in provision is used and will be reported on in 2025

Compensation metrics

ID	Location in Proximus integrated annual report
S1-16_01-03	Sustainability Statement - Social information - Our own workforce - Working rights, fair pay and social dialogue - Performance
S1-16_04-07	Disclosure not mandatory

Human rights incidents

ID	Location in Proximus integrated annual report
S1-17_01-02	Sustainability Statement - Social information - Our own workforce - Diversity and inclusion - Performance
S1-17_03	Sustainability Statement - Social information - Our own workforce - Working rights, fair pay, and social dialogue - Performance
S1-17_04	Sustainability Statement - Governance information - Business conduct - Taking actions on impacts - Grievance mechanisms
S1-17_05-06	Sustainability Statement - Social information - Our own workforce - Diversity and inclusion - Performance
S1-17_07	Not applicable
S1-17_08-11	Sustainability Statement - Social information - Our own workforce - Working rights, fair pay, and social dialogue - Performance
S1-17_12	Not applicable as no human rights incidents has occured and therefore no fines, penalties and compensations.
S1-17_13-14	Disclosure not mandatory

ESRS S2 - Human rights in the value chain

Material impacts, risks and opportunities and their interaction with strategy and business model

ID	Location in Proximus integrated annual report
S2.SBM-2_01-03	Sustainability Statement - General information - Stakeholder engagement
S2.SBM-3_01-03	Sustainability Statement - Social information - Human rights within our value chain - Context
S2.SBM-3_04	Sustainability Statement - Social information - Human rights within our value chain - Actions to remediate negative impacts - Risk identification
S2.SBM-3_05	Sustainability Statement - Social information - Human rights within our value chain - Impacts, risks and opportunities
S2.SBM-3_06	Not applicable as no positive impact identified
S2.SBM-3_07	Sustainability Statement - Social information - Human rights within our value chain - Impacts, risks and opportunities
S2.SBM-3_08	Not applicable
S2.SBM-3_09	Sustainability Statement - Social information - Human rights within our value chain - Impacts, risks and opportunities

Policies to manage material impacts, risks and opportunities related to value chain workers

ID	Location in Proximus integrated annual report
S2.MDR-P_01-06	Sustainability Statement - Social information - Human rights within our value chain - Policies

Disclosures to be reported if Proximus has not adopted policies

ID	Location in Proximus integrated annual report
S2.MDR-P_07	Not applicable
S2.MDR-P_08	Voluntary disclosure

Policies

ID	Location in Proximus integrated annual report
S2-1_01-02	Sustainability Statement - Social information - Human rights within our value chain - Policies
S2-1_03	Sustainability Statement - General information - Stakeholder engagement - Suppliers and workers in the value chain
S2-1_04-06	Sustainability Statement - Social information - Human rights within our value chain - Policies
S2-1_07	Disclosure not mandatory
S2-1_08	Sustainability Statement - Social information - Human rights within our value chain - Policies
S2-1_09	Not yet monitored for Proximus Group.
S2-1_10-11	Disclosure not mandatory

Process: Value chain workers engagement

ID	Location in Proximus integrated annual report
S2-2_01-07	Not applicable
S2-2_08	Sustainability Statement - General information - Stakeholder engagement - Suppliers and value chain workers
S2-2_09	Disclosure not mandatory

Process: Remediate impacts

ID	Location in Proximus integrated annual report
S2-3_01-03	Sustainability Statement - Social information - Human rights within our value chain - Actions to remediate negative impacts
S2-3_04	Sustainability Statement - Governance information - Business conduct - Taking actions on impacts - Grievance mechanisms
S2-3_05	It is not monitored for Proximus Group
S2-3_06	Sustainability Statement - Governance information - Business conduct - Taking actions on impacts - Grievance mechanisms
S2-3_07	Not applicable as there are channels for raising concerns
S2-3_08-12	Disclosure not mandatory

Action plans and resources to manage Proximus' material impacts, risks and opportunities related to value chain workers

ID	Location in Proximus integrated annual report
S2.MDR-A_01-05	Sustainability Statement - Social information - Human rights within our value chain - Actions to remediate negative impacts
S2.MDR-A_06-07	Sustainability Statement - Social information - Human rights within our value chain - Resources and responsibilities
S2.MDR-A_08	Disclosure not mandatory
S2.MDR-A_09-12	Sustainability Statement - General information - Proximus' sustainability strategy - Financial resources allocated to the sustainability action plan The link with Financial statements is not yet available

Disclosures to be reported if Proximus has not adopted actions

ID	Location in Proximus integrated annual report
S2.MDR-A_13	Not applicable
S2.MDR-A_14	Voluntary disclosure

Taking actions on impacts

ID	Location in Proximus integrated annual report
S2-4_01-03	Sustainability Statement - Social information - Human rights within our value chain - Actions to remediate negative impacts
S2-4_04	Sustainability Statement - Social information - Human rights within our value chain - Performance
S2-4_05-08	Sustainability Statement - Social information - Human rights within our value chain - Actions to remediate negative impacts
S2-4_09	Not applicable as no opportunity identified.
S2-4_10	Sustainability Statement - Social information - Human rights within our value chain - Actions to remediate negative impacts
S2-4_11	Not yet monitored for Proximus Group.
S2-4_12	Sustainability Statement - Social information - Human rights within our value chain - Resources and responsibilities
S2-4_13-18	Disclosure not mandatory

Targets

ID	Location in Proximus integrated annual report
S2-5_01-03	Not applicable as no measurable targets yet
S2-5_04-06	Disclosure not mandatory

Targets set to manage material impacts, risks and opportunities related to value chain workers

ID	Location in Proximus integrated annual report
S2.MDR-T_01-13	Not applicable as no measurable targets yet

Disclosures to be reported if Proximus has not adopted targets

ID	Location in Proximus integrated annual report
S2.MDR-T_14-15	Disclosure not mandatory
S2.MDR-T_16	Sustainability Statement - Social information - Human rights within our value chain - Strategic objectives
S2.MDR-T_17-19	Sustainability Statement - Social information - Human rights within our value chain - Performance

