

# Circular & Low Carbon Manifesto and Appendix

## “Together to Circular Economy”



## Circular Manifesto

This Letter of Intent is setup between:

**Proximus PLC under Belgian Public Law and Affiliates**

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B-1030 Brussels

BELGIUM

VAT BE 0202.239.951, Brussels Register of Legal Entities,

hereafter referred to as the "**Proximus**"

**AND**

**ACME Industries Inc.**

Corporationstreet 1a

12345 Corpcity

hereafter referred to as the "**Supplier**"

Both referred to as the "**Parties**".

AND IS ENTERED INTO AS OF THE DATE OF SIGNATURE

## Glossary

- **Circular Economy:** New standards for goods and services, focusing on standardization, reusing, refurbishing, recycling, and avoiding virgin materials and reducing the carbon footprint.
- **Green-House-Gas (GHG):** All Gases like CO<sub>2</sub>, CH<sub>4</sub>, N<sub>2</sub>O that trap heat in the atmosphere, contributing to the global warming.
- **Carbon Reduction Target:** Ambition level to reduce the carbon or CO<sub>2</sub> emissions by a certain percentage over a longer period.
- **Science Based Targets (SBT) Initiative:** Carbon or CO<sub>2</sub> reduction targets adopted by companies to reduce greenhouse gas (GHG) emissions are considered "science-based" if they are in line with what the latest climate science says is necessary to meet the goals of the Paris Agreement – to limit global warming to well-below 2°C above pre-industrial levels and pursue efforts to limit warming to 1.5°C. Also see: <https://sciencebasedtargets.org>
- **kgCO<sub>2e</sub>/item:** CO<sub>2e</sub> is a metric measure used to compare the emissions from various Green-House-Gases by converting amounts of other gases to the equivalent amount of CO<sub>2</sub> with the same global warming potential. Aim is to calculate the kgCO<sub>2e</sub> by purchased item or by any other relevant ratio.
- **Purchased Goods and Services and Capital Goods (PGS + CG):** Proximus will use the kgCO<sub>2e</sub> data to calculate its indirect CO<sub>2e</sub> footprint related to our purchases and investments.

## 1. Goals and Ambitions

Proximus has the ambition to become a truly circular and carbon net positive company by 2030. We want to minimize the impact on our planet and its natural resources, in an endeavour not to deplete them further and to remain within the constraints of what the planet itself can generate or restore.

- 1.1 Proximus aims to reduce the material impact of Proximus products and services by 2025. Therefore, all the new equipment used in Proximus networks, buildings and installed in the data centres, and all devices and products built for Proximus, should be close to 100% circular by 2025. Meaning that almost all the materials used should be reusable or recyclable. To achieve circularity, Proximus will use fewer materials in Proximus's equipment, increase the lifetime of Proximus products and wherever possible switch to more sustainable materials or completely dematerialize.
- 1.2 This manifesto is setup together with the Supplier to support Proximus' goal to become a truly circular company. This manifesto expresses the commitments of Proximus and the Supplier to explore the value and expected impact on the environment of specific projects and initiatives (see Appendix) in support of Proximus's circular business model by using less virgin raw material, extend product lifetime, reuse, repair, refurbish and recycle all products and improve energy efficiency as much as possible.
- 1.3 Proximus committed also to the Science Based Targets Initiative to adopt a green-house-gas (GHG) reduction pathway in line with a 1.5°C temperature increase scenario, along the whole value chain. For that purpose, Proximus commits that 67% of its suppliers by emissions covering categories "Purchased Goods and Services and Capital Goods", will have ambitious reduction targets by 2025. Ambitious reduction targets mean that targets are in line with science (Science Based Target inspired).
- 1.4 With this manifesto Proximus and the Supplier agree to jointly collaborate in contributing to a more circular and a low carbon economy.

