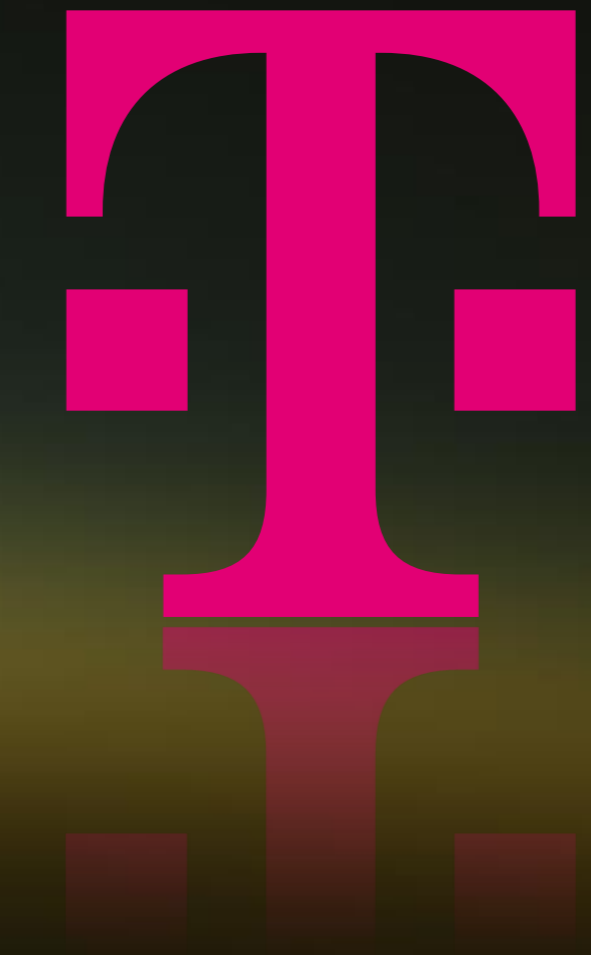


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EUROPE'S NEW HORIZONS



THE EUROPEAN DILEMMA:
Digital Aspirations
and Rising Challenges





WE SERVE EUROPE!

We operate in
19
European countries

We employ more than
317,000
people

Source: company information, Analysys Mason;
(for FY '22 or '23, depending on availability of annual report)