Disclosures to be reported for metrics

ID	Location in Proximus integrated annual report
S2.MDR-M_01-02	Sustainability Statement - Social information - Human rights within our value chain - Performance
S2.MDR-M_03	Sustainability Statement - General information - Basis of preparation - Methodologies and assumptions - Our focus

ESRS S3 - Affected communities

Material impacts, risks and opportunities and their interaction with strategy and business model

ID	Location in Proximus integrated annual report
S3.SBM-2_01-03	Sustainability Statement - General information - Stakeholder engagement
S3.SBM-3_01-03	Sustainability Statement - Social information - Local communities - Context
S3.SBM-3_04	Sustainability Statement - Social information - Local communities - Impacts, risks and opportunities
S3.SBM-3_05	Not applicable as no positive impacts identified
S3.SBM-3_06	Sustainability Statement - Social information - Local communities - Impacts, risks and opportunities
S3.SBM-3_07	Not applicable
S3.SBM-3_08	Sustainability Statement - Social information - Local communities - Impacts, risks and opportunities

Policies to manage material impacts, risks and opportunities related to affected communities

ID	Location in Proximus integrated annual report
S3.MDR-P_01-06	Sustainability Statement - Social information - Local communities - Policies

Disclosures to be reported if Proximus has not adopted policies

ID	Location in Proximus integrated annual report
S3.MDR-P_07	Not applicable
S3.MDR-P_08	Voluntary disclosure

Policies

ID	Location in Proximus integrated annual report
S3-1_01	Not applicable
S3-1_02	Sustainability Statement - Social information - Local communities - Policies
S3-1_03	Not applicable
S3-1_04	Sustainability Statement - Social information - Local communities - Processes to engage with local community
S3-1_05-07	Sustainability Statement - Social information - Local communities - Policies
S3-1_08-09	Disclosure not mandatory

Process: Community engagement

ID	Location in Proximus integrated annual report
S3-2_01-03	Sustainability Statement - Social information - Local communities - Processes to engage with local community
S3-2_04	Sustainability Statement - Social information - Local communities - Resources and responsibilities
S3-2_05	Sustainability Statement - General information - Stakeholder engagement - Society at large
S3-2_06-08	Not applicable
S3-2_09	Disclosure not mandatory

Process: Remediate impacts

ID	Location in Proximus integrated annual report
S3-3_10	Sustainability Statement - Social information - Local communities - Processes to remediate negative impacts
S3-3_11-12	Sustainability Statement - Social information - Local communities - Channels to raise local community concerns
S3-3_13	Not monitored yet for Proximus Group
S3-3_14	Sustainability Statement - Social information- Local communities - Actions to improve communication and address concerns among local authorities
S3-3_15	Sustainability Statement - Social information- Local communities - Processes to remediate negative impacts
S3-3_16	Not applicable
S3-3_17-21	Disclosure not mandatory

Action plans and resources to manage Proximus' material impacts, risks and opportunities related to affected communities

ID	Location in Proximus integrated annual report
S3.MDR-A_01-07	Sustainability Statement - Social information - Local communities - Processes to remediate negative impacts
S3.MDR-A_08	Disclosure not mandatory
S3.MDR-A_09-12	Sustainability Statement - Social information - Local communities - Processes to remediate negative impacts

Taking action on impacts

ID	Location in Proximus integrated annual report
S3-4_01-06	Sustainability Statement - Social information - Local communities - Processes to remediate negative impacts Sustainability Statement - Social information - Local communities - Actions to improve communication and address concerns among local authorities Sustainability Statement - Social information - Local communities - Actions to adress potential health and safety concerns related to electromagnetic radiation
S3-4_07	Not available
S3-4_08-10	Sustainability Statement - Social information - Local communities - Processes to remediate negative impacts Sustainability Statement - Social information - Local communities - Actions to improve communication and address concerns among local authorities Sustainability Statement - Social information - Local communities - Actions to adress potential health and safety concerns related to electromagnetic radiation
S3-4_11	Not monitored yet for Proximus Group.
S3-4_12	Sustainability Statement - Social information - Local communities - Resources and responsibilities
S3-4_13-19	Disclosure not mandatory

Disclosure to be reported if Proximus has not adopted actions

ID	Location in Proximus integrated annual report
S3.MDR-A_13	Not applicable
S3.MDR-A_14	Disclosure not mandatory

Targets set to manage material impacts, risks and opportunities related to affected communities

ID	Location in Proximus integrated annual report
S3.MDR-T_01-13	Not applicable as no measurable targets yet

Disclosures to be reported if Proximus has not adopted targets

ID	Location in Proximus integrated annual report
S3.MDR-T_14-15	Disclosure not mandatory
S3.MDR-T_16-19	Sustainability Statement - Social information - Local communities - Actions to improve communication and address concerns among local authorities

Disclosures to be reported for metrics

ID	Location in Proximus integrated annual report
S3.MDR-M_01-03	Not applicable

Targets

ID	Location in Proximus integrated annual report
S3-5_01-03	Not applicable
S3-5_04-06	Disclosure not mandatory

ESRS S4 - Consumers & end-users

Material impacts, risks and opportunities and their interaction with strategy and business model

ID	Location in Proximus integrated annual report
S4.SBM-3_01-03	Sustainability Statement - Social information - Consumers and end-users - Data protection - Context Sustainability Statement - Social information - Consumers and end-users - Cybersecurity - Context Sustainability Statement - Social information - Consumers and end-users - Digital inclusion: access, affordability and skills - Context
S4.SBM-3_04	Sustainability Statement - Social information - Consumers and end-users - Data protection - Impacts, risks and opportunities Not applicable for Cybersecurity Sustainability Statement - Social information - Consumers and end-users - Digital inclusion: access, affordability and skills - Our impacts, risks and opportunities
S4.SBM-3_05	Not applicable for data protection. Sustainability Statement - Social information - Consumers and end-users - Cybersecurity - Taking actions on impacts Sustainability Statement - Social information - Consumers and end-users - Digital inclusion: access, affordability and skills - Taking actions on impacts
S4.SBM-3_06	Sustainability Statement - Social information - Consumers and end-users - Data protection - Impacts, risks and opportunities Sustainability Statement - Social information - Consumers and end-users - Cybersecurity - Our impacts, risks and opportunities Sustainability Statement - Social information - Consumers and end-users - Digital inclusion: access, affordability and skills - Our impacts, risks and opportunities
S4.SBM-3_07	Not applicable for data protection and cybersecurity. Sustainability Statement - Social information - Consumers and end-users - Digital inclusion: access, affordability and skills - Our impacts, risks and opportunities
S4.SBM-3_08	Not applicable for data protection, cybersecurity and digital inclusion.

