3

NON-FINANCIAL PERFORMANCE STATEMENT /SNFP/ /AFR/

Business model

OVHcloud's business model is detailed in the introduction to this Universal Registration Document.

CSR approach

During the 2022 financial year, OVHcloud undertook work to structure its CSR approach. With nearly 2,800 employees and a global industrial and commercial footprint, the Group is fully aware of its responsibility in a world where data has a major impact on private, social and professional lives and with regard to economic, geopolitical, ethical and environmental aspects. They impact the relationships between people and their use reflects a vision of the world and the type of society in which everyone wants to live. Driven by its ambition: “leading the data revolution for a responsible future”, OVHcloud’s mission is to build an open and trusted cloud, enabling businesses and society to make the most of the data revolution while minimising its environmental impacts.

This vision and the associated mission are reflected in a CSR policy, which is closely integrated into the Group’s strategy. This policy is based on three pillars of commitment, each of which in turn breaks down into three areas of action:

- **Guaranteeing data sovereignty and freedom**

OVHcloud is at the heart of the digital revolution, which opens the way to a multitude of opportunities in applications and technology. In this context, the Group offers its customers cloud solutions covering all their uses – supporting them in their digital transformation, enabling them to innovate by building “cloud native” applications or helping them leverage the power of data. In fulfilling this mission, the Group offers its customers the freedom to build their most ambitious projects, in a secure, compliant and sustainable cloud environment, according to three areas of action:

- Defending data sovereignty, security and privacy;
- Guaranteeing freedom of choice and reversibility;
- Offering predictable and transparent pricing.

- **Pioneering sustainable cloud**

At the forefront of sustainable cloud, OVHcloud has integrated sustainability at the heart of its business model since its creation, aiming to minimise its environmental impact at every stage. OVHcloud’s environmental action is structured around three axes:

- Placing innovation at the heart of its industrial model;
- Contributing to global Net Zero by 2030;
- Raising awareness among stakeholders of all the impacts of the cloud, in order to initiate a collective approach to reducing the environmental footprint.

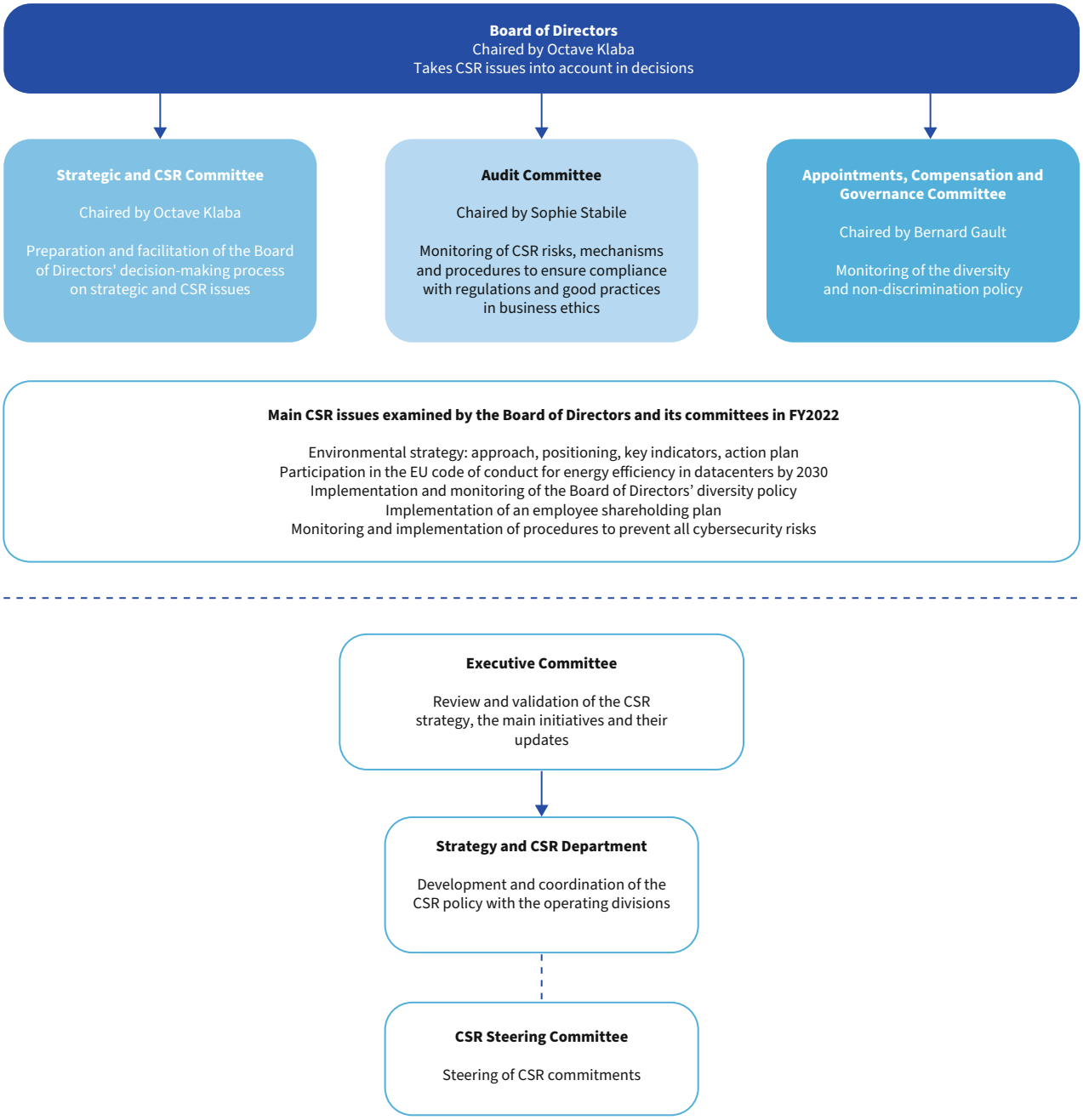
- **Driving collective progress of the cloud for the benefit of society**

At OVHcloud, everything starts with people. The men and women make up the Company's wealth: it is the talents that ensure its success. "Working together” is one of the Group's fundamental values. This collective aspect is extended to its ecosystem, and in the desire to enable the entire European cloud segment to progress. This third pillar of commitment is broken down into three courses of action:

- Attracting and developing talents in a collective adventure within a diverse and inclusive company;
- Collaborating and developing coalitions with stakeholders in the European cloud ecosystem;
- Promoting local anchoring and societal commitment by working on digital inclusion.

CSR Governance

To manage its corporate social responsibility (CSR) ambitions, OVHcloud has set up a dedicated governance, closely associated with the management of the Group’s overall strategy.


Board of Directors
Chaired by Octave Klaba
Takes CSR issues into account in decisions
Strategic and CSR Committee
Chaired by Octave Klaba
Preparation and facilitation of the Board of Directors' decision-making process on strategic and CSR issues
Audit Committee
Chaired by Sophie Stabile
Monitoring of CSR risks, mechanisms and procedures to ensure compliance with regulations and good practices in business ethics
Appointments, Compensation and Governance Committee
Chaired by Bernard Gault
Monitoring of the diversity and non-discrimination policy
Main CSR issues examined by the Board of Directors and its committees in FY2022
Environmental strategy: approach, positioning, key indicators, action plan
Participation in the EU code of conduct for energy efficiency in datacenters by 2030
Implementation and monitoring of the Board of Directors' diversity policy
Implementation of an employee shareholding plan
Monitoring and implementation of procedures to prevent all cybersecurity risks
Executive Committee
Review and validation of the CSR strategy, the main initiatives and their updates
Strategy and CSR Department
Development and coordination of the CSR policy with the operating divisions
CSR Steering Committee
Steering of CSR commitments

The **Board of Directors** strives to promote the Company's long-term value creation by considering the social and environmental challenges of its activities. In connection with the strategy defined, it regularly examines the opportunities and risks such as the financial, legal, operational, social and environmental risks as well as the measures taken as a result. The medium-term Corporate Social Responsibility priorities and targets were approved by the Board of Directors in 2022. They are monitored by building on the work of its committees.

Established after the Group's IPO in 2021, the **Strategy and CSR Committee** has the task of preparing the work and facilitating the decision-making process of the Board of Directors on strategic and CSR issues. In terms of CSR, it is notably responsible for:

- ensuring that matters relating to social and environmental responsibility (such as diversity and non-discrimination policies and compliance and ethics policies) are taken into account in the Group's strategy and in its implementation;
- reviewing the Statement of Non-Financial Performance on social and environmental matter provided for in Article L. 22-10-36 of the French Commercial Code;
- examining the opinions expressed by investors, analysts and other third parties and, if applicable, the potential action plan drawn up by the Company to improve the points raised on social and environmental matters; and
- reviewing and assessing the relevance of the Group's social and environmental commitments and strategic directions on social and environmental matters, in light of the challenges specific to its activity and targets, and following their implementation.

The **Audit Committee** ensures the effectiveness of the operational risk monitoring and internal control system, including CSR risks, as well as the review and monitoring of the systems and procedures in place to ensure the dissemination and the application of policies and rules of best practice in terms of ethics, competition, fraud and corruption and, more generally, compliance with regulations in force.

Lastly, the **Nomination, Remuneration and Governance Committee** is responsible, among other duties, for the annual review of the Board of Directors' diversity policy as well as monitoring the gender parity rate, age and diversity of skills.

The role and work of the Board of Directors and its committees are presented in Sections 4.1.5 and 4.1.6 of this Universal Registration Document.

The **Strategy and CSR Department**, which reports to the Chief Executive Officer, is responsible for the implementation of the Group's major strategic orientations, which it helps to define, as well as for the development and coordination of the CSR policy, with aim of engaging the Company in a process of continuous improvement, of enhancing its commitments and of measuring the effects of the CSR programme. The Chief Strategy and CSR Officer, who is a member of the Executive Committee, regularly reports to it on the progress of the CSR programme, its main initiatives and their updates.

The CSR programme commitments are drawn up and monitored by the **CSR Steering Committee**. Chaired by the Chief Strategy and CSR Officer, it is composed of a central CSR team and representatives of the operational departments involved in the implementation of the CSR action plan. The committee meets weekly to define, monitor and adjust CSR action plans.

Open and regular exchanges with stakeholders

Stakeholders	Means of promoting dialogue
Customers	OVHcloud constantly strives to develop a trusted relationship with its major customers and maintains regular dialogue with them. ▸ Once a month, the account managers and "Techical Account Managers" (TAM) organise an operational committee with each of the major customers for which they are responsible. The targets pursued: review the perception and measurement of the quality of the services provided, check that the initial promise is kept and present the new features of the OVHcloud roadmap. ▸ Once or twice a year, a strategic committee is organised, bringing together one or more members of OVHcloud's Executive Committee, "sponsors" of the Group's main customers, as well as customer management representatives. These exchanges make it possible to ensure the alignment of OVHcloud's service proposal with its customers' strategic trajectory. ▸ On an ad hoc basis, OVHcloud brings in experts to facilitate the understanding, adoption and improvement of solutions. For these targeted interventions, the Group relies on a team of "Customer Success Managers" and "Solutions Architects" providing high-level support services. ▸ OVHcloud organises dedicated annual events such as OVHCloud "Engage" or "Ecosystem Experience", bringing together its network of technological, industrial and commercial partners, contributing to enriching the reflection of its customers on digital transformation and cloud migration.

Stakeholders	Means of promoting dialogue
Suppliers	OVHcloud works to establish a partnership of trust with its suppliers. ▸ The OVHcloud purchasing teams are in daily contact with all supplier partners to discuss the performance, prices, quality of their products, delivery times as well as the carbon footprint of their products or services. ▸ Every quarter, a multidisciplinary team of representatives of the product, supply, quality and purchasing teams meets with strategic suppliers to carry out operational monitoring. ▸ Every year, OVHcloud examines the Top 25 suppliers on the basis of seven criteria (Security, Technology, Quality, Responsiveness, Delivery, Costs, Environment). An action plan is then co-constructed with each supplier to improve overall performance. At the same time, in order to reward the best performing, every year, OVHcloud organises an awards ceremony based on one or more of the seven criteria mentioned above. ▸ Meetings between the members of the Executive Committee, OVHcloud's Purchasing Director, and management representatives of the main suppliers (active and potential) in Asia and the United States are organised twice a year in order to share targets, roadmaps and developing partnerships with key suppliers. ▸ Key suppliers are invited to participate in the annual "Ecosystem Experience" event, an event dedicated to the Group's customers and partners, offering them the opportunity to be fully involved in OVHcloud's challenges.
Employees	▸ The social partners are at the heart of the dialogue at OVHcloud thanks to regular, constructive and transparent exchanges. ▸ In order to unite and engage employees more broadly, Internal Communications and Human Resources regularly organise events, with the principle that every voice counts and must be heard. Whether on everyday issues or on the Company's most strategic issues, employees are regularly consulted *via*: • Engagement surveys twice a year, • Workshops on key topics such as culture and remote working, in a consultative approach and open to dialogue for future decision-making, • A global programme to identify and prevent psychosocial risks • A company information-sharing platform accessible to all where Company information is shared, • Regular and interactive discussions with Senior Management (monthly videoconferencing, on-site visits at least once a year) to explain the Group's projects and priorities. ▸ OVHcloud is committed to professional equality • The gender equality index in France at the end of 2021 obtained an overall score of 83/100 • Since 2019, OVHcloud has published a report on the gender pay gap in France.
Shareholders/ Investors	▸ OVHcloud aims to establish long-term trusted relationships with its financial community. ▸ OVHcloud meets its reporting obligations to the financial community in compliance with best practices, in particular by issuing press releases for its revenue and results publications, in French and English, and by organising conference calls with its Chief Executive Officer and Chief Financial Officer. ▸ OVHcloud's management and the investor relations team participate in several conferences and roadshows throughout the year, to meet regularly with investors and shareholders. ▸ Dialogue with shareholders is also ensured during the Annual General Meeting. ▸ Lastly, as part of its Universal Registration Document, OVHcloud transparently shares its performance and management of non-financial risks.
Public authorities	▸ OVHcloud, proactively and when it is called upon, contributes to the debates of public authorities (administrations, regulatory authorities, parliamentarians, etc.) concerning its activities and the challenges of its segment (digital sovereignty; competitive dynamics of the market; the cloud's environmental footprint). The Group shares its vision and technical details of its activities with the aim of influencing public decision-making. The Group shares its positions/proposals directly with these players or in conjunction with representative associations and its ecosystem of partners. ▸ OVHcloud also organises, proactively or on request, visits to its infrastructures (data centres, server production plants) to acculturate the public authorities to the operational reality of its activities.

Materiality analysis and CSR risk assessment

OVHcloud developed a Group risk mapping in 2020, which was reviewed and updated in 2022 (see Chapter 2 of this Universal Registration Document for a description of Group's risk factors), and built its first materiality matrix in 2022.

Materiality analysis

In 2022, OVHcloud built its first materiality matrix by interviewing its external and internal stakeholders, in order to determine the Group's most material CSR issues, *i.e.* those that have or could have an impact on the Group's ability to create or protect financial and non-financial value for itself and its stakeholders.

This exercise was carried out in four stages: identification of potential CSR issues, confrontation of these issues with external and internal stakeholders, consolidation of the results and the main lessons learned from the analysis of these results.

Identification of issues

OVHcloud has defined a list of 24 potential CSR issues, subdivided into three categories: environment, business conduct and social/societal.

ENVIRONMENT	BUSINESS CONDUCT	SOCIAL/SOCIETAL
1. Low-carbon trajectory	**9.** Securing strategic supplies	**18.** Diversity and inclusion
2. Environmental display and carbon transparency of offers and services	**10.** Responsible supply chain	**19.** Attracting and retaining talents
3. IT for green	**11.** Reliability and customer trust	**20.** Employee health, safety and well-being
4. Resilience to climate change and physical risks	**12.** Transparent and predictable pricing	**21.** Fair compensation for all (employees, suppliers and subcontractors)
5. Innovation & R&D for green IT	**13.** Full reversibility and interoperability	**22.** Quality of social dialogue
6. Efficient energy management	**14.** Business ethics, transparency and governance	**23.** Impact on local employment pools
7. Responsible water management	**15.** Positive influence policy	**24.** Contribution to the digital transition and digital accessibility
8. Eco-design, circular economy and hardware life cycle	**16.** Data sovereignty, data compliance, data governance	
	17. Cybersecurity and data protection	

Stakeholder interviews

OVHcloud confronted this list of potential issues with its internal and external stakeholders during interviews, conducted in particular with its customers, suppliers, investors, representatives of its ecosystem (associations, NGOs, partners, etc.) as well as the Group's directors and managers, including the Executive Committee, in order to collect their point of view and expectations regarding each of the issues. The interviews were conducted by OVHcloud teams, with the exception of investors, who were consulted through a perception study carried out by an external service provider. OVHcloud also consulted its employees (excluding the Executive Committee and other managers) through an online survey.