## 2. How to change towards a circular and low carbon business model

For Proximus to realize the ambition of reducing its carbon impact on the whole value chain and becoming close to 100% circular, Proximus and the Supplier jointly agree to set climate targets, develop circular projects and encourage innovation of circular design within four focus areas:

### 2.1 Reduce the use of virgin raw materials

- 2.1.1 Virtualization; further virtualization and automation of our network to reduce our environmental footprint.
- 2.1.2 Migrate to software- and service-based models rather than hardware-models
- 2.1.3 Dematerialization; i.e. dematerialization of DVDs, CDs and newspapers enabled by Proximus connectivity by replacing with digital media.
- 2.1.4 Recycled/Organic based materials; extend the use of recycled/organic based materials where possible.

### 2.2 Extend: Use products longer and more efficient

- 2.2.1 Lifespan extension; extend the use of products by redesigning products and extend period of maintenance and support.
- 2.2.2 Increase or optimize rates of utilization.

### 2.3 Cycle: High end second life products and materials by

- 2.3.1 Use of products/materials that have been designed to be recycled (i.e. with a life cycle perspective in mind).
- 2.3.2 Reuse; optimal usage of returned products and equipment to be reused by Proximus and/or customers or suppliers.
- 2.3.3 Repair and refurbishment of returned products and equipment to be reused by Proximus and/or customers or suppliers.
- 2.3.4 Recycling; improve high value recycling of products, equipment and materials to be reused.
- 2.3.5 Landfill and incineration reduction; eliminate landfill and incineration.

### 2.4 Energy Efficiency

- 2.4.1 Proximus will investigate – together with the Supplier – ways to further enhance the energy efficiency of network -, data center -, building infrastructure - and end-user-equipment.

## 2.5 Carbon Reduction targets

- 2.5.1 Proximus will collect from the Suppliers GHG (green-house-gas) intensity of products, equipment and materials or services purchased (kgCO<sub>2</sub>e/item, kgCO<sub>2</sub>e/€ or any other relevant metric).
- 2.5.2 Proximus will benchmark and track the carbon reduction progress of its suppliers from year to year.
- 2.5.3 Proximus will provide its suppliers with guidance and materials to help in formulating ambitious GHG emissions targets.

## 3. Together Proximus and the Supplier will develop initiatives for a circular business model including implementation, planning and performance.

- 3.1 Draw up a list of projects or initiatives to help Proximus achieve its 2025 Circular and Carbon reduction goals (art.1) and setting joint goals on current initiatives. Start joint studies to investigate new business models that contribute to a more circular economy, based on the principles as described in article 2.
- 3.2 Start joint studies to investigate new business models that contribute to a more circular economy
- 3.3 Setup and monitor of goals on the joint projects and initiatives. These will be reviewed during the Business Review meetings between Proximus and the Supplier. If the goals are not met, both Parties will jointly set up a common action plan to ensure that the projects or initiatives get back on track to achieve Proximus's 2025 goals.

## APPENDIX Circular Manifesto

### 1. Specific Projects and initiatives

To create a more circular business model Proximus and the Supplier agree to work collaboratively on several projects and initiatives. Proximus and the Supplier are committed to explore the value and expected impact on the environment of these projects and initiatives and depending on the outcome pursue them or define new ones.

### 2. Governance

The Procurement manager of Proximus will initiate these meetings and invite the involved business owners of both Parties. Preparation of the status of the initiatives will be done jointly by Proximus and the Supplier.

### 3. Proximus and the Supplier jointly agree to focus on specific projects and initiatives:

#### 3.1 Reduce the use of virgin raw materials by:

3.1.1 Jointly agreed goals

#### 3.2 Reuse the products, equipment and materials longer and more efficient by:

3.2.1 Jointly agreed goals

#### 3.3 Recycle high end second life products, equipment and materials by:

3.3.1 Jointly agreed goals

#### 3.4 Increase energy efficiency by:

3.4.1 Jointly agreed goals

#### 3.5 Reduce carbon output by:

3.5.1 Jointly agreed goals