

2018 – 2020

Scaleway Impact Report

 Scaleway



port

Powering Our Current and Future Digital World

The internet serves as the central nervous system of the modern economy, and shaping Europe's digital future relies on the cloud providing computing power that is flexible, cost effective, reliable, secure, sovereign and sustainable. Not surprisingly, it takes a tremendous amount of energy to manufacture, power and support our devices, data centers, and infrastructures.

While internet traffic has increased twelvefold since 2010, the International Energy Agency notes that the power consumption of data centers has remained stable: 200 TWh in 2019, or 0.8% of world consumption, which is explained by a general gain in network efficiency and a movement from hosting to the cloud and renewable energies.

The cloud computing revolution is certainly part of the environmental equation because once widespread, it can reduce greenhouse gas emissions from the IT industry by 95%, or 4.5 million tonnes of CO2 emissions (Global e-Sustainability Initiative 2013).

Our commitment to sustainability stems from a profound belief that the only way forward is to build new systems for a better future. At Scaleway, we had to choose between two paths - one that could potentially lock our digital infrastructure into long-term dependence on coal and natural gas, or a longer one to transition to renewables, toward a brighter and more sustainable future.

Global digital transformation offers tremendous opportunities to be smarter about how we use energy, enabling us to better measure and manage our energy consumption.

It is within our individual and corporate responsibility to make sure that we build and power our quickly growing global digital infrastructure in a smarter, more responsible and renewably powered way in order to fight climate change.

We believe we have a critical role to play in catalyzing a transformative change in the consumption and production of energy and how we use it.

Our efforts as a regional and global citizen deliver meaningful and measurable progress that positively impact our customers, partners, investors and people. We have a responsibility to them to act ethically and with respect for our modern society and the environment. We aim to implement a list of actions across the whole chain, from eco-friendly and environmental challenges, transparency and trust, to equality, parity, inclusivity and ethics.

In order to establish these actions and to assess them with data, we tasked AdVaes with identifying the key areas of our activities which have a high impact for the UN's Sustainable Development Goals (SDGs)¹, and to summarize them in this impact report to be more transparent with our stakeholders by highlighting objective data and actions which can also have an impact on their own activities.

Some examples of progress we have made over the last few years include:

- Launching rDCE, as a new metric to measure the impact of our data centers as a cloud operator*
- Making our real-time data center dashboards available at all times on our website*
- Advocating for reducing water consumption in data centers and banning water cooling towers in Europe*
- Continuing to add new layers of transparency and call for the industry to follow suit; for that we partnered with Sustainable Digital Infrastructure Alliance (SDIA) to support the launch of their Open Data Hub*
- Taking ambitious climate action for a 1.5°C future, following Science Based Targets*
- Applying our values to our whole supply chain, and actively building trust with our partners and suppliers*
- Engaging in open discussion and co-creating a supportive company culture, thus demonstrating that the well-being and integrity of our Scalers (of over 22 nationalities!) is highly important to us*

Yann Lechelle,
CEO,
Scaleway, the cloud that makes sense.



¹ Neshovski, R. (2018). United Nations Sustainable Development. [online] United Nations Sustainable Development. Available at: <https://sdgs.un.org/goals>.

Scope of This Report

The information and data in this report cover Scaleway's global sustainability, corporate responsibility and philanthropic performance for 2018-2020. This report includes information about our management processes and performance across our whole value chain. This report has been prepared in accordance with ISO 50001:2018 - Energy management systems. We are committed to providing data and information in the most reliable, comprehensible and transparent way. What effect do our activities have on our society, environment, people, partners, suppliers and shareholders? We set out to answer these questions in this report.

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Corporate Social Responsibility at Scaleway

At Scaleway, we have chosen to actively work toward selected SDGs in order to lead the way in making our sector more environmentally responsible. We fight for transparency, with the hope to inspire other Cloud Services Providers to join the conversation, and work to both acknowledge and reduce their environmental impact.

6 CLEAN WATER AND SANITATION



- Controlled and low water consumption (among the best in the sector)

7 AFFORDABLE AND CLEAN ENERGY



- Renewable or low carbon energy supply

8 DECENT WORK AND ECONOMIC GROWTH



- Making responsible purchases: supporting actions against child labor, respecting workers' rights, etc.
- Supporting providers in difficulty as well as entrepreneurship (Startup Programs)

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



- Infrastructure performance
- Lean design and assembly
- Product design standardization
- Unifying offers

12 RESPONSIBLE CONSUMPTION AND PRODUCTION



- Extending the life cycle of our equipment
- Optimizing performance and density
- Recycling and refurbishing our hardware
- Reducing waste and toxic products
- Reducing the volume of packaging

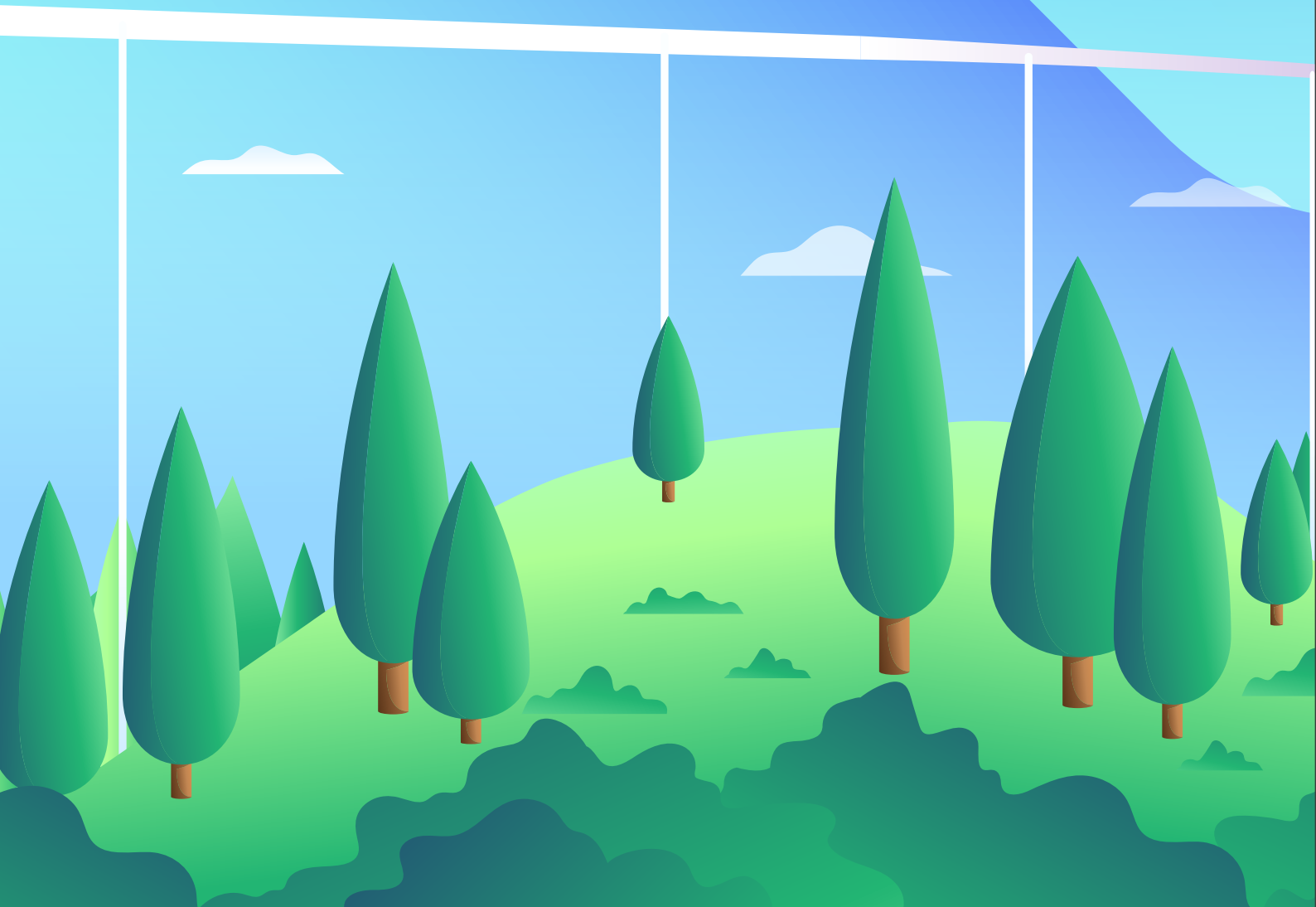
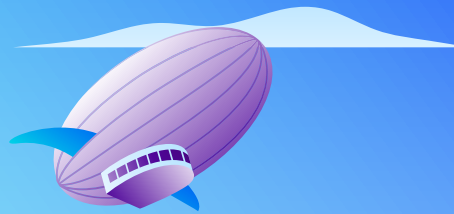
13 CLIMATE ACTION

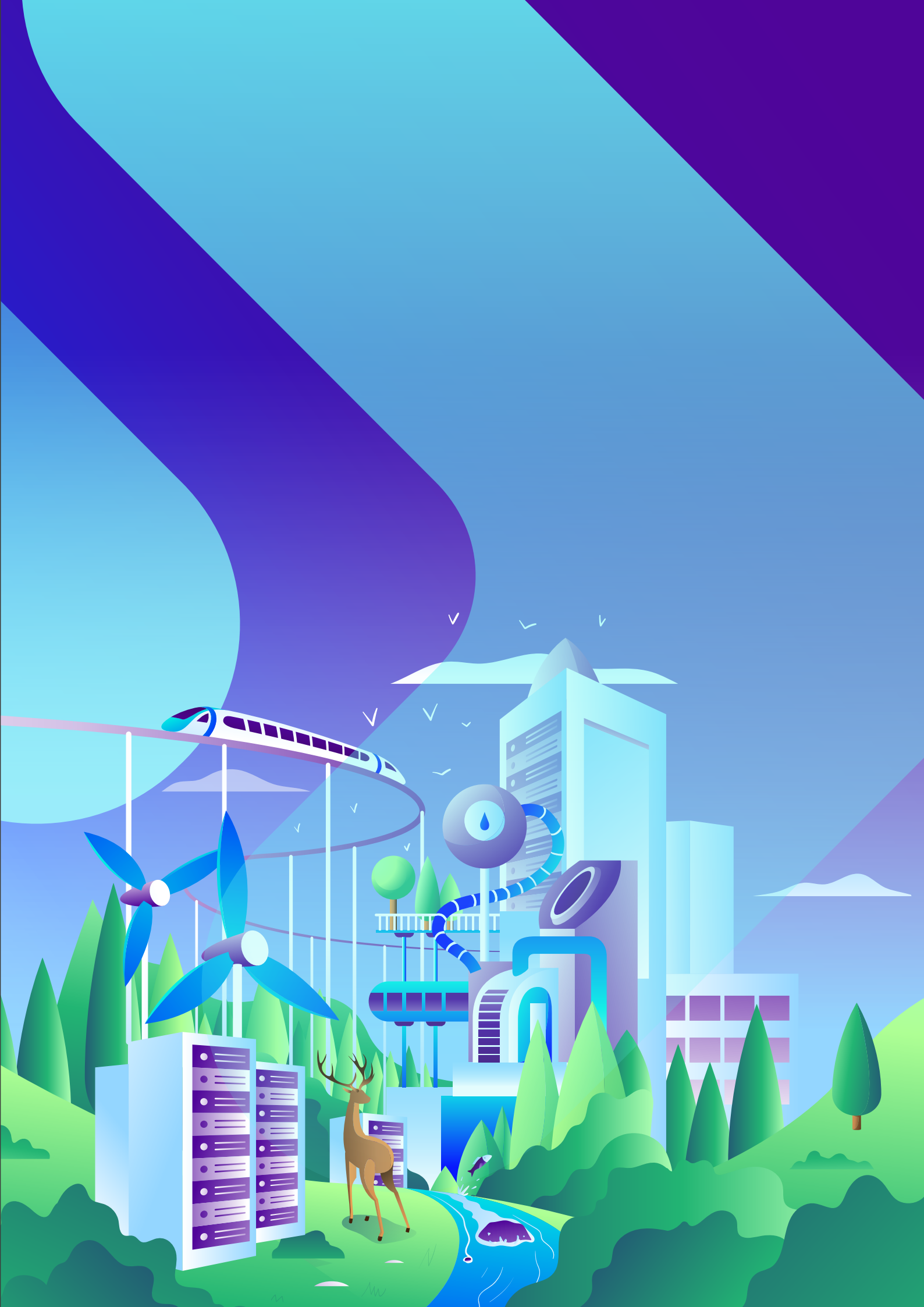


- Energy effectiveness and energy mix of data centers
- Efficiency of cooling systems
- Continuous improvement of the logistics chain
- Reducing high carbon emissions transport

Environmental Sustainability

Overview of 2018–2020
Key Actions





Editorial

At Scaleway, our actions are, and always will be based on data, and the impact that we can have in designing systems for a better future. That's why I'm openly calling for a ban on water cooling towers in the data center industry, and more transparency from industry players.