An interview guide has been drawn up to guide the various interviews. This guide was used as the basis for the online survey tool.

The central question concerned the rating of the issues according to the level of expectation for each of them, according to the following grid:

- 0: no expectation. OVHcloud does not have to commit particularly to this issue;
- 1: limited. Issue for which OVHcloud can implement some actions, without integrating them into its strategy;
- 2: important. OVHcloud should adopt a policy, targets and an action plan concerning this issue;
- 3: priority. This issue must be a major strategic priority for OVHcloud.

A total of 231 people were consulted, including:

- Management (shown on the horizontal axis of the matrix)
  - Chairman of the Board of Directors
  - 18 management representatives including the Chief Executive Officer and the entire Executive Committee as well as the main regional managers
- Stakeholders (represented on the vertical axis of the matrix)
  - 34 representatives of external stakeholders: customers, suppliers, public authorities, investors, members of the OVHcloud ecosystem (associations, partners, NGOs, etc.)
  - 178 employees surveyed

Methodological biases

The voice of the public authorities was expressed by the person responsible for public affairs at OVHcloud.

For investors, the rating was carried out by transposing the 2022 "ESG Investors" perception study carried out by an external service provider to a similar rating grid and a slightly more restricted list of issues.

Consolidation of results and formalisation of the matrix

The analysis of quantitative and qualitative data was carried out with the support of a CSR consulting firm, according to the following methodology:

1. **Consolidation of results**: For internal and external stakeholders, the average rating of the issues was established on the basis of an equal weighting of the results within each stakeholder category, then between the categories. For management, the ratings assigned by the Chairman and the Chief Executive Officer were overweighted compared to the responses of management representatives;
2. **Formalisation of the matrix**: The ratings thus obtained made it possible to place each issue on the horizontal axis (average allocated by management) and on the vertical axis (average allocated by internal and external stakeholders);
3. **Analysis of the results**: the key lessons are drawn from the compilation and analysis (correlations, dispersions, ranking of issues, comparison according to stakeholders) of the results.

STRONG ALIGNMENT BETWEEN MANAGEMENT AND STAKEHOLDERS

EXPECTATIONS OF STAKEHOLDERS

IMPACT ON THE COMPANY (MANAGEMENT)

24 issues classified under 3 categories:

- **Environment**
- **Business conduct**
- **Social**

** For the detailed wording of the issues, see the table in the section on identifying the issues on page 60.*

Main lessons

- Internal and external stakeholders are globally aligned with the most material issues, particularly those related to the Group's core business, a sign of a good understanding between OVHcloud and its ecosystem. These are issues relating to data sovereignty, low-carbon trajectory, efficient energy management, cybersecurity and data protection, environmental display and carbon transparency, and securing strategic supplies.
- Three major issues stand out in particular, consistent with the Group's vision and strategic orientations:
  - Data sovereignty
  - Low-carbon trajectory
  - Efficient energy management
- On the important issues, an alignment is also noted on more generic but fundamental issues for the Company's operation: responsible supply chain, eco-design, business ethics, responsible water management, attraction and retention of talents, reliability and customer trust, health, safety at work and employee well-being, diversity and inclusion, innovation and R&D for Green IT.
- Regarding the deviations (which remain limited), we note that while management places particular importance to the attraction of talent and customer trust, stakeholders have strong expectations concerning the continuity of service – in terms of cybersecurity and resilience to climate change – as well as environmental display.
- OVHcloud is clearly recognised for the issues relative to the differentiation of its offering, linked to its value proposition: price transparency, eco-design, a responsible approach to resource management and, above all, data sovereignty. Nevertheless, expectations are very high on these issues, which rank among the most material.
- When asked about the issues for which OVHcloud has room for progress, stakeholders were generally less vocal than management. The most frequently mentioned issues were: cybersecurity and data protection, environmental display, diversity and inclusion, attraction and retention of talents and contribution to the digital transition and digital accessibility.

CSR risk assessment

The Group's risk mapping and materiality analysis have made it possible to refine the Group's list of CSR risks, as well as to reinforce the pillars of its CSR policy commitments. The final list of CSR risks, presented in the table below, was reviewed and approved by the Executive Committee.

Description of the risk and impact	Priority level	Risk evolution	Risk management measures	Performance indicator
ENVIRONMENT				
Risk Inability to adapt to climate change (including natural disasters) and limit its environmental impacts **Impacts for OVHcloud** - Business disruption - Loss or unavailability of key assets - Loss of customer and shareholder trust - Reputation	Tier 2	↗	Deployment of a comprehensive risk management process: • Identification and assessment of the exposure of sites to natural disasters • Risk mitigation through the implementation of corrective and preventive actions • Duplication of production and operating resources through the redundancy of equipment, facilities and services • Analysis with customers of the vulnerabilities of the deployed infrastructures and support and advice on optimisation • Acquisition and development of new solutions focused on business continuity and recovery	Number of dataceneters in water stressed areas, seismic risk

Description of the risk and impact	Priority level	Risk evolution	Risk management measures	Performance indicator
Risk Inability to meet the greenhouse gas emissions reduction targets of the NetZero 2030 roadmap (including energy management) **Impacts for OVHcloud** - Mistrust of stakeholders (employees, customers, investors, shareholders...) - Financial costs - Reputation	Tier 1	→	Detailed environmental roadmap with well-identified initiatives: • Energy management • Eco-design of servers • Carbon offsetting projects • Sustainable supply chain • Freight • Renewable energies • Waste management	CUE PUE REF
Risk Difficulty in mastering water management **Impacts for OVHcloud** - Disruption of activity in some data centres - Financial costs	Tier 1	↗	• Water-cooling technology developed more than 20 years ago and deployed at Group level, enabling optimal management of water resources	WUE
Risk Difficulty in managing the life cycle and circularity of products, including the waste generated **Impacts for OVHcloud** - Waste of resources - Reputation	Tier 1	→	• Vertically integrated industrial model enabling control of all stages of the value chain • Reverse supply chain characterised by the reconditioning of servers	Reused components ratio
BUSINESS CONDUCT				
Risk Non-compliance with current regulations and best practices in terms of business ethics (including anti-corruption measures) **Impacts for OVHcloud** - Reputation - Mistrust of stakeholders - Legal impact - Penalties or fines	Tier 2	→	• Code of ethics and anti-corruption and associated training • Whistleblowing platform available for employees and external stakeholders: ROGER	% of employees who completed anti-corruption training (measurement from 2023)

Description of the risk and impact	Priority level	Risk evolution	Risk management measures	Performance indicator
Risk Inability to manage the scarcity of resources and secure strategic supplies **Impacts for OVHcloud** - Increase in costs of materials - Supply disruptions impacting production capacity	Tier 1	↗	• Vertically integrated model allowing control of the entire value chain • OVHcloud builds precautionary inventories, in order to be able to withstand temporary disruptions • Purchasing teams engaged in an ongoing dialogue with suppliers to negotiate supply contracts at a global level • Recycling policy based on a logistics chain allowing the reuse of components and equipment. OVHcloud recovers the components from equipment considered to be at their end of life, subjects them to tests and then reuses those it believes could be used inside new equipment	Reused components ratio
Risk Difficulty in setting up a responsible supply chain (particularly in terms of human rights and fundamental freedoms and the environment) **Impacts for OVHcloud** - Reputation - Mistrust of stakeholders	Tier 1	NEW	• Responsible purchasing approach reflected in the suppliers code of conduct • Anti-corruption clauses included in contracts • Regular assessment of strategic suppliers • CSR mapping and assessment of the most exposed purchasing categories and a panel of targeted suppliers	Rate of signing of the suppliers code of conduct
Risk Difficulty in establishing a clear governance structure for investors **Impacts for OVHcloud** - Mistrust of minority shareholders - Lack of attractiveness for investors	Tier 2	NEW	• Relationship of trust developed with the financial community • Open and regular dialogue between OVHcloud management and the investor relations team with the financial community • Universal Registration Document that transparently shares information relating to its governance	Chapter Corporate Governance of the URD Investor Relations
Risk Cybersecurity, risks related to data protection **Impacts for OVHcloud** - Mistrust of stakeholders - Legal impact - Penalties or fines	Tier 1	→	• Obtaining certifications such as ISO 27001, SEC 1, SEC 2 or PCI DSS • Regular contact with ANSSI (French National Cybersecurity Agency) to anticipate new attacks or improve existing processes • Regularly updated IT risk mapping • Cyber attack simulation campaigns with employees	Success rate of cyber attack simulations campaigns

Description of the risk and impact	Priority level	Risk evolution	Risk management measures	Performance indicator
SOCIAL/SOCIETAL				
Risk Difficulties in recruiting, developing and/or integrating human capital **Impacts for OVHcloud** - Unexpected loss of staff or key skills (members of the management team, managers, project managers, sales network, etc.) - Financial cost	Tier 1	→	• Strong corporate culture supported by shared values and based on the belief that everything begins with people • Unique employer brand based on five differentiating pillars • Ongoing investment in talent and skills development • Systematic induction week for new hires • Efficient organisation of the recruitment function	Loyalty rate Engagement score Employee training rate
Risk Inability to provide a working environment that ensures health, safety and well-being for employees **Impacts for OVHcloud** - Employee disengagement - Depreciation of the employer brand - Financial cost	Tier 2	→	• Culture of health and safety at work based on a health and safety policy involving each employee and on regular awareness-raising actions such as "World Safety Week" • Investment in prevention actions with a dedicated medical centre and a range of services available to employees (Qare teleconsultation, actions to promote regular sporting activities, etc.) • Commitment to parenthood (company crèche, parenthood kit, etc.)	Frequency rate (with lost time) FR1 Frequency rate (with or without lost time) FR2
Risk Difficulty in establishing and promoting an inclusive work environment **Impacts for OVHcloud** - Depreciation of the employer brand - Lack of attractiveness for new talents - Disengagement of employees	Tier 1	→	• Internal charter available on the intranet • Commitment to increasing the number of women in the workforce • Initiatives to promote access to employment for people with disabilities • Events to raise awareness of internal teams on diversity and inclusion issues	% of women in management % of women in top management (Executive Committee)

Note: Tier 1 refers to tier one priorities, and Tier 2 refers to tier two priorities, in terms of importance for stakeholders, and impact for the Group's business.

Summary of performance indicators

Performance indicators	FY2020	FY2021	FY2022
ENVIRONMENT			
PUE (Power Usage Effectiveness)	1.1-1.3	1.1-1.3	1.28
WUE (Water Usage Effectiveness)	0.24-0.29 L/kWh IT	0.17-0.20 L/kWh IT	0.26 L/kWh IT
CUE (Carbon Usage Effectiveness)	0.15-0.18 tCO_2e/MWh IT	0.15-0.18 tCO_2e/MWh IT	0.20 tCO_2e/MWh IT
REF (Renewable Energy Factor)	79%	78%	77%
Reused components ratio	21%	34%	25%
BUSINESS CONDUCT			
Success rate of cyber attack simulations campaigns	91%	89%	89%
Rate of signing of the supplier code of conduct	-	-	65%
SOCIAL/SOCIETAL			
Loyalty rate	84%	77%	79%
Engagement score	7.5	7.3	7.5
Employee training rate	60%	66%	73%
% of women in management	18%	18%	20%
% of women in top management (Executive Committee)	18%	27%	25%
Frequency rate (with lost time) FR1	4.20	7.04	5.39
Frequency rate (with or without lost time) FR2	9.18	14.09	8.44

3.1 GUARANTEEING DATA SOVEREIGNTY AND FREEDOM

Leading European cloud services provider, OVHcloud is at the heart of the digital revolution, which opens the way to a multitude of opportunities in terms of applications and technology. In this context, the Group offers its customers cloud solutions covering all their uses – supporting them in their digital transformation, enabling them to innovate by building "cloud native" applications or helping them leverage the power of data. In fulfilling this mission, the Group offers its clients the freedom to build their most ambitious projects, in a secure, compliant and sustainable cloud environment. For OVHcloud, everyone must be able to keep control of their data and be guaranteed that they are secure. Free choice and openness in terms of services and innovation are the foundation of the relationship of trust established with its customers and partners. This also involves a range of services offering the best price-performance ratio and transparent and predictable rates.

3.1.1 Defending data sovereignty, security and privacy

OVHcloud's activities focus on the computing capacity, storage, processing and transfer of its customers' data, including personal data, as well as business-critical data. The sovereignty, security and confidentiality of data form the basis of the Group's value proposition and the foundation of the relationship of trust that unites it with its customers. OVHcloud ensures the highest level of data protection. This level of excellence is supported by an effective data governance system. The Group is also campaigning for a European cloud, guaranteeing the technological independence of Europe and the sovereignty of its data.

3.1.1.1 Highest level of data protection

Cybersecurity

In order to guarantee the protection of the data entrusted to it, OVHcloud deploys all necessary means in terms of cybersecurity and physical protection of its sites. The Group has obtained numerous national (SecNumCloud by ANSSI, Agid, G-Cloud, C5) and international (ISO 27001, ISO 27791, PCI DSS, SOC 2) certifications and certifications specific to certain segments (HDS for health, finance), which meet the highest French, European and international standards in terms of data protection.

In addition, OVHcloud has internal procedures in terms of information systems security and constantly raises its employees' awareness of the risk of computer attacks, in particular by carrying out cyber attack simulations. The Group organises up to three campaigns per week, built from sophisticated scenarios inspired by real cases, tested on randomly targeted populations. Several indicators are observed, including the percentage of employees tested, the reporting rate and the compromise rate (percentage of employees on whom the phishing worked) and conversely, the success rate of simulation campaigns. It is the latter indicator that constitutes the benchmark performance indicator. In 2022, the success rate of simulated cyber attack campaigns was 89%, at the same level as FY2021.

Physical protection of sites

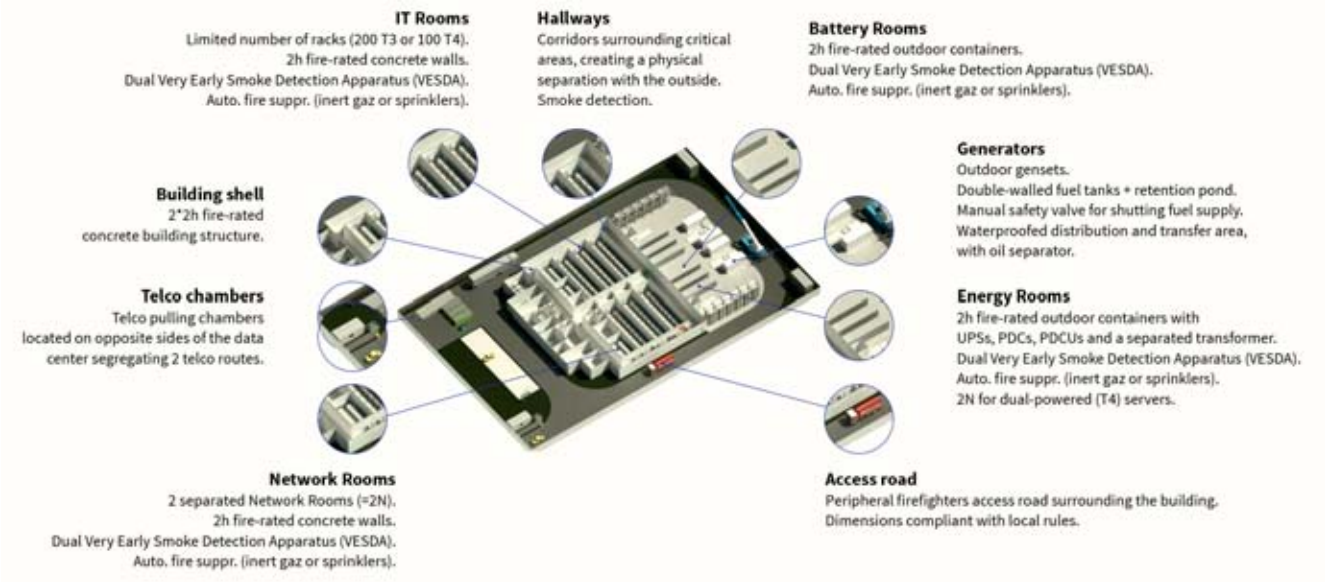
As the cloud relies on physical infrastructures, data security also involves securing OVHcloud's sites, with particular attention paid to its datacenters, which house the servers on which the data is stored or transits. These sites are particularly important to ensure the continuity of customers' business. OVHcloud therefore implements a multitude of actions to protect its sites, including:

- security and 24/7 surveillance;
- an anti-intrusion system;
- strict access control;
- regular contact with the authorities.

