

SUSTAINABILITY BASEFARM



“
*Sustainability is no longer about doing
less harm, its about doing more good*”

Jochen Zeitz

INTRODUCTION

To ensure corporate performance and customer satisfaction we have implemented the Basefarm Integrated Management System (IMS), which is governed by the Governance, Risk and Compliance (GRC) department.

The system combines Quality Management System (QMS), Environmental Management System (EMS), Information Security Management System (ISMS) and are in accordance with respective ISO standards. The EMS has been certified in accordance with the ISO14001:2004 standard since 2013 in Norway and 2015 in Sweden, and with the ISO-14001:2015 standard since January 2018. In IMS we also find other standards and obligations we follow such as Corporate Social Responsibility (CSR) and Anti-corruption.

Basefarm develops its approach and systems in line with the expectations that are placed on players in the Pan European IT sector. We define our Corporate Social Responsibility (CSR) relative to the world around us and support the human rights and labor standards that are set out in the UN Global Compact and, as such, commits to complying with and promoting the Compact's ten principles in the areas of human rights and labor, the environment, anti-corruption and risk-management.

It is essential to demonstrate both externally and internally that we respect and care about the environment. It sets requirements for management and Basefarm's employees and we show our suppliers, customers and partners that we take environmental work seriously.

In 2019 Orange launched a new strategic plan - Engage 2025 – that can be summarized in two words, growth and sustainability. Growth is about growing the business and adapt to a constantly changing world and sustainability about the fact that strong economic performance will not be possible without outstanding performance on social and environmental issues. Basefarm has connected to Engage 2025 with its own strategic plan where the Basefarm Green Act program is one of six key strategic initiatives for 2021 identified by the Executive Management team. The project's overall goal is reducing carbon footprint with 30% in 2025 compared to 2015 and reach net zero carbon by 2040.

With the ambition to strengthen the sustainability in procurement we have since 2016 implemented the Factlines process for supply chain compliance. In 2021 we had our first Sustainability assessment made through Ecovadis and are proud to announce that we achieved the Sustainability Silver Medal.

The Basefarm Group also convey a zero-tolerance commitment to all our teams and ecosystem. Since 2018 we follow a strict and detailed compliance deployment plan, monitored by our mother company Orange.

WHAT WE DO

MEMBERSHIP IN UN GLOBAL COMPACT?

Basefarm is not a member of the UN Global compact yet, however our mother company Orange is. We are planning to validate a Basefarm membership in the upcoming year.

As a leading European player within the IT segment Basefarm is committed to respect all internationally recognized human rights laws and regulations. We conduct our business consistently with the United Nations Guiding Principles on Business and Human Rights.

In our business activities, we will comply with applicable laws, act in an ethical, sustainable, and socially responsible manner.

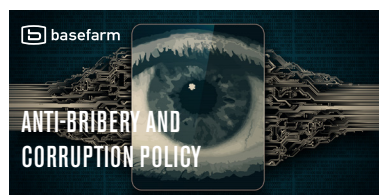
We are in constant dialogue with our suppliers which we expect to help us protect

Basefarm's reputation through high ethical standards and integrity. To ensure that our requirements are respected we have defined a special Code of Conduct for our suppliers. Serious breaches can result in an immediate termination of the contract.

We have also defined a Code of Conduct on how we as a Company will behave, and it also covers how we as individuals should conduct ourselves.

Supply chains and sourcing is complex. Sustainability, too. Factlines is a web based service that supports the full process from requirements and code of conduct to risk analysis, follow-up, and dialogue. The guidelines in this survey includes UN Global Compact's 10 principles.

HIGHLIGHTS



The Green Act program



We've placed the focus of our strategy on the environment



SUSTAINABILITY REPORTING & ASSESSMENT

ORANGE ANNUAL REPORTS

Our mother company Orange prepare annual reports for the whole group. More to read in Orange Annual Reports.

ECOVADIS SUSTAINABILITY ASSESSMENT

In May 2021 we were assessed for the first time by Ecovadis on 4 major topics. On all 4 areas we outperform the average industry score in

our market. We were awarded a Silver medal in Recognition of Sustainability Achievement. For having been the first assessment this is a good score, and we can see easy improvement to achieve for the future by connecting our programs to the UN sustainability goals and to include environmental clauses/ assessment in our procurement process with suppliers.





