

# Orange guidelines on the prevention of corruption




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\*Some of the hypertext links in this document redirect to the Orange group intranet and are therefore inaccessible to external connections

Translation of the « Principes directeurs » validated by the Group Ethics committee on 8 October 2018

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# Objective and scope of the guidelines

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The objective of these guidelines is to supplement the « Orange group anti-corruption policy »<sup>1</sup> in order to specify its practical application to specific operational circumstances and situations. These guidelines may be adapted to potentially stricter requirements defined by local laws if necessary, and will be reviewed on a regular basis.

These guidelines apply to all persons working for the Orange group or on its behalf, employees, interns, detached or temporary staff, volunteers, agents, sponsors, consultants or any other person associated with our group or one of our affiliates whatever their location.

They are set up in compliance with the 1997 OECD Anti-Bribery Convention<sup>2</sup> and with the 2003 United Nations Convention against corruption.

They satisfy the requirements set by French law n°2016-1691 of 9 December 2016 on transparency, anticorruption and modernisation of economy, known as the “Sapin II” law<sup>3</sup> as well as the requirements of the US Foreign Corrupt Practices Act<sup>4</sup> and the UK Bribery Act 2010<sup>5</sup>.

It is essential to stress that these guidelines cannot cover all specific circumstances nor provide information on each local applicable law in all countries where the Group operates. Similarly, they do not establish a comprehensive list of all anti-corruption legal provisions applicable in each jurisdiction. This is why it is recommended, in case of doubt, to seek advice from your Compliance Officer<sup>6</sup>.

1 <https://gallery.orange.com/rse/media/84c5ab25-8814-467f-9d73-dde3b6088b41#v=Version1&l=en>

2 <http://www.oecd.org/corruption/oecdantibriberyconvention.htm>

3 <https://www.legifrance.gouv.fr>

4 <https://www.justice.gov/criminal-fraud/foreign-corrupt-practices-act>

5 <https://www.gov.uk/government/publications/bribery-act-2010-guidance>

6 <https://ethics-et-compliance.shp.finance.intraorange/en/Pages/contacts.aspx#Boreprerio> blaut audantia quiscil ipsam ad que cuptaquia solecti onsequi tem rempore icidellore omnihicabor re reniet laudi volorum harumqui blaut re serum, nimagnias aces repellab inullautatem quam rem ea natia nate quaspelique essit que voloratatur?

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# Card # 1

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## Definition of corruption and influence peddling

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The unlawful proffering, offering or promise to offer (active corruption), or the unlawful request or acceptance (passive corruption), directly or indirectly, of any offer, promise, gift, or advantage of any kind to carry out or abstain from carrying out or having carried out or abstained from carrying out an act of one's function, duty or mandate is **considered under criminal law as a corruption offense**.

Corruption, as defined in the Orange group policy<sup>7</sup>, includes “bribes”, “kickbacks”, “consideration” of any kind, extortion, facilitation payments and the laundering of such practices.

Moreover, corruption of a public servant is regarded as aggravating circumstances in most legislations.

The unlawful proffering (active influence peddling) or the unlawful request or acceptance (passive influence peddling), directly or indirectly, of any offer, promise, donation, gift or advantage of any kind, in order to abuse one's real or supposed influence with a view to obtaining distinctions, employments, contracts or any other favourable decision is **considered under criminal law as an influence peddling offense**.

For example, in France, the corruption and influence peddling offenses under criminal law are punished by a maximum fine of 1 million Euros and up to 10 years' imprisonment which can be imposed on any Orange or Orange affiliates' employee or director as well as any person acting in the name of the company, in particular third parties acting in the name of the company as distributors, agents, consultants or business partners.

<sup>7</sup> <https://gallery.orange.com/rse/media/84c5ab25-8814-467f-9d73-dde3b6088b41#v=Version1&l=en>



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# Card #2

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## Conducts prohibited by Orange

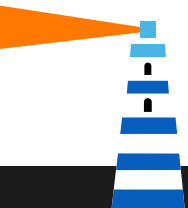
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The Orange group affirms the principle of “zero tolerance” towards corruption and influence peddling of any form whatsoever in all its activities across the entire Group and as such strictly prohibits the following conducts:

### 1. Active corruption

In no event may an employee for him/herself or on behalf of a third-party, or a third-party on behalf of the employee, promise to give or offer a payment or anything of value with the expectation or hope to receive an undue advantage or as a reward for an undue advantage already obtained give, including but not limited to:

- Cash donations, gift vouchers or equivalent, securities or cryptocurrency,
- Lending money, goods or services or providing a security for a bank loan,
- Advantage such as an employment or internship opportunity,
- Payments for or refunds of personal expenses such as trips, lodging or entertainment, interior design, renovation or construction works,
- Presents such as mobile phones, pads, accessories, PCs, perfume, jewellery, membership to a sports club, cruise,
- Payment of phone bills,
- Payment of personal services or other services to individuals of any kind,
- Payment of car rentals and expenses in relation to interior design, equipment or clothing,
- An Orange product, service or offer,
- A donation to a charity or humanitarian organisation or to a trade union or a political party.