Policies to manage material impacts, risks and opportunities related to consumers and end-users

ID	Location in Proximus integrated annual report
S4.MDR-P_01-06	Sustainability Statement - Social information - Consumers and end-users - Data protection - Policies Sustainability Statement - Social information - Consumers and end-users - Cybersecurity - Policies Not applicable for digital inclusion

Disclosures to be reported in case Proximus has not adopted policies

ID	Location in Proximus integrated annual report
S4.MDR-P_07	Sustainability Statement - Social information - Consumers and end-users - Digital inclusion: access, affordability and skills - Policies
S4.MDR-P_08	Disclosure not mandatory

Policies

ID	Location in Proximus integrated annual report
S4-1_01	Sustainability Statement - Social information - Consumers and end-users - Data protection - Policies Sustainability Statement - Social information - Consumers and end-users - Cybersecurity - Policies Not applicable for digital inclusion
S4-1_02	Sustainability Statement - Social information - Consumers and end-users - Data protection - Policies Sustainability Statement - Governance information - Business conduct - Policies
S4-1_03	Sustainability Statement - Governance information - Business conduct - Policies

S4-1_04	Sustainability Statement - General information - Stakeholder engagement - Customers
S4-1_05	Sustainability Statement - Governance information - Business conduct - Policies
S4-1_06	Sustainability Statement - Social information - Consumers and end-users - Data protection - Policies Sustainability Statement - Social information - Consumers and end-users - Cybersecurity - Policies
S4-1_07	Not available yet
S4-1_08-09	Disclosure not mandatory

Process: Consumer engagement

ID	Location in Proximus integrated annual report
S4-2_01	Sustainability Statement - Social information - Consumers and end-users - Data protection - Processes to engage with consumers and end-users Sustainability Statement - Social information - Consumers and end-users - Cybersecurity - Taking actions on impacts Sustainability Statement - General information - Stakeholder engagement - Customers Sustainability Statement - Social information - Consumers and end-users - DIgital inclusion: access, affordability and skills - Taking actions on impacts
S4-2_02	Sustainability Statement - Social information - Consumers and end-users - Data protection - Processes to engage with consumers and end-users Sustainability Statement - Social information - Consumers and end-users - Cybersecurity - Taking actions on impacts - Collaboration with partners Sustainability Statement - Social information - Consumers and end-users - Cybersecurity - Taking actions on impacts - Awareness and education of employees, customers and society at large Sustainability Statement - General information - Stakeholder engagement - Customers Sustainability Statement - Social information - Consumers and end-users - DIgital inclusion: access, affordability and skills - Taking actions on impacts
S4-2_03	Sustainability Statement - Social information - Consumers and end-users - Data protection - Processes to engage with consumers and end-users Sustainability Statement - Social information - Consumers and end-users - Cybersecurity - Taking actions on impacts Sustainability statement - General information - Stakeholder engagement - Customers Sustainability Statement - Social information - Consumers and end-users - DIgital inclusion: access, affordability and skills - Taking actions on impacts
S4-2_04	Sustainability Statement - Social information - Consumers and end-users - Data protection - Processes to engage with consumers and end-users Sustainability Statement - General information - Stakeholder engagement - Customers
S4-2_05	Sustainability Statement - Social information - Consumers and end-users - Data protection - Processes to engage with consumers and end-users Sustainability Statement - General information - Stakeholder engagement - Customers Sustainability Statement - Social information - Consumers and end-users - DIgital inclusion: access, affordability and skills - Performance
S4-2_06	Not applicable for data protection and cybersecurity. No yet available for digital inclusion.
S4-2_07	Not applicable for data protection, cybersecurity and digital inclusion.
S4-2_08-09	Disclosure not mandatory

Process: Remediate impacts

ID	Location in Proximus integrated annual report
S4-3_01	Sustainability Statement - Social information - Consumers and end-users - Data protection - Processes to remediate negative impact Sustainability Statement - Social information - Consumers and end-users - Cybersecurity - Taking actions on impacts Sustainability Statement - Social information - Consumers and end-users - Digital inclusion: access, affordability and skills - Taking actions on impacts
S4-3_02-03	Sustainability Statement - Social information - Consumers and end-users - Data protection - Processes to engage with consumers and end-users Sustainability Statement - General information - Stakeholder engagement - Customers

S4-3_04-05	Sustainability Statement - Social information - Consumers and end-users - Data protection - Processes to engage with consumers and end-users Sustainability Statement - General information - Stakeholder engagement - Customers
S4-3_06	Sustainability Statement - Social information - Consumers and end-users - Data protection - Processes to engage with consumers and end-users Not applicable for cybersecurity. Not yet available for digital inclusion.
S4-3_07	Not applicable for data protection, cybersecurity and digital inclusion.
S4-3_08-13	Disclosure not mandatory

Action plans and resources to manage Proximus' material impacts, risks and opportunities related to consumers and end-users