SOCIAL & ETHICAL RESPONSIBILITY

CSR POLICY

Basefarm supports the human rights and labor standards that are set out in the UN Global Compact and, as such, commits to complying with and promoting the Compact's ten principles in the areas of human rights, labor, the environment and anti-corruption. Social and ethical responsibility will permeate our entire business and is described in the Code of Conduct (CoC). An important part of this work is to ensure that our products and services are brought to the market without any violation of our codes. We work actively to ensure good working conditions for our employees and along the supply chain. And our largest suppliers are monitored through a web-based service providing us a Supply Chain Management tool which assures us that our suppliers stay compliant with ethical trade guidelines, environmental requirements, and Corporate Social Responsibility (CSR). The guidelines in this survey includes UN Global Compact's 10 principles.

CODE OF CONDUCT

No code can address every situation that we are likely to encounter, nor is the code a substitute for our responsibility and accountability to exercise good judgement and obtain guidance on proper business conduct. Basefarm Code of Conduct is a guideline on how to behave in specific circumstances and how we want Basefarm to be represented. When speaking in a forum in which audiences would reasonably expect that we are speaking as representatives of Basefarm, we generally state only Basefarm's view and not our own. We treat our colleagues, clients, and others with whom we do business, with respect and dignity.

The CoC can be grouped into two areas, one covers how we as a company will behave, and the other covers how we as individuals should conduct ourselves. The company part shall also be used to guide ourselves when we decide on which suppliers to use. In Basefarm we have two Code of Conducts, one that applies to our employees and consultants, and one that applies to our suppliers.

ENGAGE 2025

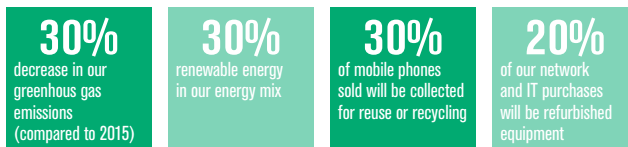
Our business needs are primarily to contribute to the Paris Climate Agreement and in line of that to the Orange Engage 2025 strategy, where we all need to contribute to the reduction of the CO² emission.

This new strategic plan was launched in 2019 and can be summarized in two words, growth and sustainability. Growth is about growing the business and adapt to a constantly changing world and sustainability about the fact that strong economic performance will not be possible without outstanding performance on social and environmental issues. Basefarm connected to Engage 2025

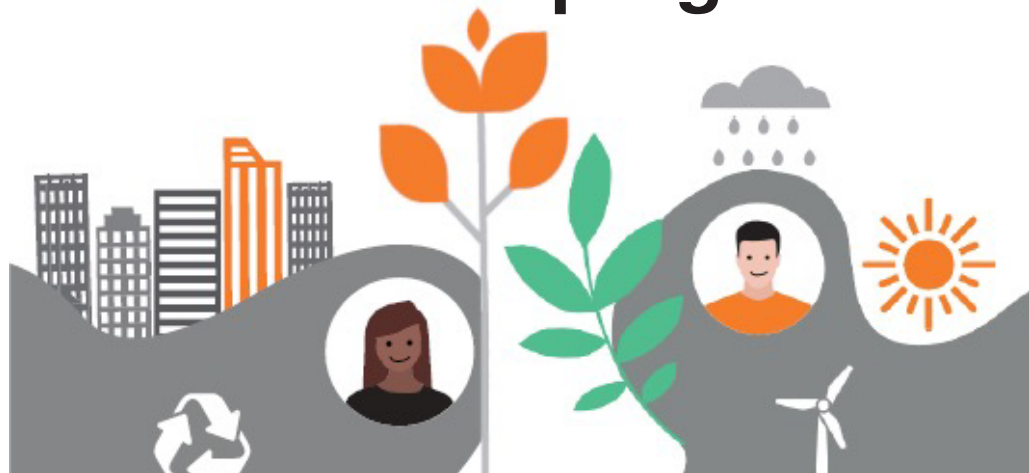
in 2021 with its own strategic plan. In 2020 The Basefarm Executive Management team identified six key strategic initiatives, one of them is the Basefarm Green Act program.

BASEFARM GREEN ACT PROGRAM

There are six sub-projects which are aligned with the Orange Green Act program. One of the sub projects is focusing on UN Sustainability goals, and one of the project objectives is how to include the most accurate goals of the 17 UN Sustainable Development Goals in our business strategy. Other objective for the project is to connect to the Orange Green Act program of Engage 2025 goals by



The Green Act program



We've placed the focus of our strategy on the environment

leveraging from the environmental work that has already been done, meaning to reduce our carbon footprint by 30% in 2025 compared to 2015 and to net zero carbon in 2040.