On the night of 9 to 10 March 2021, a fire broke out in one of the four OVHcloud data centres in Strasbourg, France. The incident is detailed in Chapter 2, "*Risk factors*" of this Universal Registration Document. To date, the investigation to determine the cause of the incident is still ongoing, the mission of forensic experts having been extended until 30 August 2023.

Following the fire, OVHcloud set up a Hyper Resilience plan, aimed, among other things, at taking safety standards beyond regulatory standards and insurers' recommendations.

The inauguration of the new data centre in Strasbourg, SBG5, in September 2022, made it possible to show the first concrete results of the Hyper Resilience plan. The result of a €30 million investment launched in April 2021, the site is the first in a new generation of hyper-resilient and more sustainable data centres. Covering an area of 1,700 m^2, SBG5 has a total of 19 isolated rooms with masonry that compartmentalises the different segments in order to provide two hours of fire resistance.



Press release: https://corporate.ovhcloud.com/en/newsroom/news/sbg5-opening/

In accordance with its commitments, the Group will launch a new data centre dedicated to raw data backups (snapshots) and remote from service operating sites. Deployed initially for French customers, the Group plans to roll out this service more generally in order to extend it to all its solutions and locations.

Personal data protection and data sovereignty

European legislation protects the personal data of European citizens and requires that restrictions on this protection respect the principle of proportionality and operate within the limits of what is strictly necessary.

Any restriction must be accompanied by clear and precise rules circumscribing its scope and application as well as minimum requirements, so that individuals have sufficient guarantees to effectively protect their data against the risk of misuse.

Certain foreign laws, and mainly US law, contain extraterritorial provisions that could undermine the protection of personal data (see Section 2.1.2.5 of this Universal Registration Document).

It is in this context that the Court of Justice of the European Union, through the Schrems I (2015) and Schrems II (2020) rulings, twice cancelled the “Safe Harbor” and “Privacy Shield” adequacy decisions between the European Union and the US.

The awareness of European cloud customers of the challenges related to digital sovereignty represents a strong opportunity for European cloud players, foremost among them OVHcloud.

A growing number of European companies are looking for alternatives to American hyperscalers and other cloud providers based in the United States in order to protect their data, and in particular personal data, from the risk of interference by American intelligence agencies.

In order to prevent this risk, OVHcloud has developed sovereign cloud offers, allowing these customers to host their data in the territory of the European Union, without any transfer of personal data to a third country and protected from the effects of legislation of countries outside the European Union.

Data sovereignty and technological sovereignty

Data sovereignty refers to the ability of a public or private organisation to maintain control of its data and the data entrusted to it by its customers. Depending on the organisations concerned, this issue intersects two needs.

- On the one hand, the need to control the organisation's strategic data (trade secrets, raw data on the functioning of its activity, intellectual property, data on its research projects, etc.).
- On the other hand, to protect the personal data of employees or customers and thus restore the trust of people in the digital services that will process the data concerning them.

Technological sovereignty refers to the ability of a country such as France or an area such as the European Union to master the technologies that are strategic to them and thus guarantee their autonomy. This dimension specifically questions the public policies put in place in France or by the European Union to control (or regain control) of the strategic components of its sovereignty, from end to end. The hardware part (electronic components, ability to manufacture servers in the EU), and also the software part (operating systems, software in the fields of cybersecurity, artificial intelligence and quantum computing) then need to be taken into account

3.1.1.2 Ethical data processing

The ethical treatment of data, which has always been at the heart of OVHcloud's business model, is formalised by four commitments:

1. **Never use the data entrusted by its customers** and hosted on OVHcloud infrastructures **for commercial purposes**.
2. **Implement appropriate protection of the data entrusted by OVHcloud customers against extraterritorial laws, in accordance with the customers' choices**: OVHcloud's information systems, legal entities and internal policies are implemented in compliance with the laws of the countries in which customer data is hosted as well as to ensure protection against the extraterritorial application laws of third countries. For example, OVHcloud has two separate legal entities between the European Union (OVH Groupe SA) and the United States (OVH US LLC) and has set up separate information systems in order to avoid the extraterritorial application laws on the data of customers hosted in the European Union.
3. **Respect existing data ethics recommendations**: OVHcloud currently complies with the recommendations of the DAMA (Data Management Association) and regularly updates its internal policy on the subject.
4. **Offer its customers tools to build responsible and ethical Artificial Intelligence (AI)**: OVHcloud favours technologies that guarantee interoperability in AI (*e.g.* Open Source), offers tools to reduce bias in AI and works to ensure the traceability of AI models.

In order to carry out these various projects and commitments, OVHcloud has set up several bodies enabling federated data governance:

- The **Data Governance Committee** brings together the data managers who implement the processes and practices guaranteeing federated governance.
- The **Data Coordination Committee** guarantees strict control of the quality of the data and its consistency by reinforcing our ISO 27001 and ISO 27701 standards.

3.1.1.3 Campaigning for a European cloud

OVHcloud defends a European open cloud model, which guarantees the protection of the data of European citizens and organisations and which ensures Europe's digital sovereignty and strategic independence.

As such, OVHcloud participated in the creation of Gaia-X, a European initiative launched in 2020 whose objective is to build a federated, open, secure and transparent digital ecosystem. It aims to enable users to benefit from cloud services that meet their needs both technically and legally and offer them appropriate guarantees, in particular in terms of data protection, interoperability, security or immunity to extraterritorial laws.

OVHcloud intends to fully assume its role as a European cloud leader and is campaigning for the development of a European cloud provider ecosystem. This is reflected in educational actions such as:

- The creation of content (videos, articles, etc.) and presentations to explain the issues raised by data processing and the importance, for organisations, of ensuring control of their most sensitive data;
- The organisation, throughout the French Presidency of the Council of the European Union, of a tour of Europe around digital sovereignty. This "Roadshow" resulted in the participation in the international conference "Building Europe's digital sovereignty", organised on 7 and 8 February 2022 by the French government and the organisation of five round tables in Germany, Poland, Spain, Estonia and Italy on this topic. It led to the publication of the "Rome Consensus", a pragmatic roadmap to ensure the digital sovereignty of the European Union and the development of a European ecosystem of digital champions.

This European cloud model necessarily implies a European vision of personal data protection, which can only be addressed at the level of the ecosystem, both European and national. In this respect, the Group took part in the founding of the CISPE (Cloud Infrastructure Service Providers in Europe), which established a charter of best practices aimed at guaranteeing the highest level of personal data protection. OVHcloud also created the "Open Trusted Cloud" label, which currently has 75 active members (compared to 60 in 2021). This label certifies that their solutions are open and comply with European standards in terms of personal data protection, and allows them to be hosted by OVHcloud.

OVHcloud is also a founding member of the European Alliance for Industrial Data, Edge, and Cloud, an initiative launched by the European Commission and which brings together nearly 50 European industrial players mobilised to strengthen Europe's ability to develop its own cloud and edge technology, taking into account the challenges of sovereignty and sustainable development

Building on these commitments, the Group supports legislative projects and initiatives that can support European digital sovereignty and the establishment of a level playing field for the cloud market in Europe such as the Digital Markets Act (DMA), the Data Act, the development of a European cybersecurity scheme for the certification of cloud services, known as EUCS.

3.1.2 Guaranteeing freedom of choice and reversibility

In terms of the cloud, there are a multitude of factors that can hinder, or on the contrary promote, the freedom for customers to create and undertake projects. OVHcloud's best asset lies in its open approach, based on co-construction and the foundation of the relationship of trust established with its customers. This openness is defined by several commitments: offering reversibility and interoperability, working and campaigning for open technologies, as well as a collective approach to innovation.

3.1.2.1 Reversibility and interoperability

OVHcloud offers its customers the possibility of deploying their technologies and services anywhere, without technological lock-in and without costs related to outgoing traffic for the repatriation of data (egress fees) that could hinder the freedom of customers to cancel a service. OVHcloud offers its customers complete reversibility and flexibility, allowing them to take advantage of the services that best meet their needs. Reversibility is one of OVHcloud's "Cloud SMART" commitments (see Section 3.1.2.3 of this Universal Registration Document), and follows the following principles: offer an open and standard environment, in which customers have access to extensive control over their systems and data, and detailed documentation to facilitate inbound and outbound migration.

The Group also works to ensure that its technologies are interoperable, *i.e.* able to work with the technologies of other cloud providers, thus maximising agility and efficiency for its customers.

3.1.2.2 Working for open source

In order to perpetuate these commitments and not to limit either its future orientations nor those of its customers, OVHcloud continually ensures that its innovations are open, in addition to being reversible and interoperable. For the Group, it is essential that the entire sector progresses, by sharing and transferring knowledge as well as capitalising on past developments.

OVHcloud has developed many open source technologies, such as CDS or Bastion solutions, with the code being made available on open collaborative platforms such as GitHub. In order to democratise open source technologies, the Group offers many of them as an OVHcloud service. Having an accessible source code, which can be modified and integrated by other developers, promotes continuous improvement and innovation, in a logic of collaborative innovation, and also makes it possible to increase the security of software concerned.

OVHcloud is a member of the Open Innovation Network (OIN), in order to group Linux patents with other technological players. The aim is to protect this open source operating system against any legal action. OVHcloud grants free of charge licenses on its patents, in the same way as each of the other members. By sharing all of its software patents, OVHcloud further defends the values of open source and the protection of a common heritage.

The Group also carries out sponsorship actions for structures such as OpenInfra, the Cloud Native Computing Foundation (CNCF), and LetsEncrypt. OVHcloud also encourages its employees to contribute to open source solutions, both in the writing of the code and in their promotion, and to favour them when they are mature.

In May 2022, OVHcloud and Ant Group won the Superuser Awards for the large-scale deployment of OpenStack (an OpenInfra project). This is a set of open source software for deploying cloud computing infrastructures.

3.1.2.3 Innovation & co-construction

Reflecting its values of openness and transparency, innovation at OVHcloud is part of a co-construction approach within an ecosystem of partners, based on a vision of the "S.M.A.R.T." cloud: Simple, Multilocal, Accessible, Reversible and Transparent.

During the 2022 financial year, this collaborative approach to innovation was materialised through several partnerships:

- OVHcloud, Davidson consulting, Inria and Orange have teamed up for the "DISTILLER" research programme (recommenDer servIce for SusTaInabLe cloud nativE softwaRe) to reduce the environmental impact of cloud applications. This project aims to provide answers to questions such as How to develop a new "cloud native" software for sustainability and sobriety? Which programming languages, libraries, frameworks and cloud infrastructures should be taken into consideration for each project?
- HFactory and OVHcloud strengthened their partnership to advance data science and artificial intelligence skills;
- A partnership with Speechbrain and Mila was concluded to accelerate research in neural speech processing;
- Atos and OVHcloud announced a partnership in the field of quantum computing to make the Atos quantum emulator available "as a service" through OVHcloud offers.

In 2020, the Group also developed a start-up programme with Inria (French National Institute for Research in Digital Sciences and Technologies). The Inria Startup Studio helps future entrepreneurs create their startup, with a goal of supporting 100 startup projects each year from 2023. The programme offers both funding and support, which is intensified until the project is launched.

3.1.3 Giving access to the best of the cloud to as many people as possible in complete transparency

OVHcloud is convinced that the cloud must be a space of freedom and must be able to be democratised without sacrificing quality of service. Offering a service with the best price-performance ratio and predictable prices has been at the heart of the Group's value proposition since its inception.

3.1.3.1 Best price/performance ratio

OVHcloud offers one of the best price/performance ratios on the market. Since its inception, the Group has set the principle of providing its customers with the benefits of its vertically integrated model and its innovations such as water--cooling, with the aim of providing them with the benefits of the flexibility of the cloud while controlling their expenses. Its combination of high performance and attractive pricing has been recognised by customers as a key differentiation factor (see Section 1.5.4 of this Universal Registration Document for a detailed description of this differentiating factor).

In the inflationary context of 2022, the Group has announced that it will have to make price increases. These increases and their reasons were made public on the Group's blog and commercial website. They will remain targeted and controlled, with OVHcloud ensuring that it maintains its commitment to offer its customers one of the best price/performance ratios in the industry.

3.1.3.2 Price predictability and transparency

The migration of companies to the cloud is driven by multiple benefits: increased agility and scalability, optimised IT investments. Today, cloud products and services have become a major budgetary item that companies are seeking to better control. To this end, it is particularly important to understand the structure of costs related to the use of the cloud and to be able to anticipate them.

In a spirit of openness, OVHcloud advocates transparency and defends a predictable and "all-inclusive" cloud pricing model in order to simplify the budgeting of cloud costs for users. This is reflected in particular by:

- The inclusion of inbound and outbound data transfer, which facilitates outbound traffic budgeting;
- A fixed price for storage and bandwidth, regardless of the volume and frequency of access;
- No additional fees for API (application programming interface) calls.

3.2 PIONEERING SUSTAINABLE CLOUD

At the forefront of the sustainable cloud, OVHcloud has integrated sustainability at the heart of its business model since its creation by developing industrial innovations to limit its environmental impact. The Group has set itself ambitious targets that structure its action.

OVHcloud's environmental commitments

- **contribute to global Net Zero (scopes 1 and 2) by 2025**, by following a reduction trajectory compatible with a warming of 1.5°C, *i.e.* balancing carbon emissions and offsetting actions on both direct emissions (scope 1) and certain indirect emissions (scope 2);
- **contribute to global Net Zero by 2030**, by following a reduction trajectory compatible with a warming of 1.5°C, *i.e.* balancing carbon emissions and offsetting actions across all scopes 1, 2 and 3;
- **use 100% low-carbon energy by 2025***;
- **zero waste to landfill from production centres by 2025**.

(*) Revised in 2022, replacing the target of 100% renewable energies in 2025, given the current energy mix which already favours the use of low-carbon energy such as nuclear (France) and hydroelectricity (Quebec).

OVHcloud's environmental action is structured around three pillars:

- innovation, at the heart of its industrial model;
- the contribution to achieving global Net Zero by 2030;
- communication and awareness-raising on all the impacts of the cloud, in order to guide consumption choices.

Environmental performance indicators – key figures

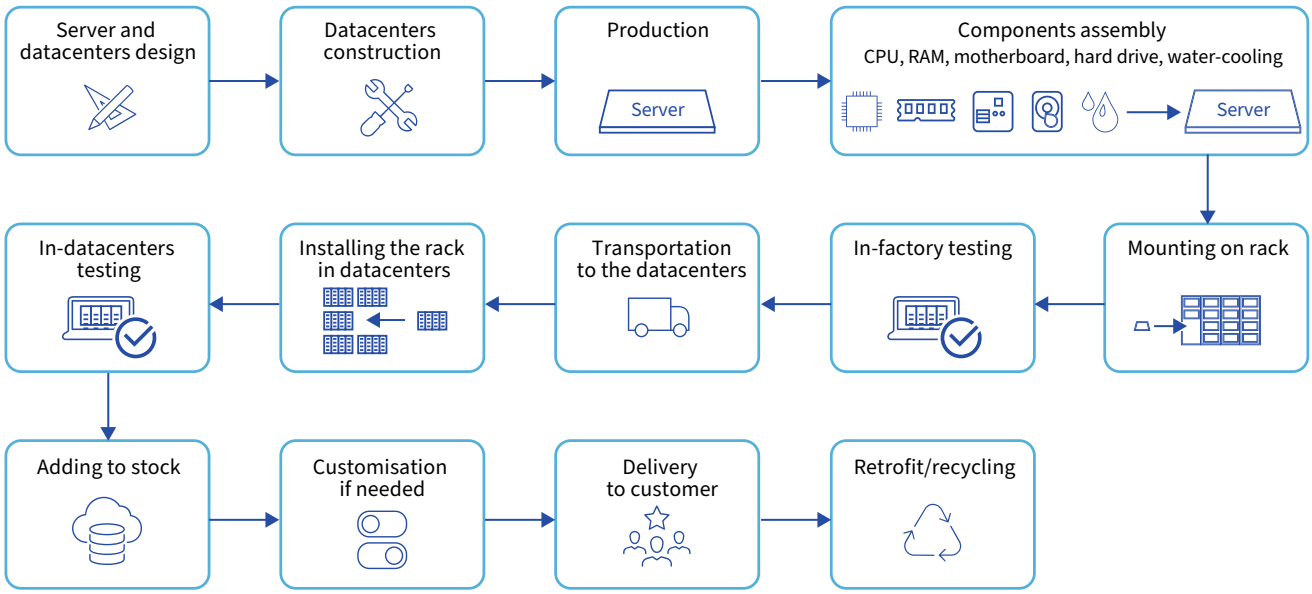
Performance indicators	FY2020	FY2021	FY2022
PUE (Power Usage Effectiveness)	1.1-1.3	1.1-1.3	1.28
WUE (Water Usage Effectiveness)	0.24-0.29 L/kWh IT	0.17-0.20 L/kWh IT	0.26 L/kWh IT
CUE (Carbon Usage Effectiveness)	0.15-0.18 tCO_2e/MWh IT	0.15-0.18 tCO_2e/MWh IT	0.20 tCO_2e/MWh IT
REF (Renewable Energy Factor)	79%	78%	77%
Reused components ratio	21%	34%	25%

3.2.1 Placing innovation at the heart of OVHcloud's industrial model

OVHcloud is a global provider of digital infrastructures, which operates its datacenters and designs and assembles its own servers. This vertically integrated model allows the Group to optimise its industrial process by integrating innovations at scale for 20 years, such as the proprietary water-cooling technology in its datacenters, or by applying the principles of circularity and frugality of resources. This makes it possible to better manage the environmental impact at each level of the value chain. OVHcloud is determined to continue to innovate and develop its industrial model for the benefit of sustainability.