ID	Location in Proximus integrated annual report
S4.MDR-A_01-05	Sustainability Statement - Social information - Consumers and end-consumers - Data protection - Processes to remediate negative impacts Sustainability Statement - Social information - Consumers and end-consumers - Cybersecurity - Taking actions on impacts Sustainability Statement - Social information - Consumers and end-consumers - Digital inclusion: access, affordability and skills - Taking actions on impacts
S4.MDR-A_06-07	Sustainability Statement - General information - Proximus' sustainability strategy - Financial resources allocated to the sustainability action plan The link with Financial statements is not yet available Sustainability Statement - Social information - Consumers and end-consumers - Cybersecurity - Taking actions on impacts - Corporate Cybersecurity Program
S4.MDR-A_08	Disclosure not mandatory
S4.MDR-A_09-10	Sustainability Statement - General information - Proximus' sustainability strategy - Financial resources allocated to the sustainability action plan The link with Financial statements is not yet available Sustainability Statement - Social information - Consumers and end-consumers - Cybersecurity - Taking actions on impacts - Corporate Cybersecurity Program
S4.MDR-A_11-12	Not applicable

Disclosure to be reported if Proximus has not adopted actions

ID	Location in Proximus integrated annual report
S4.MDR-A_13	Not applicable
S4.MDR-A_14	Disclosure not mandatory

Taking actions on impacts

ID	Location in Proximus integrated annual report
S4-4_01	Sustainability Statement - Social information - Consumers and end-users - Data protection - Processes to remediate negative impact Sustainability Statement - Social information - Consumers and end-users - Cybersecurity - Taking actions on impacts Sustainability Statement - Social information - Consumers and end-users - Digital inclusion: access, affordability and skills - Taking actions on impacts
S4-4_02	Sustainability Statement - Social information - Consumers and end-users - Data protection - Processes to remediate negative impact Not applicable for cybersecurity and digital inclusion
S4-4_03	Sustainability Statement - Social information - Consumers and end-users - Data protection - Processes to remediate negative impact Sustainability Statement - Social information - Consumers and end-users - Cybersecurity - Taking actions on impacts Sustainability Statement - Social information - Consumers and end-users - Digital inclusion: access, affordability and skills - Taking actions on impacts

S4-4_04	Sustainability Statement - Social information - Consumers and end-users - Data protection - Processes to remediate negative impact Sustainability Statement - Social information - Consumers and end-users - Cybersecurity - Performance Sustainability Statement - Social information - Consumers and end-users - Digital inclusion: access, affordability and skills - Performance
S4-4_05	Sustainability Statement - Social information - Consumers and end-users - Data protection - Processes to remediate negative impact Sustainability Statement - Social information - Consumers and end-users - Cybersecurity - Resources and responsibilities Sustainability Statement - Social information - Consumers and end-users - Digital inclusion: access, affordability and skills - Resources and responsibilities
S4-4_06	Sustainability Statement - Social information - Consumers and end-users - Data protection - Processes to remediate negative impact Sustainability Statement - Social information - Consumers and end-users - Cybersecurity - Taking actions on impacts Sustainability Statement - Social information - Consumers and end-users - Digital inclusion: access, affordability and skills - Performance
S4-4_07	Sustainability Statement - Social information - Consumers and end-users - Data protection - Processes to remediate negative impact Sustainability Statement - Social information - Consumers and end-users - Cybersecurity - Taking actions on impacts Sustainability Statement - Social information - Consumers and end-users - Digital inclusion: access, affordability and skills - Taking actions on impacts
S4-4_08-09	Sustainability Statement - Social information - Consumers and end-users - Data protection - Processes to remediate negative impact Sustainability Statement - Social information - Consumers and end-users - Cybersecurity - Taking actions on impacts Not applicable for digital inclusion
S4-4_10	Sustainability Statement - Social information - Consumers and end-users - Data protection - Processes to remediate negative impact Sustainability Statement - Social information - Consumers and end-users - Cybersecurity - Taking actions on impacts Sustainability Statement - Social information - Consumers and end-users - Digital inclusion: access, affordability and skills - Taking actions on impacts
S4-4_11	Not yet monitored for Proximus Group.
S4-4_12	Sustainability Statement - Social information - Consumers and end-users - Data protection - Resources and responsibilities Sustainability Statement - Social information - Consumers and end-users - Cybersecurity - Resources and responsibilities Sustainability Statement - Social information - Consumers and end-users - Digital inclusion: access, affordability and skills - Resources and responsibilities
S4-4_13-19	Disclosure not mandatory

Targets set to manage material impacts, risks and opportunities related to consumers and end-users

ID	Location in Proximus integrated annual report
S4.MDR-T_01-13	Sustainability Statement - Social information - Consumers and end-consumers - Data protection - Strategic objectives Sustainability Statement - Social information - Consumers and end-consumers - Cybersecurity - Strategic objectives Not applicable for digital inclusion

Disclosures to be reported if Proximus has not adopted targets

ID	Location in Proximus integrated annual report
S4.MDR-T_14-15	Disclosure not mandatory
S4.MDR-T_16-19	Not applicable for data protection and cybersecurity. Sustainability Statement - Social information - Consumers and end-consumers - Digital inclusion: access, affordability and skills - Performance

Targets

ID	Location in Proximus integrated annual report
S4-5_01-03	Not applicable for data protection, cybersecurity and digital inclusion.
S4-5_04-06	Disclosure not mandatory

Disclosures to be reported for metrics

ID	Location in Proximus integrated annual report
S4.MDR-M_01-02	Not applicable for Data Protection Sustainability Statement - Social information - Consumers and end-consumers - Cybersecurity - Performance Sustainability Statement - Social information - Consumers and end-consumers - Digital inclusion: access, affordability and skills - Performance
S4.MDR-M_03	Sustainability Statement - General information - Basis of preparation - Methodologies and assumptions - Our focus

Entity specific topic - Technology and innovation

Minimum Disclosure Requirement

ID	Location in Proximus integrated annual report
MDR-P	Sustainability Statement - Social information - Technology and innovation - Policies
MDR-A	Sustainability Statement - Social information - Technology and innovation - Taking actions on impacts
MDR-T	Not applicable as no measurable target yet defined
MDR-M	Not applicable as no metric defined yet

Policies to manage material impacts, risks and opportunities related to consumers and end-users