We provide more than
370m
mobile connections

We provide more than
72m
high-speed broadband
connections

We invest more than
€20bn
per year

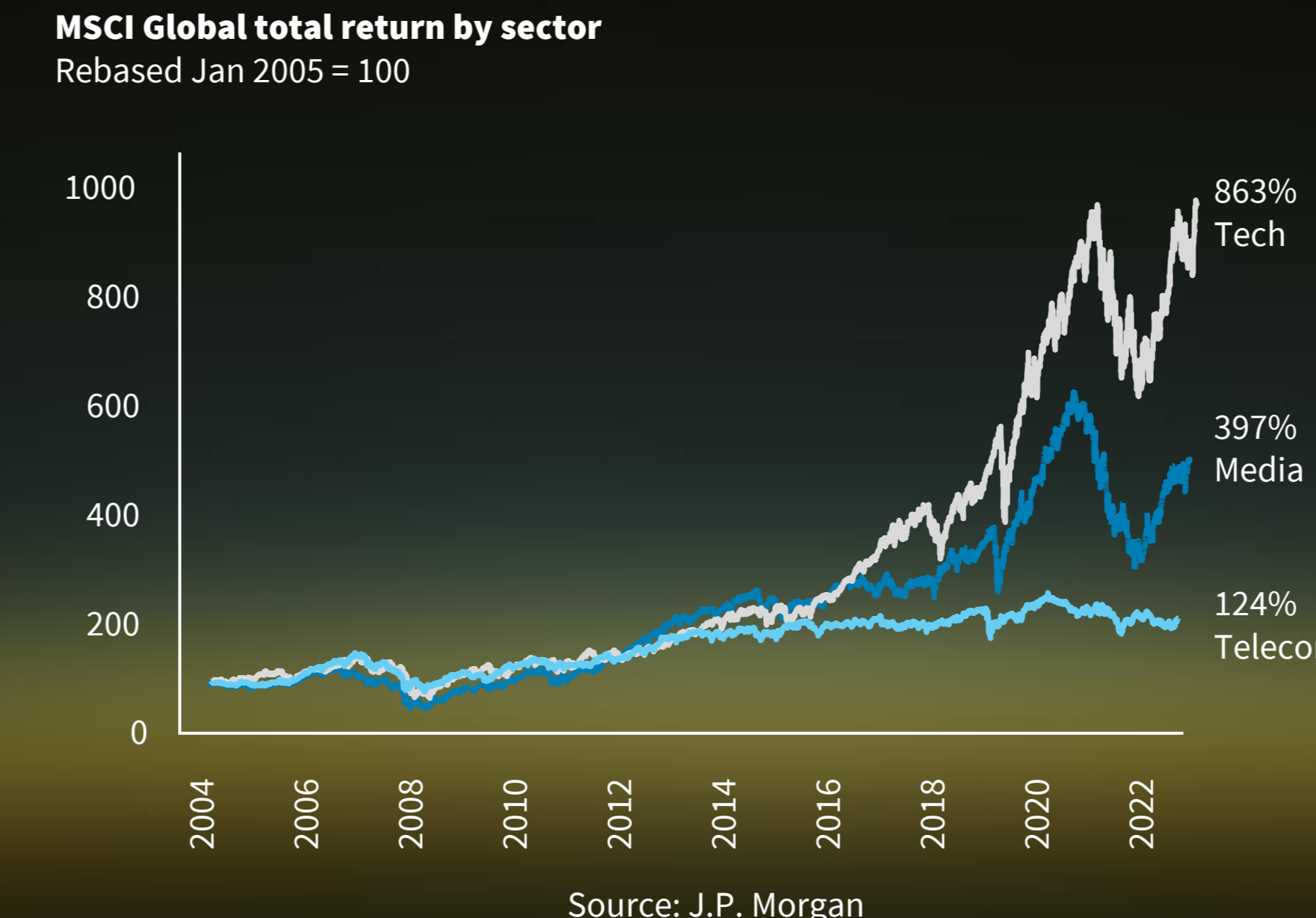
Our sector pays more than
€40bn
taxes per year

WE ARE UNDER PRESSURE...

