

Climate Strategy: the iliad Group makes major headway in 7 areas



On January 21, 2021, the iliad Group announced its Climate Strategy, publishing its 10 pledges for achieving carbon neutrality by 2035, and undertaking to invest €1 billion over 15 years to meet this objective. As the European Sustainable Development Week draws to an end, we are taking stock of the major headway we have made over the last eight months.

- Our target of having 100% green electricity supplies has been achieved in 2021, both in France and in Italy where electricity production is eight times more carbon intensive than in France. We have also accelerated our pace for meeting this same target in Poland, where the carbon intensity is 16 times higher than France, and it will be reached in 2022. For the Group as a whole this represents 138,000 tonnes of CO₂ avoided. In addition, we select our renewable energy production units based on demanding and rigorous sustainability criteria.
- We are launching four projects in France that have the French government's Low Carbon label. These will represent 15,000 tonnes of captured CO₂, i.e. the equivalent of the Group's Scope 1 emissions in France.
- On Free's mobile network in France, the 2600 MHz frequencies have been switched off at night since June 1, 2021, significantly reducing the network's energy consumption.
- On July 6, 2021, the Group launched its Free Flex offering, which allows people to purchase mobile phones in a totally transparent and flexible way, and unlike for the "subsidized" model, does not encourage the replacement of devices before necessary.
- All of the Free stores in France now have a box where people can drop off their old phones for recycling and reuse.
- The Group has joined the United Nations Global Compact and forms part of the Business Ambition for 1.5°C project led globally by the Science Based Targets initiative (SBTi).
- Many initiatives are being taken across all of our subsidiaries to reduce the Group's impact on the climate and the environment, thanks to the deep involvement and creativity of our 15,000 people.

Our target of having 100% green electricity supplies in 2021 has been achieved

In January 2021, the Iliad Group pledged that 100% of its electricity supplies would come from renewable sources as from 2021 for its operations in France and in Italy where electricity production is eight times more carbon intensive.

This target has now been reached. And we have gone even further by accelerating our measures to achieve the same target in Poland – where electricity production is 16 times more carbon intensive than in France – following our acquisition of the mobile operator Play in late 2020. Fifty percent of electricity supplies in Poland will be from renewable sources by end-2021, reaching 100% in 2022.

But that's not all. We're going the extra mile by applying exacting and rigorous sustainability criteria, such as:

- Only working with local electricity production units, located as close as possible to the points of consumption in France, Italy and Poland.
- Supporting, in priority, recent equipment brought into service after 2015, and only using solar and wind power, enabling us to contribute to energy transition in France and the rest of Europe.
- Relying on the international not-for-profit energy ecolabel, EKOenergy, so we can minimize our impact on biodiversity and take part in new green energy projects worldwide.

By keeping this 100% green electricity pledge, the Group will already be significantly reducing its Scope 2 emissions¹. In 2021, 650 GWh of guaranteed renewable origin electricity will be supplied, avoiding the emission of some 138,000 tonnes of CO₂, or the equivalent of one year of carbon emissions from a town with 11,500 inhabitants (such as Arcachon in France).

Steven Vanholme, Program Manager at EKOenergy said: *“We're delighted that the Iliad Group has chosen the EKOenergy ecolabel to demonstrate its commitment to the climate and nature as part of its pledge to have 100% green electricity supplies. And there are even more advantages to opting for EKOenergy-certified renewable electricity – we finance new clean energy projects in developing countries, therefore helping to achieve the UN's Sustainable Development Goals, and we raise awareness in countries where the renewable energy market is still small. We will be able to use the Iliad Group's example to promote other climate-friendly actions in the energy market, especially in the telecoms sector.”*

¹ Scope 1: direct GHG emissions that occur from sources that are controlled or owned by an organization – Scope 2: Emissions from the generation of purchased electricity used by an organization – Scope 3: All other indirect emissions that occur in the supply chain and are not controlled by an organization.

The Low Carbon label: the Group is launching its first projects as of this winter

The Iliad Group has also pledged to contribute to global carbon neutrality by increasing the number of carbon sinks in the countries where it operates, notably in France in line with the French government's National Low Carbon Strategy (Pledge no. 9).

In the past eight months, the IPCC² and then the IUCN, at its World Conservation Congress³, reminded us all of how nature-based solutions are vital for climate change adaptation and the resilience of the world's land and societies.

That is why our Group is now voluntarily accelerating its investment in the Low Carbon Label⁴ in France rather than on the other side of the world, in order to help preserve and regenerate the country's nature.

The first four projects will be launched as of this winter, namely:

- Le Bois de l'Abbaye - a tree-planting project covering 53.86 acres in Le Grand-Pressigny (Centre-Val de Loire region)
- Le Bois de la Croix-Verte - a tree-planting project covering 12.35 acres in Corcoué-sur-Logne (Pays de la Loire region)
- Les Vergers de Châteauneuf - a tree-planting project covering 19.76 acres in Châteauneuf-du-Rhône (Auvergne-Rhône-Alpes region)
- Le Bois de Saint-Clair - a 9.88-acre reforestation project in Donnay (Normandy)

Selected because they bring combined benefits in terms of local employment and preserving land and biodiversity, all of these projects supported by the Group represent a total surface area of some 188 acres, i.e. more than 86,000 trees planted and 22,500 tonnes of carbon expected to be captured.

Thanks to this investment, the Group will be the first telco to directly contribute to developing a large number of carbon sinks in France.

Mobile networks: reducing energy consumption at night

Even if it's renewable, the best type of energy is energy that's not used at all. That's why we have pledged to improve the energy efficiency of our Fixed and Mobile networks (Pledge no. 2). One of the ways to do this is by optimizing the equipment we use.