ID	Location in Proximus integrated annual report
MDR-P_01-06	Not applicable

Disclosures to be reported in case the undertaking has not adopted policies

ID	Location in Proximus integrated annual report
MDR-P_07-08	Sustainability Statement - Social information - Technology and innovation - Policies

Action plans and resources to manage its material impacts, risks and opportunities related to entity specific topic

ID	Location in Proximus integrated annual report
MDR-A_01-12	Sustainability Statement - Social information - Technology and innovation - Taking actions on impacts

Disclosures to be reported if the undertaking has not adopted actions

ID	Location in Proximus integrated annual report
MDR-A_13-14	Not applicable

Targets set to manage material impacts, risks and opportunities related to entity specific topic

ID	Location in Proximus integrated annual report
MDR-T_01-13	Not applicable as no measurable target yet defined

Disclosures to be reported if the undertaking has not adopted targets

ID	Location in Proximus integrated annual report
MDR-T_14-19	Sustainability Statement - Social information - Technology and innovation - Strategic objectives

Disclosures to be reported for metrics

ID	Location in Proximus integrated annual report
MDR-M_01-03	Not applicable

ESRS G1 - Business conduct

The role of the administrative, supervisory and management bodies

ID	Location in Proximus integrated annual report
G1.GOV-1_01	Sustainability Statement - Governance information - Business conduct - Resources and responsibility
G1.GOV-1_02	Proximus Group at a glance - Governance overview

Policies in place to manage Proximus' material impacts, risks and opportunities related to business conduct and corporate culture

ID	Location in Proximus integrated annual report
G1.MDR-P_01-06	Sustainability Statement - Governance information - Business conduct - Policies

Corporate culture

ID	Location in Proximus integrated annual report
G1-1_01	Sustainability Statement - Governance information - Business conduct - Policies
G1-1_02	Sustainability Statement - Governance information - Business conduct - Taking actions on impacts
G1-1_03-04	Not applicable
G1-1_05	Sustainability Statement - Governance information - Business conduct - Taking actions on impacts
G1-1_06-07	Not applicable
G1-1_08	Sustainability Statement - Governance information - Business conduct - Taking actions on impacts
G1-1_09	Not applicable
G1-1_10-11	Sustainability Statement - Governance information - Business conduct - Taking actions on impacts
G1-1_12	Disclosure not mandatory

Supplier relationship

ID	Location in Proximus integrated annual report
G1-2_01-03	Sustainability Statement - Governance information - Business conduct - Policies

Disclosures to be reported in case Proximus has not adopted policies

ID	Location in Proximus integrated annual report
G1.MDR-P_07	Not applicable
G1.MDR-P_08	Disclosure not mandatory

Corruption and bribery detection

ID	Location in Proximus integrated annual report
G1-3_01-03	Sustainability Statement - Governance information - Business conduct - Taking actions on impacts - Investigations
G1-3_04	Not applicable
G1-3_05	Sustainability Statement - Governance information - Business conduct - Policies
G1-3_06-08	Sustainability Statement - Governance information - Business conduct - Taking actions on impacts - Mandatory e-learnings
G1-3_09	Disclosure not mandatory

Action plans and resources to manage Proximus' material impacts, risks and opportunities related to corruption and bribery

ID	Location in Proximus integrated annual report
G1.MDR-A_01-07	Sustainability Statement - Governance information - Business conduct - Taking actions on impacts
G1.MDR-A_08	Disclosure not mandatory
G1.MDR-A_09-12	Sustainability Statement - Governance information - Business conduct - Taking actions on impacts

Corruption and bribery incidents

ID	Location in Proximus integrated annual report
G1-4_01-02	Sustainability Statement - Governance information - Business conduct - Performance
G1-4_03-08	Disclosure not mandatory

Political influence activity

ID	Location in Proximus integrated annual report
G1-5_01	Sustainability Statement - Governance information - Political influence and lobbying activities - Resources and responsibilities
G1-5_02	Sustainability Statement - Governance information - Political influence and lobbying activities - Taking actions on impacts
G1-5_03	Sustainability Statement - Governance information - Political influence and lobbying activities - Policies
G1-5_04-05	Disclosure not mandatory
G1-5_06	Sustainability Statement - Governance information - Political influence and lobbying activities - Policies
G1-5_07	Not applicable
G1-5_08	Sustainability Statement - Governance information - Political influence and lobbying activities - Policies

G1-5_09	Sustainability Statement - Governance information - Political influence and lobbying activities - Taking actions on impacts - Advocacy
G1-5_10	Sustainability Statement - Governance information - Political influence and lobbying activities - Resources and responsibilities
G1-5_11	Sustainability Statement - Governance information - Political influence and lobbying activities - Policies
G1-5_12	Disclosure not mandatory

Disclosure to be reported if Proximus has not adopted actions

ID	Location in Proximus integrated annual report
G1.MDR-A_13	Not applicable
G1.MDR-A_14	Disclosure not mandatory

Payment practices

ID	Location in Proximus integrated annual report
G1-6_01-05	Sustainability Statement - Governance information - Business conduct - Performance - Supply chain management

Targets set to manage material impacts, risks and opportunities related to Business conduct

ID	Location in Proximus integrated annual report
G1.MDR-T_01-13	Sustainability Statement - Governance information - Business conduct - Strategic objectives

Disclosures to be reported if the undertaking has not adopted targets

ID	Location in Proximus integrated annual report
G1.MDR-T_14-19	Not applicable

Disclosures to be reported for metrics

ID	Location in Proximus integrated annual report
G1.MDR-M_01-03	Sustainability Statement - Governance information - Business conduct - Performance

Appendix B

List of datapoints that derive from other EU legislation

The table below outlines the data points derived from other EU legislation as listed in ESRS 2 Appendix B. It indicates where these data points can be found in our report and identifies which data points are assessed as not material.