**The following conducts are strictly prohibited:**

- Giving money or offering something of value to a buyer or intermediary in order to entice them to decide in favour of purchasing goods from the company rather than from a competitor,
- Promising to make available a house, a holiday trip to the family or to relatives of another company's employee in order for the latter to grant a contract to the company which would have been otherwise granted to a competitor,
- Offering something of value to an executive or manager of a business partner to entice such partner to enter into business with Orange or one of its affiliates,
- Paying a sum of money to an employee of a supplier of services or goods in order to obtain preferential treatment,
- Offering something of value to an external auditor in order to encourage him/her to overlook certain dysfunctions or to grant us a certification or label.

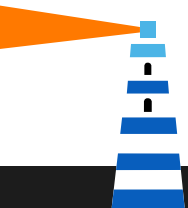
**Moreover, it is strictly prohibited to offer presents to a public servant or to resort to influence peddling to encourage him/her to:**

- make or refrain from making a decision,
- overlook the violation of or non-compliance with a law or regulation,
- grant preferential tax treatment,
- reduce customs taxes, expedite or derogate from customs clearance procedures,
- favour an applicant in a licensing procedure, in particular in the field of telecommunications, at the expense of another applicant,
- refrain from performing a task that should be performed, e.g. refrain from conducting an inquiry required before granting a permit or any other public authorisation or certificate.

## 2. Facilitation payment

It is strictly prohibited to make a facilitation payment in any form whatsoever, to a public service representative, an agent or an intermediary, to facilitate or expedite a routine procedure or to ensure or expedite the granting of a permit, authorisation or certificate or any other standard or necessary service to which the user or the company is entitled.

It is also strictly prohibited to yield to a public servant's solicitation (request for "kickbacks") or to an attempted extortion (refusal to provide a public service unless a kickback is paid beforehand).



### 3. Solicitation, extortion

#### In case of solicitation or attempted extortion:

- An Orange employee must report it immediately to his/her manager and Compliance Officer<sup>8</sup>,
- A third party acting in the name or on behalf of Orange must report it immediately to its Orange contact person.

In any event, these unlawful conducts will be handled in an appropriate manner and measures will be taken in order to prevent any renewal of such attempts.

However, if an employee or a third party acting in the name or on behalf of Orange is faced with an **exceptional situation** where, out of fear for his/her life, health or freedom, there is no other option than to yield to an attempted extortion, he/she must take whatever steps necessary to protect him/herself, including making any exceptional payment. In such a case, the employee must report this event as soon as possible to his/her manager and Compliance Officer, or Orange contact person who will inform the Compliance Officer of the relevant direction or, if needed, the Group Compliance Officer, who will be in charge of providing, in close connection with him/her, the appropriate response to the incident, in particular by recording the extorted sums or goods and the conditions of such extortion in the records and books of the concerned entity.

### 4. Passive corruption

In no event may an employee for him/herself or on behalf of a third-party, or a third-party on behalf of the employee, accept or solicit from a third party known to be or suspected of expecting an undue advantage therefrom, a payment or anything of value, including but not limited to:

- Cash donations, gift vouchers or equivalent, securities or cryptocurrency,
- Lending money, goods or services or providing a security for a bank loan,
- Advantage such as an employment or internship opportunity for close relatives,
- Payments for or refunds of personal expenses such as trips, lodging or entertainment, interior design, renovation or construction works,
- Presents such as mobile phones, pads, accessories, PCs, perfume, jewellery, membership to a sports club, cruise,
- Payment of phone bills,
- Payment of personal services or other services to individuals of any kind,
- Payment of car rentals and expenses in relation to interior design, equipment or clothing,
- An enhanced or preferential offer for the product or service of such third party,
- A donation to a charity or humanitarian organisation or to a trade union or a political party.

<sup>8</sup> <https://ethics-et-compliance.shp.finance.intraorange/en/Pages/contacts.aspx#>



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# Card #3

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## Guidelines on presents and invitations

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Presents and invitations may be justified means for establishing, maintaining or developing normal business relations. But such advantages must in all circumstances be reasonable and related to the business context at hand.