3.2.1.1 Adopting a circular approach thanks to a single integrated model

OVHcloud's circular approach is fully embodied in its integrated industrial model, a unique approach on the market. Since its inception, the Group has been committed to reducing its environmental impact at each stage of the server lifecycle, through the design and construction of its datacenters and servers, the recycling of components and extending the lifespan of its hardware.



OVHcloud's integrated industrial model

In this logic of circularity and management of its server lifecycle, since 2009, OVHcloud has set up a reverse supply chain which involves retrofitting servers in order to give them a new life. This circular approach makes it possible to continuously optimise OVHcloud infrastructures, and thus to offer solutions that consume less energy. In 2021, OVHcloud carried out a complete assessment of its server lifecycle, and continues this momentum in 2022 with the launch of a new brand of refurbished servers.

This reverse supply chain also allows OVHcloud to better recycle components and give them a second or even a third life. The servers, manufactured in one of the two OVHcloud plants, in Canada and in France, are designed to be entirely dismountable. They are equipped with dedicated components, chosen to be easily reused, recycled and repaired. In 2022, the reused components ratio was 25%, compared to 34% in 2021 and 21% in 2020. This rate was exceptionally high (34%) during the 2021 financial year, mainly due to the Strasbourg incident. The transition to SAP also explains why the rate is lower for the 2022 financial year. OVHcloud always aims to improve this circular approach. In April 2022, the Group joined forces with the social and solidarity-based economy to recycle its packaging foams with the start-up Umains. The latter works to give a second life to unsold and defective inventory. The Group has undertaken to stop the landfill of waste from production centres by 2025. It also encourages its suppliers, through its supplier code of conduct, to reduce their waste and implement more recycling and reuse.

The OVHcloud datacenters are mainly refurbished buildings (73%, or 24 centres out of 33). They are also designed to have a longer than average lifespan.

Successive crises, including the Covid-19 pandemic and the Russia-Ukraine conflict, have demonstrated the vulnerabilities of supply chains and often strong dependencies in terms of access to resources. However, OVHcloud operates its own datacenters, and also manufactures its own servers. This integrated industrial model allows optimal control of its supply chain, thus reinforcing its autonomy and resilience capacity, and offering incomparable guarantees to its customers in terms of service continuity. The Group is able to choose and check all of its equipment, thereby guaranteeing quality down to the smallest components, while achieving economies of scale. OVHcloud benefits from the agility of its circular approach in the design of its products. In the event of supply tensions, the Group can manufacture servers and product SKUs based on the components available from suppliers and also internally (reuse of components). This ensures its ability to continue to meet the needs of its customers.

OVHcloud works to continuously improve its reverse supply chain and its planning capabilities, thus optimising inventory management as well as component requirements.

In a context of tension in the energy market, OVHcloud also secures its renewable energy purchases thanks to Corporate Power Purchase Agreements (see Section 3.2.2.3 of this Universal Registration Document).

3.2.1.2 Innovating with a view to resource efficiency

OVHcloud has been innovating industrially for 20 years by developing proprietary solutions with a view to resource efficiency. The Group places the optimisation of resource management, particularly energy and water, at the heart of its strategy. This conviction was developed very early, well before the current crises (energy crisis in Europe, increase in water-stressed areas, etc.).

OVHcloud is a pioneer in optimising datacenter water consumption. In 2003, the Group developed the proprietary water-cooling technology in its datacenters. OVHcloud uses this technology on a large scale, eliminating the need for air conditioning in server rooms, with significant benefits in terms of costs and reduced environmental impacts. Direct water-cooling removes heat from the processors and the air (which is then cooled inside the rack using water through a heat exchanger) removes heat from other components. The heated water is then cooled using dry cooling towers. OVHcloud stands out with its closed circuit system that limits liquid losses, and also by the use of dry coolers and the absence of air conditioning in the server rooms. In addition to being very efficient in terms of water and energy consumption, OVHcloud's water-cooling technology has relatively low maintenance costs.

To measure its performance on water and energy use, OVHcloud monitors two indicators:

- the PUE (Power Usage Effectiveness) measures the energy efficiency of the Group's data centres: it is the ratio between the total electricity used and the electricity used to power the servers. In 2022, the PUE was 1.28 and remained stable compared to the 2021 financial year;
- the WUE (Water Usage Effectiveness) measures the efficiency of water use: it is the ratio between the water consumption of cooling systems in litres and the electricity consumption in kWh of services. In 2022, it amounted to 0.26 L/kWh IT [1] compared to 0.17-0.20 L/kWh IT in the 2021 financial year, a slight increase due to the exceptionally warmer temperatures in the summer of 2022.

It should be noted that the WUE, as measured in 2022, overestimates reality. This is because it takes into account the water consumption indicated in the supplier statements, which is higher than that actually used for cooling systems.

OVHcloud plans to adjust the WUE measurement according to the ISO 30134-9 standard, adopted in March 2022, which standardises the methodology. To this end, water meters upstream of cooling systems in datacenters will be rolled out during the 2023 financial year, making the WUE measurement more reliable, with the aim of measuring it in accordance with ISO 30134-9 in the 2024 financial year (measurement over 12 months). It should be noted that the standard stipulates that the water actually evaporated must be taken into account and therefore the difference between the water consumed by the cooling systems and that returned to the watershed. This precise calculation will only be feasible for newly deployed systems.

The Group also continues to innovate to reduce the pressure it exerts on resources. Deployment of adiabatic cooling [2] by wet media should reduce water consumption and ultimately lower the WUE.

The new SBG5 data centre in Strasbourg

On 12 September 2022, OVHcloud inaugurated its new SBG5 datacenter at the Strasbourg site. This centre aims to be the most sustainable model on the market. SBG5 benefits from a water-cooling system for server components that achieves a WUE of less than 0.2 L/kWh, or the equivalent of one glass of water to cool one server for ten hours of use, while the average WUE of the cloud industry reached 1.8L/kWh (source: US Department of Energy).

As a designer and operator of datacenters, the Group considers energy as one of its main items of expenditure and environmental impact. OVHcloud has made energy performance a priority. This commitment is materialised by an energy management system, compliant with the ISO 50001 standard, which aims to optimise energy management for datacenters. OVHcloud obtained ISO 50001 certification for its datacenters in France in 2021. In this way, the Group aims to improve its energy expenditure planning.

3.2.2 Contributing to global Net Zero by 2030

The Group is committed on a collective scale, to be able to contribute to global Net Zero by 2030.

3.2.2.1 Environmental strategy

As a founding member, in 2021, of the Climate Neutral Data Centre Pact [3] (see Section 3.2.3.2 of this Registration Document), OVHcloud puts carbon neutrality at the heart of its ambitions. In 2022, the Group formalised three areas of work.

These areas of work, in order of priority, are as follows:

- Area 1: Reduction of compressible emissions [4] to their maximum by 2030 (see Section 3.2.2.3 of this Registration Document);
- Area 2: Involvement of the ecosystem: partners, customers, suppliers and employees in a process to reduce their carbon footprint [5];
- Area 3: Contribution to increasing carbon sinks for all residual emissions [6].

1) *Litre per kilo watt hour consumed by IT equipment.*
2) *"Adiabatic cooling is based on the principle of latent heat. This cooling is obtained by changing the phase of water from liquid to gaseous form used to pre-cool the air before it passes through the cooling system." Climate Neutral Data Centre Pact.*
3) *https://www.climateneutraldatacentre.net/*
4) *All emissions are accounted for in the carbon footprint as induced emissions.*
5) *These emissions avoided upstream and downstream of the value chain are monitored in the form of avoided emissions.*
6) *These emissions are monitored in the form of negative emissions.*

3.2.2.2 Carbon footprint

In order to be able to precisely define its targets and their progress, OVHcloud has been carrying out its carbon footprint assessment on scopes 1, 2 and 3 since 2017. This enables the Group to manage its climate strategy. This footprint is detailed below with the history since 2019.

Carbon footprint	Financial year 2019	Financial year 2020	Financial year 2021	Financial year 2022
Induced emissions	107k tCO_2e	130k tCO_2e	142k tCO_2e	164k tCO_2e

In 2022, the Group's emissions broke down as follows:

- Scope 1: 2k tCO_2e
- Scope 2: 72k tCO_2e
- Scope 3: 90k tCO_2e

Scope 3 represents the largest proportion of OVHcloud's carbon footprint. It corresponds to the indirect emissions produced upstream and downstream of the value chain (from the supply of raw materials to the end of the product's life). The Group's carbon footprint includes scope 3 upstream and part of scope 3 downstream of the activity.

By items, emissions broke down as follows:

- Servers: 42%
- Energy: 42%
- Freight: 7%
- Buildings fixed-assets: 2%
- Employees: 2%
- Others: 5%

The Group's two main sources of GHG emissions (which account for more than 80% of the total) are:

- electricity (included in scope 2): the electricity consumed is reliable data and comes from physical and actual data; the estimate of emissions related to this item is therefore reliable.
- server components (scope 3): these are purchased from various suppliers and OVHcloud does not currently have Life Cycle Analysis (LCA) data relating to these. The Group therefore uses monetary ratios to estimate the emissions related to this item. These ratios are less precise than physical or LCA data; OVHcloud is therefore working to improve this point, to obtain a better precision of its carbon footprint. This year, the Group launched an assessment work on the physical database for its components and is working in parallel with its ten main suppliers (which represent 80% of the components purchased) to obtain LCA data from them. At this stage, only two suppliers have provided this data. The Group hopes to have completed collecting this information by the end of the 2023 financial year.

3.2.2.3 Environmental roadmap

By committing to contribute to **global Net Zero (scopes 1 and 2) by 2025**, OVHcloud wants to rise to the challenge, and does not limit its vision at the company level but at that of the planet.

In order to achieve this target, most of the actions implemented focus on scope 2 (scope 1 representing 1% of the Group's carbon footprint), in particular on the electricity consumption of the data centres. The main initiatives concern:

- reduction in energy consumption (in absolute value);
- optimisation of energy efficiency, and in particular the cooling of server rooms;
- implementation of the Energy Performance Plan with the DREAL on the Gravelines site.

OVHcloud also continues to innovate in the design of its servers, in order to improve the energy performance of its components and its cooling system.

In addition to these actions, the Group will offset its residual emissions with its partners (Terraterre and Stock CO_2 at present), in order to ensure the achievement of its commitment by 2025.

The second time horizon of the Group's Net Zero trajectory is in 2030, the date on which OVHcloud undertakes to contribute to global Net Zero on all three scopes, and therefore on scope 3 in particular. Scope 3 represents most of its carbon footprint (55% in the 2022 financial year).

- The main carbon emissions item concerns the manufacture of server components, with two main levers of action for OVHcloud: the reuse of components, thanks to its circular approach to the production chain, and the implementation of a sustainable sourcing chain with suppliers (improvement of the carbon footprint of new components).
- OVHcloud is also working to optimise its freight to reduce its emissions as part of the Fret 21 initiative. The aim of this initiative is to encourage companies acting as contract givers to better integrate the environmental impact of transport into their sustainable development strategy. Each voluntary company signs an agreement with the ADEME in which it specifies a target for reducing CO_2 emissions and undertakes to implement actions to achieve it. The aim is to achieve a reduction of 28% in CO_2 emissions for the transport segment by 2030. The corresponding projects at OVHcloud relate to:
  - anticipating the needs of its logistics chain;
  - optimising logistics networks;
  - selecting freight suppliers according to their environmental targets;
  - arbitrating emergency freight according to the carbon impact.

The other scope 3 items are also impacted: circularity applied to buildings, with the reuse of existing buildings rather than the construction of new datacenters, Green IT initiatives and work on employee mobility.

In addition to these actions, the Group will offset its residual emissions with its partners, in order to ensure the achievement of its commitment by 2030.

To measure and monitor the carbon intensity of the data centres, OVHcloud calculates **the Carbon Usage Effectiveness** [1] **(CUE)** (see the table in the introduction to the section for detailed figures). This indicator is up slightly in the 2022 financial year, due in particular to the heat peaks in the summer of 2022, which generated higher consumption in the data centres.

1) *It corresponds to a ratio and is calculated by dividing the greenhouse gas emissions of scopes 1 and 2 by the energy consumption of the sites containing the data centres, weighted by the PUE. It is expressed in tCO2e/MWh IT.*

One of the areas of work that will significantly improve this indicator in the coming years is the optimisation of OVHcloud's energy mix. The Group relies, among other things, on Corporate Power Purchase Agreements (CPPA). At the end of 2021, OVHcloud and EDF Renouvelables signed their first renewable electricity purchase agreement. This relates to the supply for a minimum of 15 years of the electricity production of a future French solar power plant of 50 megawatts to be built, owned and operated by EDF Renouvelables. It will cover 25% of OVHcloud's energy needs in France from January 2025. Two other CPPAs are being negotiated to cover 100% of the Group's energy needs in Germany and Poland with renewable energies from 2025.

This will help meet the Group's target of **100% low-carbon energy by 2025** (renewable, nuclear and hydroelectric).

OVHcloud measures its performance in terms of the type of energy used by the **Renewable Energy Factor (REF)**. This is the proportion of renewable energy consumed by the datacenters compared to their total consumption. For the 2022 financial year, the REF was 77% and was stable compared to 2021 (78%).

Dedicated initiatives are also implemented on the subject of waste, to ensure the achievement of the target of **zero waste to landfill from production centres by 2025**, on waste from OVHcloud's processes. This commitment is included in the Group's waste reprocessing contracts with its partners. In addition to this downstream part of the chain, OVHcloud proactively contributes to reducing its waste: internal traceability of waste, reuse and limitation of packaging, participation in ecosystem projects such as CEDaCI, a multidisciplinary network of players that works for the circular economy in the datacenter segment. OVHcloud will also endeavour to apply this commitment to its future locations, according to the possibilities with the local waste reprocessing channels.