Disclosure requirement	SFDR[1] + PILLAR 3 + Benchmark + Climate law	Localisation in Proximus integrated report
GOV-1_06-07	SFDR + BENCHMARK	Corporate governance statement - Board of Directors
GOV-4_01	SFDR	Sustainability Statement - General information - Basis of preparation
SBM-1_09-20	SFDR + PILLAR 3 + BENCHMARK	Not applicable
E1-1_01	Climate law	Sustainability Statement - Environmental information - Climate change - Climate change mitigation and energy - Proximus climate transition plan
E1-1_12	PILLAR 3 + BENCHMARK	Not applicable as Proximus is not excluded from Paris-Aligned Benchmarks.
E1-4_03	SFDR + PILLAR 3 + BENCHMARK	Sustainability Statement - Environmental information - Climate change - Climate change mitigation and energy - Proximus climate transition plan - Our vision
E1-4_04-05	SFDR + PILLAR 3 + BENCHMARK	Not applicable
E1-4_06-07	SFDR + PILLAR 3 + BENCHMARK	Sustainability Statement - Environmental information - Climate change - Climate change mitigation and energy - Proximus climate transition plan
E1-4_08-11	SFDR + PILLAR 3 + BENCHMARK	Not applicable
E1-4_12-13	SFDR + PILLAR 3 + BENCHMARK	Sustainability Statement - Environmental information - Climate change - Climate change mitigation and energy - Proximus climate transition plan - Our vision
E1-4_14	SFDR + PILLAR 3 + BENCHMARK	Not applicable
E1-4_15-16	SFDR + PILLAR 3 + BENCHMARK	Sustainability Statement - Environmental information - Climate change - Climate change mitigation and energy - Proximus climate transition plan - Our vision
E1-4_17	SFDR + PILLAR 3 + BENCHMARK	Not applicable
E1-5_01-08	SFDR	Sustainability Statement - Environmental information - Climate change - Climate change mitigation and energy - Performance - Energy
E1-5_10-14	SFDR	Not applicable
E1-5_18-21	SFDR	Not applicable
E1-6_12-13	SFDR + PILLAR 3 + BENCHMARK	Sustainability Statement - Environmental information - Climate change - Climate change mitigation and energy - Performance - Greenhouse gas emissions
E1-6_30-32	SFDR + PILLAR 3 + BENCHMARK	Sustainability Statement - Environmental information - Climate change - Climate change mitigation and energy - Performance - Greenhouse gas emissions
E1-7_01-02	Climate law	Not applicable
E1-9_01-04	BENCHMARK	Phase-in provision is used and will be reported on in 2025
E1-9_05	PILLAR 3	Phase-in provision is used and will be reported on in 2025
E1-9_17	PILLAR 3	Phase-in provision is used and will be reported on in 2025
E1-9_41-44	BENCHMARK	Phase-in provision is used and will be reported on in 2025
E5-5_10-11	SFDR	Sustainability Statement - Environmental information - Circular Economy and Waste - Performance - Waste

1 SFDR: Sustainable Finance Disclosure Regulation

E5-5_15-16	SFDR	Sustainability Statement - Environmental information - Circular Economy and Waste - Performance - Waste
S1.SBM-3_07-10	SFDR	Not applicable
S1-1_03-06	SFDR	Sustainability Statement - Social information - Our own workforce - Working rights, fair pay and social dialogue - Policies
S1-1_07	BENCHMARK	Sustainability Statement - Social information - Our own workforce - Working rights, fair pay and social dialogue - Policies
S1-1_08-09	SFDR	Sustainability Statement - Social information - Our own workforce - Working rights, fair pay and social dialogue - Policies
S1-3_05	SFDR	Sustainability Statement - Governance information - Business conduct - Taking actions on impacts - Grievance mechanisms Sustainability Statement - Social information - Own workforce - Processes for engaging with own workforce
S1-14_02-05	SFRD + BENCHMARK	Sustainability Statement - Social information - Our own workforce - Employee health and safety - Performance
S1-14_07	SFDR	Phase-in provision is used and will be reported on in 2025.
S1-16_01	SFRD + BENCHMARK	Sustainability Statement - Social information - Our own workforce - Working rights, fair pay and social dialogue - Performance
S1-16_02	SFDR	Sustainability Statement - Social information - Our own workforce - Working rights, fair pay and social dialogue - Performance
S1-17_01	SFDR	Sustainability Statement - Social information - Our own workforce - Diversity and inclusion - Performance
S1-17_08-10	SFRD + BENCHMARK	Sustainability Statement - Social information - Our own workforce - Working rights, fair pay, and social dialogue - Performance
S2.SBM-3_04	SFDR	Sustainability Statement - Social information - Human rights within our value chain - Actions to remediate negative impacts - Risk identification
S2-1_01-06	SFDR	Sustainability Statement - Social information - Human rights within our value chain - Policies
S2-1_07	SFDR	Disclosure not mandatory
S2-1_08	BENCHMARK	Sustainability Statement - Social information - Human rights within our value chain - Policies
S2-1_09	SFRD + BENCHMARK	Not yet monitored for Proximus Group.
S2-4_11	SFDR	Not yet monitored for Proximus Group.
S3-1_02	SFDR	Sustainability Statement - Social information - Local communities - Policies
S3-1_03	SFDR	Not applicable
S3-1_04	SFDR	Sustainability Statement - Social information - Local communities - Processes to engage with local community
S3-1_05	SFDR	Sustainability Statement - Social information - Local communities - Policies
S3-1_06-07	SFRD + BENCHMARK	Sustainability Statement - Social information - Local communities - Policies
S3-4_11	SFDR	Not monitored yet for Proximus Group.
S4-1_02	SFDR	Sustainability Statement - Social information - Consumers and end-users - Data protection - Policies Sustainability Statement - Governance information - Business conduct - Policies
S4-1_03	SFDR	Sustainability Statement - Governance information - Business conduct - Policies
S4-1_04	SFDR	Sustainability Statement - General information - Stakeholder engagement - Customers
S4-1_05	SFDR	Sustainability Statement - Governance information - Business conduct - Policies

S4-1_06	SFRD + BENCHMARK	Sustainability Statement - Social information - Consumers and end-users - Data protection - Policies Sustainability Statement - Social information - Consumers and end-users - Cybersecurity - Policies
S4-1_07	SFRD + BENCHMARK	Not available yet
S4-4_11	SFDR	Not yet monitored for Proximus Group.
G1-1_03-04	SFDR	Not applicable
G1-1_06-07	SFDR	Not applicable
G1-4_01-02	SFRD + BENCHMARK	Sustainability Statement - Governance information - Business conduct - Performance
G1-4_03	SFDR	Disclosure not mandatory

Table of Task Force on Climate-Related Financial Disclosures (TCFD)

Governance

Disclose the company's governance around climate-related risks and opportunities.