However, the inappropriate offering or acceptance of a present or invitation, particularly with the intention of influencing the outcome of a business transaction or obtaining an undue advantage in return therefor, is strictly prohibited and may constitute, for an employee and for the Group, a breach of our anti-corruption policy as well as of the regulations in force.

In order to prevent potential risks of corruption or harm to our reputation, the Orange group has defined a policy in relation to “presents and invitations” (which forms an integral part of the Orange group Anti-corruption Policy<sup>9</sup>), supplemented by these guidelines which provide details on how this policy should be implemented.

### These guidelines relate to:

- transparency: a present or an invitation can only be offered or accepted openly and in a fully disclosed manner.
- the nature of the present or invitation, which must comply with the law, with our Code of Ethics<sup>10</sup>, not be offensive, unreasonable or contrary to human dignity,
- frequency: a present or an invitation can only be offered or accepted occasionally,
- the moment of such present or invitation must not be “sensitive”, in particular it must not be close to a time of selection or assessment of a business partner or supplier, or to a tender procedure, negotiations or the renewal of a contract.

The Group has defined three categories of advantages i) presents, ii) meals, iii) invitations to events or shows, to which financial thresholds apply. Exceeding any one of these thresholds must remain exceptional and be subject to declaration submitted for management validation<sup>11</sup> and recorded in the relevant tool (i.e. Eliot, Act, Onéo, etc.).

<sup>9</sup> <https://gallery.orange.com/rse/media/84c5ab25-8814-467f-9d73-dde3b6088b41#v=Version1&l=en>

<sup>10</sup> <https://gallery.orange.com/rse/media/a2f6f030-01b9-11e8-972c-83699ad7b55f#v=Version1&l=en>

<sup>11</sup> The management validation process is defined by each Direction in each country, and may require clearance by the Compliance Officer.

Translation of the « Principes directeurs » validated by the Group Ethics committee on 8 October 2018



**These thresholds are defined as follows:**

- Each of the thresholds applicable to any one of the 3 categories of **accepted advantages** (presents, meals, invitations) is based on the aggregated amount corresponding to the real or perceived value of the advantages accepted over one civil year by an Orange employee from one or several representatives of the same public or private entity, of the same company or of the same group.
- Each of the thresholds applicable to any one of the 3 categories of **offered advantages** (presents, meals, invitations) is based on the aggregated amount corresponding to the real or perceived value of the advantages offered over one civil year by an Orange employee to a given person.

NB : when the offered invitation relates to an event organised or sponsored by Orange, specific conditions may apply to such invitations, or specific tools may be used for their recording, as set up in cooperation with the Compliance Officer<sup>12</sup>, instead of the usual declaration and recording procedures and tools.

**The thresholds are set for each country or entity.**

**For France, their levels are as follows:**

	Presents	Meals	Invitation
accepted	150€	75€	150€
offered	150€	75€	150€

The Executive Committee may set, in the procedures it defines, specific thresholds applying to a limited and designated number of directors. In any event, these specific thresholds must be documented and traced.

<sup>12</sup> <https://ethics-et-compliance.shp.finance.intraorange/en/Pages/contacts.aspx#>



## 1. Offering or accepting a present

### a. What is acceptable

A present can only be offered or accepted openly and in a transparent manner, as a courtesy or token of appreciation. Its nature must be in line with business standard practices and local customs.

A present can only be offered in Orange's name and in no circumstances in the employee's name. Goods offered as presents must be of modest value and preferably branded "Orange" or displaying the brand of the relevant business entity. Branding indicates that the present is offered for marketing purposes and thereby reduces its value.

### b. What is not acceptable

**A present cannot be offered or accepted, in particular if:**

- it is unlawful under local laws,
- it is offered or accepted with the view to obtain or retain fraudulently, and in exchange for such present, a business advantage or any other kind of advantage,
- it is likely to be, or to be considered as likely to influence the outcome of a business transaction,
- it is offered or accepted in an inappropriate moment or background, such as in the course of a tender procedure or at the time of the award of a procurement,
- it is prohibited by the Orange group Anticorruption Policy or the anticorruption policy defined by the entity of the person offering or accepting such present,
- it is solicited or conditional,
- it is hidden, concealed, not declared or not recorded, unreasonable given its nature or value, offensive or contrary to human dignity,
- it is aimed at a spouse, a family member or a relative without professional justification,
- it is a cash donation or any equivalent (electronic money, loan, commission, credit card, cryptocurrency, gift certificate, promotional coupon, voucher, etc.)