In order to achieve the targets of its environmental strategy, OVHcloud has formalised a roadmap, summarised in the table below:

Contribute to global Net Zero (scopes 1 and 2) by 2025

Energy management	Reduction of energy consumption	• Disconnecting unused servers in datacenters • Disconnecting unused equipment from the electrical supply chain
	Optimisation of energy efficiency	• Optimising of the performance of electrical systems by introducing more efficient elements (transformers, UPS and busbars)
	Optimisation of cooling systems	• Increase the controlled ambient temperature in electrical rooms, battery rooms and network rooms • Leading innovation projects on patented cooling systems (new heat exchangers, new horizontal bays and associated water cooling module, immersive cooling in dielectric liquid)
	Implementation of the Energy Performance Plan with the DREAL (Regional Environment, Development and Housing Department) at the Gravelines site	
Eco-design of servers	Optimisation of server performance with the introduction of more efficient power supplies	
Carbon offsetting projects with Terraterre: implementation of low carbon projects as defined under decree n°2018-1043 and the order of 28 November 2018 in the agricultural sector. The agreement extends to projects on 8 farms in France to achieve a reduction of 1848 tons of CO2 equivalent		

Contributing to global Net Zero across all scopes by 2030

Circular economy	• Optimising component lifespan without compromising on performance • Rehabilitating existing buildings to build new datacenters • Giving a second life to packaging (foams, etc.) • Monitoring products sold to brokers to ensure an environmentally-friendly second life
Sustainable supply chain	• Encouraging suppliers to improve the carbon footprint of components (supplier code of conduct commitment): collect the carbon footprint of components • Encouraging suppliers to improve the carbon footprint of packaging: participate in packaging reduction projects
Freight	• Optimising logistics through Less-than-truckload shipping • Selecting truck suppliers based on GHG emissions • Limiting Croix-Canada flights through supply chain optimisation • Taking the carbon impact into account in the arbitration of emergency air cargo
Green IT	• Including environmental criteria in calls for tenders • Extending the lifespan of equipment • Implementing environmentally-friendly software management
Sustainability at work	• Limiting the plane for business travel when the train is possible • Encouraging the use of hybrid or electric vehicles • Deploying an allowance for the use of bicycles (already the case in France)

100% low-carbon energy by 2025

Renewable energies	• Covering the energy consumption of France, Germany and Poland with CPPAs [(1)], then other countries

(1) Corporate Power Purchase Agreements

No waste sent to landfill by 2025*

Circular economy	• Contributing to eco-system projects: reuse, upcycling, CEDaCI (Circular Economy for the Datacenter Industry) [(1)] • Implementing the principle of zero waste internally: trace all waste on site to ensure that it does not end up in a landfill
Sustainable supply chain	• Ensuring compliance with the contractual commitment by partners not to put waste in landfill

** On a constant geographical scope for waste from OVHcloud processes.*

(1) Multidisciplinary network of players working for the circular economy in the data centre segment.

3.2.3 Communicating and raising awareness on the total impact of the cloud to guide consumption choices

The Group intends to mobilise its stakeholders to provide a collective response to the challenge of the environmental impact of cloud technologies. OVHcloud is developing a new environmental display tool to help its customers minimise their impact through their consumption choices. The Group also capitalises on education and undertakes collective actions to influence practices and promote best practices.

3.2.3.1 Environmental display, a lever for transforming uses

Environmental display is a powerful tool for users to understand the impact of the products and services they consume. With the aim of helping customers in their environmental transition and guiding them in their consumption choices, OVHcloud is developing its "carbon calculator". This tool will be gradually introduced. Customers will see this data relating to their carbon footprint appear on their invoices from 2023.

This tool will make it possible to calculate the carbon footprint of its main products across all scopes. It is designed to be comprehensive and comparable. The methodology is based on the principles of Life Cycle Analysis (LCA), reference databases for environmental impact factors, such as the ADEME Base Carbone®, and the first recommendations of ADEME's Product Category Rules for digital services.

To make the results of the environmental display of its solutions more reliable, OVHcloud relies on the fact that its suppliers will share their environmental data (action underway for the ten largest suppliers, see Section 3.2.2.3 of this Universal Registration Document). This approach could have a doubly virtuous effect, by establishing best practices in the supply chain through capillarity.

3.2.3.2 Raising awareness of environmental impacts: from education to collective action

OVHcloud is a driving force within its ecosystem and multiplies educational and awareness-raising actions around the environmental challenges of the sector. The Group intends to respond to the requests of its stakeholders and communicate on these issues in a transparent, educational and responsible manner. In this respect, OVHcloud has:

- contributed to the writing of a book published on the occasion of Earth Day in April 2022: *Greener Data: Actionable Insights from Industry Leaders*;
- participated in the Tech4climate event on the possibilities and limits of technology to meet the climate challenge in June 2022. The Group discussed the challenges related to the carbon footprint along with the need to go further by implementing life cycle analyses with a multi-criteria approach.

The challenge is to change awareness and practices at the level of the sector and users. In order to accelerate this transition, OVHcloud is embarking on partnership actions such as:

- a four-year research partnership started in 2021 with Inria to improve how the environmental impact of the Group's infrastructures are assessed (research thesis conducted in the OVHcloud experimental data centre, with the aim of modifying the hPUE and vPUE) and offer end users best practices to reduce their environmental footprint;
- the co-development with Davidson Consulting, Inria and Orange of the DISTILLER research programme, launched in March 2022 and aimed at reducing the environmental impact of cloud applications. At the end of this three-year project, the DISTILLER recommendation system will be able to deliver all the indications necessary for the design, production and configuration of more sustainable cloud applications to Product Owners, engineers or developers, while taking all the constraints specific to this type of project (performance, flexibility, confidentiality). To achieve this ambitious target, DISTILLER plans to study cloud-native applications and their configuration in order to extract all the existing variations to define empirically, a sustainability indicator based on the measurements in production, on which the recommendations system for sustainable software components will be based.

OVHcloud is also committed through its action within the Climate Neutral Data Centre Pact, of which the Group is a signatory and founding member (2021). This is an initiative of data centre operators and commercial associations committed to the European Green Deal. The flagship target is carbon neutrality for the sector by 2030, but the organisation also addresses other topics such as water management. To achieve their target, the signatories must agree on the indicators and metrics to be monitored [(1)]. The Group chairs a European Commission working group, whose aim is to reduce water consumption in European data centres, and participated in the drafting of a white paper, *Water Usage Proposal*. This white paper recommends taking into account three parameters when defining a maximum target threshold for the WUE: the type of climate, water stress and the nature of the water used.

In this context of collective action, OVHcloud has also begun an initiative to adhere to the European Code of Conduct on the energy efficiency of datacenters. Driven by the European Commission, this Code of Conduct could play an important role in harmonising environmental indicators, in the context of the revision of the European Directive on energy efficiency.

1) The first metric proposed concerns water use. The proposed limit is zero point four litres of water per kilowatt-hour of computer power (0.4 litres / kWh), more specifically.

3.3 DRIVING COLLECTIVE PROGRESS OF THE CLOUD FOR THE BENEFIT OF SOCIETY

At OVHcloud, everything starts with people. The men and women make up the Company's wealth: it is the talents that ensure its success. “Working together” is one of the Group's fundamental values. This collective aspect is extended to its ecosystem, and in the desire to enable the entire European cloud segment to progress. Aware of its impact, and its responsibility, OVHcloud intends to make digital technology a driver for socio-economic development.

3.3.1 Attracting and developing talents in a collective adventure within a diverse and inclusive company

Headcount [1], employment and engagement – Performance indicators and key figures

At 31 August	2020	2021	2022
Total headcount	**2,253**	**2,435**	**2,791**
BREAKDOWN OF HEADCOUNT BY GEOGRAPHICAL AREA			
France	1,512	1,682	1,959
Europe (other than France), Middle East and Africa	333	325	344
North America	329	350	402
Pacific Asia	79	78	86
BREAKDOWN OF HEADCOUNT BY TYPE OF EMPLOYMENT CONTRACT			
Permanent contracts	2,192	2,377	2,727
Fixed-term contracts	61	58	64
Percentage of employees with permanent contracts	97.3%	97.6%	97.7%
BREAKDOWN OF HEADCOUNT [2] BY SOCIO-PROFESSIONAL CATEGORY			
Engineers and managers	887	1,046	1,304
Technicians	252	254	255
Workers	373	382	400
Total	1,512	1,682	1,959
EMPLOYMENT			
Number of terminations of permanent contracts	274	314	474
Number of voluntary departures (including resignations)	217	253	380
Number of hires	488	561	661
Voluntary departure rate	9.9%	11.0%	14.6%
Loyalty rate	84%	77%	79%
Engagement score	7.5	7.3	7.5

(1) Headcount excluding temporary staff and trainees.

(2) Headcount in France excluding temporary staff and trainees.

In a context of shortage and competition for talent in the IT field, attracting and developing new skills is a strategic priority for OVHcloud.

During the 2022 financial year, the Group succeeded in meeting its growth ambitions with the recruitment of 661 people, *i.e.* 18% more than the previous financial year, which itself was up by 15% compared to FY2020. To support this change, the Group has strengthened its recruitment teams in order to have increased capacity for local action, in the regions where tensions are the highest, and by business line.

In addition to recruitment, talent retention is a second key issue, in order to capitalise on knowledge and enable the overall skills development of the teams. The benchmark performance indicator for monitoring is the loyalty rate, which measures the rate of employees present in the Group one year after their arrival. This rate increased by two points in 2022 to 79%. The Group also monitors the rate of voluntary departures, which measures the rate of staff turnover. In 2022, this rate amounted to 14.6%, an annual increase of 3.6 points, mainly reflecting a normalisation after the health crisis. This level, in line with the target of maintaining a voluntary departure rate of 15% or less, remains in line with the levels observed in the IT industry. The average length of service for voluntary departures in FY2022 was 3.6 years compared to 3 years in FY2021.

Lastly, OVHcloud regularly measures the level of engagement of its employees based on the results of internal surveys conducted each year *via* a survey software (Peakon). The engagement score for the 2022 financial year was 7.5, up 20 basis points compared to the previous year. The participation rate for the last survey conducted in FY2022 was 84%, also testifying to the level of employee engagement. The employee engagement score is a key performance indicator that is included in the annual variable compensation of executive corporate officers and members of the Executive Committee in 2022 (up to 15%).

3.3.1.1 Passion and commitment at the heart of the corporate culture

OVHcloud is distinguished by its flagship commitments, in favour of data sovereignty in particular, and by a strong corporate culture, supported by common values that guide each of the Group's actions:

- **Trust**: it commits OVHcloud to its ecosystem and enables its employees to express their talent;
- **Working together**: OVHcloud is deeply convinced that individual success only serves collective success and that the whole is greater than the sum of its parts. The collective dimension is essential for exploring and building the cloud of tomorrow. For this, each person is important and contributes at their own level;
- **Passion**: The passion for technology and adventure is essential at OVHcloud. It promotes innovation and surpassing oneself;
- **Disruption**: OVHcloud is constantly seeking to simplify its processes and organisations in order to be more efficient and reduce costs. Thinking differently is encouraged by the Group to create ever more value for customers and the ecosystem;
- **Responsibility**: OVHcloud takes its responsibilities seriously. The Group is aware that each innovation can be positive or negative depending on the use made of it.

3.3.1.2 Building a working environment conducive to talent development

The OVHcloud employer brand is the core of its employee value proposition and aims to attract and retain talent.

An employer brand based on five pillars

The OVHcloud employer brand is built around five pillars that echo the Group's values:

1. "**With us, everything starts with people**": people are at the heart of the Group's DNA, which is why OVHcloud has developed services and benefits to improve the quality of life at work for all. From concierge services to company daycare, from contracted remote working to collaborative spaces, everything is done to ensure that everyone finds their place, at their own pace and in accordance with their values.
2. "**A community of experts with ideas full of tech**": an OVHcloud expert is one who has acquired cutting-edge skills while maintaining the desire to explore, break new ground and innovate. OVHcloud recruits passionate and exciting people who want to do and share.
3. "**Growing and fulfilling**": moving in step with technology and thinking outside the box, is what characterises OVHcloud. Change position or profession, there is no ready-made trajectory at OVHCloud. The aim is to offer everyone the opportunity to take an interest in a new field, to extend their skills and think about their new expertise through the prism of their experience.
4. "**Building the world of tomorrow together**": designing the cloud of tomorrow is a question of disruption. And for this, OVHcloud relies on the collaboration of all. To move forward every day and change the rules of the game, the Group relies on its strengths: a dynamic ecosystem, open and transparent exchanges.
5. "**A team where innovation is king and trust reigns**": listening to everyone to help everyone evolve and build the OVHcloud of tomorrow.

The new Career site, the first version of which was uploaded in 2022 and a new version is planned for 2023, has made it possible to showcase and promote the OVHcloud employer brand. During the 2022 financial year, the Group took part in more than 50 employer brand events as well as school events and employment forums.

Continuous investment in skills development

Training – Key figures

	2020	2021	2022
Employee training rate	60%	66%	73%
Number of training hours per employee	23	25	27
PERCENTAGE PER TYPE OF TRAINING			
Technical	60%	60%	54%
EHS	9%	4%	14%
Management	11%	11%	9%
Language	11%	13%	17%
Others	9%	12%	6%

Aware of the importance of cultivating its human capital, OVHcloud trained 73% of its workforce in 2022 (*i.e.* 2,035 people) and thus exceeded its target of training at least 70% of its employees. In addition to obligations, the Group invests in training around three areas:

- **Operational excellence** by developing skills in the various project management methods in order to optimise its execution efficiency and deploy business agility (project management, crisis management, etc.). More than 100 people are trained on average each year in operational excellence.
- A **programme for managers**, co-developed with EDHEC, on leadership, finance and communication, and with a four-day support programme for all first-time managers.
- **Technical training** to develop OVHcloud solutions and strengthen the expertise of its employees with the possibility of certifying their skills. More than 10% of people trained were certified in 2022.

In order to welcome new employees, OVHcloud has also introduced a systematic induction week during which they have the opportunity to discover the Group in all its dimensions. It obtained a satisfaction rate of 4.56/5.0.

Health, safety and well-being at work at the heart of the priorities

Workplace safety – Key figures

	2020	2021	2022
Number of accidents with lost time	16	27	23
Number of accidents without lost time	19	27	13
Frequency rate (with lost time) FR1 *	4.20	7.04	5.39
Frequency rate (with or without lost time) FR2 *	9.18	14.09	8.44

Number of work-related accidents per million hours worked

Safety at work is a central priority for OVHcloud and is a key performance indicator of the CSR policy. During the 2022 financial year, the number of accidents with and without lost time decreased, as did the corresponding frequency rates. In order to promote the prevention of health and safety risks, the Group has defined a policy based on three key targets:

- Minimising work-related accidents;
- Complying with legal Health, Safety and Environment requirements and other requirements applicable in all countries;
- Implementing all satisfactory measures to protect the health and physical integrity of the Group's employees, customers and local communities and protecting the environment.

The measures for implementing this policy are based on the following guiding principles:

- Involving the entire management line in the commitment of its Health, Risk Prevention and Environment policy;
- Empowering all employees to maintain a healthy and safe workplace;
- Developing a culture of professionalism, rigour and respect for the rules to all employees;
- Ensuring the deployment of the "Be Smart, Be Safe!" Health and Safety Programme".

In order to strengthen the safety culture within the Group, internal awareness-raising events are organised such as "World Safety Week" which is held each year at all OVHcloud sites, to which all employees and permanent contract employees are invited. In 2022, it was held from 13 to 17 June on the theme "The ten golden rules of safety". OVHcloud has defined ten golden rules in terms of safety as part of its #StaySafe approach. This approach is a mindset to be adopted in order to identify and avoid dangers. It follows four steps:

- **I**nvestigate the work environment and identify hazards;
- **A**nalyse the consequences of hazards and anticipate the necessary individual and/or collective protection measures;
- **I**ncrease reliability by implementing prevention measures with the help of the health and safety department, contractors or managers;
- **C**arry out the work once all the safety conditions have been met.

The ten golden rules deal with:

- work permits
- shared vigilance and co-activity
- working environment
- fire prevention and evacuation
- pedestrian traffic
- machine circulation
- personal and collective protective equipment
- work at height
- energy and consignment
- gestures and postures

OVHcloud is committed to employee **health** and invests in prevention. Since 2016, the Roubaix site has had a dedicated medical centre bringing together various health professionals (osteopath, dietitian, physiotherapist, optician, etc.) available to employees. Awareness-raising conferences led by health specialists and open to all employees are regularly organised on various subjects. For example, as part of "Pink October", the breast cancer prevention month, a breast and cervical cancer awareness conference was offered.

The Group also implements various actions:

- medical teleconsultation with Qare in France and Dialogue in Canada;
- actions to promote regular sports activities (sports halls, activities for coaches, support for sports assessments);
- psychological, social and legal assistance with Qualisocial.

In order to promote quality of life at work, OVHcloud is committed to parenting. For example, the Group supports parents in their search for crèches and leisure centres: OVHcloud has had a company crèche in Roubaix for ten years and has forged a national partnership with Babilou [1]. OVHcloud has also developed a parenthood kit aimed, in particular, for the employees concerned, to prepare for maternity or paternity leave, and for all teams, to support and manage the announcement of a pregnancy in the company. The Group offered five parenting workshops to its employees in 2022.

A recognised human resources policy

Several awards have recognised the Group's efforts in France this year:

- The Oras [2] club "**Trophée Compensations & Benefits**" for its employee well-being programme;
- The **7th best High-Tech employer** in France according to Capital magazine;
- The **gold award at the "Victoires des leaders du capital human"** (Human Capital Leadership Awards) on the theme of quality of life at work;
- The **HappyIndex®Trainees & HappyIndex®Trainees Alternance 2021-2022** label, which rewards companies taking care of their interns and work-study students, received for the second consecutive year.