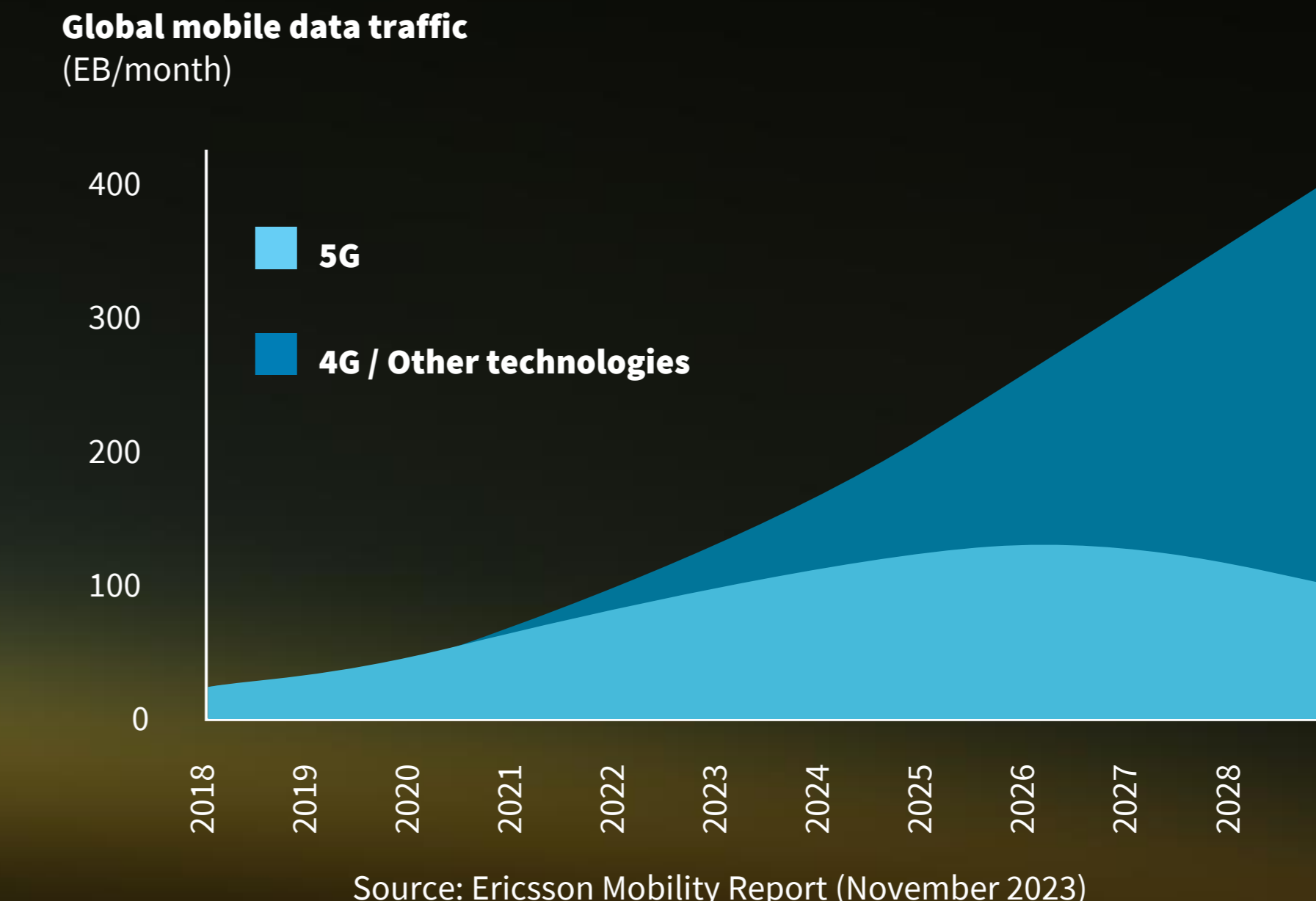
Hyperscalers vs. Mobile Operators



Telcos have materially underperformed Tech and Media ...



