

## ORANGE TRANSPARENCY REPORT ON TAX ISSUES / 2017

The Orange group has always made every effort to be transparent and to fully comply with the law in the countries where it is present. Orange's activities contribute to the social and economic development of the countries where it operates, particularly through the taxes it pays.

The Group's approach is based on three key principles:

- ✓ follow the law, wherever we are,
- ✓ comply with the OECD's "Transfer Pricing Guidelines for Multinational Enterprises and Tax Administrations",
- ✓ regularly assess our practices and compare them with the existing solutions on the market to ensure that they are appropriate.

Orange does not engage in tax avoidance or evasion, including the use of complex or opaque structures. The Orange Group publishes the list of all of the countries in which it has economic interests in its registration documents.

It has also implemented a tax ethics charter which governs all of its tax specialists and tax-related operations. The Charter states that, "the Orange Group tax specialists may propose the tax options which are the most favourable for the Orange Group; their proposals must be based on a professional, honest, objective, and lawful analysis".

The Group also has a robust control process in place for its tax activities. Orange already publishes information on the taxes it pays in the cashflow table in its Consolidated Financial Statements (see 2017 registration document, chapter 3.3.1). For the third year, Orange has chosen to increase this transparency by providing the details of the taxes paid country-by-country, excluding VAT and taxes withheld by the company on behalf of third parties.

### Country-by-country distribution of the taxes paid in 2017 (taxes paid as shown in the consolidated financial statements)

Country	Taxes paid (in M EUR)*	in %	Reminder : 2016 taxes paid (in M EUR)
France	-1 293	51,4%	-1 631
Spain	-219	8,7%	- 216
Ivory Coast	-163	6,5%	- 174
Senegal	-156	6,2%	- 131
Mali	-107	4,3%	- 103
Belgium	-88	3,5%	- 40
Poland	-65	2,6%	- 87
UK	-58	2,3%	- 54
Burkina Faso	-38	1,5%	
RDC	-38	1,5%	- 49
Guinea	-37	1,5%	- 50

Egypt	-27	1,1%	- 60
Slovakia	-26	1,0%	- 27
Cameroon	-26	1,0%	- 25
Romania	-24	1,0%	- 21
other**	-152	6,0%	- 135
<b>TOTAL taxes paid</b>	<b>-2 517</b>	<b>100,0%</b>	<b>- 2 803</b>

\* including taxes and operating taxes (including frequency charges) as well as corporate income tax disbursed

\*\* of which – EUR 23 m in Jordan and – EUR 20 in Morocco

### **Taxes paid split by geographical zone & by nature**

*in million euros*

	<b>Total taxes paid</b>		<b>Operating taxes paid</b>		<b>Income taxes cash paid</b>	
France	-1 293	51,4%	-1 200	62,0%	-93	16,0%
Europe	-489	19,4%	-273	14,1%	-216	37,0%
MEA	-677	26,9%	-422	21,8%	-255	43,7%
Other (incl. Equant)	-58	2,3%	-39	2,0%	-19	3,3%
<b>TOTAL</b>	<b>-2 517</b>	<b>100,0%</b>	<b>-1 934</b>	<b>100,0%</b>	<b>-583</b>	<b>100,0%</b>