ORANGE GREEN ACT PROGRAM

The Orange Business Services commitment to add greener digital technology. The program was launched to support the strategic Engage 2025, the Green Act program embodies the ambition of Orange Business Services to become a benchmark among ICT players for a sustainable digital transition.

GREEN ACT IS DESIGNED TO ADDRESS THE DIGITAL DECARBONIZATION CHALLENGES IN OUR ORGANIZATION AND INCREASE OUR PERFORMANCE THROUGH 6 DOMAINS

30%
decrease in our
greenhouse gas
emissions
(compared to 2015)

ENERGY

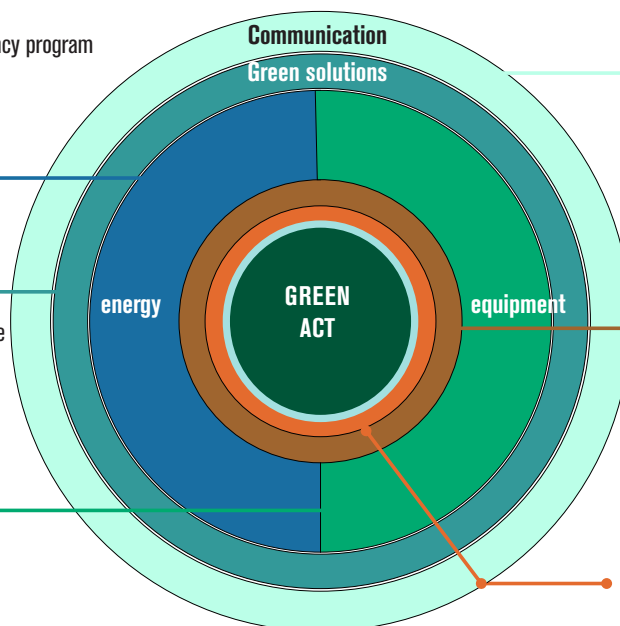
- Structure and roll out an energy efficiency program
- Look at the energy we use in our operations; reduce or use green energy
- Use energy from renewable sources
- Monitoring and measurements

GREEN SOLUTIONS

- Develop an integrated & comprehensible portfolio of products/services for Green
- Provide consultancy services to support customers on Green IT

EQUIPMENT USAGE

- Stimulate circular economy
- Align with suppliers
- Procurement process update
- Monitoring and measurements



COMMUNICATION & AWARENESS

- Define & roll-out communication strategy for internal and external stakeholders concerning B2B's (OBS & DEF) environment & Green Act program

UN SUSTAINABILITY GOALS

- Identify the most accurate goals of the 17 UN Sustainable Development Goals in our business strategy.

TRAVEL

- Reduce travel
- Change the way we travel
- Monitor emissions from business travels

CARBON FOOTPRINT CALCULATOR

In 2020 the Environmental team engaged an external environmental consultant to develop a carbon footprint calculator.

The goal with this project was to make our commitment and performance even better visible in internal and external communication and connect to the goals set in Engage 2025. In order to make communication simple and expedient, we wanted to place emphasis on CO₂ emissions as it is considered the most important factor in environmental communication for the time being. We wanted to produce environmental efficiency data information for Basefarm's data centers in relation to other data centers in order to compare Basefarm with other competitors (based on PUE).

Basefarm stands out positively with a good result for PUE – therefore it makes sense to choose this indicator to communicate Basefarm's environmental benefits to the public.

BASEFARM CARBON FOOTPRINT

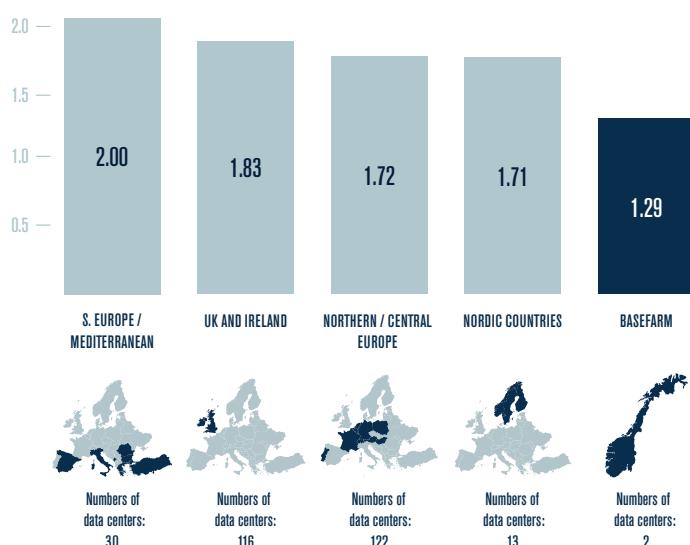
We wanted to produce our own CO₂ footprint calculator to show Basefarm's development and the effect of implemented measures. Our own footprint is calculated according to The Greenhouse Gas Protocol (GHP), see: <https://ghgprotocol.org/>. Our baseline measure is data from 2015, the year of the Paris Agreement.