² Intergovernmental Panel on Climate Change: <https://www.ipcc.ch/report/sixth-assessment-report-cycle/>

³ International Union for Conservation of Nature: <https://www.iucn.org/about/world-conservation-congress>

⁴ Created by France's Ministry of Ecology and Solidarity in 2018, the Low Carbon label is France's first climate certification system. It is aimed at all organizations interested in developing local GHG emissions reduction and carbon sequestration projects and certifies the environmental quality of the projects in order to help attract new funding sources for them.

Over the last few months, the Radio teams at Free Mobile in France have been running tests on switching off certain frequency bands at night. Since June 1, the 2,600 MHz band has been switched off across the country from midnight until five a.m., which covers more than 46,000 cells in the mobile network. The cells switch themselves back on automatically if required by network traffic. This measure has enabled us to reduce the network's energy consumption.

And we're still working on other measures to improve the energy efficiency of our Fixed and Mobile networks.

Mobile phones: the Group reaffirms its sense of responsibility with Free Flex

On July 6, 2021, we reaffirmed our responsible sales policy by launching our Free Flex offer – the new way for people to get a mobile phone.

Free Flex doesn't encourage people to change their smartphones before they need to because the price of the mobile plan is the same either with or without a phone. Additionally, all of the phones handed back in under the Free Flex offer are reconditioned or recycled depending on what condition they're in.

Also, as we undertook to do in January, we have installed drop-off boxes in all our stores in France to encourage people to drop off their old mobile phones and accessories so they can be recycled (Pledge no. 5). We finalized the national rollout of these drop-off boxes in our 138 stores in February and all of our sales advisors follow a special training program on informing both existing and prospective subscribers about the benefits of recycling and dropping off their used mobiles in-store.

The Group has joined the UN Global Compact and forms part of the SBTi's Business Ambition for 1.5°C project

All of the above-described headway we have made since January is in line with the United Nations' Global Compact, which the Group joined in January. The Global Compact is a solid starting point for any company seeking to support and advance the UN's 17 Sustainable Development Goals (SDGs). The SDGs are a universal call to action adopted by all UN Member States in 2015, as part of the 2030 Agenda for Sustainable Development which set out a 15-year plan to achieve the Goals, and our Group has pledged to make headway in 12 of them.

The next UN climate change conference – COP26 – is drawing closer, and the decisions taken there will be determining for the decade to come. Against this backdrop, Iliad has recently also signed up to the Business Ambition for 1.5°C project led globally by the Science Based Targets initiative, and as part of this we will very soon be submitting a decarbonization roadmap consistent with limiting global warming to 1.5° C.

Many initiatives being taken across all of our subsidiaries

Our climate strategy has now been widely relayed throughout the Group and many initiatives are being taken across all of our subsidiaries. For example, a special environmental unit has been set up in Freebox's supply chain department, which has already yielded tangible results (such as reusing plastics and recycling materials that are hard to come by). In south-western France, a pilot project led by a Free Réseau employee has led to an innovative solution for collecting and efficiently managing waste generated by fiber installation works, with collection and sorting points pooled regionally so that fiber technicians can easily use them.

Lastly, we are continuing our work on raising environmental awareness among all of our people. For instance, as part of the European Sustainable Development Week, virtual and face-to-face workshops were organized and offered across the Group in which the participants were shown how to calculate and reduce their personal carbon footprint and understand the impact of digital usages.

Thomas Reynaud, Chief Executive Officer of the Iliad Group sums up: *"In the space of just eight months we've already made significant headway towards achieving our objective of having the smallest-possible carbon footprint for our subscribers. Against a backdrop of strong growth in our business in France and the rest of Europe, we will only be able to reach this objective if we keep up our emissions-reduction efforts that would not be possible without the committed involvement of our people".*

To find out more

- Download our Climate Pledges brochure **here**
- Download our 10 Climate Pledges statement **here**
- Watch our "100% green electricity in 2021" video **here**
- Click **here** to watch our presentation video about the Bois de l'Abbaye project in Le Grand-Pressigny (a Low Carbon label project)

About the Iliad Group

Created in the early 1990s, the Iliad Group is the inventor of the world's first triple-play box and has grown into a major European telecoms player, standing out for its innovative, straightforward and attractive offerings. The Group is the parent of Free in France, Iliad in Italy and Play in Poland, has some 15,000 employees serving 42.7 million subscribers, and generated €5.9 billion in revenues in 2020. In France, the Group is an integrated Fixed and Mobile Ultra-Fast Broadband operator and had over 20 million retail subscribers at June 30, 2021 (13.3 million mobile subscribers and 6.8 million fixed subscribers). On March 23, 2021, it launched its B2B activity in France under the Free Pro brand. In Italy - where the Group launched its business in 2018 under the Iliad brand, becoming the country's fourth mobile operator - it had over 7.8 million subscribers at end-June 2021. With the acquisition of the Polish mobile operator Play in November 2020, the Iliad Group has become Europe's sixth-largest mobile operator by number of subscribers (excluding M2M). Iliad is listed on Euronext Paris (under the ILD ticker symbol).

Find out more at:

 www.iliad.fr/en

Follow us on:

 Twitter [@Groupelliad](https://twitter.com/Groupelliad)

 LinkedIn Free [Groupe Iliad](https://www.linkedin.com/company/groupe-iliad)

Contacts

Investor relations: ir@iliad.fr

Press relations: presse@iliad.fr

Exchange: Euronext Paris

Ticker symbol: ILD

FTSE classification: 974 Internet

Market place: Eurolist A of Euronext Paris (SRD)

ISIN: FR0004035913

Member of Euro Stoxx, SBF 120, CAC Mid 100