Internationally, OVHcloud's quality of life at work policy was also recognised in Poland, where the Group received the "Wellbeing Leader Certificate" from the Polish Institute of Well-Being. In Germany, OVHcloud won the Top Company 2022 Kununu award.

1) *Company managing day-care centres.*
2) *Observatoire Rémunérations et Avantages Sociaux (Compensation and Benefits Observatory).*

3.3.1.3 Providing a diverse and inclusive work environment

Diversity and inclusion – Performance indicators and key figures

	2020	2021	2022
BREAKDOWN OF HEADCOUNT BY GENDER			
Women	420	487	587
Men	1,833	1,948	2,204
TOTAL	**2,253**	**2,435**	**2,791**
% of women in the total workforce	19%	20%	21%
% of women in management	18%	18%	20%
% of women in the Executive Committee	18%	27%	25%
BREAKDOWN OF HEADCOUNT* BY NATIONALITY			
French	-	-	68%
US	-	-	6%
Canadian	-	-	5%
Polish			5%
Others			16%
BREAKDOWN OF HEADCOUNT* BY AGE GROUP			
Under 30	628	579	627
30 to 50 years	1,547	1,744	1,994
Over 50 years	78	112	170
TOTAL	**2,253**	**2,435**	**2,791**

** Headcount excluding temporary staff and trainees.*

Convinced that everyone has a role to play in meeting the major societal challenges of our time, OVHcloud wishes to support its employees in their life journey, so that everyone can flourish in a caring environment. With this in mind, the Group is committed to combating all forms of discrimination and to offering a working environment that respects differences and allows everyone to fully express their talents. OVHcloud has structured a diversity and inclusion policy in 2022 that it intends to strengthen during the 2023 financial year. An internal charter is relayed *via* its intranet and available to all Group employees.

- Diversity and collective intelligence are key drivers for innovation and achieving excellence. The internationalisation of the teams is one component. In 2022, more than 60 nationalities were represented within the Group.
- The proportion of women in teams, which is a major issue for the Tech businesses, is a key priority and a performance indicator for the Group's CSR policy. A Gender Equality action plan is drawn up and reviewed regularly with employee representatives in France. This plan addresses the issues of recruitment, professional development, compensation and work-life balance. In recent years, the proportion of women in the Group's workforce has steadily increased. In 2022, the proportion of women in the total headcount increased by one point to reach 21%. The proportion of women in management improved by two points to 20%. Concerning the Executive Committee, the rate for the 2022 financial year reflects a temporary situation at 31 August (transitional vacancy period for one of the functions). From September 2022, the rate rose to 31% (four women represented on a 13-member Executive Committee).
- Facilitating access to employment for people with disabilities is a second important area of initiatives to promote diversity and inclusion. Among the actions implemented, the Group called on ergonomists to adapt and arrange workstations for people with disabilities, allocates service employment vouchers worth €350 per year to workers with disabilities and publishes its job offers on the AGEFIPH website [1]. To measure its level of progress compared to the requirements of the RGAA digital accessibility decree [2], OVHcloud carried out audits on two commercial sites and two production sites.

1) *Association de Gestion du Fonds pour l'Insertion professionnelle des Personnes Handicapées (Association for the Management of the Fund for the Professional Inclusion of People with Disabilities).*

2) *To facilitate the implementation of digital accessibility, since 2009 DINUM has published the General Accessibility Improvement Framework (RGAA), created to implement Article 47 of the Disability Act of 2005 and its application decree updated in 2019. It is regularly subject to new versions and updates to adapt to changes in the Internet but also to changes in standards and regulations.*

- Several events to raise awareness of internal teams on diversity and inclusion issues were organised during the year. In particular, in June 2022, a diversity week was organised. This was an opportunity to raise awareness on topics such as the inclusion of LGBTQIA + people [1] and to remind all employees that OVHcloud guarantees the right to respect for the sexual orientations and identities of its employees and equal access to the rights and benefits granted by the Company in the context of marital status and parenthood. Awareness-raising sessions on women's rights are also organised, the first of which honoured by Anastasia Mikova in March 2022.

OVHcloud carried out an audit in 2022 with Gloria, a company specialising in the challenges of diversity and inclusion in the company, in terms of its communication and practices, including recruitment, in order to detect any bias or discriminatory practices. This approach was accompanied by training on diversity in general, with a focus on unconscious bias for recruiters. The Group aims to extend this programme to all managers.

3.3.1.4 Maintaining quality social dialogue over time

OVHcloud attaches great importance to social dialogue, a guarantee of involvement and collective performance, and maintains high-quality relationships with its employees and their representatives.

In France, employee representation is organised in an economic and social unit (*unité économique et sociale*). A Social and Economic Committee (*comité social et économique* – SEC) was elected in 2019, currently composed of 24 elected members (incumbent and alternates combined). In addition, local representatives have been appointed at sites that do not have an elected representative on the SEC. There is no designated trade union organisation in France. An Enterprise Consultative Commission (ECC) is also in place in Tunisia.

With regard to employee representation in management bodies, two directors representing employees were appointed to the Board of Directors in 2022, as announced at the time of the IPO on 15 October 2021.

3.3.1.5 Associating employees with the Company's results

Employee shareholding

For OVHcloud, "working together" also means associating employees as much as possible in the Company's results. On the occasion of its IPO on Euronext Paris on 15 October 2021, the Group set up its first collective employee shareholding plan, open to more than 2,000 employees in France and abroad. 97.8% of eligible employees on this date became shareholders of OVHcloud (77.6% having invested voluntarily). In 2021, the Group was awarded the Grand Prix FAS [2], which showcases companies developing best practices in employee shareholding. In 2022, 0.6% of the share capital was held by employees through the FCPE mutual fund.

Profit-sharing agreements

In France, a mandatory profit-sharing agreement (*accord de participation*) applies at the level of the social and economic unit which provides for the distribution between eligible employees of a share of the profit of such companies parties to the social and economic unit, calculated based on the statutory formula. The distribution is made on a *pro rata* basis according to the time of presence during the period.

Global incentive plan

A new incentive agreement was signed with the trade Social and Economic Committee in 2022 applicable until 2024. It concerns all employees at the global level (with the exception of interns, temporary workers and service providers) with at least three months of seniority. The performance indicators used to calculate the share of profits attributable to eligible employees include, as in the previous plan, indicators relating to adjusted EBITDA and revenue growth, to which the same CSR criteria as those used for the executive corporate officers and the Executive Committee are added (see Section 4.2.2.2 of this Universal Registration Document for more details).

Employee savings plans and similar plans

In France, there are within the social and economic unit:

- a Group Savings Plan (*plan d'épargne groupe*), which allows eligible employees to invest their savings, including payments under the profit-sharing agreement and the global incentive plan, in diversified investment funds and to benefit from certain social and tax advantages in exchange of a lock-up period of generally five years;
- a Time Savings Account (*Compte Épargne-Temps* – CET), which allows eligible employees to save unused rest days (certain holidays, RTT, etc.) or part of their 13th month converted into days. They can then take these days at any time, ask to be paid for them or transfer them to another scheme to prepare their retirement;
- a Group Retirement Savings Plan (*Plan d'Épargne Retraite Collectif* – PERCO) which allows eligible employees to invest the payments under the profit-sharing agreement and the global incentive plan in diversified investment funds in view of their retirement. This scheme allows employees to benefit from certain social and tax advantages as consideration for a lock-up period until retirement. It is also a way for employees to prepare for their retirement by making voluntary payments or by transferring days from their CET to the PERCO (up to 10 days per year). This transfer is then matched by their employer.

1) *Lesbian, gay, bi, trans, queer, intersex, asexual, and all others.*
2) *Fédération Française des Associations d'Actionnaires Salariés et Anciens Salariés (French Federation of Associations of Salaried Shareholders and Former Employees –*

3.3.2 Collaborating and developing coalitions with stakeholders in the European cloud ecosystem

Operating as an ecosystem is part of the Group's DNA. OVHcloud intends to capitalise on its role as a leader to grow the European cloud sector, develop champions and thus continue to defend European digital sovereignty in a highly competitive environment.

3.3.2.1 Developing an ecosystem of partners sharing the same values

From its inception, OVHcloud has sought to play a leading role in building an open and evolving ecosystem of like-minded partners, fostering innovation and promoting European digital independence. Through this mutually beneficial approach, OVHcloud has surrounded itself with a wide range of technical and commercial specialists, who work in related segments to develop and offer the most appropriate solutions to the needs of customers. Being deeply committed to open source communities allows OVHcloud to speed the development of its own solutions, while remaining on top of its customers' expectations.

The OVHcloud ecosystem is structured around three main programmes: Partner Programme, Open Trusted Cloud Programme, Startup Programme.

- The Partner Programme brings together more than 1,100 active partners in 72 countries (compared to just under 1,000 at the end of the third financial quarter), enabling organisations to take advantage of the OVHcloud infrastructure to create high-added value solutions and services for their customers. The aim is to provide them with tools and content to promote technology skills, while creating a special relationship with OVHcloud. In March 2022, the Group offered a training and certification programme on its solutions to all members of its Partner Programme.
- The Open Trusted Cloud Programme has 75 active members (compared to 60 at the end of FY2021), of which around a quarter are outside France. This programme is intended for software publishers as well as providers of SaaS and PaaS solutions. It aims to co-build an ecosystem of SaaS and PaaS services, hosted in the open, reversible and reliable OVHcloud cloud.
- The Startup Programme brings together 645 active startups and scale ups, nearly 70% of which are international. Since May 2022, as part of this programme, OVHcloud has offered mentoring support, available worldwide. Thus, OVHcloud employees provide Startups with their expertise and experience to help them develop their business. When entrepreneurs create a business, they focus on the essentials for the successful start-up of the business and do not always have the time, the means or the skills to develop other aspects of their business that can sometimes be very useful and make a difference. The aim of the Startup Programme is to offer Startups a choice of mentors who cover the different areas on which they would like to work for their development: Marketing, Communication, Social Networks along with Business strategies, Artificial Intelligence, Server Infrastructure, CSR, Human Resources and many other areas. Each Startup receives six hours of personalised support on the chosen theme from their mentor over three months.

3.3.2.2 Collaborating with suppliers in a responsible purchasing approach

The supply chain and more specifically the purchasing function play an essential role in OVHcloud's CSR policy, which ensures that it is part of a responsible approach. To this end, the Group has drawn up a supplier code of conduct that it asks its suppliers to sign. This commits them to adopt a responsible and comprehensive approach to compliance issues. This code is based on the United Nations Guiding Principles on Business and Human Rights and the International Labour Organisation conventions. It covers the following topics:

- human rights;
- working conditions;
- ethics (corruption, fraud, money laundering, financing of illicit activities, etc.);
- environment;
- anti-corruption whistleblowing procedure (see Section 3.3.2.3 of this Universal Registration Document).

As of 31 August 2022, OVHcloud had 1,600 active suppliers, nearly two-thirds of whom had signed the supplier code of conduct [(1)].

OVHcloud has also included anti-corruption clauses in contracts negotiated since April 2022.

In addition, in order to encourage best practices in its value chain, OVHcloud assesses its strategic suppliers each year on seven criteria (safety, technology, quality, responsiveness, delivery, costs, environment) and gives awards to the three most deserving suppliers. For the 2022 financial year, 20 strategic suppliers were assessed.

As part of the implementation of its CSR strategy, OVHcloud undertook a CSR risk mapping process related to purchases and a CSR assessment of a sample of targeted suppliers with an external service provider. This approach, launched with around a hundred suppliers across the 41 purchasing categories identified as the most exposed, is still underway and will be the subject of in-depth work in 2023.

Finally, OVHcloud's responsible purchasing approach is reflected in its desire to favour local suppliers when possible. In particular, the Group can source from among the companies participating in the start-up programme if the service provided is relevant to its needs. This is the case for Moffi, for example, whose office reservation tool has been rolled out Group-wide.

1) *https://corporate.ovhcloud.com/sites/default/files/2021-03/Suppliers code of conduct OVHcloud.pdf*

3.3.2.3 Ethics and business conduct

At OVHcloud, business practice is not only based on a set of values, but also on a sense of ethics that guides interactions within the Company and relations with all stakeholders.

In order to consolidate this common culture, OVHcloud has been developing its ethics and anti-corruption programme since 2020. The code of ethics [1], the supplier code of conduct (see Section 3.3.2.2 of this Universal Registration Document), the anti-corruption training programme, as well as the whistleblowing procedure are among the prevention and detection measures that the Group has implemented in parallel with the legal commitments included in the various contracts entered into with third parties (customers, suppliers, intermediaries, etc.) They make it possible to deal with the risks of corruption and to disseminate best practices within the Company and among its partners and suppliers.

The main objective of the code of ethics is to be an awareness-raising tool available to all, aiming to share the Group's business vision. It lays down strong principles and commitments, formalises behaviours and establishes best practices in the way of managing particular or difficult situations, on topics such as the environment, human rights, the fight against corruption and influence peddling and against all forms of fraud, etc. In addition to traditional contacts, such as existing employee representative bodies in certain countries, it also makes it possible to identify the OVHcloud contact persons in terms of compliance: the Ethics & Compliance team, Staff Managers, HR Business Partners (HRBP), etc.

In accordance with the corruption prevention mechanisms established by OVHcloud, an anti-corruption and anti-influence peddling training programme was established in 2021. This training course must be renewed every three years. It is mandatory and is now the subject of awareness-raising at each onboarding session for new employees, who are also asked to accept and sign the Code of Conduct when signing their employment contract.

OVHcloud has an alert procedure. This procedure is based on the ROGER reporting platform (Respect OVHcloud Guidelines & Ethical Rules), which makes it possible to report any attempt or fact that does not comply with the OVHcloud code of ethics and for any situation provided for by law. The platform is accessible at any time, from any device, and is open to everyone (internally and externally). The platform guarantees confidentiality for whistleblowers and anonymity for those who wish to keep it. OVHcloud ensures that it does not retaliate or discriminate against them.

3.3.3 Promoting local anchoring and societal commitment

In a context of digitisation of professions and companies, OVHcloud pays particular attention to integration through digital technology and the need to involve as many people as possible in this transition. As the European cloud leader, the Group also monitors the socio-economic impact of its activity on the regions.

3.3.3.1 Promoting digital inclusion

In the era of the digital transition, the democratisation of the tech professions is a societal challenge. OVHcloud acts in favour of digital inclusion with two areas of focus:

- Accessibility of tech to women;
- Professional inclusionof disadvantaged populations.

The Group hopes to be able to contribute to the development of a talent pool in all regions.

Operating in two segments (industry and digital) in which men are over-represented, OVHcloud works on a daily basis to promote feminisation. Thus, the Group works in schools to promote careers in tech among young women. It also supports associations such as Code First Girls [2] to facilitate access to training and employment for women in this segment and DesCodeuses to enable women in priority neighbourhoods to learn digital skills. OVHcloud will welcome five or six interns to the web development teams in 2023. The Group has also partnered with 50inTech [3], an online community for connecting female talent with companies and promoting female-led entrepreneurship. 50inTech highlights OVHcloud as an inclusive company for women, in terms of the results obtained in the assessment of its "gender score", supports the Group in its approach to attract female talent and promotes OVHcloud's women employees.

The Group also works towards professional integration through digital technology, in particular through training and integration initiatives for people who have difficulty finding employment, through skills sponsorship. Alongside the French national agency for the professional training of adults, OVHcloud trains and hires interns through "Plombiers du numérique" [4] (digital plumbers), which is a project for the professional integration of unskilled young people. OVHcloud welcomed the first cohort to its Roubaix data centre in 2020 and continues to train around twenty people each year. The Group is also a partner of Rocket School, a free school that recruits on the basis of personality (without qualification requirements), has been training in commerce and digital marketing since 2018, and has had an office in Lille since 2021. As part of this partnership, OVHcloud welcomes work-study students who may be hired in the long term. During FY2022, OVHcloud welcomed two work-study students from Rocket School, one of whom was recruited. Two work-study students were once again welcomed in FY2023.

Lastly, on the issue of the integration of people with disabilities, OVHcloud collaborates with associations, including ARRE (Association Resource pour la Réussite Educative), Mouton à 5 pattes, which works for the professional integration of young people with autism and Compethance, an adapted digital services company.

1) *https://ovhcloud-public.signalement.net/get/3b299ec096dda49f47156ce4ff92fb34654ed4f8.pdf*
2) *The UK's largest provider of free coding courses for women.*
3) *Platform for connecting women in tech with the most inclusive companies.*
4) *"Les Plombers du numérique" is a professional integration project for unskilled young people, initiated by the non-profit Impala Avenir Développement.*

3.3.3.2 Local anchoring & socio-economic impact

Created in Roubaix in 1999, OVHcloud quickly internationalised and has developed a global footprint with, today, 33 data centres spread over eight countries. Geographical expansion is one of the central pillars of the Group's growth strategy.