THE REASON WE DO THIS IS TO:

- Compare Basefarm with itself and show development over time.
- Compare environmental results with our own environmental objectives.
- Show the effect of implemented environmental measures

BASEFARM ENVIRONMENTAL EFFICIENCY (PUE)

AVERAGE DATA CENTER PUE



A data centre's energy efficiency is measured using the Power Usage Effectiveness (PUE) metric.

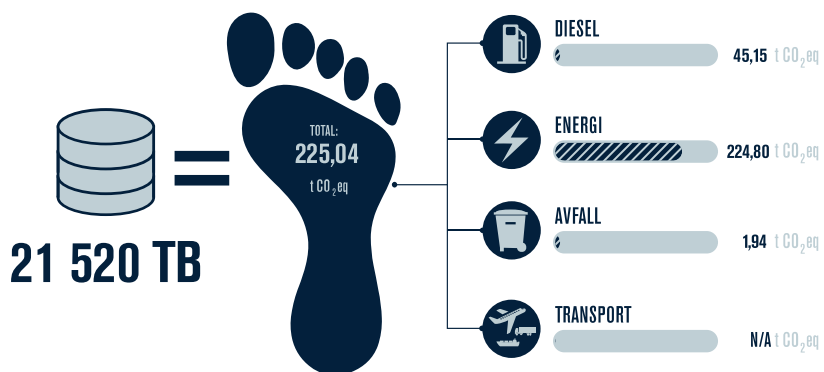
$PUE = \frac{\text{total power consumption of the data centre}}{\text{the amount of power used by IT equipment}}$

The optimum is a PUE value of 1.0, while values of close to 2.0 are more common today

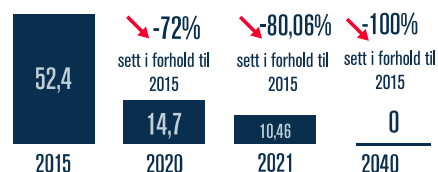




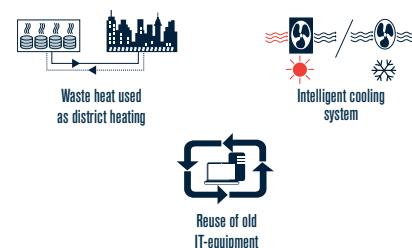
BASEFARM CLIMATE FOOTPRINT 2021



Key numbers (kg CO₂eq/TB)



Actions, CO₂-savings 2021



ENVIRONMENT

SUSTAINABLE DEVELOPMENT GOALS

We constantly seek to adopt the seventeen global goals that define a sustainable future for all, ensuring that our business addresses wider sustainability issues to create the biggest positive difference.

One of the subprojects in Basefarm Green Act program is focusing on UN Sustainability goals, and one of the objectives is to align the most accurate goals of the 17 UN Sustainable Development Goals with our business strategy.

We coordinate our environmental work with the UN Sustainable Development Goals and have identified the first two 2 SDGs which are two key areas where we can make a positive contribution and where we will report on our progress.

We selected SDG 12 and SDG 13 as these are closely connected to our environmental work,

which is focused on energy efficiency programs, switching to renewable energy, sustainable purchasing, stimulate circular economy into our operations from eco-design to recycling, waste management, promoting responsible use and ensuring transparent environmental reporting.

SUSTAINABLE DEVELOPMENT GOALS & KPI'S

SDG 12 and 13 have been mapped against our relevant significant environmental aspects, and their KPI's which is a significant step in the direction we want to go.

Each significant aspect includes information about relevant Sustainability Development Goal (SDG), Key Performance Indicator, (KPI), Environmental Performance Indicator (EPI) and result.





ANTI-CORRUPTION

ZERO TOLERANCE COMMITMENT

In 2018 Basefarm, together with Orange, started a compliance implementation plan, where Corruption risk assessment is one part. Corruption prevention is a key requirement which underpins our commitment to conduct business in an ethical way. Basefarm, *um and Log*in are committed to convey the zero-tolerance commitment to all our teams and eco-systems.