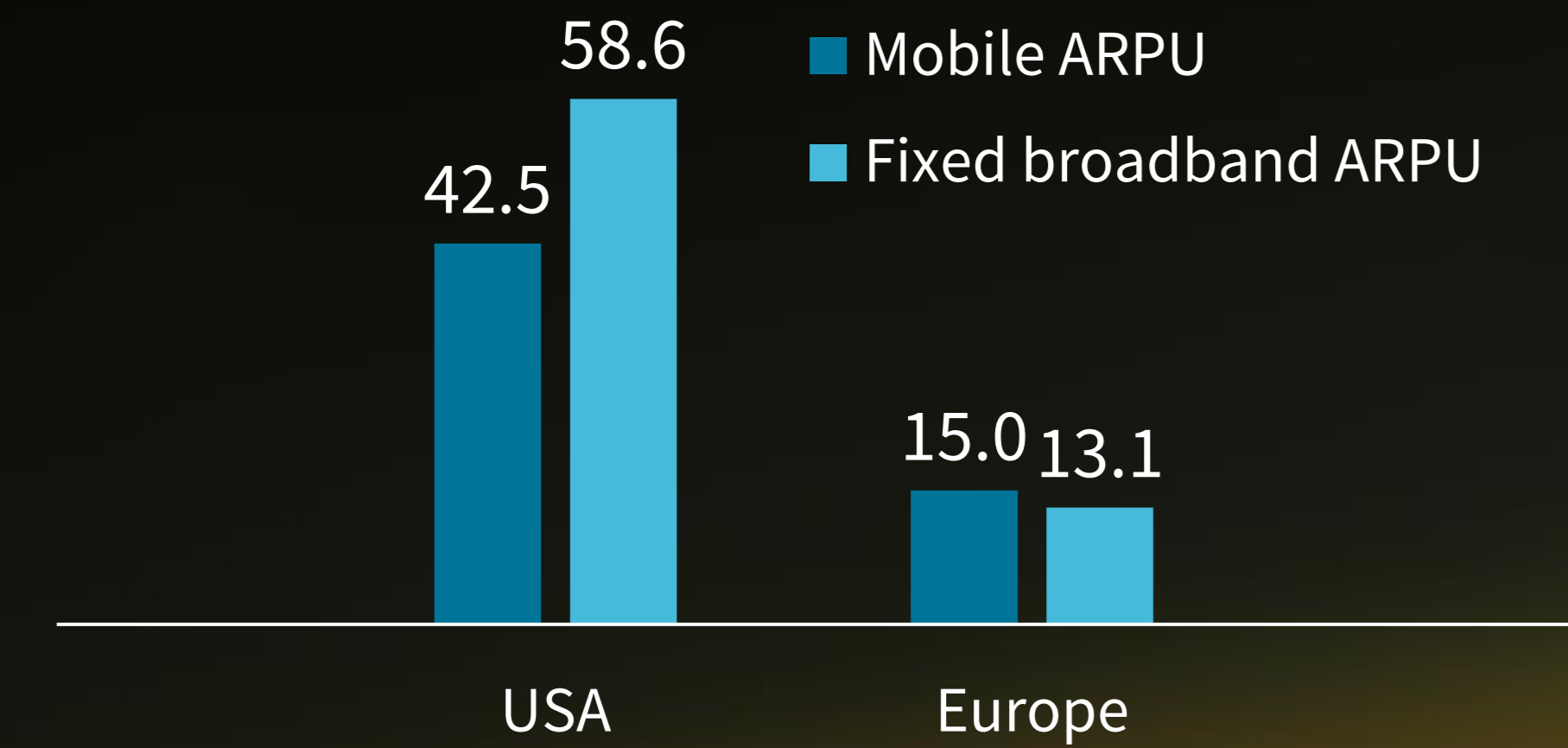
... while data traffic is skyrocketing, causing significant additional investments that are not being compensated



