

iliad SA

Type of Engagement: Annual Review

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Engagement Team:

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Introduction

In October 2024, iliad Group (“iliad” or the “Group”), through its parent company iliad SA, issued a green bond (the “2024 Green Bond”) and raised EUR 500 million to finance or refinance projects that are expected to drive energy efficiency and decarbonization in the telecommunications industry. In October 2025, iliad engaged Sustainalytics to review the projects financed with proceeds from the 2024 Green Bond (the “Nominated Expenditures”) and provide an assessment as to whether they meet the use of proceeds criteria and whether iliad complied with the reporting commitments outlined in the iliad Group Green Financing Framework (the ‘Framework’).¹ Sustainalytics provided a Second-Party Opinion on the Framework in October 2024.²

Evaluation Criteria

Sustainalytics evaluated the Nominated Expenditures and iliad's reporting based on whether they:

1. Meet the use of proceeds and eligibility criteria defined in the Framework; and
2. Reported on at least one key performance indicator (KPI) for each use of proceeds category defined in the Framework.

Table 1: Use of Proceeds Categories, Eligibility Criteria and Associated KPIs

Use of Proceeds Category	Eligibility Criteria	KPIs
Energy Efficiency - Networks	<p>Network deployment transformation (both mobile and fixed) with a view to base connectivity on the latest technologies, making networks more energy efficient:</p> <ul style="list-style-type: none"> • Modernisation of fixed networks: Projects aimed at replacing existing copper networks into optic fibre networks, including infrastructures supporting the interconnectivity with other fibre network operators • Modernization of mobile networks: Projects related to the deployment of 5G • Improvement of supporting infrastructure: Projects that aim at making optic fibre and 5G networks more energy efficient (including but not limited to bandwidth / MIMO layers reduction, free cooling systems, cooling optimization, power modernization, smart management, intelligent lighting or optimization of power storage) 	<ul style="list-style-type: none"> • Energy consumption per data traffic (MWh/equivalent unit) • Number of customers recruited which were previously connected to ADSL (copper) and have therefore switched to Fibre • Estimated annual energy reduction (MWh/year) • Estimated annual GHG emissions reduced (tCO₂eq/year)

¹ iliad Group, “Green Financing Framework”, (2024), at: <https://www.iliad.fr/assets/files/investors/debt/green-financing.pdf>

² Sustainalytics, “Second-Party Opinion, iliad Group Green Financing Framework”, (2024), at: https://mstar-sustops-cdn-mainwebsite-s3.s3.amazonaws.com/docs/default-source/spos/iliad-group-green-financing-framework-second-party-opinion-2024.pdf?sfvrsn=71ab8754_1

	<ul style="list-style-type: none"> Investments in IoT solutions: Investments in Internet of Things (IoT) networks, solutions and products that have the primary goal of reducing energy consumption and / or help clients save energy, e.g purchase and implementation of software aimed at reducing power consumption, machine learning and artificial intelligence applications 	
Circular Economy	<p>Projects aimed at the preservation of natural resources and reduction of waste:</p> <ul style="list-style-type: none"> Repair and refurbishment for re-use of products and components returned: freebox, antenna, mobile phones Extension of the lifespan of freeboxes, servers and hard drives Recycling of plastic & electronic components used Reduction of packaging, plastic and electronic component 	<ul style="list-style-type: none"> Number or Volume of freeboxes, hard drives, antennas and other materials refurbished (in tons and/or number of products) Amount of electronic waste, scrap metal, cables and wires recycled and/or reused in tons Tons of waste recycled % of refurbished phones out of total sales of phones Average lifespan of freeboxes/ servers / hard drives
Renewable Energy	<p>Projects related to the construction, acquisition, maintenance, purchase, operation and storage of renewable energy:</p> <ul style="list-style-type: none"> On-site or off-site solar and wind renewable energy facilities Power Purchase Agreements (“PPAs”) that provide for the procurement & integrated battery and hydrogen storing of solar, wind or ocean energy through a long-term contract of at least 10 years and tied to specific and identifiable renewable energy projects 	<ul style="list-style-type: none"> Renewable MWh generated or purchased (MWh/year) % of electricity consumption from renewable sources Estimated avoided GHG emissions (in tCO₂e/year)

Issuer’s Responsibility

Independence and Quality Control

Sustainalytics, a leading provider of ESG research and ratings, conducted the verification of the use of proceeds from iliad’s 2024 Green Bond. The work undertaken as part of this engagement included collection of documentation from iliad and review of said documentation to assess conformance with the Framework.

Sustainalytics relied on the information and the facts presented by iliad. Sustainalytics is not responsible nor shall it be held liable for any inaccuracies in the opinions, findings or conclusions herein due to incorrect or incomplete data provided by iliad.

Sustainalytics made all efforts to ensure the highest quality and rigor during its assessment process and enlisted its Sustainability Bonds Review Committee to provide oversight of the review.

Conclusion

Based on the limited assurance procedures conducted,³ nothing has come to Sustainalytics’ attention that causes us to believe that, in all material respects, the Nominated Expenditures do not conform with the use of proceeds criteria and reporting commitments outlined in the Framework. iliad has disclosed to Sustainalytics that the proceeds from the 2024 Green Bond were fully allocated as of June 2025.

Detailed Findings

Table 2: Detailed Findings

Framework Requirements	Procedure Performed	Factual Findings	Error or Exceptions Identified
Use of Proceeds Criteria	Verification of projects to determine alignment with the use of proceeds criteria outlined in the Framework.	The Nominated Expenditures comply with the use of proceeds criteria.	None
Reporting Criteria	Verification of projects or assets to determine if impact was reported in line with the KPIs outlined in the Framework.	iliad reported on at least one KPI per use of proceeds category.	None

³ Sustainalytics’ limited assurance process includes reviewing documentation relating to details of projects, as provided by the issuing entity, which is responsible for providing accurate information. These may include descriptions of projects, estimated and realized costs, and reported impact. Sustainalytics has not conducted on-site visits to projects.

Appendices

Appendix 1: Allocation of Proceeds

Table 3: Allocation of proceeds from the 2024 Green Bond

Use of Proceeds Category	Project Description	Amount Allocated (EUR million)
Energy Efficiency - Networks	Capital expenditures for the transition from copper to fibre	190.00
	Capital expenditures for the installation of 5G antenna	188.00
Circular Economy	Capital expenditures to support the eco-design of the Freebox Ultra, recycling of customer devices, and refurbishing servers to extend their lifespan up to 10 years	120.00
Renewable Energy	Operating expenditures to procure solar power through two long-term power purchase agreements (PPAs) in France	2.00
Total Amount Allocated		500.00
Total Amount Unallocated		0.00

Appendix 2: Reported Impact

Table 4: Reported Impact for the 2024 Green Bond

Use of Proceeds Category	Key Performance Indicators	Reported Impact
Energy Efficiency - Networks	Annual Energy Saved (GWh)	52
	Annual GHG Emissions Avoided (tCO ₂ e)	1,814
Circular Economy	Number of refurbished freeboxes, TV players, and other materials (millions)	10.5
Renewable Energy	Renewable Energy Generated (GWh)	22
	Annual Emissions Avoided (tCO ₂ e)	757

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