Although positive, the actions taken by the digital sector as a whole remain insufficient. According to the IPCC's latest report, "emissions reductions by energy and process efficiency by themselves are insufficient for limiting warming to 1.5°C with no or limited overshoot". The actions of our sector have a long way to go to integrate the whole lifecycle and value chain of digital uses, as well as all stakeholders involved.

Global warming is forcing us to question the techniques ordinarily used to cool data centers, as they are responsible for a significant part of the digital economy's energy consumption. However, cutting their water usage is still a taboo despite them consuming significant amounts — a single data center can use millions of cubic meters of water, and it is more often than not stored in cooling towers, a process that is characterized by considerable environmental and health risks.

Also, according to the only GHG emissions registry, the global digital sector is responsible for 3-5% of emissions, 20-25% of which are linked to data center activities². In 2019, the IEA calculated that the global electricity demand from data centers and data transmission networks each represents 1% of worldwide electricity use³.

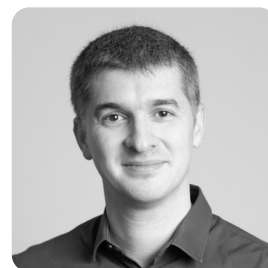
Improving the impact of our sector and bringing innovation back to the forefront of data centers has never been more urgent. But let's not forget there's no such thing as "pure" innovation! Even our adiabatic process is based on what the Ancient Egyptians used and massively reduces our water and energy consumption.

At Scaleway, we are pushing the data center market toward a more sustainable, transparent and sensible approach, and we are leading the new standards worldwide in data center water usage.

I'd like to invite you to now read on in order to find out more about the measurable progress we have made at Scaleway, as well as our ambitious plans for the future, and the impact that we hope to have on the environmental responsibility of our sector.

The first chapter of Scaleway's 2018-2020 Impact Report is dedicated to environmental and eco-responsible actions. It has been independently written by AdVaes as a neutral party, upon request by Scaleway.

Arnaud de Bermingham,
Founder and President,
Scaleway, the cloud that makes sense.



¹ IPCC (2018). Global Warming of 1.5 oC. [online] [ipcc.ch](https://www.ipcc.ch/sr15/). Available at: <https://www.ipcc.ch/sr15/>.

² IEA. (n.d.). Data Centres and Data Transmission Networks – Analysis. [online] Available at: <https://www.iea.org/reports/data-centres-and-data-transmission-networks>.

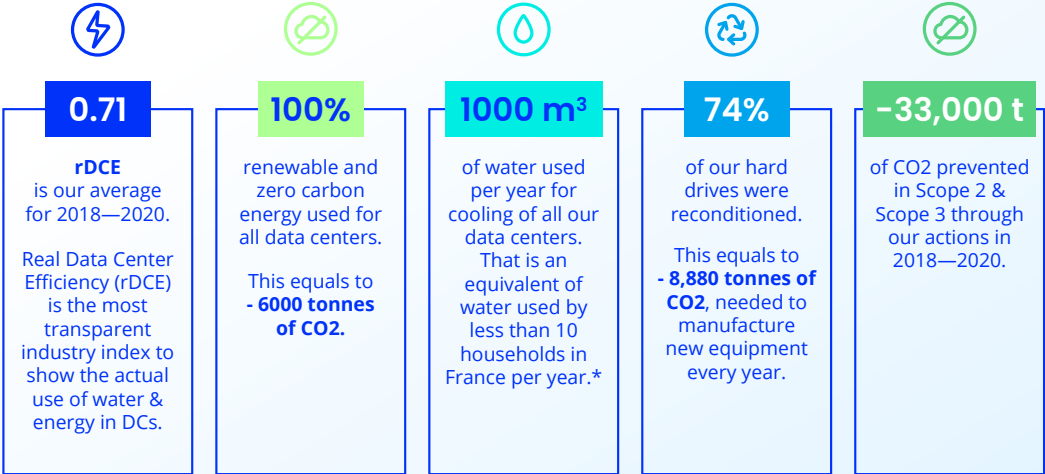
³ Ibid.



Designing New Systems for a Better Future

We are ambitious — we continuously improve the energy and water effectiveness and quality of our data center activities. We believe our efforts have paid off, as we are pushing the data center market toward a more sustainable and sensible approach.

Ⓞ Actions taken by Scaleway between 2018—2020 having major impact



*Le Centre D'Information Sur L'eau [online] Available at: <https://www.cieau.com/le-me-tier-de-leau/ressource-en-eau-eau-potable-eaux-usees/quels-sont-les-usages-domestiques-de-leau/>

Source: Scaleway

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9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



- Infrastructure performance
- Lean design and assembly
- Product design standardization
- Unifying offers

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- Reducing the volume of packaging

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- Reducing high carbon emissions transport

Environmentally Responsible Data Centers

Data Center Efficiency and Energy Mix



Europe needs to take the energy consumption of data centers more seriously. *"One data center can consume the same amount of energy as 370,000 households. That's a lot of energy."*⁴

With the rise in digital uses, the number of data centers that we will require to support our new infrastructures will only increase. It is our aim, at Scaleway, to lead the way in reducing the impact that our data centers have on our environment and daily lives in terms of energy, water consumption and carbon emissions.

We do this via a **unique, patented, adiabatic cooling system** which not only uses less power, but is also based on more efficient configurations – for instance using Hexacore design, low-energy lighting

systems (LED) and optimizing the power density of our cabinets to maximize the efficiency of power distribution within the building. Power distribution optimization permits us to augment the power density per square meter without a linear increase in cooling costs. This also allows us to stack more power efficient servers in a single rack, leading to a decrease in costs, and in the quantity of supporting hardware required such as switches.

We have developed the most **cost-effective** balance in terms of electrical consumption, cooling and productivity for the whole chain, including building operations, adapted for all types of hardware within racks ranging up to 22kW.

How else can data centers follow our lead to improve their energy consumption?

- By systematically **switching off servers** when they are not being used — we interrupt any non-rented servers in production until services are activated
- By developing **management and infrastructure monitoring programs** internally. At Scaleway this is how we avoid unnecessary consumption
- By ensuring that renewable energy comes **with origin guarantee certificates**. We have a compensation agreement with Alpiq, a Swiss hydraulic energy provider, and agreements with Enedis as well as a provider from Norway⁵
- By stopping some unspeakable practices — the waste of millions of cubic metres of water in cooling towers to cool data centers, a process that is characterized by considerable environmental and health risk. Nearly banned in France, this practice persists in some European countries and needs to be globally regulated. It's time to take tangible steps towards change and ban them in Europe⁶

@ Impact

Improving our environmental footprint — we are committed to going further:

- By actively working on implementing PPAs (Power Purchase Agreements), our goal is to source 20% of power from PPAs in 2035
- By setting an ambitious PUE (Power Usage Effectiveness) goal of <1.15 for all new data centers built after 2018, and 1.3 for all previously constructed data centers, achieved through continued improvement to cooling systems (e.g. free & natural cooling, natural cooling using outside air) and the modernization of primary infrastructure through the use of high energy efficiency equipment
- By going beyond the PUE indicator and integrate water usage and efficiency into the equation
- By letting our energy purchasing decisions be guided by renewable and low carbon energy principles. We prioritize certified local and European energy sources (where possible). We advocate for favorable renewable energy policies and take renewable energy availability into consideration when choosing the locations of new data centers
- By actively working on our environmental policies and committing to banning all products which have a harmful impact on the ozone layer, create greenhouse gases and are toxic, as well as the use of Chlorodifluoromethane

⁵ lafibre.info. (n.d.). Scaleway innove pour le refroidissement de DC5. [online] Available at: <https://lafibre.info/scaleway/online-dc5/>.

⁶ Scaleway Blog. (2020). Changing data center efficiency practices — the heat is on! [online] Available at: <https://blog.scaleway.com/changing-data-center-efficiency-practices-the-heat-is-on/>.



Data Center	Certifications	PUE	WUE	Energy Source	Renewable	Cooling System
DC2 PAR1 Paris	ISO27001 ISO50001 HDS 1 Code of conduct	1.55	0	100% Hydraulic	Carbon Neutral 100% renewable	Chilled water system
DC3 PAR1 Paris	ISO27001 ISO50001 HDS 1 Code of conduct	1.31	0	100% Hydraulic	Carbon Neutral 100% renewable	Indirect Freecooling with closed-loop high- temperature chilled water system
DC4 Paris	ISO27001 ISO50001 HDS 1 Code of conduct	1.50	0	100% Hydraulic	Carbon Neutral 100% renewable	EC (direct) with variable compressor (VRV)
DC5 PAR2 Paris	ISO27001 ISO50001 HDS 1 Code of conduct	1.15	< 0.2	100% Hydraulic	Carbon neutral 100% renewable	Direct Freecooling with adiabatic cooling
AMS1 Amsterdam	ISO27001 ISO50001 ISO14001 ISO9001 PCI-DSS SOC1 TYPE2	1.2	N-A	100% Hydraulic	Carbon Neutral 100% renewable	EC on closed- loop hot water system
WAW1 Warsaw	ISO9001 ISO27001 PCI-DSS	1.51	N-A	100% Wind	Carbon Neutral 100% renewable	Closed-loop chilled water system

“We show you our numbers, show us yours.”

At Scaleway, **we value transparency**, and PUE is not just a marketing term for us. We believe that other ways to calculate efficiency should not be called PUE. This is why we display our PUE (Power Usage Effectiveness), as defined by ISO/IEC 30134-2:2016, and backed by our ISO 50001:2018 certification, for our data centers publicly and in real time. Our PUE figures range from 1.15 to 1.55, all of which are under the global average for data centers — estimated at 1.59 by the Uptime Institute in 2020. We actively encourage all data centers to follow suit and display their PUE figures openly.

Measurements are taken every five minutes by certified Class 1 or Class 0.2C true-RMS meters as defined by Directive 2004/22/CE (Measuring Instruments Directive).

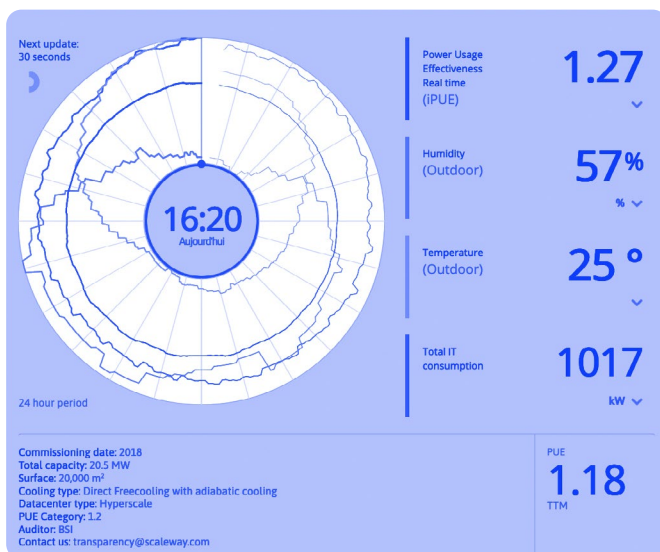
As defined by ISO/IEC 30134-2:2016:

- Our PUE is a category 1 PUE and calculated with the last 12 months' measurements
- Total energy power consumption (E-DC) is calculated on medium voltage from the national grid
- IT Load (E-IT) is calculated on UPS output
- Energy consumed by non-data center equipment (such as offices) is excluded
- Real-time values are calculated from the last five minutes' average measurements and must be considered as i-PUE for information purposes

Taking Transparency to the Next Level

At Scaleway, we are proud to lead the way in recognizing the impact we can play in mitigating climate change by **questioning the techniques used to run data centers**. Rather than only planting trees, we prefer to think outside of the box and innovate where it counts most, at the source.