...BECAUSE THE NUMBERS DON'T ADD UP

Low ARPUs

€/subscriber/month, 2022

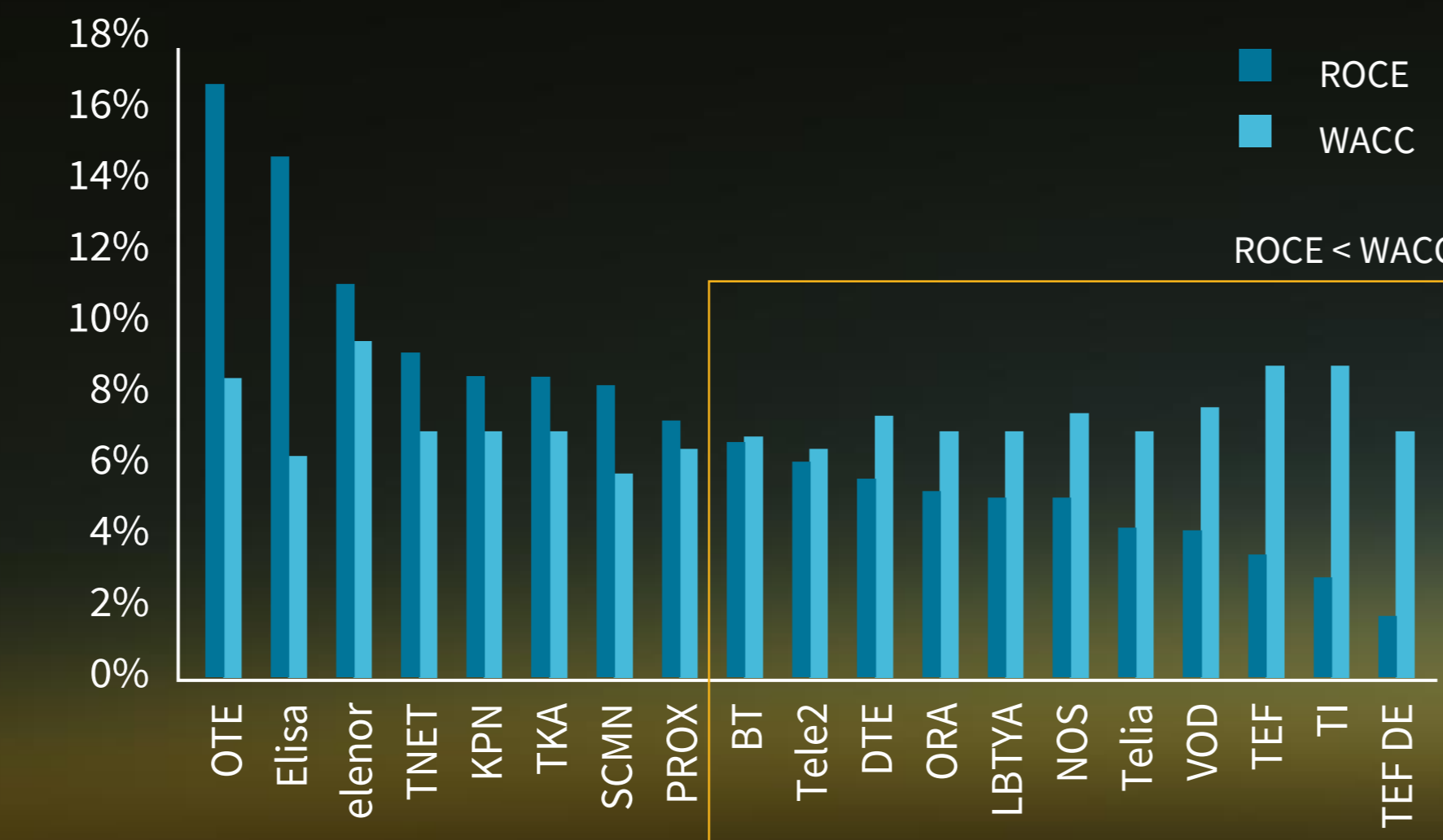


Source: ETNO/Analysys Mason



Investments with low return

Return on capital employed vs. weighted average cost of capital, 2021

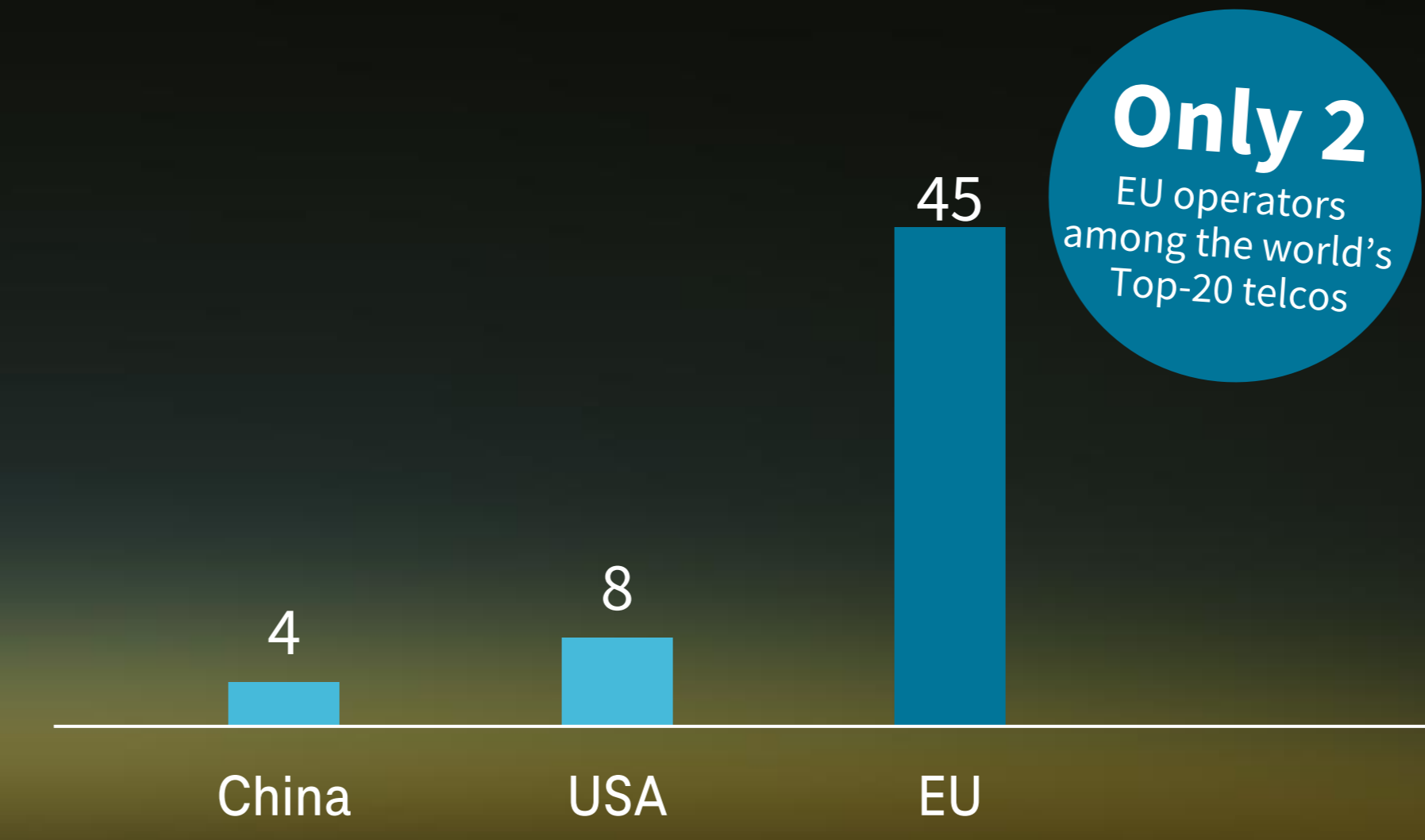


Source: Barclays



Missing consolidation

Number of major mobile operators

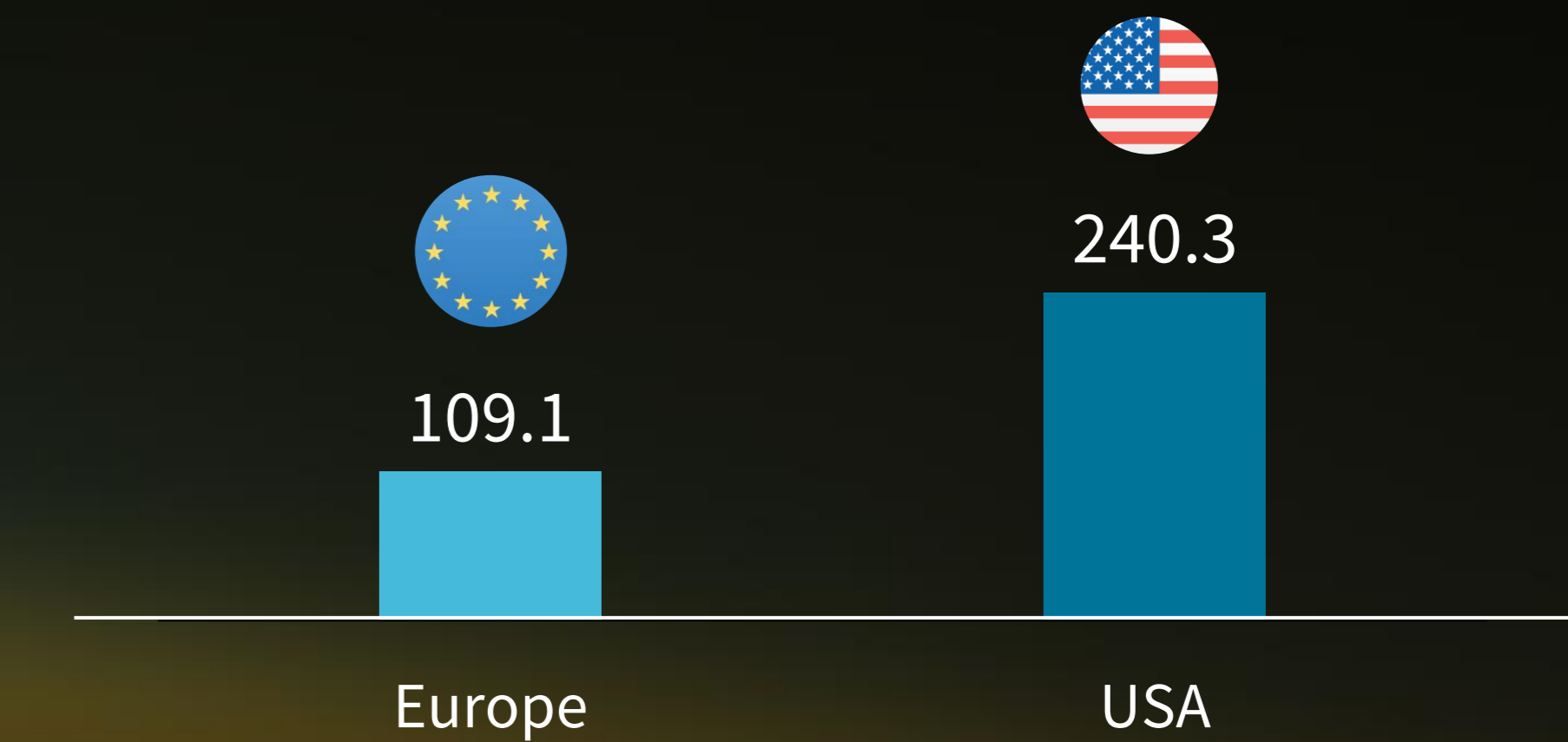


Source: ETNO/Analysys Mason



Ability to fill the investment gap

Capex per capita 2022, EUR



Source: ETNO/Analysys Mason

AMBITIOUS CONNECTIVITY TARGETS VS. HIGH INVESTMENTS NEEDS

Digital Targets 2030

Gigabit
connections

5G
everywhere

High investment
requirements

~€200bn gap

Challenges

Stagnating revenues
High interest rates

Low returns
Rising costs

WE BUILD MUCH MORE THAN BASIC CONNECTIVITY

A circular graphic with a dark blue background. Inside, a network of glowing blue nodes is connected by thin lines, forming a complex web. The text is centered in white.

**Network Cloud,
Softwarization
& Automation**

A circular graphic with a dark blue background. It shows several tall, dark communication towers against a lighter blue sky. The text is centered in white.

**Open RAN &
Virtualized RAN**

A circular graphic with a dark blue background. The letters "5G" are prominently displayed in a glowing, light blue font. Below them, there are various icons representing network concepts like a cloud, a gear, and a person, connected by dotted lines. The text is centered in white.

**5G Mobile Edge &
Network Slicing**

A circular graphic with a dark blue background. It features a glowing blue padlock icon and a stylized representation of a server rack or data center. The text is centered in white.

