

ORANGE TRANSPARENCY REPORT ON TAX ISSUES / 2018

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 2018 registration document, chapter 3.3). For the fourth year in a row, 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 2018
(taxes paid as shown in the consolidated financial statements)

in million euros

Country	Taxes paid *	in %	Reminder : 2017 taxes paid
France	- 1 578	58,3%	- 1 293
Spain	- 184	6,8%	- 219
Ivory Coast	- 123	4,5%	- 163
Mali	- 115	4,3%	- 107
Poland	- 73	2,7%	- 65
Belgium	- 58	2,1%	- 88
UK	- 58	2,1%	- 58
Guinea	- 54	2,0%	- 37
Senegal	- 50	1,8%	- 156
Morocco	- 43	1,6%	- 20
Burkina Faso	- 40	1,5%	- 38
Cameroon	- 40	1,5%	- 26
DRC	- 39	1,4%	- 38
Slovakia	- 38	1,4%	- 26
Egypt	- 37	1,4%	- 27
other**	- 175	6,5%	- 176
TOTAL taxes paid	- 2 705	100,0%	- 2 517

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

** of which – EUR 30 m in Jordan and – EUR 37 in Romania in 2018

Taxes paid split by geographical zone & by nature

in million euros

	Total taxes paid		Operating taxes paid		Income taxes cash paid	
France	-1 578	58,3%	-1 125	63,3%	-453	48,8%
Europe	-462	17,1%	-283	15,9%	-179	19,3%
MEA	-606	22,4%	-334	18,8%	-272	29,3%
Other (incl. Equant)	-59	2,2%	-35	2,0%	-24	2,6%
TOTAL	-2 705	100,0%	-1 777	100,0%	-928	100,0%