An employee who receives a present that cannot be accepted must return it to its sender. Proof of such return must be recorded and available as evidence in case of control. When it is impossible to return the present because of its size, weight, or the cost or distance of shipment, or because such return would be considered offensive, the employee must refer to his/her manager, Ethics Advisor or Compliance Officer who will decide on the best course of action, in particular on the present: the employee will not be allowed to keep it but it may be decided that the present will be accepted in Orange's name, in which case the sender will be notified thereof and the present will be handed over to the relevant department for the purpose of transparent and ethical use (e.g. as a donation to the Orange Foundation or CSR team which will put the proceeds of its sale to good use).

## 2. Meals

### What is acceptable

Meals can be offered or accepted within the framework of a business meeting aimed at promoting Orange's or the partner's goods and services, or as part of discussions on a project, a business opportunity or a given contract.

## 3. Invitations

### a. What is acceptable

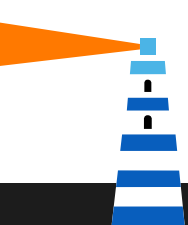
An invitation to an entertainment event such as a sports game, a show, a town or museum tour, or to partner events can be offered or accepted within the framework of a business or professional event whose business or professional nature prevails over its entertaining nature.

Entertainments offered in the context of a bigger event sponsored by Orange or by an Orange entity (charities, Orange brand marketing campaign, launch of new products) are considered reasonable but must remain proportionate to the event and may be subject to specific limits on a case-by-case basis. These entertainment events must be recorded in the appropriate tool (e.g. Agora, etc.), and state, in particular, the list of persons invited and the relevant authorisations. Attendance of one or more Orange representatives is also required.

### b. What is not acceptable

**An invitation cannot be offered or accepted if:**

- it is unlawful under local laws,
- it is offered or accepted with the view to obtain or retain fraudulently, and in exchange for such present, a business advantage or any other kind of advantage,
- it is likely to be, or to be considered as likely to influence the outcome of a business transaction,
- it is offered or accepted in an inappropriate moment or background, such as in the course of a tender procedure or at the time of the award of a procurement,
- it is prohibited by the Orange group Anticorruption Policy or the anticorruption policy defined by the entity of the person offering or accepting such present.



## 4. Trips and hospitality

### a. What is acceptable

As an exception, Orange may bear the reasonable costs of travel and/or lodging of persons who have been invited to attend an event or show organised by Orange or a visit of company offices, of a business site, technical facility, or business lab as part of exchanges on a project, an opportunity or a specific business contract, or of a demonstration, a marketing or awareness campaign for Orange products or services.

The invited persons' travel and lodging expenses must comply with the travel policy of the Orange inviting entity (and as such, they are subject to management approval), and must be faithfully recorded in the appropriate accounting and declaration tools, such as Eliot, ACT for Orange Business Services, Akcept in Poland, etc.

If the invited person, whose travel and other expenses have been paid by attendance, the entity organising the trip or event is responsible for ensuring proper refund of such expenses to Orange.

When an employee of the Group is invited by a business partner, customer or supplier, Orange will bear the costs of travel and lodging of such employee directly. If this is not possible, the costs borne by the inviting entity must be refunded to the extent possible. Such refund is made to the inviting legal entity and not to a natural person. The sums spent are refunded on the basis of supporting documentation and duly recorded in the entity's books.

As an exception, and in strictly circumscribed cases defined by the relevant Orange entity, payment by a third party of the travel and lodging expenses may be allowed following prior declaration submitted by the employee, control and recorded approval by a manager duly authorised to approve such an exception.

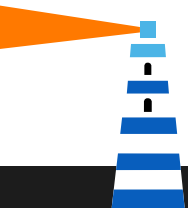
### b. What is not acceptable

No trips can be organised with the view to obtain or retain, in exchange for such trip and in a fraudulent or undue manner, business advantages.

As a consequence, Orange can in no circumstances bear the costs of:

- detours made while on an authorised business trip which are unrelated to the business, technical or advisory purpose of such trip;
- travel and lodging expenses of a friend, family member or any other person who is not the traveling person(s) for the purpose of such trip.

In addition, allowances and cash advances cannot be paid by or in the name of Orange to public servants or customers' representatives.



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# Card #4

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## Guidelines on philanthropic activities

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Philanthropy is a material support provided without consideration (or for a modest consideration) from the beneficiary, to a project of general interest for the populations of the countries where the company operates and through which it wishes to demonstrate its corporate responsibility and commitment to ethics.