Recommendations	References
Describe the Board's oversight of climate-related risks and opportunities.	Sustainability statement - Environmental information - Climate change - Climate change mitigation and energy - Resources and responsibilities
Describe management's role in assessing and managing climate-related risks and opportunities.	Sustainability statement - Environmental information - Climate change - Climate change mitigation and energy - Resources and responsibilities

Strategy

Disclose the actual and potential impacts of climate-related risks and opportunities on the company's businesses, strategy, and financial planning where such information is material.

Recommendations	References
Describe the climate-related risks and opportunities the company has identified over the short, medium, and long term.	Sustainability statement - Environmental information - Climate change - Our impacts, risks and opportunities - Climate change risks
Describe the impact of climate-related risks and opportunities on the company's businesses, strategy, and financial planning.	Sustainability statement - Environmental information - Climate change - Climate change mitigation and energy - Strategic objectives
Describe the resilience of the company's strategy, taking into consideration different climate-related scenarios.	Sustainability statement - Environmental information - Climate change - Climate change mitigation and energy - Climate transition plan

Risk Management

Disclose how the company identifies, assesses, and manages climate-related risks.

Recommendations	References
Describe the company's processes for identifying and assessing climate-related risks.	Sustainability statement - Environmental information - Climate change - Our impacts, risks and opportunities - Climate change risks - Climate change identification methodology
Describe the company's processes for managing climate-related risks.	Sustainability statement - Environmental information - Climate change - Climate change mitigation and energy - Climate transition plan
Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the company's overall risk management.	Sustainability statement - Environmental information - Climate change - Our impacts, risks and opportunities - Climate change risks - Climate change identification methodology

Metrics and targets

Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.

Recommendations	References
Disclose the metrics used by the company to assess climate-related risks and opportunities.	Sustainability statement - Environmental information - Climate change - Climate change mitigation and energy - Performance
Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	Sustainability statement - Environmental information - Climate change - Climate change mitigation and energy - Performance
Describe the targets used by the company to manage climate-related risks and opportunities and performance against targets.	Sustainability statement - Environmental information - Climate change - Climate change mitigation and energy -Performance

Contribution to the SDGs

Proximus supports the 10 principles of the UN Global Compact and has been working towards advancing the Sustainable Development Goals (SDGs) for several years.

In 2022, we conducted a detailed analysis to better define our contribution to the SDGs. We aligned our business model and sustainability strategy with the SDGs to enhance focus and clarity.

SDG description	SDG subtarget	Proximus actions	Level of contribution	Sense of contribution	Link to material topics
Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all	**4.4 By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship**	**Employee development:** Wide range of training programs and courses at our Proximus Academy Attractive offer of leadership development programs Specific support to 50+ staff, Experience@work program, ... Continuous up-skilling of field and customer-facing employees EUR 49.56 million invested in employee re- and up-skilling and 82% of employees have attended 5 training days or more	Medium	Enhancing positive impact	Employee up-skilling, re-skilling & employability
		Capacity building: Supporting Bednet and ClassContact, two associations that allow children living with long-term illnesses to continue their education at home or in the hospital Academic Connect: end 2024, 367 schools connected to Proximus gigabit network Proximus Ada experts providing cybersecurity initiations to Brussels residents and inspiration sessions on AI to secondary schools students	Medium	Enhancing positive impact	Digital inclusion: Access, affordability, and skills
		Employment: 19 recent master's graduates hired for our Proximus Graduate Program and around 70 internships Founding partner of Technobel and partnerships with MolenGeek and Campus 19 resulting in 1,710 job seekers trained via MolenGeek, Campus19 and Technobel	Medium	Enhancing positive impact	Employee up-skilling, re-skilling & employability Digital inclusion: access, affordability, and skills
Achieve gender equality and empower all women and girls	**5.1 End all forms of discrimination against all women and girls everywhere**	**Equal remuneration for women and men:** Proximus respects the equal pay principle. Since 2021, a gender pay equality assessment is performed, showing that the difference between female and male workers is not due to a different pay policy but to the fact that women work more part-time than full-time compared to men. Proximus is proactively engaging in a more comprehensive pay equity analysis in preparation for the upcoming EU Pay Transparency Directive.	Medium	Enhancing positive impact	Diversity and inclusion Working rights, fair pay and social dialogue
		Parental leave and child care: Proximus offers conditions that allow its employees to reconcile the different aspects of their professional and private lives during their different life phases: parental leave, home working, part-time schedules, sick childcare, childcare cost intervention, transition allowance, scholarship, children's holidays offer, kids' days, support of social consultants in case of difficult personal situation.	Medium	Enhancing positive impact	Diversity and inclusion Work-life balance and well-being Working rights, fair pay and social dialogue
		Workplace harassment: Proximus has a policy on diversity and equal rights which applies to all employees of the Proximus Group. Diversity & Inclusion is also part of the Code of Conduct which is applicable to all employees and part of mandatory training. Within Proximus, specific teams are in charge of monitoring compliance with the Charter and of taking approriate actions in case of non-respect. Specific training is given to front-line employees on how to deal with and report aggressive customers. Incidents, including violence or harassment from thirds (e.g. customers in shops) and any corrective action, are reported quarterly to the Audit & Compliance Committee.	Medium	Enhancing positive impact	Diversity and inclusion Business conduct
		Non-discrimination: By 2025, we planned to reach an inclusion index of 85% and to recruite 30% of women with university degrees in technical roles.	Medium	Enhancing positive impact	Diversity and inclusion
		Inclusive supply chain: Our Supplier Code of Conduct requires suppliers to respect and support the protection of the human rights of workers (including non-discrimination), as well as individuals and communities affected by their activities.	Medium	Enhancing positive impact	Human rights within our value chain