OVHcloud's implementation strategy is multi-local. It adapts the Group's methods to local cultures and respects their practices.

The Group also attaches great importance to favouring local companies to support it in its locations and, therefore, to have an impact on the local economic framework.

More broadly, OVHcloud is committed to having a positive impact in the regions where it operates and in collaboration with stakeholders.

Through its tax policy, the Group contributes to the development of the regions in which it operates. The OVHcloud Group's tax policy provides that the Group undertakes to apply the laws, regulations and tax treaties in force in all countries in which it operates. The Group's values and ethical principles as well as its requirements in terms of social responsibility lead it to:

- Conduct its operations in accordance with their economic reality;
- Refuse any aggressive tax planning and the use of artificial structures located in "tax havens";
- Cooperate with local tax authorities during tax audits.

None of the transactions carried out by the OVHcloud Group aims to evade the payment of tax. The Group is preparing the formalisation of its tax policy, which will be published at a later date.

The Roubaix example demonstrates the Group's desire to have positive impacts on the regions and local communities. True to its origins, the Group has never left Roubaix. In 2004, OVHcloud acquired a brownfield site, which has become its head office. The Hauts-de-France region is also the first region to host OVHcloud data centres.

3.4 APPLICATION OF THE EUROPEAN TAXONOMY TO THE GROUP'S ACTIVITIES

Classification of activities according to the European regulatory framework to define environmentally sustainable economic activities (Green Taxonomy)

General context

The Taxonomy Regulation is a key element of the European Commission's action plan aimed at redirecting capital flows towards a more sustainable economy. It represents an important step towards achieving carbon neutrality by 2050, in line with the EU's objectives, as the taxonomy is a classification system for environmentally sustainable economic activities.

The section below presents, as a non-financial parent company, the share of the Group's income, capital expenditure (Capex) and operating expenses (Opex) for the 2022 financial year, associated with economic activities eligible for the taxonomy and linked to the first two environmental targets (mitigation of climate change and adaptation to climate change), in accordance with Article 8 of the Taxonomy Regulation and Article 10 (2) of the Delegated Act supplementing Article 8 of the Taxonomy Regulation.

Summary of European taxonomy indicators

On the basis of the analyses carried out, a significant portion of the Group's activities is eligible for the Taxonomy under Activity 8.1. – *Data processing, hosting and related activities* described in Appendix I of the Delegated Act on the climate change mitigation target.

The eligible shares of the three financial indicators required by the text – income, Capex and Opex – are presented below on the basis of consolidated IFRS data for the financial year ended 31 August 2022.

TABLE 1 – SHARE OF ECONOMIC ACTIVITIES ELIGIBLE AND NOT ELIGIBLE FOR TAXONOMY IN THE GROUP'S INCOME, CAPEX AND OPEX

	Total *(in millions of euros)*	**Share of economic activities eligible for taxonomy** *(in %)*	**Share of economic activities not eligible for taxonomy** *(in %)*
Income	788.0	86.3	13.7
Capital expenditure (Capex)	472.0	98.0	2.0
Operating expenses (Opex)	62.2	88.5	11.5

As eligibility is solely based on the description of the activities and does not take into account the criteria of substantial contribution, the fact of "not causing significant harm" or the minimum social guarantees, the indicators aligned with the European Taxonomy that will be presented in 2023 may be lower than the eligible indicators presented in this section.

Determination of the economic activities of the OVHcloud Group eligible for the European Taxonomy

The term "economic activity eligible for the taxonomy" refers to any economic activity described in the delegated acts supplementing the Taxonomy Regulation (currently the Delegated Act relating to the climate aspect of the taxonomy), whether or not it meets some or all of the technical review criteria set out in these delegated acts.

The Group's eligible economic activities have been analysed on the basis of OVHcloud's service offerings (as detailed in Chapter 1 of this Universal Registration Document) and have been assigned to the following economic activities, in accordance with Appendices I and II of the Delegated Act relating to the climate aspect of the taxonomy. The table below indicates for which environmental target the activities are considered eligible:

TABLE 2 – ECONOMIC ACTIVITIES ELIGIBLE FOR TAXONOMY

Eligible economic activity (section, name)	Description	Climate change mitigation	Adaptation to climate change
8.1 Data processing, hosting and related activities	The storage, handling, management, circulation, control, display, switching, exchange, transmission or processing of data *via* datacenters, including the processing of data periphery (edge computing).	✓	

A significant portion of the Group's activities is considered eligible under Activity 8.1. – *Data processing, hosting and related activities* of the climate change mitigation target. Offerings based mainly on services for the provision of storage capacity ("hosting") meet the description of this activity. The offerings thus considered eligible are the following:

- Private Cloud offerings (Baremetal cloud and Hosted Private Cloud) in their entirety, corresponding to offers for the provision of either dedicated physical servers or cloud capacities running on dedicated physical servers (see Section 1.3.1.1 of this Universal Registration Document for more details on the solutions proposed by the Group);
- Public Cloud offerings in their entirety (see Section 1.3.1.2 of this Universal Registration Document for more details on the solutions offered by the Group). The PaaS and SaaS solutions offered by OVHcloud and hosted directly on the Group's infrastructures are considered eligible insofar as OVHcloud has control over the physical equipment and can act on its energy efficiency;
- "Web Cloud & Other" offerings only for the "Web hosting" and "Services" part, corresponding to the hosting of customer websites on the Group's physical servers and the assistance necessary for the proper functioning of the equipment and compliance with the Group's commitments under all of its offerings (see Section 1.3.1.3 of this Universal Registration Document for more details on the solutions proposed by the Group). Offerings or solutions relating to domain names, telephony and connectivity are not considered eligible to date because they are not directly related to the physical servers.

In general, all the solutions offered by the OVHcloud Group, hosted directly on physical servers belonging to the Group or directly controlled by the Group, were deemed eligible for the European Taxonomy under Activity 8.1. of the climate change mitigation target.

OVHcloud is also developing certain solutions (such as a carbon calculator, which will allow customers to estimate the carbon footprint associated with the use of some of the OVHcloud products), which could be eligible under Activity 8.2. – *Data-driven solutions for GHG emission reductions*. As the income and Capex related to these solutions were not material during the financial year, this activity was not taken into account in the 2022 indicators but could be in the future.

Methodology for evaluating European taxonomy indicators

The scope considered for the estimation of the three indicators is the Group consolidated scope as defined in Note 5.5. of the 2022 consolidated financial statements presented in Chapter 5 of this Universal Registration Document.

Eligible income

The share of economic activities eligible for taxonomy in OVHcloud's consolidated income was obtained by dividing the share of income generated by the sale of services associated with economic activities eligible for the taxonomy (numerator) by the net income (denominator), in each case for the financial year from 1 September 2021 to 31 August 2022.

Denominator

The denominator of the income indicator is based on OVHcloud's consolidated income (€788m in fiscal year 2022), in accordance with IAS 1.82 (a) (see Note 4.3. to the 2022 annual consolidated financial statements presented in Chapter 5 of this Universal Registration Document).

Numerator

The numerator of the indicator is defined as the share of the net income generated by services associated with the economic activities eligible for the taxonomy, as described above in the paragraph "Determination of the economic activities of the OVHcloud Group eligible for the European Taxonomy" in this section. This share was estimated on the basis of OVHcloud Group management reports including the level of detail necessary for direct reading.

Eligible capital expenditure (Capex)

The Capex indicator is calculated by dividing the Capex eligible for taxonomy (numerator) by the total Capex (denominator).

Denominator

The Capex denominator (€472m in fiscal year 2022) includes acquisitions of property, plant and equipment and intangible assets made during the financial year, before amortisation and before any remeasurement, including remeasurements resulting from revaluations and impairments, excluding changes in fair value. It includes acquisitions of property, plant and equipment (IAS 16), intangible assets (IAS 38), right-of-use assets (IFRS 16) and investment properties (IAS 40), as well as additions resulting from business combinations (see Notes 4.10, 4.11 and 4.23 to the 2022 annual consolidated financial statements presented in Chapter 5 of this Universal Registration Document).

Numerator

The numerator consists solely of Capex related to assets or processes essential to the performance of the economic activities eligible for the taxonomy, which represent almost all of the Capex for the financial year. As Capex is not currently monitored by service offering in the Group's reports, a detailed analysis by type of asset was carried out which led to the following Capex being considered essential for the execution of eligible economic activities:

- All Capex (acquisitions of fixed assets or increases in IFRS 16 rights of use) relating to infrastructures (hardware) and their operation (fibre, network, IP addresses, components, maintenance);
- A portion of capitalised R&D costs estimated as follows:
  - 100% of capitalised R&D costs relating to infrastructure efficiency improvement projects (equipment or software),
  - A portion of capitalised R&D costs relating to software developments that are used across all Group activities. This share is based on the share of income eligible for taxonomy;
- All changes in scope impacting intangible assets and property, plant and equipment and relating to the acquisition of ForePaaS, reinforcing the eligible offers of OVHcloud under Activity 8.1.;
- A portion of the Capex relating to offices estimated according to the portion of eligible income.

Eligible operating expenses (Opex)

The indicator relating to Opex is calculated by dividing the Opex eligible for taxonomy (numerator) by the total Opex (denominator).

Denominator

Total Opex as defined by the Taxonomy are non-capitalised costs related to research and development, building renovation measures, short-term leases, maintenance and repairs, and all other direct expenses related to the daily use of property, plant and equipment.

Thus, total Opex as defined by the Taxonomy represents approximately 8% of the Group's total Opex (€809 million), corresponding to the sum of personnel expenses, operating expenses, depreciation and amortisation and other non-recurring operating expenses.

Numerator

Given that the OVHcloud Group's Opex are not currently monitored in the IT systems by service offering, we used allocation keys to identify the share of economic activities eligible for the taxonomy in our Opex:

- Maintenance and repair costs as well as expenses related to non-capitalised leases were allocated on the basis of the eligible income share.

R&D costs were allocated in proportion to the allocation of capitalised R&D costs.

3.5 METHODOLOGY AND SCOPE OF NON-FINANCIAL PERFORMANCE INDICATORS

The Statement of Non-Financial Performance for 2022, presented in this Universal Registration Document, endeavours to produce the most relevant non-financial information for the Group with regard to its business model, its activities, its major challenges from the materiality matrix and the Group's main risks. Thus, OVHcloud focused on the issues and risks identified as priorities and excluded the following topics from its scope of analysis:

- Combatting food waste;
- Combatting food insecurity;
- Respect for animal welfare;
- Respect for responsible, fair and sustainable food.

3.5.1 Scope

OVHcloud measures the Group's progress in terms of CSR in the following three areas: Environment, Business Conduct, Social and Societal. Thirteen indicators, presented in the table below, were selected and audited by the independent third party.

Category:	Indicator
Environment	PUE (Power Usage Effectiveness)
	WUE (Water Usage Effectiveness)
	CUE (Carbon Usage Effectiveness)
	REF (Renewable Energy Factor)
	Reused components ratio
Business conduct	Success rate of cyber attack simulations campaigns
Social/Societal	Loyalty rate
	Engagement score
	Employee training rate
	% of women in management
	% of women in top management (Executive Committee)
	Frequency rate (with lost time) FR1
	Frequency rate (with or without lost time) FR2

A fourteenth indicator: the rate of signature of the supplier code of conduct, falling under the Business Conduct category, was presented in the summary table of indicators (Introduction – Materiality analysis and CSR risk assessment) and in the paragraph on suppliers (Section 3.3.2.2 of this Universal Registration Document). It was subject to a qualitative review and will be included in the list of performance indicators for the Statement of Non-Financial Performance for financial year 2023.

Each indicator is described in this methodological note, specifying:

- The method of calculating the indicator;
- The data production process.

A summary table presenting the indicators and their values for the 2020, 2021 and 2022 financial years can be found in the introductory chapter of the Statement of Non-Financial Performance in the "Materiality analysis and assessment of CSR risks" section.

3.5.2 General organisation of reporting

The Group has developed a non-financial reporting protocol to ensure the uniformity and consistency of the reporting scope.

The CSR information presented in this document has been prepared internally on the basis of the information provided by the managers of each of the areas concerned.

- Information on environmental matters comes from the Quality Services or Departments, Management Control, or CSR, within the reporting scope.
- Information on business conduct, and more specifically on cybersecurity, was provided by the Chief Information Security Officer (CISO).
- Social information and indicators were provided by the Human Resources Department of the reporting scope entities, and were coordinated by the contacts for each subject or indicator within the Group's Human Resources Department.

The carbon footprint was produced using the "*Bilan GES*" method as well as emission factors from "*ADEME*".

The whole process was coordinated by the Strategy and CSR Department, as well as the general coordination of the drafting of the Statement of Non-Financial Performance.

Reporting period

Unless otherwise stated, the information provided is always presented for the financial year ended on 31 August 2022. Comparable data, established on a like-for-like basis, are presented for previous periods, where possible, for comparison purposes.

Reporting scope

The data provided concern the OVHcloud Groupe. All Group sites and entities, in France and abroad, are included in the scope. The scope exclusions for specific indicators are set out in more detail below.

3.5.3 Methodological note for environmental indicators

Power Usage Effectiveness or PUE

Calculation of the indicator

The Power Usage Effectiveness or PUE measures the energy efficiency of a datacenter infrastructure.

It is defined in standard ISO/IEC 30134-2: 2016 by the formula:

- $PUE = E_{DC}/E_{IT}$

Where

E_{DC} = total (annual) datacenter energy consumption, in kWh;

E_{IT} = (annual) energy consumption of IT equipment, in kWh.

The PUE is calculated over a full environmental cycle, *i.e.* a full year.

The PUE is unitless.

A PUE of 1 would mean that all data center power consumption would be dedicated to IT consumption. However, datacenters consume additional electricity for systems attached to IT equipment (cooling, lighting, offices, security systems), so that in practice, the PUE is greater than 1.

The PUE is calculated for each datacenter and then consolidated for the Group

- $OVHcloud\ PUE = \sum E_{DC}(kWh) / \sum E_{IT}(kWh)$

Note

- Emergency generators are excluded from the PUE calculation.
- Temperature and climate conditions have a significant influence on the PUE result: it takes more energy to cool datacenter in hot and humid climates than in hot and dry climates, or cold and humid ones.

Production of the indicator

The electricity consumption of the sites is calculated on the basis of invoicing.

The electricity consumption of the servers is the result of actual measurements taken from sensors positioned in the data centers..

Coverage rate

The coverage rate of the measurement represents the energy share taken into account for the actual measurement of the PUE of a series of datacenters.

The PUE coverage rate is given by the formula:

- $Coverage\ rate = E_{DCsPUE} / E_{DCs}$

Where

E_{DCsPUE} = total (annual) energy consumption of the datacenters for which a PUE measurement is performed (using sensors), in kWh;

E_{DCs} = total (annual) energy consumption of datacenters for which a PUE measurement is performed (using sensors) as well as for datacenters for which a PUE measurement is not performed, excluding shared datacenters, in kWh;

For the 2021 financial year, only the Gravelines site (France) was equipped with sensors. Since then, the system has been rolled out at other sites in France and internationally, making the PUE measurement more reliable. The deployment of sensors will continue over the next few years until all energy consumption is covered.

Note

- Shared data centers and network points of presence are excluded from the measurement.

Review and update of the indicator

The PUE is calculated in an internal data aggregation platform. This indicator is updated monthly. It is audited annually during the ISO 50001 certification audit of the energy management system.

The reporting scope covers all Group sites equipped with sensors. The following are excluded from the scope: (i) energy consumption of head offices and sites not containing datacenters, (ii) energy consumption of datacenters not equipped with sensors. For the 2022 financial year, the PUE measure covers 59% of energy consumption. This coverage rate is lower than the 2021 financial year, which was based on an estimate, but the measurement has gained in precision and reliability because it reflects an actual measurement based on sensors. For the 2023 financial year, the continued deployment of sensors in the Group's datacenters should make it possible to cover around 80% of energy consumption.

Water Usage Effectiveness or WUE

Calculation of the indicator

The Water Usage Effectiveness or WUE measures the efficiency of water use: it is the ratio between the water consumption of cooling systems (in litres) and the electricity consumption in kWh of services. Water is used in the datacenters for the following purposes:

- Water losses related to the closed circuit cooling system;
- Water evaporation linked to the adiabatic cooling system;
- Sanitary uses of data centre offices.