We do this by lowering our actual resource consumption, and by providing **transparent information** at every step of the process. We commit to including all information regarding PUE and WUE in our real-time dashboards (pue.scaleway.com) and in our annual impact reports, and we want to bring this further and have a product-by-product, line-by-line, environmental footprint on all client invoices in 2021.



We openly communicate on the following metrics:

- The main features of our sites — surface area in square meters, total capacity (in MW), cooling system types, redundancy (N+1, 2N)
- The performance and consumption-related indicators — PUE, WUE, external humidity levels and temperature, IT room consumption (kW)

How else can data centers follow our lead and communicate transparently about their indicators?

- By using the same comparable metrics so that customers can make informed choices
- By communicating transparently on their data
- By calculating and communicating their rDCE (real Data Center Efficiency)

What is the rDCE metric?

It is unacceptable that today, in 2021, we still omit water consumption from the equation when calculating a data center's responsibility and efficiency. Thus, Scaleway's approach consists in combining the PUE and the WUE, to relate them to each other and to the actual use of each in data centers.

The rDCE is measured in megawatt hours (MWh), and is based on weighting the PUE and the WUE in relation to distributed uses and the average of both, not in relation to the most efficient datacenter, which would be too easy and misleading.

For the products used by our clients, we use the following formula: (average) consumption in kilowatt (kW) of the product used [x] PUE of the data center where the product is hosted [x] the energy mix of the same data center [x] the number of hours consumed by the client.

$$[rDCE = (ePUE + eWUE) \div 2]$$

[x] = multiplier factor

We are committed to publishing this metric for all data centers each year, with the goal of steadily lowering it through innovation and investment. **We invite all industry players to follow suit.**

Scaleway's rDCE



Source: Scaleway

Cooling Systems Efficiency

At Scaleway, we are calling for a ban on practices which consume high quantities of water and present health risks such as water cooling towers. Our natural resources are precious, and need to be used sustainably. There is a rising trend of international data center operators setting up operations in Europe, and we want to demonstrate that it is possible to run data centers in a transparent way which gives customers visibility of the way in which resources are used and protected.

Water is a resource that Scaleway never takes for granted, as one of the first data center operators to implement a WUE (Water Usage Effectiveness) measurement system, and to ban water cooling towers. **The WUE for three of our data centers (DC2, DC3 and DC4) is zero, and it is 0.15 for DC5** — well below the global minimal average — estimated at 1.8 by the US Department of Energy in 2016⁷. We also have a patented adiabatic cooling system developed internally (used at DC5), which offers maximum performance and consumes a minimal amount of water (about two milliliters of water are required to cool an IT room of 550 - 600 square meters)⁸.

How else can data centers follow our lead to improve their water consumption?

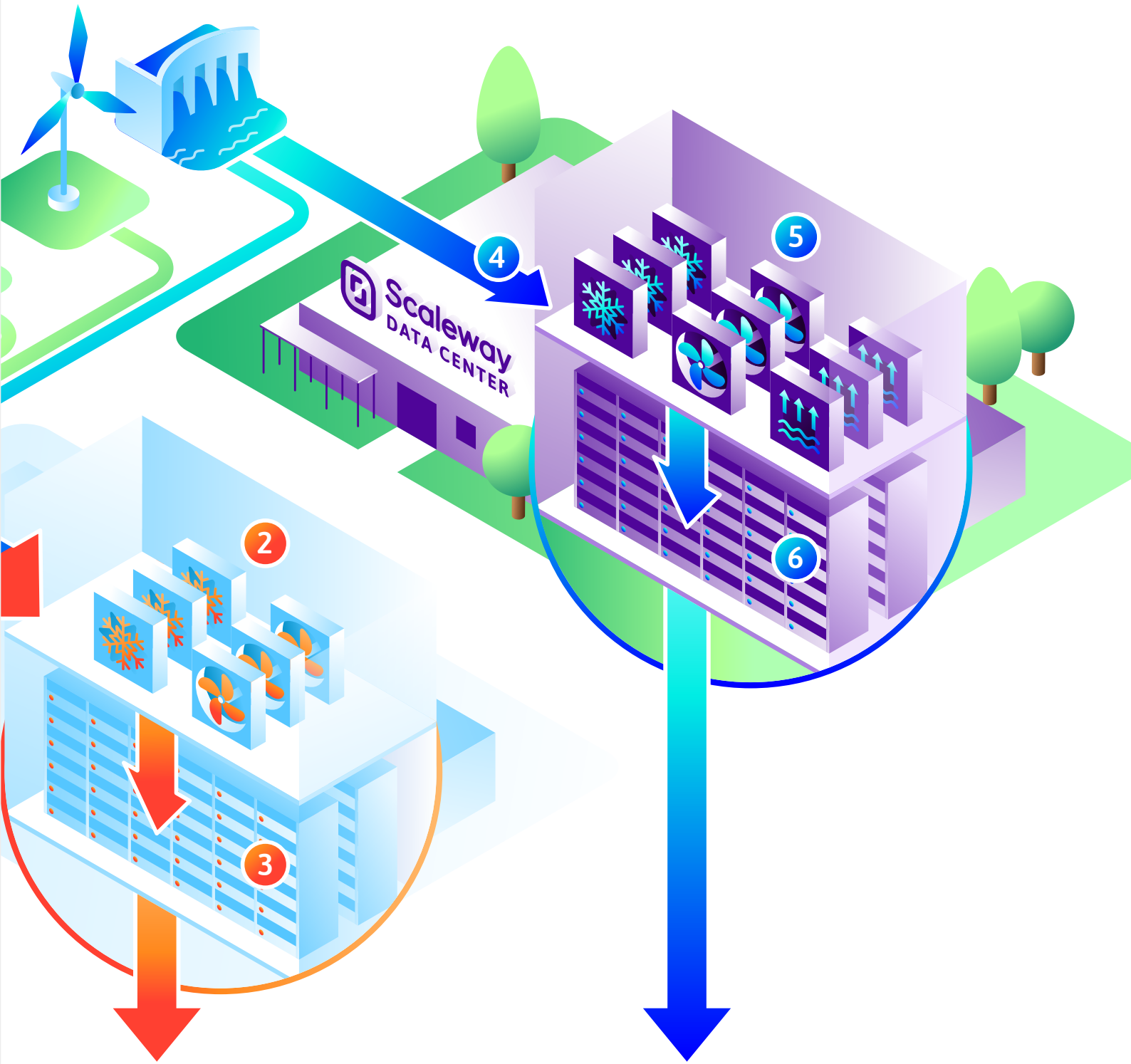
- **By favoring closed circuits** in data centers to reduce water loss. We have these systems in place for three of our own data centers (DC2, DC3, DC4), and with both of our industrial partners (in Amsterdam and Warsaw)
- **By banning cooling towers.** At Scaleway, this has been the case since the year 2000



- | | |
|-----------------------------------------------|--------------------------------------------|
| 1 74gr/kwh generated CO2 | 4 6gr/kwh generated CO2 |
| 2 28% energy used for air conditioning | 5 9.1% energy used for free cooling |
| 3 70% energy available to compute | 6 90.4% energy available to compute |

⁷ Lbl.gov. (2016). United States Data Center Energy Usage Report | Energy Technologies Area. [online] Available at: <https://eta.lbl.gov/publications/united-states-data-center-energy>.

⁸ Ambition4climate. (2021). The first datacenter in France with a high environmental performance. [online] Available at: <https://ambition4climate.com/en/the-first-datacenter-in-france-with-a-high-environmental-performance/>.



Traditional data center

126.17 gr/kwh generated CO2

1.8 Water Usage Efficiency (WUE)

1.58 Power Usage Efficiency (PUE)

Cutting-edge data center

7.59 gr/kwh generated CO2

< 0.2 Water Usage Efficiency (WUE)

1.15 Power Usage Efficiency (PUE)

Improving Infrastructure Performance Through Technological Innovation

The energy and water performance of data centers are not the only factor that need to be considered, the equipment used also has a massive impact on a site's performance.

In recent years, there has been a huge shift in the industry toward more power efficiency for rack equipment (servers, switches). For example, if we take a similar server at a 10 year interval, the performance index will increase by over 900% for power consumption that will decrease by 20%, this is nearly a 1000% increase in performance per watt⁹.

At Scaleway, we take energy consumption parameters into account, such as CPU when choosing the managed servers we offer. This is because their energy performance and CPU has an impact on equipment density.

Our Dedibox dedicated servers use efficient processors such as AMD EPYC™ 7003 Series processors to cut energy usage by 50%¹⁰, provide 1/3 more computing density, and add more servers to each rack.

How else can data centers follow our lead?

- By configuring products, especially those which are in colocation, to ensure they **only use the resources they need**
- By unifying storage offers — we use the same hardware for both “object” and “block” storage. This makes it simpler to exploit these offers, and **reduce their complexity via densification**
- By **optimizing transport**, transit and related storage. For example, we use one chassis instead of two, with two types of drives instead of three or four
- By carefully selecting a small number of providers to optimize purchasing and reduce materials and packaging
- By managing the end-of-life of equipment — this enables us to **reduce the volume of materials to be reused or disposed**

@ Impact

Lower energy consumption:

- The densification of storage servers enabled us to reduce storage power consumption per GB by up to 20%
- Switching to energy efficient servers for cloud/CPUs means we use less energy while conserving the same performance metrics for our customers
- Via streamlining storage, network and CPUs, we were able to save a significant number of kilowatt hours for the same performance metrics

⁹ Example based on calculations of the specific power consumption of a dual E5504 system from end of 2010 to a dual Xeon Silver 4210 from early 2021.

¹⁰ AMD, Scaleway. High-performance cloud solutions—Scaleway delivers with AMD EPYC Processors, 2019. [online] Available at: <https://www.amd.com/system/files/documents/scaleway-case-study.pdf>.



Industrialization of Our Working Processes

Lean Design
and Assembly

The assembly and design of all components used inside data centers has an impact on the carbon footprint of a site due to the logistics involved in the whole process. By adopting a lean process, it's possible to shift toward a **demand-driven server offering**, which has helped us to limit the number of components required by a single server, to **reduce the quantity of end-of-life waste**, and to **reduce our carbon footprint** (for component manufacturing) as we only order what is necessary.

At Scaleway, we always focus on what makes sense for our clients, for our technology and for our sustainable approach. In 2014, in order to save raw materials, energy and reduce the risk of service outages, we designed and assembled all the components used in our data centers. Before this, we used to purchase pre-assembled servers and transfer them to the relevant sites. However, years later we decided to reassess our processes to adapt to the ever-changing world of technology. We now purchase the exact number of components required and have a dedicated logistics site. This allows us to assemble servers in one location before sending configured racks to our sites. The change in approach is also due to the fact that we have new offerings with different servers which are more suited to our new logistics system.

We now have an industrial and centralized assembly model for our components according to customer demand and our service offering. We systematically address all potential alternatives and choose the components that seem to best suit our needs.

Assembling materials deployed in IT rooms in this way, only integrating the right components and otherwise opting for efficient processors, helps us to densify and reduce power consumption to one service perimeter, and has a positive impact on our carbon footprint.

