A business model focused on creating and sharing value

Our purpose, guiding us in everything we do

“As a trusted partner, Orange gives everyone the keys to a responsible digital world.” Such is our purpose, which was integrated into the company’s bylaws in 2020. It resonates particularly strongly in the telecommunications industry as it puts people before technology. Everything we do is framed by this purpose, which illustrates how we take account of the social and environmental priorities we share with our stakeholders. Our purpose feeds into the four ambitions of the Engage 2025 strategic plan and our commitment to promote digital equality and protect the planet. This drive and determination were plain to see in our efforts to maintain network availability and service continuity for our customers in France and around the world throughout the Covid-19 pandemic.

Our business model

Our infrastructure provides enhanced connectivity for our retail, business and wholesale customers. Indeed, we’re offering faster speeds by rolling out fiber-optic broadband and 5G while also developing new home offers (content, at-home services and remote surveillance). Alongside Orange Business Services, our unique expertise as both a network operator and digital services integrator means we combine the full range of skills required to support businesses all along the digital value chain, with on-demand networks (software-defined networking and network functions virtualization), multi-cloud services, data analysis, artificial intelligence, smart mobility services and cybersecurity. Orange Cyberdefense represents the Group’s frontline force to anticipate cyber threats, develop preventive measures and take action. Through Orange Money and Orange Bank, we design mobile financial services that are innovative, secure and well-suited to people’s needs and uses in each of our operating countries. At the same time, we optimize and capitalize on our infrastructure by setting up Fiber Companies (FiberCos) in association with long-term investors in Europe to share future fiber roll-outs, and by putting in place network sharing agreements and Tower Companies (TowerCos) to manage tower sites, facilitating new mobile network management.

Helping to create value for everyone

The following pages present the ways in which Orange is able to harness its assets to create value for its stakeholders. Our greatest strength comes from our employees. Their unwavering commitment means we can continue to provide essential services whatever the circumstances. One of the defining changes that occurred in 2020 was the exponential increase of traffic on our networks—a 29% surge in IP traffic—to support the widespread implementation of remote working. Furthermore, Orange bolstered its open innovation strategy by creating Orange Ventures, which has a budget of €350 million to support start-ups through every stage of their development. Our financial solidity, unaffected by the crisis, enabled us to maintain the trust of our lenders, investors and shareholders. Our suppliers and partners are the first to benefit from what we do, which is why we carefully choose who we work with on the basis of strict environmental, social and governance criteria. We collaborate with them in a responsible and ethical manner, for example by processing payments faster during the pandemic in an effort to support them. Reducing digital inequality in terms of both access and usage remains one of our top priorities, as is minimizing our carbon footprint. On average, our 4G network covers nearly 99% of the population in our eight operating countries in Europe and is expanding in our 17 countries in the Middle East and Africa. Meanwhile, we reduced our CO₂ emissions by 2.3% between 2019 and 2020.

2020 Integrated Annual Report
Orange, a responsible group

Value created

Our assets

People
- 142,000 employees across the world
- 31.1% of women in management networks
- 17.7 hours of training per Group employee

A major and responsible employer

Industrial and commercial assets
- A mobile network of 40,000 towers in Europe and 450,000 km of submarine cable owned or co-owned
- Networks structured to satisfy growing demand: 29% surge in IP traffic, 61% increase in voice data traffic in B2B and 50% more mobile data traffic than in 2019.
- A powerful brand: ranked #6 in the BrandZ Top 100 most valuable global brands

Providing an essential service and leading the field

Intellectual assets
- €643 million invested in Research & Innovation
- Operator with the most patents filed in Europe, developing 225 patent-protected inventions in 2020
- An approach to innovation reinforced by the creation of Orange Ventures, with €350 million of assets under management to support the development of start-ups

Responsible and open innovation

Financial assets
- Significant equity of €37 billion
- Satisfactory debt ratio: net debt/EBITDAaL of telecoms activities = 1.83x
- A stable and long-term shareholder base: 23% public sector, 6.14% financial investors

Solid financial performance

Our ecosystem

Suppliers and partners
- 94.5% of contracts signed include a CSR clause
- 610 action plans carried out following the CSR audits conducted under the Joint Audit Cooperation (JAC)

Responsible supplier relations and procurement label in France, which integrates ISO 20400 guidelines

Regions
- 26 countries for consumer services and a global presence with Orange Business Services
- 5,088 stores across the world and 900,000 resellers in Africa
- Creation of Orange Concessions in order to continue deploying fiber in rural areas of France (January 2021)

A major driver of regional development

Society
- 16 countries offering affordable smartphones with internet access
- Network of 17 Orange Fabs, 131 Solidarity FabLabs and 3 Orange Digital Centers, Orange Foundation present in 27 countries

A commitment to digital equality

Environment
- Energy consumption (Scopes 1 & 2): 5.5 TWh
- 1.27 million metric tons of CO2 generated (Scopes 1 & 2)
- 31% of electricity from renewable sources (Scope 2)

Toward net zero carbon and a circular economy

Value creation

Customers
- €42.3 billion
- Revenues

Suppliers and partners
- €19.1 billion
- External purchases and leases

Employees
- €8.5 billion
- Wages and employee benefits

Regions
- €4.7 billion
- Network investments

Public sector*
- €3.7 billion
- Licenses and taxes

Shareholders
- €1.8 billion
- Dividends paid

Lenders and financial investors
- €1.4 billion
- Finance costs

2020 data
See the methodology note in the 2020 Universal Registration Document for calculation methods and definitions.
* During the pandemic, Orange SA and most of its subsidiaries in France and the rest of the world did not use any state-funded wage support schemes.
** For more information, see pages 136-137.