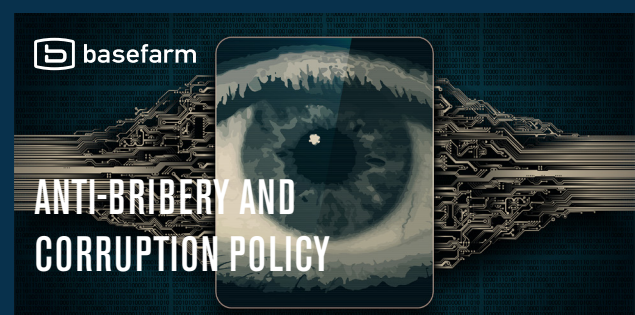
We follow a strict and detailed Compliance program deployment plan, monitored by Orange.

Since 2018 we have actively been adapting our processes to meet the requirements set on our organization such as updating the procurement process to include a due diligence process and pre-assessment of new suppliers, updating the employee handbook and the introduction checklist for new employees, mandatory Anti-Corruption training for all employees, local adaptation of the Anti-Corruption policy, risk assessment and articles about Anti-Corruption tool guide to mention some examples. Our employees are required to read and understand the Anti-Corruption

policy when onboarding, and once per year our staff is rolled out for policy sign-off.

The Compliance program deployment plan target the following domains: Tone at the Top (Management commitment), Governance, Risk Assessment, Policy and procedures, Awareness & training and Controls.

The e-learning tool we use is a joint product of the UN Global Compact and the UN Office on Drugs and Crime. It uses six interactive learning modules to further the audience's understanding of the UN Global Compact's 10th principle against corruption and the UN Convention against Corruption as it applies to the private sector.



WHY DOES IT MATTER?

WORK WITH SUSTAINABILITY AND ENVIRONMENT ACROSS THE COMPANY

2020 was an unpredictable year with the pandemic shaking the lives of billions of people all over the world. At the same time, threats to environmental sustainability reached new heights with the amount of carbon emission rising to levels not seen in four million years (417 parts per million). In fact, 2020 capped the warmest decade on record and was tied for the warmest year ever.

With the importance of global focus on environmental issues and sustainability Basefarm continuously work to strengthen the organization of our environment and sustainability work across the company. We enable and facilitate continual improvement and keep Basefarm in the front by meeting or exceeding stakeholder requirements. In this context our main stakeholders include Orange, our partners, customers, and existing and future employees.

“
*Treat the Earth as though
we intend to stay here*”

Crispin Tickell

ABOUT BASEFARM

– AN ORANGE BUSINESS SERVICES SUBSIDIARY

Basefarm is a European Managed Service Provider of business-critical IT solutions. The company creates market leaders by integrating the key competencies for digital transformation – big data, cloud computing and information security, into one service offering. Our delivery model covers the entire spectrum from innovation through to commissioning and continuous production. This includes strategy through to commissioning and continuous production. This includes strategy consulting, implementation projects, application management and infrastructure operations with a common operating model regardless of the cloud platform chosen. Basefarm was established in Norway in 2000 where the company also provides data center services. A team of over 760 IT engineers and consultants' services global clients from European offices and data centers in Norway, Sweden, the Netherlands, Germany and Austria.

In August 2018, Basefarm was acquired by the Orange group, a leading global a leading global division Orange Business Services.

For more information, please visit orange-business.com or basefarm.com or follow us on LinkedIn and our blogs.

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Basefarm is a European operations provider that creates market leaders by integrating key competencies for digital transformation of Big Data, Cloud Services and Information Security into a service offering. The company provides strategic advice, architecture and implementation together with management and operation of solutions on several different cloud platforms. The business was founded in 2000 in the Nordic countries and today there are 760 leading engineers and consultants working in Norway, Sweden, the Netherlands, Germany and Austria.

Basefarm was ranked highest in Whitelane's IT Outsourcing study Nordics 2020 and Basefarm positioned as Nordic leader in Basefarm positioned as Nordic leader in Private / Hybrid Cloud – Data Center service and solutions by ISG Provider Lens.

According to a survey from Radar, where 1,000 organizations were asked to assess 200 different suppliers, Basefarm took first place in the IT infrastructure and operations category 2020, 2019 and 2018.

In August 2018 Basefarm was acquired by the Orange Group, a leading global telecommunications operator, to reinforce the cloud expertise of its enterprise division Orange Business Services.

For more information, go to www.orange-business.com or follow us on LinkedIn, Twitter and our blogs.

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