**Security &
Resilience**

Future-ready infrastructure and digital platforms

WE DRIVE INNOVATION THROUGH COOPERATION

Open Gateway

GSMA

CAMARA
THE TELCO GLOBAL API ALLIANCE

6 market launches
more to come

Open RAN

RAN
ALLIANCE

ETSI

UtiQ



Live today



In 2024

Edge/Cloud

Project IPCEI CIS

19 companies

>90 indirect partners

€1.2bn



WE EMBRACE THE GREEN TRANSITION...

European mobile data traffic X3

by 2028 vs 2023

+40% natural disasters

by 2030 vs 2020

Only 10% refurbished smartphone sales

in Europe in 2023

1 Infrastructure



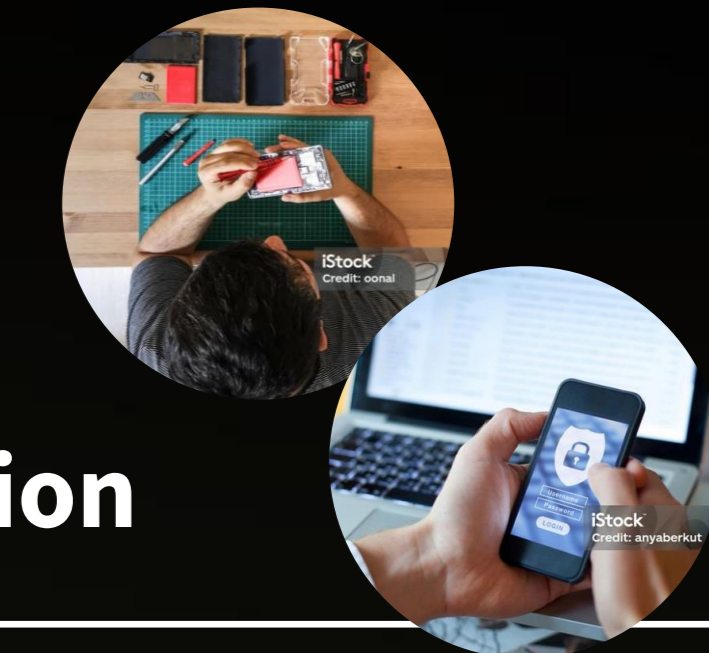
- Transition from copper to fiber
- Reuse/extension of use of frequencies and technical accessories
- Green Power Purchase Agreements
- Battery storages
- AI for energy management
- Equipment power saving mode
- RAN sharing

2 Products & Services



- IoT-Solutions
- Dynamic use of networks (e.g. network slicing, Mobile to WiFi)
- Sustainable packaging
- Eco-design

3 Customer interaction



- Circularity push for Smartphones and others
- Share of revenue with products & services majorly consisting of sustainable components
- Cybersecurity to protect critical infrastructure and data integrity
- Eco Rating label (Raising awareness while choosing devices)

...WITHIN OUR FOOTPRINT AND WELL BEYOND



Source: Weiss, Elina and Steffen Roos 2022; Bieser, Jan, et al 2020; Ekholm, Börje and Rockström, Johan 2019

We commit to our part,

Investments
>€20bn per year

Technological Innovation



Green Innovation

Scope 3 in 2040
Net-zero

20% less GHG
in other industries up to (by 2030)

but it's not enough...

EUROPE NEEDS A NEW DEAL



Allow more scale through consolidation



Adapt regulation to new market realities



Shift spectrum fees to network investment



Ensure fairness in the digital ecosystem



Include telecom networks in the EU taxonomy

**...to become leaders for
our customers again!**



World-leading connectivity




European tech leadership



Enhanced competition



Green transition

A satellite view of Europe at night, showing the continent illuminated by city lights against the dark background of the night sky. The lights are concentrated in major urban centers and along coastlines, creating a glowing pattern across the landmass.

We commit to our part,
but it's not enough...

EUROPE NEEDS A NEW DEAL

...to become leaders for
our customers again!

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