

# Environmental Policy



Facts and Figures / February 2023

## Overview

At Orange, our commitment to protecting the planet is at the heart of our Lead the Future strategy. As such, we have pledged to become net zero carbon by 2040, some 10 years ahead of the GSMA target. Our first step towards this will involve reducing our CO2 emissions by 30% compared with 2015 for Scopes 1 and 2 (direct and indirect emissions) and by 14% for Scope 3 (other emissions) compared with 2018.

We are also making an additional commitment to make a 45% reduction in our Scope 1, 2 and 3 emissions by 2030 (compared with 2020).

Orange Group's commitment to tackling global issues is reflected in its mission statement:

"As a trusted partner, Orange gives everyone the keys to a responsible digital world".

## Stats in focus

~3.5%

### of world CO2 emissions

(i.e. 1,150 million tonnes) are emitted by the digital sector today. This includes fixed and mobile networks, company networks, data centres and customer hardware including smartphones, PCs, and TVs.

0.5%

### of world CO2 emissions

(i.e. 180 million tonnes of CO2) are emitted by telecoms networks.

~0.7%

### of world CO2 emissions

(i.e. 1.3 million tonnes of CO2) are emitted by Orange's telecoms networks.

Digital is part of the environmental problem, but it's also part of the solution:

2,135  
million

### tonnes of world CO2 emissions

have been saved thanks to mobile networks in 2018, according to GSMA.

Digital

### therefore offers numerous opportunities

to reduce our carbon footprint and also enable us to change our consumption models. We are entering into an economy of functionality. It also helps reduce unnecessary travel (one of the 3 main sources of CO2 emissions) and optimise processes.

# Find out more

## How can we achieve net zero carbon by 2040?

### 1. Reducing our CO2 emissions

To achieve this objective despite the increase in network usage (through an estimated tenfold traffic growth between 2018 and 2025), we will:

**Make our IT systems and networks more energy efficient (they are responsible for 86.8% of the Group's energy consumption and 84.5% of the Group's direct and indirect CO2 emissions):**

- Implementation of the Green ITN programme, which optimises technical deployments and hardware energy efficiency (free cooling, server virtualisation, use of data and AI, etc). Green ITN saved 3.3 million tonnes of CO2 between 2015 and 2020, representing a saving of 3.4 TWh of electricity and 260 million litres of fuel oil. The volume of data on the mobile network increased sevenfold between 2014 and 2018, whilst energy efficiency increased by 80%.
- Running eco-efficient data centres: the first opened in Val-de-Reuil in 2012 and 2 new eco-efficient data centres are now under construction, which are due to replace ten national data centres. Eco-efficient data centres consume on average 30% less energy than our previous centres while providing equivalent capacity, thanks to new natural ventilation systems which consume 80% less energy.

**Improving the energy efficiency of buildings (which account for 8.9% of energy consumption) and our transport (4.4%):**

- Our buildings and transport-related CO2 emissions were down 15.9% in 2019 relative to 2018 thanks to more efficient equipment such as new boilers and more efficient lighting with 360° movement sensors.
- Orange's is Europe's largest commercial car sharing fleet, with over 2,600 vehicles. Its target is to have 50% of the fleet electrified (hybrid + electric) by 2025, representing some 7,000 vehicles.

**Renewable energy use:**

- The aim is for 50% of the Group's electricity usage to come from renewable sources in 2025, as compared with 36.3% in 2021. This is to be achieved by securing direct energy supply contracts with renewable energy companies in Europe. The first direct wind and solar-powered energy supply contracts have been signed in France, Poland and Spain.
- Orange has equipped 6,000 sites with solar panels across 14 countries (2021 figures) to support its infrastructures, representing over 16% of all mobile sites in MEA.

**Results:** In late 2021, Orange reduced its CO2 emissions by 12.1% compared with 2015, representing 97.3% of its turnover.

## Reducing our Scope 3 emissions<sup>2</sup>:

- By developing a circular economy:
  - By 2025, 100% of Orange-branded products must comply with eco-design standards.
  - Creation of the OSCAR programme (Orange Sustainable and Circular Ambition for Recertification) to significantly increase the use of refurbished IT and network equipment by 2025 whilst maintaining the same service standards.
  - The launch of the “Re” programme in France on 8 October 2020 to accelerate the recycling, refurbishing, returning and repair of mobile devices.  
  
Orange carried through on its commitment to this in October 2021, with its repair service. In 2022, the “Re” programme was implemented in all European countries in which the Group has a presence.
  - More easily repairable phones such as the Neva Leaf or the Fairphone.
- By encouraging our suppliers to reduce their emissions through positive programmes aimed at reducing their environmental impact.

## 2. Working on reducing our irreducible residual emissions

Reducing our CO<sub>2</sub> emissions by 80% through our existing actions will still not enable us to achieve our net zero carbon goal. We will always be emitting residual CO<sub>2</sub> which we will need to sequester.

**At the end of 2021 Orange therefore launched its own carbon fund, Orange Nature:**

- A €50 million investment that will give Orange a return purely in the form of carbon credits (with no financial return).
- Responds to most of the carbon sequestration requirements by 2040.
- As the sole investor in Orange Nature, Orange will be able to choose to invest solely in natural capital projects, which will deliver high-quality carbon credits. Orange is particularly keen to select projects which, as well as providing carbon sinks, will positively impact biodiversity and society.

---

<sup>1</sup> Scope 1 “direct emissions” from consumed energy, fuel for buildings and vehicle fleets. Scope 2 “indirect emissions” from the purchase of energy such as electricity for its network and buildings.

<sup>2</sup> Scope 3 covers all upstream emissions generated by our suppliers and downstream customer emissions (e.g. the purchase of raw materials, services or other products such as smartphones, staff commuting, transport of goods, waste management, the use and disposal of products, services sold etc.)