Impact

Lower Energy Consumption

- We use up to 10% less power per new generation server (compared to an older model from the same family) by adapting our SKUs with suppliers to only receive what we need
- This approach allows for the power consumption of our entire park of servers (at DC2, DC3, DC5 and in Amsterdam) to be significantly reduced

Standardization of Offers and Product Designs

At Scaleway, we design our offers and products to optimize the usage of our infrastructure. In other words — aiming for the best power efficiency possible.

We carefully design our hardware to meet the actual needs of our customers, we then scale these optimized models and use standard bricks for more modular assembly.

This approach is achieved through:

- Qualifying and testing equipment in real-life conditions
- Estimating energy consumption and predicting expenses
- Visualizing a full rack setup, and developing an optimal model via iterative processes
- Standardizing uniformed models where possible

Impact

Equipment rationalization between 2018—2020

- Optimization of supply on newer server ranges by using the same parts in differing combinations in order to create a complete range
- Optimization of the physical storage of parts and components, thereby reducing the amount of stock needed to meet all customer needs, and streamlining supply routes for a few key suppliers

How to implement this same process:

- By documenting each standard model according to the type of data center, the characteristics of the IT rooms, and the provision timeframe of the equipment (4, 6, 8 weeks or more)
- This documentation includes the references of the main servers' components, their locations within the racks, the wiring system chosen, the locations (servers, network equipment etc.), the weight, the consumption and the cooling system used
- By creating a database which references all standard components

The main advantages of this approach are that:

- Different offers can be designed according to the assembly methods of standardized components
- More offers can be created while keeping components to a minimum. For instance, one of our more recent series launched in early 2021 was made available in nine different offers by exploiting only two bases of different components, which were assembled, mixed and matched



Reducing Businesses' Environmental Footprint

Extending Equipment Lifespan

At Scaleway, we are committed to extending the lifespan of all our equipment (servers, hard drives, network equipment, as well as other electronic hardware, cooling and power systems such as inverters) to **up to 10 years**, the industry average being 3-5 years¹¹.

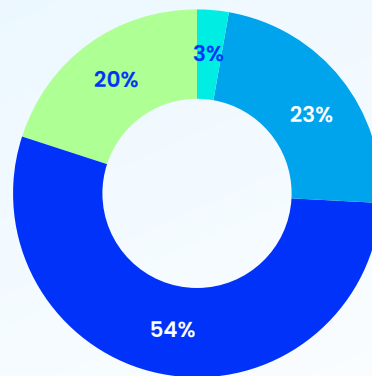
How did we achieve this, and how can other data centers follow our lead?

- By taking **preventative measures** — replacing hard drives as soon as they show signs of failure. We test and upgrade those that present a risk before reusing them
- By using an osmosis plant to produce pure water. This is used by our adiabatic cooling system to avoid risks of corrosion

🕒 Extending the life cycle of Scaleway-managed servers

Breakdown by servers' stock age and production launch date - 2021

i Average age = 5 years



- < 2012
> 10 years
- 2012-2014
7-10 years
- 2015-2017
3-6 years
- 2018-2021
< 3 years

Source: Scaleway

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In our Circularity Hub in DC5, the level of hardware salvage and reuse in a second life allowed us to avoid producing 8,880 tCO₂e (CO₂ that would have been emitted during production for the same quantity of new equipment).¹²

¹¹ Editorial, H. (n.d.). Analyzing Hardware Refresh Cycles in the Data Center 2021. [online] Horizon. Available at: <https://horizontechnology.com/news/data-center-hardware-refresh-cycles/>.

¹² Ambition4climate. (2021). The first datacenter in France with an high environmental performance. [online] Available at: <https://ambition4climate.com/en/the-first-datacenter-in-france-with-an-high-environmental-performance/>.

Equipment Reconditioning

The rapid pace at which technology advances today, as well as growing consumer demand, means that many devices reach the end of their useful life after only a few years. As such, electronic waste is now the world's fastest-growing waste stream. Even if Europe can pride itself on having the highest collection and recycling rate for e-waste, at 42.5 percent¹³, it's still less than 50 percent. At Scaleway, we are committed to contributing to waste reduction by equipment reconditioning.

This is why anything that can be **salvaged and reused** is reintroduced into Scaleway's park. Our initiative has allowed us to reuse key components from high-end servers aged over 10 years (power supply and CPU for example), and to recondition reliable, high-quality equipment by changing hard drives and RAM to then serve as a different offer for customers. Our "block storage" offer, for example, has been built with recycled materials.

@ Impact

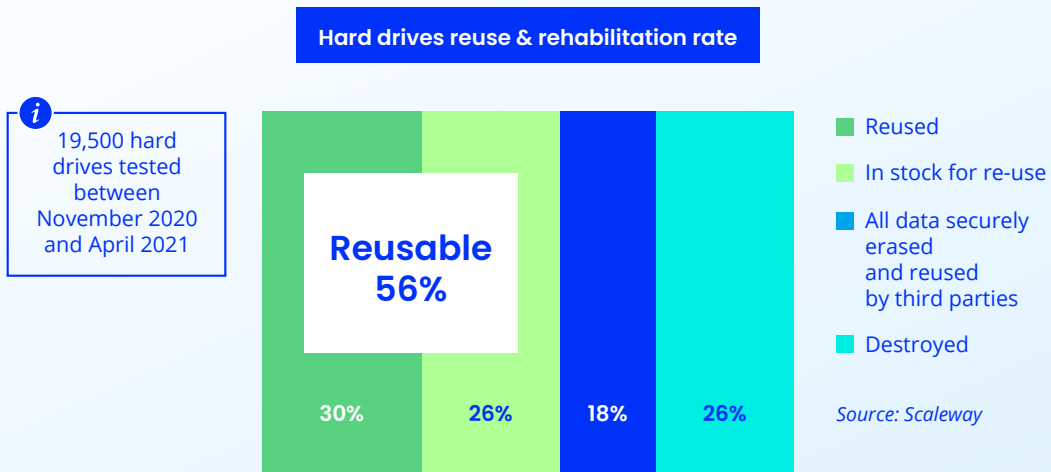
Carbon footprint compensation

The reconditioning processes at Scaleway follow proven industrial processes that make it possible to counterbalance part of the carbon footprint caused by the production of new servers which aren't purchased.

Our end of life process for servers involves:

- Hardware experts who qualify each piece of hardware
- The use of tools and hardware which have been developed internally for hardware diagnosis and refurbishing
- Ensuring that hardware is used in the right way depending on its state and type — this can be with new equipment, for repair or for retirement
- The identification of companies which re-use all hardware that cannot have a second or third life at Scaleway

♻️ Reconditioning hard drives at Scaleway



How we implemented a reuse and recycle program:

- First, we check the use level of each hard drive
- Second, we assess, based on quality criteria and tests, whether or not failing or old hard drives can be reconditioned or must be replaced by new ones
- Third, we avoid throwing hard drives away by mistake or for the wrong reasons, and determine whether they might be salvaged for other uses

For example, in 2019, out of 100 servers installed at the start of the year, and approximately 110 by the end of the year:

- 5 servers were retired (end of life, beyond repair, or too old) after all recyclable components had been rehabilitated such as hard drives, RAM, fans, power supply etc. Precious metals and plastic were extracted for reprocessing
- 15 new servers were added
- 10 to 20 were extended to an existing offer or reconditioned for a new offer to extend their lifespan for one, two, or three years

¹³ Forti, V., Baldé, P., Kuehr, R., Bel, G., Adrian, S., Drisse, M., Cheng, Y., Devia, L., Deubzer, O., Goldizen, F., Gorman, J., Herat, S., Honda, S., Iattoni, G., Jingwei, W., Jinhui, L., Khetriwal, D., Linnell, J., Magalini, F. and Nnororm, I. (n.d.). Quantities, flows, and the circular economy potential The Global E-waste Monitor 2020. [online] Available at: <https://www.itu.int/en/ITU-D/Environment/Pages/Spotlight/Global-Ewaste-Monitor-2020.aspx>.

Recycling and Reducing Packaging and Waste

When we cannot reuse or recondition equipment internally, rather than just disposing of this as waste, we have a partnership with Loxy, an IT recycling company (for rehabilitation outside the company by sorting metal and recyclable materials such as plastic).

Thanks to our efforts for reducing the volume of packaging, recycling wooden delivery pallets, and optimizing storage methods to better use cardboard packaging, at Scaleway we have been able to:

- **Lower the volume of cardboard** and polystyrene per server delivered between 2017 and 2020 by 15%
- **Use 2.5 times less wooden pallets** — servers are now delivered in batches of five (rather than two)

What other practices have we implemented?

- At Scaleway, we sort pallets upon delivery by type (American, European) in order to use them again later. We plan to ask a broker to salvage those that are not used in order to give them a second life. We are committed to achieving this by Q2 2022
- We have a contract with Veolia (a water management, waste management and energy services company) that provides us with dedicated dumpsters at each data center to **collect WEEE** (Waste Electrical and Electronic Equipment)
- We are reducing the use of products which have an impact on the ozone layer or produce greenhouse gases (e.g. hydrofluorocarbons)¹⁴
- We recycle water and use **separators and hydrocarbon filters in each data center to avoid water contamination**¹⁵
- As of 2020, at Scaleway we actively take part in **Digital Cleanup Day**, a day dedicated to the recycling of electronic equipment and cleaning our and our collaborators' digital waste
- We **separate and recycle** five types of waste — paper/ cardboard, metal, plastic, glass and wood

¹⁴ DCmag. (2021). Consommation d'eau par l'industrie des datacenters : Scaleway appelle à une prise de conscience. [online] Available in French only at: <https://datacenter-magazine.fr/consommation-deau-par-lindustrie-des-datacenters-scaleway-appelle-a-une-prise-de-conscience/>.

¹⁵ lafibre.info. (n.d.). Visite du data center Scaleway DC5 (refroidissement adiabatique). [online] Available in French only at: <https://lafibre.info/scaleway/dc5>.



Logistics and Shipping Optimization

Continuous Improvement of the Supply Chain

Because “90% of companies’ impacts on the environment come from supply chains”¹⁶, at Scaleway we never stop trying to find ways to improve our practices.

In February 2020, we implemented a new method for logistics and purchasing to **continuously improve our supply chain** — from the purchase of the components we need, to their assembly and deployment, including manufacturing processes, shipping, storage, and long-term management of the life cycle (reconditioning, recycling, end-of-life, etc.).

Since early 2021, 98% of our logistics system has been centralized in our data center located in Saint-Ouen-l’Aumône (DC5). This practice has allowed us to create a **logistics hub** for:

- The delivery of goods, equipment, and components
- The distribution of deliveries to other data centers in France and Europe, before or after assembly
- The monitoring of equipment orders
- The monitoring of returns and unusable goods (end of life, equipment or components to be sent for brokerage or destruction, extension, re-integration within stock)
- The centralization of supply needs, negotiations with providers, purchases, stock and invoicing

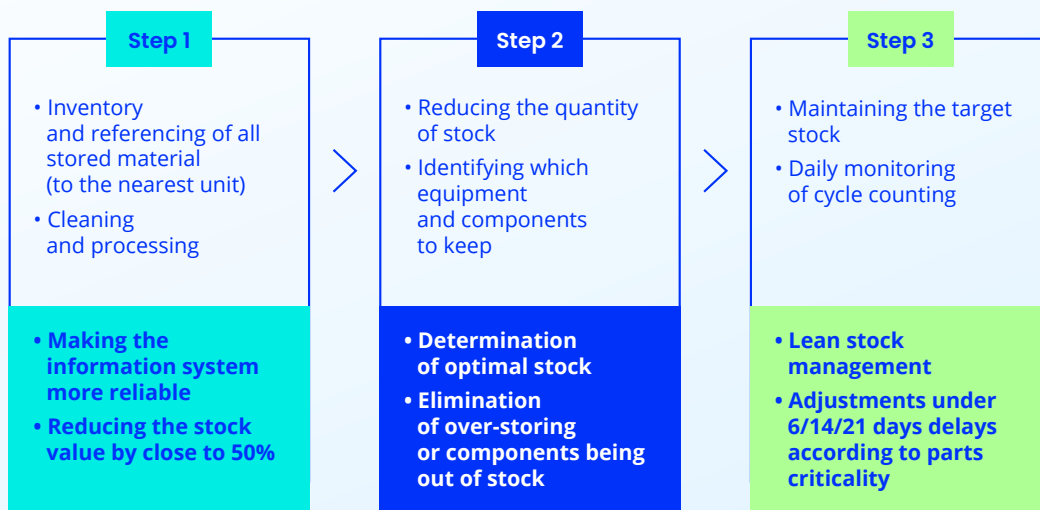
Impact

Reducing our carbon footprint

We reduced the value of our available stock between May 2020 and late March 2021, which meant more than 5.3 tons of goods were processed thanks to:

- Optimizing stock management
- Discontinuing orders which are no longer useful, and reducing orders which are too large

Continual improvement project for Scaleway's supply chain



Source: Scaleway

¹⁶ Bové, A.-T. and Swartz, S. (2016). *Starting at the source: Sustainability in supply chains*. [online] McKinsey & Company. Available at: <https://www.mckinsey.com/business-functions/sustainability/our-insights/starting-at-the-source-sustainability-in-supply-chains>.