This indicator, expressed in L/kWh IT, is measured per data centre using the following formula:

- *WUE = Annual data centre water consumption (L) / Annual consumption of electricity by servers (kWh)*

All of this data is then consolidated to obtain a WUE at Group level.

Note

- Temperature and climate conditions have a significant influence on the WUE result: more water is required to cool datacenters in hot and humid climates than in hot and dry climates, or cold and humid ones.

Production of the indicator

The WUE is calculated in an internal data aggregation platform which makes it possible to communicate an overall WUE covering all the datacenters.

The water consumption of the sites is calculated on the basis of the billing, to which is added the well water for the sites that have it. Where appropriate, for the purpose of standardising water consumption for which invoices would not be obtained at the end of the financial year in question, a factor is applied to extrapolate consumption over the period.

Review and update of the indicator

This indicator is updated annually.

The scope of reporting concerns all of the Group's sites, except for:

- Beauharnois (BHS, Canada), which accounts for approximately 15% of water consumption, where a water meter was installed in financial year 2022, allowing full measurement from financial year 2023;
- Paris, because there is no cooling process involving water consumption.

Carbon Usage Effectiveness or CUE

Calculation of the indicator

The Carbon Usage Effectiveness (CUE) measures the carbon intensity of datacenters. This is a ratio of the scopes 1 and 2 greenhouse gas emissions to the energy consumption of the sites containing the datacenters, weighted by the PUE. It is expressed in TCO_2e / MWh IT.

- *CUE = Datacenter energy consumption GHG emissions (T CO_2e) / Datacenter annual energy consumption (MWh) * PUE*

For the Group, the CUE is obtained using the following formula:

- *CUE = ∑(GHG emissions related to datacenter energy consumption (T CO2e)) / ∑(Annual datacenter energy consumption (MWh)) * PUE*

Production of the indicator

GHG emissions related to energy consumption are included in the annual carbon footprint, and take into account scope 1 and scope 2 for datacenters.

Annual datacenter electricity consumption is taken from Company accounting data.

Scope 1 greenhouse gas emissions are related to the consumption of generators and air conditioning and those in scope 2 are related to energy consumption and datacenter production. The emission factors are taken from the ADEME Carbon Base® and equivalent databases for Canada and the United States.

Review and update of the indicator

This indicator is updated annually and presented in the Group's environmental policy.

The scope of reporting concerns all of the Group's sites containing datacenters.

Renewable Energy Factor or REF

Calculation of the indicator

The REF – Renewable Energy Factor, measures the proportion of renewable energy consumed by datacenters compared to their total consumption.

This indicator is calculated as follows:

- *REF = Annual datacenter renewable energy consumption (kWh) / Annual datacenter energy consumption (kWh)*

The annual energy consumption of the datacenters is obtained from all electricity bills for the financial year in question.

The annual renewable energy consumption of the datacenters is obtained by the purchase of renewable energies (Corporate PPA), by the certificates of renewable origin (GoO) as well as by the electricity generated on the sites, during the financial year in question.

Production of the indicator

Annual energy and renewable energy consumption is compiled by the financial teams, then reviewed and analysed by the "Carbon" team which calculates the indicator.

Review and update of the indicator

This indicator is updated annually and shared in the Group's environmental policy.

Reused components ratio

Calculation of the indicator

The reused components ratio represents the proportion of non-new, reconditioned components used by the Group for its server production. The indicator relates to the servers connected during the financial year in question (in use, available, to be connected, to be repaired) and is calculated by dividing the number of refurbished components present in the servers by the total number of components. It is expressed as a %: a rate of 20% means that at least twenty out of one hundred of the components used to manufacture servers are second-life components.

- *Reused components ratio = ∑(Second-life components used) / ∑(Components used)*

Production of the indicator

As the servers are assembled in the production centres of Croix (Nord, France) and Beauharnois (Quebec, Canada), the Group has control over the assembly stages and its inventory. In particular, refurbished components available on the market are recognised.

The components concerned are as follows: motherboard, drives (HDD/SSD), memory, CPU, power supply.

The vast majority of reconditioned components come from OVHcloud's internal production department. A residual share of less than 5% is purchased on the market for reconditioned components.

Review and update of the indicator

The scope concerned for the financial year concerns the Group's two production sites: Croix (Nord, France) and Beauharnois (Canada).

3.5.4 Methodological note for business conduct indicators

Success rate of cyber attack simulations campaigns

Calculation and production of the indicator

OVHcloud constantly raises its employees' awareness of the risk of IT attacks, in particular by carrying out simulated cyber attack campaigns (phishing campaigns). In addition to the Group's headcount, these campaigns target any person with a company email address and include interns and service providers.

Three indicators are calculated: share of employees tested, share of employees who reported phishing, and share of employees for whom phishing was performed. The calculation is fully automated.

Review and update of the indicator

The data is available in real time, and the calculation is carried out over the financial year.

3.5.5 Methodological note for social and societal indicators

Loyalty rate:

Calculation of the indicator

The indicator measures the percentage of employees still present in the Group one year after their arrival.

Only permanent contracts and permanent professionalisation contracts are included in the calculation of the indicator.

Engagement score:

Calculation and production of the indicator

The indicator is calculated from the results of an internal survey conducted *via* a survey software (Peakon). Service providers, temporary workers and interns are excluded from the measure.

Employee training rate:

Calculation of the indicator

The indicator is calculated by dividing the number of employees trained in a financial year by the number of employees at the end of the period.

E-learning training courses are excluded from the calculation because they are recorded on independent platforms which, to date, do not communicate with the Learning Management System (training monitoring information system). A new training tool will be rolled out in financial year 2023, directly integrating the e-learning training modules offered by the Group's training centre.

The training courses included in the induction week for new employees are not recognised to date.

An employee whose training spans two periods will be counted as a person trained for each of those periods.

The scope concerned for the financial year concerns OVH Groupe, including the US from 2022.

% of women in management

Calculation of the indicator

The proportion of women in management is calculated by comparing the number of women managers to the total number of employees holding managerial positions in the Group at the end of the period.

For this calculation, all employees are taken into account, regardless of the contract, country, activity rate, as well as interns, apprenticeship and professionalisation contracts. Temporary workers and service providers are excluded.

Note

- A manager is a person in charge of a team (with a hierarchical relationship).

% of women in top management (Executive Committee)

Calculation of the indicator

The proportion of women in top management is calculated by dividing the number of women members of the Executive Committee by the total number of members of the Executive Committee, at the end of the financial year.

Frequency rate (with lost time) FR1

Calculation of the indicator

The frequency rate FR1 is calculated by dividing the number of work-related accidents with lost time by the number of hours worked, multiplied by 1,000,000.

Theoretical hours are calculated taking into account the hours of the following profiles:

- OVH permanent/fixed-term employee;
- Temporary employees;
- Paid interns.

Does not include external service providers, unpaid interns

The theoretical hourly time is calculated using the following method:

Theoretical hour = Legal working time (contractual) - absences (holidays - illnesses - work-related accidents).*

Note

- absences for training, travel and on-call duty are not considered as absences, but as working time.

Frequency rate (with or without lost time) FR2

Production of the indicator

Work-related accidents are reported by site managers or Hygiene, Health and Environment managers *via* a dedicated internal application.

Hours worked are theoretical hours. They are communicated monthly by the sites or calculated directly to the head office based on the monthly headcount and employment contracts.

Calculation of the indicator

The frequency rate FR2 is calculated by dividing the total number of work-related accidents (with or without lost time) by the number of hours worked, multiplied by 1,000,000.

Theoretical hours are calculated taking into account the hours of the following profiles:

- OVH permanent/fixed-term employee;
- Temporary employees;
- Paid interns.

Does not include external service providers, unpaid interns

The theoretical hourly time is calculated using the following method:

- *Theoretical hour = Legal working time (contractual) - absences* (holidays - illnesses - work-related accidents).*

Note

- Absences for training, travel and on-call duty are not considered as absences, but as working time.

Production of the indicator

Work-related accidents are reported by site managers or Hygiene, Health and Environment managers *via* a dedicated internal application.

Hours worked are theoretical hours. They are communicated monthly by the sites or calculated directly to the head office based on the monthly headcount and employment contracts.

3.6 REPORT BY ONE OF THE STATUTORY AUDITORS, APPOINTED AS INDEPENDENT THIRD PARTY, ON THE CONSOLIDATED STATEMENT OF NON-FINANCIAL PERFORMANCE

For the period ended 31 August 2022

To the Annual General Meeting,

In our capacity as statutory auditor of your company (hereinafter "entity"), designated as an independent third party or OTI ("third party"), accredited by COFRAC under number 3-1884 (1), we carried out work aimed at formulating a reasoned opinion expressing a conclusion of moderate assurance on the historical information (recorded or extrapolated) of the consolidated Statement of Non-Financial Performance, prepared in accordance with the entity's procedures (hereinafter the "Guidelines"), for the financial year ended 31 August 2022 (hereinafter the "Information" and the "Statement" respectively), presented in the Group's management report pursuant to the provisions of Articles L. 225-102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code.

Conclusion

Based on the procedures we have implemented, as described in the "*Nature and scope of our work*" section, and the information we have collected, we have not identified any material misstatements that would call into question the fact that the Statement complies with the applicable regulatory provisions and that the Information, taken as a whole, is presented fairly in accordance with the Guidelines.

Comments

Without calling into question the conclusion expressed above and in accordance with the provisions of Article A. 225-3 of the French Commercial Code, we make the following comment:

- As specified in the methodological note, the Power Usage Effectiveness indicator is calculated according to a new, more precise calculation method, using real data thanks to the installation of measurement sensors. The scope covered by the sensors and therefore the indicator for this exercise represents 59% of total energy consumption. The continued deployment over the next few years will make it possible to increase the scope of coverage of the indicator.

Preparation of the Statement of Non-Financial Performance

The absence of a generally accepted and commonly used reference framework or established practices on which to evaluate and measure the Information allows the use of different but acceptable measurement techniques that may affect comparability between entities and over time.

Consequently, the Information must be read and understood with reference to the Guidelines, the significant elements of which are presented in the Statement and available on request at the entity's head office.

Limitations inherent in the preparation of the Information

The Information may be subject to inherent uncertainty in the state of scientific or economic knowledge and in the quality of the external data used. Certain information is sensitive to the methodological choices, assumptions and/or estimates used to prepare it and presented in the Statement.

1) Cofrac Validation and Verification Accreditation, No. 3-1884, available on the website www.cofrac.fr.

Responsibility of the entity

Management is responsible for:

- selecting or establishing appropriate criteria for the preparation of the Information;
- preparing a Statement in accordance with legal and regulatory provisions, including a presentation of the business model, a description of the main non-financial risks, a presentation of the policies applied with regard to these risks and the results of these policies, including key indicators performance and the information provided for in Article 8 of Regulation (EU) 2020/852 (Green Taxonomy);
- preparing the Statement by applying the entity's Guidelines as mentioned above; as well as
- implementing the internal control procedures that it deems necessary to prepare the information that is free from material misstatement, whether due to fraud or error.

The Statement was prepared by the Board of Directors.

Responsibility of the Statutory Auditors appointed as independent third party

On the basis of our work, our responsibility is to provide a report expressing a limited assurance conclusion on:

- the compliance of the Statement with the requirements of Article R. 225-105 of the French Commercial Code;
- the fairness of the information provided in accordance with Article R. 225-105 I, 3° and II of the French Commercial Code, *i.e.*, the outcomes, including key performance indicators, and the measures implemented considering the principal risks.

As we are responsible for making an independent conclusion on the Information as prepared by management, we are not authorised to be involved in the preparation of such Information as this could compromise our independence.

It is not our responsibility to comment on:

- the entity's compliance with other applicable legal and regulatory provisions (in particular in terms of information provided for by Article 8 of Regulation (EU) 2020/852 (Green Taxonomy) and the fight against corruption and tax evasion);
- the fairness of the information required by Article 8 of Regulation (EU) 2020/852 (Green Taxonomy);
- compliance of products and services with applicable regulations.

Regulatory provisions and applicable professional doctrine

Our work described below was carried out in accordance with the provisions of Articles A. 225 1 *et seq.* of the French Commercial Code, the professional doctrine of the Compagnie Nationale des Commissaires aux Comptes, in particular the technical opinion of the Compagnie Nationale des Commissaires aux Comptes, *Intervention of the statutory auditors, intervention of the OTI – Statement of Non-Financial Performance*, supplemented where applicable by our own procedures [1], in lieu of a verification programme, and the international standard ISAE 3000 [2].

Independence and quality control

Our independence is defined by the requirements of Article L. 822-11-3 of the French Commercial Code and the French Code of Ethics (*Code de déontologie*) of our profession. In addition, we have set up a quality control system that includes documented policies and procedures to ensure compliance with applicable laws and regulations, ethical rules and the professional doctrine of the Compagnie nationale des commissaires aux comptes (French National Association of Statutory Auditors) applicable to this intervention.

Means and resources

Our work was carried out by a team of six people between September and November 2022 and took a total of four weeks.

We were assisted in our work by our specialists in sustainable development and corporate social responsibility. We conducted a dozen interviews with the people responsible for preparing the Statement.

1) Procedures of the KPMG France ESG Centre of Excellence for the verification of Statement of Non-Financial Performance as an OTI.

2) ISAE 3000 (amended) – international standard on assurance engagements other than audits or reviews of historical financial information.

Nature and scope of our work

We planned and carried out our work taking into account the risk of material misstatement of the Information.

We believe that the procedures we have conducted, exercising our professional judgment, enable us to formulate a conclusion of moderate assurance:

- We took note of the entity's business and the description of the main risks;
- We assessed the suitability of the criteria of the Guidelines with respect to their relevance, completeness, reliability, neutrality and understandability, with due consideration of industry best practices, where appropriate;
- We verified that the Statement covers each category of information provided for in III of Article L. 225-102-1 in terms of social and environmental matters as well as respect for human rights and the fight against corruption and tax evasion;
- We verified that the Statement provides the information required under Article R. 225-105, II of the French Commercial Code, where relevant with respect to the principal risks, and includes, where applicable, an explanation for the absence of the information required under Article L. 225-102-1 III, paragraph 2 of the French Commercial Code;
- We verified that the Statement presents the business model and a description of principal risks associated with all the consolidated entities' activities, including where relevant and proportionate, the risks associated with their business relationships, their products or services, as well as their policies, measures and the outcomes thereof, including key performance indicators associated to the principal risks;
- We referred to documentary sources and conducted interviews to:
  - assess the process used to identify and confirm the principal risks as well as the consistency of the outcomes, including the key performance indicators used, with respect to the principal risks and the policies presented,
  - corroborate the qualitative information (measures and outcomes) that we considered to be the most important (1). Our work was carried out at the head office of the consolidating entity;
- We verified that the Statement covers the scope of consolidation, *i.e.* all the entities within the scope of consolidation in accordance with Article L. 233-16 of the French Commercial Code within the limitations set out in the Statement;
- We obtained an understanding of internal control and risk management procedures the entity has put in place and assessed the data collection process to ensure the completeness and fairness of the Information;
- For the key performance indicators and other quantitative outcomes that we considered to be the most important (2), we implemented:
  - analytical procedures to verify the proper consolidation of the data collected and the consistency of any changes in those data,
  - detailed tests on the basis of sampling or other means of selection, consisting of verifying the correct application of definitions and procedures and reconciling the data with the supporting documents. This work was carried out at the head office of the entity and covers 100% of the consolidated data selected for these tests;
- We assessed the overall consistency of the Statement in relation to our knowledge of the entity.

The procedures implemented as part of a moderate assurance engagement are less extensive than those required for a reasonable assurance engagement performed in accordance with the professional doctrine of the Compagnie Nationale des Commissaires aux Comptes; a higher level of assurance would have required more extensive verification work.

Paris-La Défense, December 16th, 2022

KPMG S.A.

Anne Garans
Partner
ESG Centre of Excellence

Jacques Pierre
Partner

1) *Partnership actions to reduce the environmental impact, Anti-corruption systems, Whistleblowing procedure and reporting platform, Strategic governance and CSR, Data protection governance, Signature rate for the supplier code of conduct.*

2) *Power Usage Effectiveness, Water Usage Effectiveness, Carbon Usage Effectiveness, Renewable Energy Factor, Reused component ratio, Success rate of cyber attack simulations campaigns, Employee training rate, Loyalty rate, Employee engagement score, Percentage of women in management, Percentage of women in top management (Executive Committee), Frequency rate (with lost time) FR1, Frequency rate (with and without lost time) FR2.*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