	5.5 Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic, and public life	**Female representation at the different levels of our company:** 50% of the Board of Directors 22% of the Leadership Team 25% of women holding a top management function 31% of all employee population	Medium	Enhancing positive impact	Diversity and inclusion
Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all	**8.2 Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added and labor-intensive sectors**	As the major provider of connectivity services, digital services and ICT solutions in Belgium, Proximus contributes to Belgium's sustainable economic growth by: - Building the gigabit network for Belgium with fiber & 5G - Enabling the digital transformation of its enterprise customers - Supporting the development of new ecosystems, new business models and job creation - Pioneering sovereign cloud solutions - Supporting the development of artificial intelligence and cybersecurity expertise in Belgium with Proximus Ada	High	Enhancing positive impact	Digital inclusion: access, affordability, and skills Technology & innovation Cybersecurity
	8.5 By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value	The Proximus Group employs 13,862 employees. For our employees, we are committed to fair pay, equal opportunities and training & development opportunities. We ensure a safe and secure working environment and promote well-being at work. By signing our Supplier Code of Conduct, our suppliers agree to adhere to the same level of commitment as ours. Proximus collaborates with several adapted work companies, offering the possibility to more than 130 people with disabilities to carry out activities related to device refurbishing.	High	Enhancing positive impact	Working rights, fair pay and social dialogue Human rights within our value chain
Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation	**9.1 Develop quality, reliable, sustainable and resilient infrastructure, including regional and transborder infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all**	With its gigabit network, Proximus builds the future-proof and sustainable digital infrastructure of Belgium and commits to offer a high-performance Internet to all Belgians. Through to its various brands and social tariffs, Proximus offers products and services that are affordable for everyone. Proximus collaborates with academia, partners, and customers to foster the development of innovative products and services (e.g. 5G use cases), while also creating smart solutions that help industries to become more sustainable. Proximus invests to ensure its cybersecurity resilience, and protects and secures personal data for its own operations and those of its customers. At the same time, Proximus is aware of the public's concerns about the network rollout and is doing its best to address them: - Health concerns linked to radiation & electromagnetic fields: compliance with the legislation, follow-up of scientific research, info on website - Digital stress linked to digital addiction: advices on website - Works in the street: agreements with utilities companies to optimize road works; aerial fiber deployment	High	Enhancing positive impact Minimizing negative impact	Digital inclusion: access, affordability Technology & innovation Data protection Cybersecurity Local communities
Ensure sustainable consumption and production patterns	**12.2 By 2030, achieve sustainable management and efficient use of natural resources**	Compared to 2023, we reduced our energy consumption by 6%, through: - Modernizing our network - Network sharing Since 2019, Proximus has been sourcing only renewable electricity and is increasingly buying its electricity from local sources. Proximus is gradually moving away from fossil fuel in its operations and plans to reduce its direct emissions by 2/3rd in 2030 (vs 2020).	High	Enhancing positive impact	Climate change mitigation and energy
	12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling, and reuse	Proximus aims to be a blueprint for circularity by 2030: - Through eco-design, refurbishment, reuse and recycling, we extend our devices' lifecycle. - We collect old mobile phones for refurbishing and recycling. - Proximus and Orange Belgium share a part of their mobile access networks. - Old copper network is recycled. - We propose leasing business models to our enterprise customers. On the residential market, this leasing model is applied to our modems and decoders, 90% of which are refurbished and put back in circulation four times. However, consumers are not yet ready to lease their smartphones. The challenge lies in motivating them to bring back the phones they do not use anymore.	High	Enhancing positive impact	Circular economy & waste

Take urgent action to combat climate change and its impacts	**13.1 Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries**	Proximus implements TCFD recommendations and began structurally incorporating climate risk into its Enterprise Risk Management (ERM) process in 2022. Also, we developed business continuity plans at corporate level for threats like power interruptions or natural disasters linked to climate change.	High	Enhancing positive impact	Climate change adaptation
	13.2 Integrate climate change measures into national policies, strategies and planning	Proximus is committed to achieve net zero GHG emissions by 2040 across its entire value chain. In 2024, Proximus' Net-Zero targets have been validated by the SBTi (overall target, near-term and long-term targets). Through its Supplier Engagement Program, Proximus is also acting on its value chain by actively engaging with its suppliers to commit themselves to reducing their carbon footprint.	High	Minimizing negative impacts	Climate change mitigation and energy
Promote just, peaceful and inclusive societies	**16.3 Promote the rule of law at the national and international levels and ensure equal access to justice for all**	Proximus has a strong governance model, embedding the highest ethics and compliance standards. To further reduce any risk of Belgian labor law violation in the context of the large-scale fiber deployment, Proximus and its joint venture partners adopted a specific social responsibility charter. Proximus cooperates closely with the judicial authorities and helps them in their investigations in the context of criminal offences such as the possession and distribution of images related to child pornography.	Medium	Enhancing positive impact	Business conduct
	16.5 Substantially reduce corruption and bribery in all their forms	A relationship agreement with the Belgian state and a public affairs policy ensure that the rules of engagement with the majority shareholder and with public authorities are clear. Proximus takes a strong stance against corruption, Code of conduct violations and privacy and runs a zero tolerance policy. Employees attend mandatory training on those topics. Suppliers and business partners are asked to subscribe to Proximus Supplier's Code of Conduct, based on the 10 principles of the United Nations Global Compact.	Medium	Enhancing positive impact	Business conduct Political influence & lobbying activities
	16.7 Ensure responsive, inclusive, participatory and representative decision-making at all levels	Proximus actively engages with its stakeholders on a structured and regular basis. Their feedback is integrated into Proximus strategy and operations, ensuring that their concerns and suggestions are appropriately addressed.	Medium	Enhancing positive impact	Business conduct