Reducing Carbon-Heavy Shipping

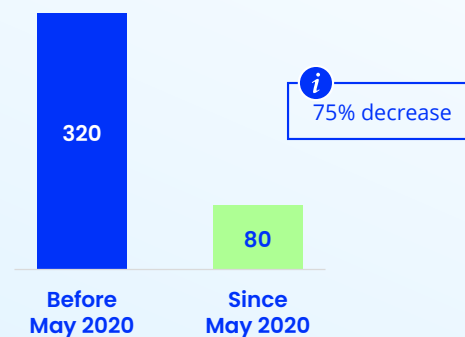
Like the majority of infrastructure hosting and Cloud Service Providers, we have no choice but to purchase most components from far-away markets (e.g. China).

The carbon footprint caused by transporting goods between their production sites in South-Eastern Asia, our logistics hub (DC5), and the other data centers is something we are working on improving by:

- Reducing the use of air transport for the delivery of purchased materials (cut by 80% between 2018 and 2019). In late 2020, the means of transport used from the production sites of goods we purchased to DC5 were: 62% road freight, 35% ocean freight, 3% air freight
- Changing our intervention model — instead of replacing parts with a “next day building technician” intervention, we now have a “locally managed pool” model of our own technicians

Reducing carbon-heavy transport

Inter-site trips in France: change in km traveled per fortnight



Source: Scaleway

How else can data centers follow our lead and optimize the management of goods transportation?

- By **reducing the use of certain carbon-heavy means of transport** for strategic providers, despite optimization being very complicated due to production-related tensions (e.g. the Covid-19 pandemic, component shortages) and because order volumes vary significantly
- By implementing countrywide internal policies regarding round trips between data centers. This is the case for our DC5 and other data centers in France (DC2, DC3, and DC4), in Amsterdam (Netherlands) and Warsaw (Poland)
- By **consolidating goods shipments** within a country. Thanks to planning round trips between data centers with a company truck, we managed to reduce the distance travelled from 320 to 80km per fortnight — equating to a 75% decrease, since Q2 2021

How we try to go even further:

- We have also been providing **electric vehicles for employee use** for several years. Since early 2021, 95% of our fleet is composed of electric vehicles (100% for cars and one diesel truck for transporting goods between sites). All our data centers in France have electric terminals to charge our electric cars, and those belonging to employees



Scaleway's Carbon Report

In order to improve our carbon footprint, it was first necessary to understand where we currently stand. With the help of a consulting firm Carbone 4, we issued a report analyzing our data from 2018, 2019 and 2020 in terms of all three scopes.

The main results of the report were as follows:

- 94% of emissions are connected to data center operations
- Over 75% of these emissions are from both data centers located in Vitry-sur-Seine (DC2 and DC3)
- Less than 10% are from our international operations (Amsterdam and Warsaw)

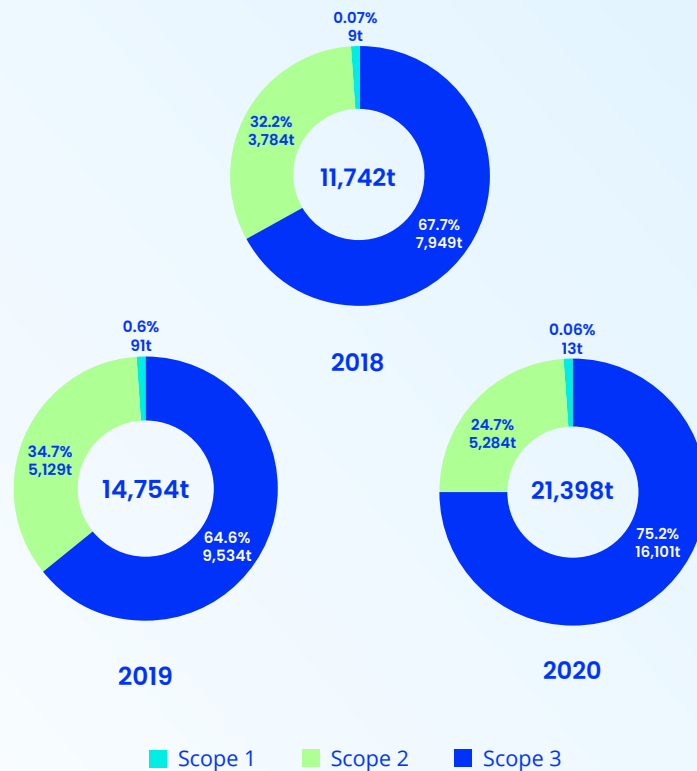
To go further, we are currently undertaking another environmental and social assessment in 2021 in order to analyze our progress and determine the impact of the actions we have taken to reduce our greenhouse gas emissions, following Science Based Targets.

Also, we will adopt a multi-criteria reporting method to include:

- Our power consumption and energy mix
- Our waste production and processing
- Our water consumption

Scaleway's carbon report

Breakdown according to three scopes - in tonnes CO2 equivalent



Source: Scaleway

Methodology

This report was created by AdVaes for Scaleway, and used the following methodology:

- Drawing a list of over 70 key indicators to assess the impact of the actions and initiatives conducted by Scaleway in terms of eco-responsibility and sustainability
- Selecting 40 indicators, specifically those with data reaching back three years, or that are comparable with market benchmarks
- Scaleway collected related data internally (including reports, the carbon report made by Carbone 4, specific web pages, etc.) and provided this information to AdVaes
- AdVaes held qualitative interviews (lasting over one hour each) with five Scaleway and Iliad Group managers: COO | VP Hardware | VP Supply Chain | Group Head of CSR (Iliad) | Head of Hardware R&D
- Collecting and analyzing external information from public sources related to what is said about Scaleway in terms of eco-responsibility. This information was collected via web analytics software belonging to one of AdVaes' partners, and over a million links were analyzed
- Extracting information from AdVaes' database regarding strategies, approaches, and investments by cloud ecosystem and data stakeholders in France in terms of reasonable and responsible uses of digital technology. AdVaes' database compared these stakeholders against one another and against referential indicators, to classify them according to their commitments, their added value, and their respective market performance
- Conducting a transversal analysis of information and data, to select key elements to include in the report

Except for specific mentions and references, the data in this report was provided by Scaleway. AdVaes prepared this report with the utmost care and considers the information contained in it to be correct. However, AdVaes may not be held responsible for any damage, loss or costs resulting from an omission or inaccuracy in the reported information.



Key Terms & Definitions



CPU

(Central Processing Unit)

Or processor of a computing system.

WEEE

(Waste Electrical and Electronic Equipment)

Waste from all electrical or electronic products having reached end of life, that must be processed according to the conditions specified by law (see 2002/96/CE or RoHS (2002/95/CE) Directives).

LEED

(Leadership in Energy and Environmental Design)

Buildings design standard, created by the US Green Building Council (United-States). Related to the French HQE certification (High Environmental Quality). It addresses building energy, water, and heating efficiency, the use of local materials during building design, and the reuse of any surplus materials.

PUE

(Power Usage Effectiveness)

The power effectiveness indicator for data centers. This corresponds to the ratio between the total energy used by a data center and the energy used exclusively by the computing systems hosted and/or exploited by the data center. If the indicator is close to 1, it means that the power consumption of the data center is efficient. According to the Uptime Institute, the global average for data centers was 1.59 in 2020¹⁷.

RAM

(Random Access Memory)

The live memory of any computing equipment.



UPS (Uninterruptible Power Supply / Source)

The backup system that helps provide power in case of a black-out in order to ensure the operational continuity of a data center. This system, often called an inverter by default, makes it possible to ensure uninterruptible power supply (UPS).

WUE (Water Usage Effectiveness)

An indicator to measure the amount of water used to cool a data center or for other uses. According to the US Department of Energy, the global average for data centers is 1.8 l/kWh (US Department of Energy).

rDCE (real Data Center Efficiency)

An indicator used to weight the PUE and the WUE measurements in relation to distributed uses, not in relation to the most efficient datacenter. rDCE is measured in megawatt hours (MWh).

Scope 1, 2 and 3 GHG emissions

The GHG Protocol Corporate Standard classifies a company's GHG emissions into three 'scopes'. Scope 1 emissions are direct emissions from owned or controlled sources. Scope 2 emissions are indirect emissions from the generation of purchased energy. Scope 3 emissions are all indirect emissions (not included in scope 2) that occur in the value chain of the reporting company, including both upstream and downstream emissions¹⁸.

Carbon Zero Energy

Means no carbon was emitted from the get-go, so no carbon needs to be captured or offset. For example, a company's building running entirely on solar, and using zero fossil fuels can label its energy as "zero carbon"¹⁹.

¹⁸ Ghgprotocol.org. (2019). Calculation Tools | Greenhouse Gas Protocol. [online] Available at: <https://ghgprotocol.org/calculation-tools-faq>.

¹⁹ Plan A Academy. (2021). What is the difference between carbon-neutral, net-zero and climate positive? [online] Available at: <https://plana.earth/academy/what-is-difference-between-carbon-neutral-net-zero-climate-positive/>.



Equity & Inclusion

Overview of 2018–2020
Key Actions





Creating Technologies That Make Sense for Our Communities

At Scaleway, we believe that our people are the key to the success of our business. It's no secret that diversity in teams leads to better decision making, innovation and results. That's why we've chosen "singularity" and "community" as our core values, specifically to highlight just how important diversity is for us.

Our business growth depends on our capacity to hire teams that bring a wide array of knowledge, skills and cross-cultural understanding, and this is part of our DNA. To reflect this, we have carefully designed our recruitment strategy to allow space for candidates with unconventional backgrounds. We know that a variety of experience and different points of view bring incredible value to our company.

We have committed to taking a proactive approach to developing the rich skills of all our workforce and to opening up professional opportunities in creative and flexible ways. We continuously aim to provide a good work-life balance for all employees, and push for equal representation in all lines of business.

Of course, this cannot be achieved alone, we are supported by numerous partnerships such as 50inTech, Ecole 42 and Startup Weekend Women Paris among others. We will also continue to explore new partnerships and opportunities when they are aligned with our values.

Catherine Simon,
Global Head of HR and Culture,
Scaleway, the cloud that makes sense.



Equity & Inclusion at Scaleway

Implementing a responsible and fair corporate approach without taking the factors of equity and inclusion into account is impossible for any company. In addition to legal obligations relating to the inclusion of people with disabilities and professional gender parity, there are now additional constraints specific to each company which need to be considered, such as the employer brand. At Scaleway, we actively track metrics on these topics, as you can see in the first graph of this pillar.

This pillar of our Impact Report, dedicated to the “equity & inclusion” components of our corporate strategy, aims to present the most significant actions and commitments that will make it possible to achieve our objectives of equity, parity, and inclusion of underrepresented groups.

