## What does net zero carbon emissions mean?

Carbon neutrality—an overall balance between the emissions produced and eliminated from the atmosphere—can only be considered on a global scale. Orange aims to achieve "net zero carbon emissions" by 2040 in line with the Paris Agreement scenario of limiting global warming to 1.5°C above pre-industrial levels. What does this involve in concrete terms?

## Keeping our emissions down

Achieving net zero carbon emissions primarily involves keeping greenhouse gas (GHG) emissions down to a minimum. The first step is to reduce scope 1 emissions, direct GHG emissions associated with fuel consumption in buildings and vehicles. The second is to reduce scope 2 emissions, indirect GHG emissions associated with purchasing electricity for networks and buildings. Orange has already initiated plans to increase our supply of electricity generated from renewable sources, including wind, solar and hydro power. Addressing scope 3 emissions is important even if they extend beyond a company's direct control and the methodologies involved are not yet fully mature. This scope covers all upstream emissions associated with suppliers, employee commuting and business travel and downstream emissions associated with customer use. Scope 3 emissions can be reduced by optimizing the purchase of raw materials, products and services, limiting business travel and employee commuting, applying eco-design principles to products and services and managing waste more efficiently.

## Offsetting our residual emissions

Some of the greenhouse gases released by activities in various sectors cannot be avoided. As part of a net zero carbon approach, only these residual emissions must be offset by natural carbon sinks (such as forests, bogs and mangroves) or artificial sequestration processes. Companies can create their own carbon sinks or fund those developed by others. The concept of "net zero carbon emissions" is therefore different from "carbon neutrality", a balancing act that relies on offsetting options such as the purchase of carbon credits, which does not meet the standards of additionality for climate change mitigation. Additionality is a determination of whether CO<sub>2</sub> sequestration projects have made a genuine reduction in emissions above and beyond what would have happened anyway. A project is only "additional" if it brings about changes in practices and behavior, new technologies or any other action to accelerate the transition to the low-carbon future.