These actions have been grouped into two categories, in order to best represent the two major phases of the employee life cycle at Scaleway:

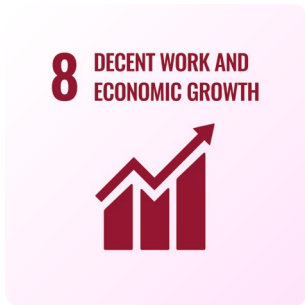
- Recruitment and onboarding
- Talent development and retention

This summary cannot replace an in-depth analysis of all the actions carried out by Scaleway in these areas.





- Women's empowerment
- Equal rights and pay



- Providing employment opportunities for young people and junior profiles
- Achieving full and productive employment and decent work for all



- Empowering of low-income earners
- Promoting economic inclusion for all

Scaleway was built and grown out of Europe, and with our headquarters being based in France we adhere to French laws and regulatory obligations, including the Copé-Zimmermann Law (2011), the Sauvadet Law (2012), the Law on Real Equality Between Women and Men (2014), and the Law for the Freedom to Choose Your Professional Future (2018), as well as legal definitions such as "Professional equality", "Diversity", and "Disability".

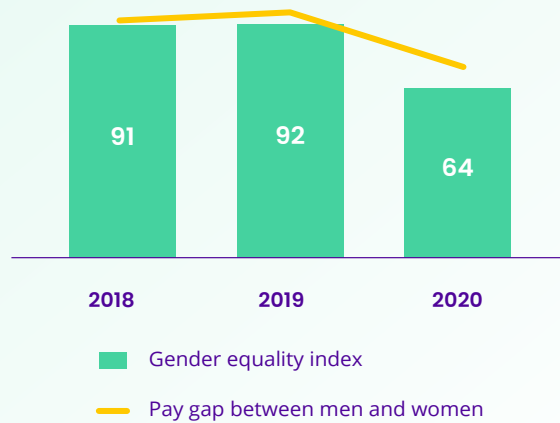
Equity and Inclusion Metrics

2018–2020

	2018	2019	2020
Number of nationalities in our workforce (average per year)	NA	NA	22
Retention measured in % of departures (average per year)	44%	22%	26%
Pay gap score EGAPRO Index (out of 40)	37	38	29
Gender equality EGAPRO Index Total Score (out of 100)	91	92	64
% of female employees	9.2%	13.8%	18.8%
% of women in technical roles	NA	NA	8%
% of women in managerial roles	NA	NA	21%
% of women in leadership	33%	50%	38%

Gender equality index and pay gap between men and women comparison

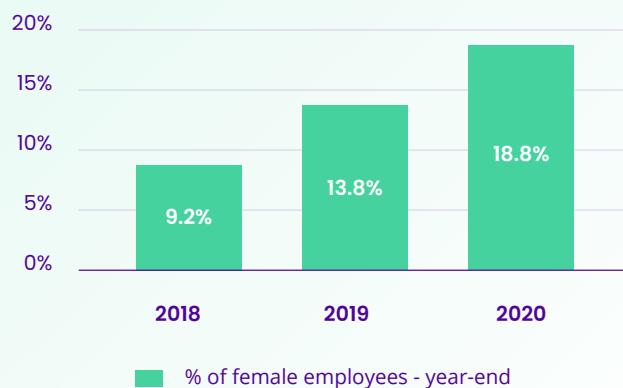
2018-2020 evolution



Source: Scaleway

Share of female employees

2018-2020 evolution



Source: Scaleway

Recruitment and Onboarding

As part of the Iliad Group, some of Scaleway's inclusion and equity policy is the same as that of the group, and the rest was developed and introduced by our founder Arnaud de Bermingham, to reflect our unique DNA as a company. The goals of treating everyone equally, and giving opportunities to all drive our Human Resources policies.

The cloud business is currently a high-demand market, meaning that resources are limited, and it can be extremely difficult to attract the right talent rapidly and at scale. In 2018, we invested massively in recruiting new talent to continue to build our complete cloud ecosystem, and we created an innovative recruitment process.

Working Towards Equal Representation in All Lines of Business

The technology market is a predominantly male sector, which makes hiring women a real challenge. Yet in two years, we succeeded in doubling the percentage of women among our workforce, from 9.2% in 2018 to 18.8% in 2020.

We also participate in 50inTech's gender, diversity, and inclusion initiatives. 50inTech is a data-driven, collaborative, and inclusive networking platform which acts as a business and career accelerator for women in tech – connecting them with a professional network, as well as providing them with training and practical tools necessary to succeed. Its professional and international community is dedicated to improving the place of women in tech. The organization actively supports companies in their diversi-

ty challenges and the recruitment of talented women.

More details on our commitments and achievements can be found on the [50inTech website](#).

Since March 2020, and despite the Covid pandemic, we have hired 152 people, among which several were women for high level positions (two of them being part of the Executive Committee). Also, our recruitment objectives remain high as we expect to reach 500 people by mid 2022. To achieve these goals, and in line with our growth strategy, the following actions have been taken or are being explored:

Referral Bonuses

At Scaleway, we use referral bonuses to incentivize recommendations for open positions. We strongly encourage female applicants to join the recruitment pipeline and actively target women from the tech sector to apply to join us.

Role Models

Our goal is to identify a well-rounded group of representatives in the company to be role models, especially women. Through our Thought Leadership, they regularly speak on topics affecting women in tech, as well as expertise and technical related matters. Bringing female role models to the front is a long-term and effective strategy of female empowerment in our company, not only externally, but internally as well.

Workshops and Meetings Open to External Participants

At Scaleway, we are planning to host workshops in our offices which will be open to everyone, but especially for women and people from underrepresented categories. For example, this could help job seekers to evaluate whether a workplace is going to be a safe one. Guests such as women already working in the tech sector could be invited.

We are also part of France Digitale's network and already host meetings for other Human Resources managers in the tech industry. The goal is to improve the image of the tech industry in the minds of women and create a future for them.



Collaborations With Universities

We have created strong relationships with universities and schools with the goal to make our responsible, open and inclusive vision of the tech industry a reality. To do that, we provide students with knowledge that is vendor agnostic with as many useful and transferable skills as possible - to help broaden their career opportunities, and bridge the gap between students and the professional world. Our Academia Program aims to improve the autonomy of students, and to help them develop the skills they need, on their own terms.

The tech industry is facing a lack of female talent due to the fact that young women

frequently drop out of engineering studies or transfer into a less technical field where they see more female representation. In order to increase the size of the female talent pool, more work needs to be done upstream with universities and schools. This is why we are sending Scalers as lecturers to meet students. We hope that this will have an impact on generations of students in the coming 4-5 years.

Our experience has shown that students need to have a 4-year or 6-year education in specialized technical degree to be ready to be trained to match Scaleway's levels of expertise.

Partnerships With Other Organizations

Scaleway is also working with organizations like Techfugees and DesCodeuses to provide opportunities to those who have reduced access to the labor market. As a non-profit organization, Techfugees helps to empower displaced people with technology. DesCodeuses is a French social start-up dedicated to women from disadvantaged neighborhoods in order to present the various professional opportunities related to digital technology and organize workshops.

Employer Branding

Scaleway's 2020 Glassdoor score is very good, with 4.5 on a five-point scale where 1.0 is very dissatisfied, we are far beyond the industry average.



Equal Pay

Scaleway ranks 64/100 in Egapro, the French government index for gender and wages equality, which is calculated using indicators related to remuneration, increases and promotions, maternity leave and the distribution of women and men among the top 10 highest salaries.

Our Egapro score for 2020 was considerably reduced compared to the previous years (64/100 in 2020 versus 92/100 in 2019) due to the fact that Scaleway moved up in the 250+ employees category, and several other factors.

For the past four decades the gender gap in tech has widened, with only 1 woman for 5 people working in the industry today, thus hiring women is a complicated exercise.

We have since committed to bringing more women into the sector via initiatives such as 50inTech, as well as future-proofing these job opportunities with internal policies on closing the pay gap, providing a good work-life balance for everyone, helping more women access managerial positions by promoting talent mobility and training, and training programs like the Academia program, and the Cloud Builder Launchpad to support junior profiles to access job opportunities.

"We evangelize and spread the word about these issues. So it's an altruistic thing first beyond everything else!"

Catherine Simon,
Global Head of HR and Culture,
Scaleway, the cloud that makes sense.

¹ Egapro is the French government's Gender Equality Index, expressed in % (from 0 to 100 - the average male pay being by default higher than the female one) - the closer the number is to 100, the lower the pay gap is between men/women.

Playbook on Values

Scaleway displays a common set of simple values that is driving our business:



Among these six values, singularity is the very first one as it means that everyone is different, and everyone brings something unique to the table. Scaleway looks out for people who stand out, no matter their professional or personal background, we don't look at the previous titles, but focus on skills and wills of the candidates. The greater variety of experiences the employees have the better work they will do as a team.

Onboarding is our first opportunity to build trust and alignment with our new hires, and helps them get warmed up to our culture and hit the ground running.

A successful onboarding depends also on employees and managers creating and sharing the values with new Scalers to get a clear understanding of what the company culture is by showcasing it during the onboarding process.

We have created a toolkit of materials in the right, digestible, format that can be accessed by new recruits to embody the key company messaging, and grow while being connected to their new company.

Who Are Scalers?

Behind the scenes, Scaleway is powered by talented people — the Scalers — working hard to create new infrastructure experiences. A Scaler is fully committed to the company's mission for the medium to long-term.

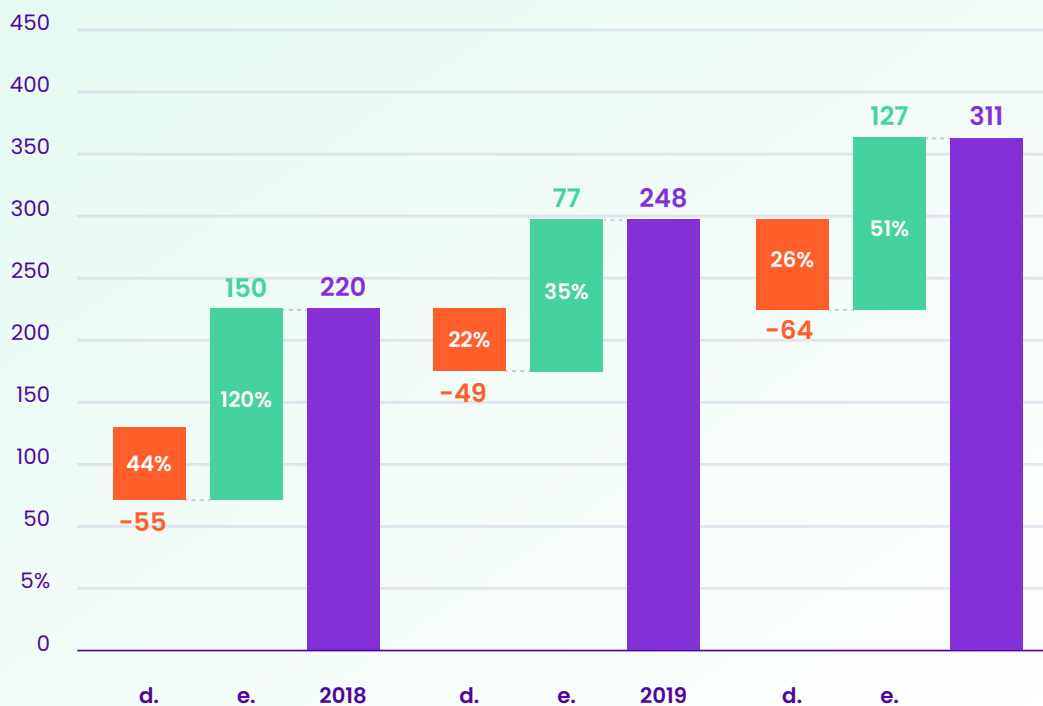


Talent Development and Retention

At Scaleway, our business is centered around three main activities: data centers, dedicated servers, and public cloud. The software activity, more recent and in full growth, requires human resources and talent - we are currently actively hiring in this area.

However, current talents also need to be retained. At Scaleway, we succeeded in lowering our turnover rate, reaching 39% in 2020, compared with 82% in 2018.

Yearly workforce evolution (EoP)

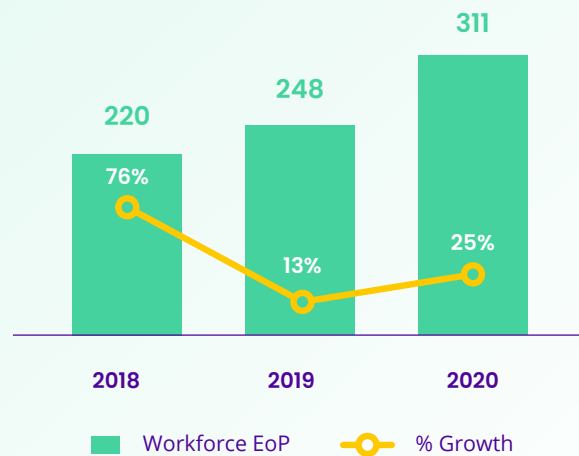


Source: Scaleway

Yearly	2018	2019	2020
% departure	44%	22%	26%
% entry	120%	35%	51%
% turnover	82%	29%	39%

Yearly workforce evolution

2018-2020



Source: Scaleway

Until 2021, there was no way to evaluate all employees at Scaleway equally. With the arrival of Catherine Simon as Global Head of HR and Culture in November 2020, implementing a seniority grid system was a priority. Tools are being developed to assess the seniority level and the salary grid so that

employees who deserve a raise can be easily identified. Salary negotiations are carried out in full transparency and equity, based on data. Despite this there is still a pay gap between women and men (scoring 29/40 in Egapro Index on Pay Gap in 2020).

In 2020, a new tagline for Scaleway was introduced: “the cloud that makes sense”. This speaks to clients, to our environmental commitments, and to our employees. For clients, it means that we want to offer them relevant services and products; for our environmental commitments, that we are cutting our energy consumption and leading the way as the most sustainable cloud service provider in Europe; and for Scalars (employees, managers, Executive Committee), that what we do makes sense for them on a daily basis.

Since the Covid-19 pandemic, remote working has become more and more commonplace, meaning that companies were forced to look for new ways of working, whether or not they were ready. During the pandemic, Scaleway officially moved from partial to full

remote working. We now have a progressive remote policy that is taking stock of the impact remote working can have on employees' mental health.

We are working on two specific aspects of remote working:

- Feeling connected as a team, and interacting with colleagues is still necessary - Scalars need to feel part of our mission even when they are partially or fully digital nomads
- Performance needs to be evaluated in a new way that doesn't encourage or require “monitoring” or “micromanaging”

The other main priority for Scaleway was to create a safe space for women to thrive and grow in their career.

Solidarity With Colleagues in Difficult Situations

In response to a request from employees, Scaleway has also introduced the donation of paid vacation days between colleagues to help those going through hard times or needing time for their children or for sick relatives. When days are donated by colleagues, the company also matches the donations.



Ethics & Trust

Overview of 2018–2020
Key Actions



Building a New, Fair, Digital World for Everyone

I believe defending our values plays a key role in ensuring that the new digital world will be fair for everyone. At Scaleway, we are proud to offer services that not only meet our customers' business needs, but are also aligned with our values. In this day and age, I think it's crucial to recognize our responsibility as individuals, and as corporate citizens, to look after our planet, and its occupants.

We started this process by analyzing our values and how we translate them into actions. Our Code of Ethics calls for commitment to these values from all of our stakeholders. Our focus is not only limited to our teams, we also pay close attention when selecting suppliers to ensure they share our values and actively work to improve our society, as well as being aware of the environmental impact of their products and services.

Another of our key values is transparency, and we have long been calling for greater industry-wide transparency on environmental issues, specifically with regard to energy efficiency and water usage. I would now go further by saying that we need transparency in all areas, which means holding ourselves accountable for our governance, CSR policies and codes of conduct.

For example, we measure customer churn rate as a metric of trust, and transparently showcase it to prove that our approach is working. What is more, we are also honest when issues arise so that we can receive direct feedback. This allows us to be part of a continuous improvement loop, thereby leading the way for new industry standards and practices.

Putting together our first Impact Report was a great opportunity for us to analyze where we are, in order to set out measurable objectives for future improvements. As a digital stakeholder reading this report, it's now your actions which will be decisive. Not only should you reassess the impact that your actions are having on our world, but also choose providers who match your values and goals.

Albane Bruyas,
COO,
Scaleway, the cloud that makes sense.

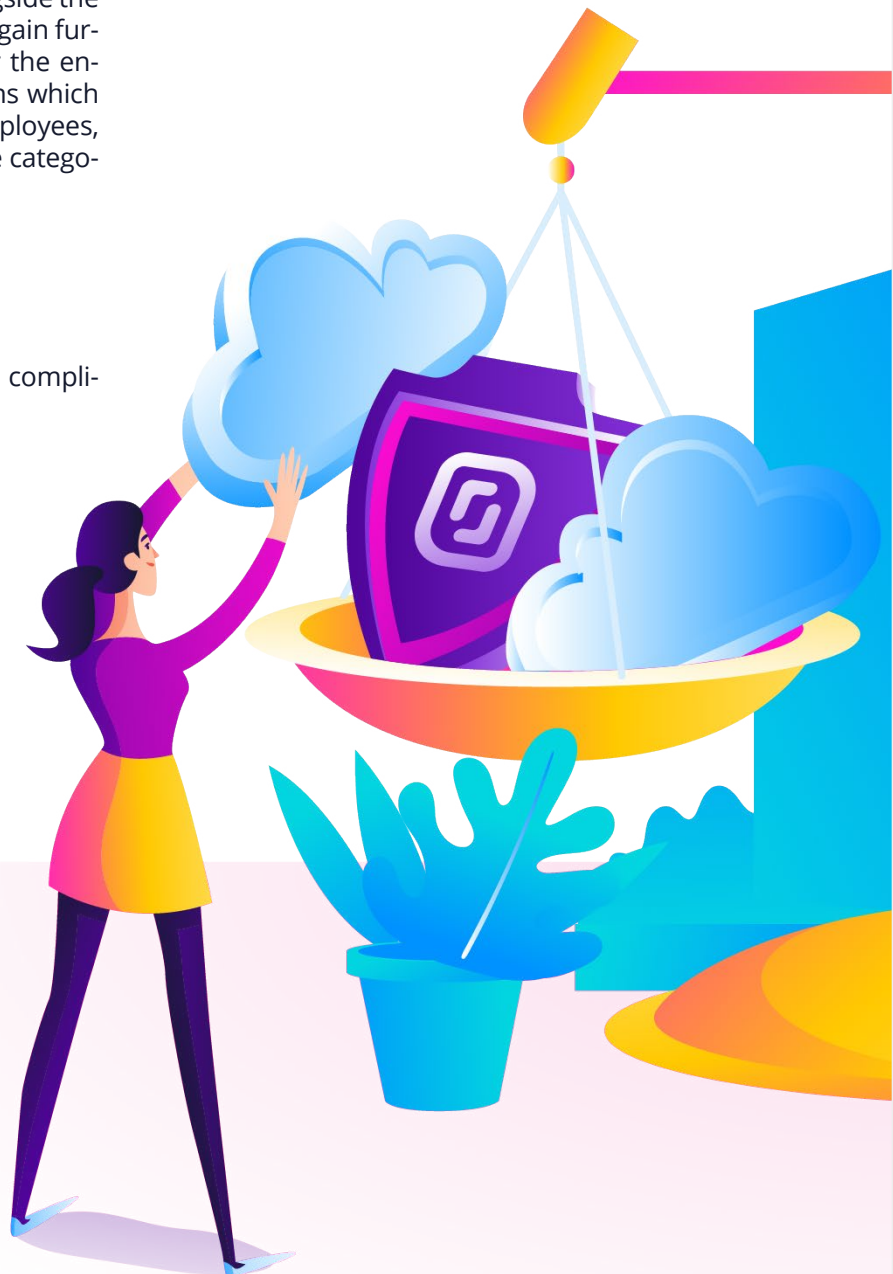


Ethics & Trust at Scaleway

It can be complicated to fully understand the notions of ethics and trust which drive CSR policies. The indicators commonly used are generally highly specific to each industry, which makes comparison and analysis even more complex.

At Scaleway, we decided to focus on the “Ethics and Trust” part of our CSR policy in this pillar of our Impact Report by presenting the actions we have taken in this area. This section should be read alongside the Environmental Pillar of our Impact Report to gain further understanding of our actions taken for the environment. We have broken down the actions which have the most significant impact on our employees, clients and providers into the following three categories:

- Implementing charters and codes
- Commitments to clients and providers
- Operational guarantees, governance and compliance



8 DECENT WORK AND ECONOMIC GROWTH



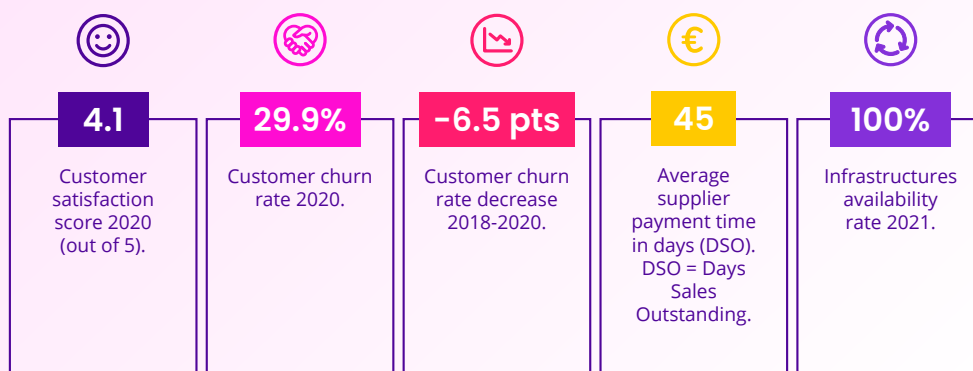
- Responsible purchases: supporting actions against child labor, respecting workers' rights, and in general making sure that financial progress creates decent and fulfilling jobs
- Supporting providers in difficulty (throughout Covid-19) as well as endorsing entrepreneurship (Startup Programs)

12 RESPONSIBLE CONSUMPTION AND PRODUCTION



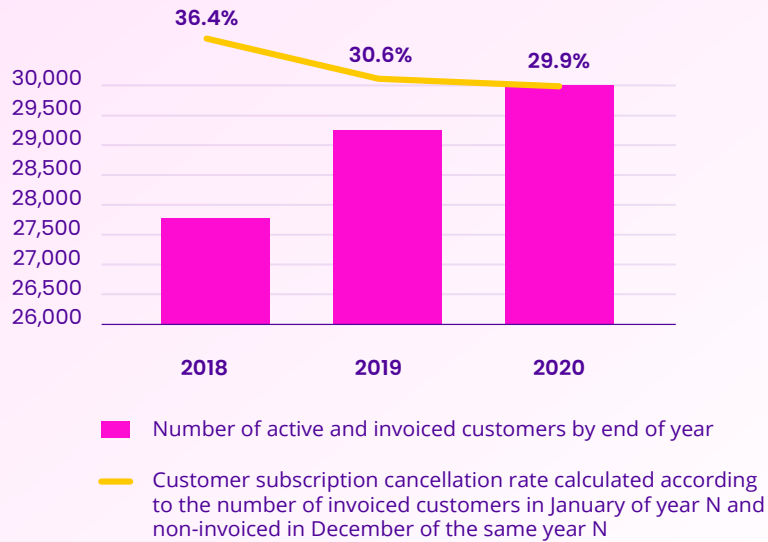
- Resorting to providers committed to eco-responsible processes
- Operational guarantees, governance and compliance
- Training and raising awareness about responsible approaches (i.e. sustainable development)

Customer-supplier trust indicators 2018-2020



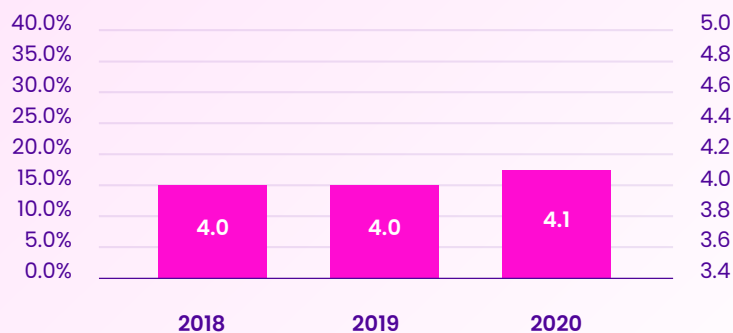
Source: Scaleway

Customer churn or subscription cancellation rate



Source: Scaleway

Customer satisfaction



Scoring method

After closing a support ticket, customers are invited to give a score between 0 and 5.

Source: Scaleway

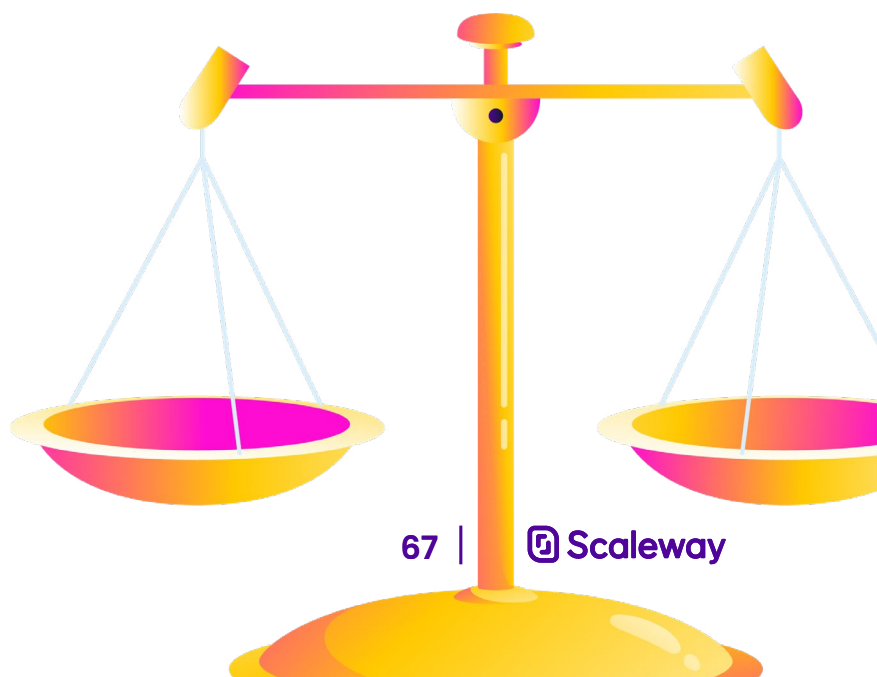
Implementing Charters and Codes

At Scaleway, we know that actions speak louder than words. We have therefore made it our mission to ensure we have tangible evidence attesting to the implementation of our Code of Ethics, and our values.

For example, we choose to work with suppliers who adopt responsible approaches. So, as of 2020, we require suppliers to submit **manufacturing reports** for all components purchased for our products and services in order to analyze the impact of equipment production on the environment, product lifecycle, and compliance with all relevant laws (i.e. GDPR, WEEE, RoHS Directive, Sapin II). This report takes the form of a questionnaire which is submitted to suppliers.

We also fight to ensure that our business does not contribute to the social and human issues our world faces by monitoring the impact of our whole value chain and logistics models (equipment transport, packaging, recycling). This allows us to ensure there is no forced or child labor, and to monitor the environmental impact¹.

Up until now, at Scaleway, we were constantly evolving in order to keep up with growing market needs and client demands. We now want to work differently, in a way that makes the most sense for our commitments and values.



¹ Impact Report on Scaleway's eco-responsible commitments.

This is why we have:

- Implemented a CSR purchasing charter
- Begun mapping our suppliers (order volume, frequency, etc.) with the aim to complete this by the end of 2021
- Implemented an internal Code of Ethics for all employees in direct contact with suppliers and third parties
- Ensured all aforementioned employees complete a training course similar to the Iliad Group course on ethics, respectful relationships, non-misconduct, etc.
- Implemented specific training courses and awareness raising on GDPR (CNIL course) and Sapin II², as well as a digital charter (for data privacy and confidentiality) for certain employees who are in direct contact with clients or work in the Sales team



Code of Ethics

- Scaleway's employees refer to the Code of Ethics from the Iliad Group (Scaleway's parent company). This Code sets out the acceptable behavior for business relations, and how employees should respond to questions regarding the Code of Ethics.

Commitments to our Clients and Suppliers

Working with clients and suppliers that reflect and respect our values is of utmost importance to us at Scaleway. In order to ensure that we are applying the right choices to everything we do, all our client relationships are subject to our Code of Ethics. This applies to clients of all sizes - startups, SMEs, mid-cap and large companies, as well as public organisations.

In addition, our Sales teams are not only bound to respect the company's culture, but also GDPR and confidentiality. NDA's (Non-Disclosure Agreements) are used to provide protection and reassurance for both parties.

We care about our customers, and because we value transparency, we are open about our customer churn rate and satisfaction rating, and we continually strive to improve them. These scores attest to Scaleway's commitment to our services, and the customer support we provide.

Between 2018 and 2020, our churn rate decreased by 6.5 points, and our customer satisfaction rating increased by 0.1 points, meaning we reached a rating of 4.1 out of 5.

In terms of supplier relationships, Scaleway has adopted a supportive position. For instance, during the Covid-19 pandemic, we paid our suppliers who were struggling financially upon receipt of their invoices. Overall, we work in a similar manner to our parent company, the Iliad Group. Few reminders for late payments were received, and we apply a reasonable payment process in compliance with current legislation. We also use processes and monitoring to ensure that DSO (Days Sales Outstanding) do not exceed 45 days.

We regularly organize meetings with our most important suppliers to keep them up-to-date about any R&D progress that has been made, as well as to give an insight into our objectives and strategic roadmap.

"Thanks to the implementation of internal policies, Scaleway has reinforced its company values, specifically in terms of ethics, respect and mutual support. The Sales team, specifically, has made this part of its onboarding process."

Sébastien Tuil,
VP Sales,
Scaleway, the cloud that makes sense.

Operational Guarantees, Governance and Compliance

In a 2014 survey, Gartner stated that the most important aspect of nearly every network is availability³. 8 years later, data center uptime is still priority no 1. This is why operational guarantees are not only key for providing our clients with assurance, they also help to clearly set out the responsibilities of both parties - the company and clients.

At Scaleway, we are strongly committed to operational guarantees that cover:

- The business continuity of the infrastructures that underlie our offers
- The protection of private data (i.e. personal data)
- The security (logical and physical) of our infrastructures

To protect our clients' data, we developed an in-house tool to erase data from hard drives which are to be reused or recycled in a highly secure manner. We use a shredder to destroy any hard drives which can no longer be reused or recycled. Clients can request their hard drives and/or data to be destroyed on their behalf, and we send them a certificate of destruction.



Physical access to our data centers complies with recognized standards. We also carry out audits on suppliers who carry out interventions within machine rooms in line with the ISO 27001 standard.

In case of distributed denial-of-service (DDoS) attacks, alert systems are activated, as well as impact detection and automatic disconnection for all impacted servers to ensure data protection.

Continuity of service depends on the offer chosen by a client. For instance, we ensure clients have access to virtual machines and, in turn, clients are responsible for the associated redundancy and their business continuity plans.

We monitor and measure the number of computing incidents that occur during a given year via a number of metrics.

These include:

- The duration of a shutdown of systems and infrastructures
- The data retrieval time after an accident or an incident (RTO - Recovery Time Objective)
- The recovery time of services after an accident (RPO - Recovery Point Objective)
- The volume of data lost following an accident or an incident

"All of Scaleway's data centers are Tier III certified, which means the company is committed to ensuring an availability rate of 99.982% and under 1.6 hours of unavailability for its infrastructures."

Albane Bruyas,
COO,
Scaleway, the cloud that makes sense.

³ Andrew Lerner. (2014). Network Downtime. [online] Available at: <https://blogs.gartner.com/andrew-lerner/2014/07/11/network-downtime/> [Accessed 22 Nov. 2021].

In line with our commitment to provide transparent information, we have processes in place for incident management, reporting resolutions, and action plans. We alert clients for all actions, for example, should an incident occur, in the event of maintenance, and equipment reactivation, etc.

We also check the certifications our suppliers hold, such as SOC 2, CSA Star L2, ISO 27001, ISO 27017, ISO 27018:2015, PCI-DSS, ISO 9001 and ISO 50001. These certifications mainly deal with security (logical or physical, distribution of tasks) of and within infrastructure, and also quality and energy management.

To ensure that the declarations we receive from our suppliers are accurate, we visit production sites prior to reaching an agreement, where possible, to check how things are done.

To find out more:

- Our commitments for security and resilience (anti-intrusion security, fire prevention, other physical risks) can be consulted [here](#)
- The status of our services can be viewed [here](#)
- Our network status is available [here](#)
- The list of certifications we hold can be consulted [here](#)



About Scaleway and AdVaes

This summary was prepared by AdVaes, as a neutral, independent party, on behalf of Scaleway.

Except for specific mentions and references, the data in this report was provided by Scaleway. AdVaes prepared this report with the utmost care and considers the information contained in it to be correct. However, AdVaes may not be held responsible for any damage, loss or costs resulting from an omission or inaccuracy in the reported information.

Scaleway

Scaleway, leading multi-cloud service provider for startups and teams is catering to the global market with the essential mix of cloud computing resources that is flexible, cost effective, reliable, secure and sustainably powered. Scaleway is one of the few European providers to have full ownership over its stack, with no dependence on three levels: data center design and operation, hardware and software infrastructure, IaaS and PaaS. Scaleway has a daring approach that challenges the status quo, its ecosystem is designed to leverage market standards to make things simpler: S3 compatibility, a rolling up-to-date Kubernetes and Terraform support. Scaleway is constantly growing around the world, and currently serves hundreds of thousands of clients in over 160 countries. Scaleway's services are deployed via six data centers located in three regions: Paris (France), Amsterdam (Netherlands) and Warsaw (Poland).

[More on Scaleway](#)

AdVaes

AdVaes specialises in prospective analysis, market research, positioning and scoring of digital solution providers in terms of reasoned and responsible uses as well as in strategic operational support to help them develop their business and improve their CSR practices. Digital areas analysed focus more specifically on the cloud computing ecosystem (IaaS/PaaS/SaaS), data analysis and processing (inc. AI and ML). Through reasoned and responsible digital uses, AdVaes is interested in actions carried out in the following areas of CSR/ESG (Corporate Social Responsibility | Environment, Social and Governance) perimeters: respect for the environment and sustainability; equity, parity, and inclusion; ethics and trust, protection of IT environments and data. The company was created in July 2020 by Emmanuelle Olivie-Paul, previously Associate Director of MARKESS, a market research firm, and member of exaegis' CoDir, company specialised in small to medium-sized digital vendor business scoring, and financing. Emmanuelle Olivie-Paul has more than 25 years of experience in the software and services markets related to information technology, and especially those related to the Internet and digital ecosystems.

[More on AdVaes](#)

An illustration featuring a woman with long brown hair in a white top and a man with blonde hair wearing a purple hoodie and a black cap, shaking hands. They are positioned in front of a server rack with glowing blue lights. A large, stylized globe is visible in the background. The overall color palette is dominated by various shades of blue and purple.

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