### **The Orange Foundation and the foundations of Orange entities can only support philanthropic initiatives that:**

- are not related to any business transactions and are not aimed at receiving financial advantages in return,
- are authorised by local law,
- are proportionate to the type of project supported,
- are organised in a transparent manner,
- comply with the Orange group Philanthropy Policy<sup>13</sup>.

Financial subsidies for philanthropy projects cannot be paid to a natural person or to a group of natural persons.

### **A philanthropy project is only supported financially by the Orange Foundation, by a country or by an Orange entity following:**

- submission of a detailed file by the beneficiary who proposes the project,
- validation by the selection committee in accordance with the process set up by the foundation of each company or Orange entity,
- monitoring of the project's organisation by the Orange team in charge of philanthropic activities (« Due Diligence »),
- written approval by the relevant director.

If the request for support is approved, a legal agreement is signed between the parties.

The relevant financial manager must record accurately the sums provided under each philanthropy project supported by the Orange group or an Orange entity in the relevant books and accounts. Financial and accounting procedures must be set up to record accurately these payments and ensure full transparency of the accounts and of the related financial reporting.

<sup>13</sup> <https://www.fondationorange.com>

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# Card #5

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## Guidelines on sponsorship

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**Orange group's sponsorship strategy allows the Group to enter into partnerships with private and public bodies or associations when:**

- their activities are in line with our partnership agreements in relation to sports and cultural domains as described in the Orange sponsoring and partnership policy and on Agora, the Group event platform <https://agora.orange.com> accessible to Orange employees as event managers, executive assistants and anyone wishing to order or benefit from the so-called Group partnership agreements.
- the sponsorship agreement puts forward Orange's technical expertise and know-how (necessary but not always sufficient condition)
- activities are carried out in a fully transparent manner, are authorised by the law in force and do not conflict with our Ethics and Compliance rules.

**A sponsorship project can only be supported financially by the Group, by a country or an Orange entity, following:**

- submission of a detailed file by the organisation who proposes the project,
- monitoring of the project's organisation by the Orange team (Procurement Division, Legal Department and Business Division),
- validation by the selection committee or the local or Group Investment Committee in accordance with the process set up by each Orange entity and the level of financial investment, and,
- written approval by the relevant director.



Financial contributions to sponsorship projects cannot be made to a public servant, a natural person or a group of natural persons, except if made within the framework of programs such as “Orange Passion” which are subject to a specific monitoring and reporting process.

When a sponsorship request is approved, the relevant director sends three signed original copies of the sponsorship agreement or contract (as the case may be) to the beneficiary organisation by e-mail or regular mail.

The relevant financial manager must record accurately the sums provided under each Orange Group or Orange entity sponsorship project in the relevant books and accounts. Financial and accounting procedures must be set up to record accurately these payments and ensure full transparency of the accounts and of the related financial reporting.

Within the framework of sponsorship agreements, invitations to events or shows may have been negotiated by Orange. In such case, the manner in which these invitations are used must fully comply with the “Guidelines on presents and invitations” (Card #3).



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# Card #6

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## Guidelines on lobbying

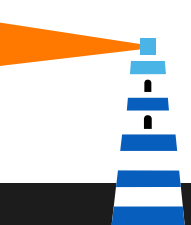
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The Orange group lobbying representatives, who is in charge of following up and anticipating public policies that are likely to affect the group's activities and of raising awareness of public authorities on the challenges and issues faced by the company, embodies principles defined in the Orange group Code of Ethics<sup>14</sup>.

### In this respect, the Orange Group lobbying representative:

- maintains and increases the trust of its counterparts within public authorities in order to establish with them a constructive and long-term dialogue;
- carries out his/her missions with impartiality, loyalty and dignity, in particular with respect for his/her external counterparts whatever their political beliefs and positions, and refrain from any disparagement;
- undertakes to comply with the decisions made by his/her counterparts;
- acts in compliance with the legislations in force as well as with the internal rules governing the assemblies and groups he/she attends; in particular he/she is registered on the French digital public register of representatives of interests before public authorities;
- acts in a transparent manner towards public authorities, and therefore:
  - a) states his/her identity, the entity he/she works for and the interests he/she represents,
  - b) refrains from approaching such persons with the aim to obtain information or decisions in a fraudulent manner,
  - c) ensures quality and reliability of the information provided by the public authorities without any political exclusivity and answer to any information request,
  - d) refrains from obtaining or seeking to obtain information or decisions by deliberately communicating to such persons false information or through deception;

<sup>14</sup> <https://gallery.orange.com/rse/media/a2f6f030-01b9-11e8-972c-83699ad7b55f#v=Version1&l=en>





- rejects corruption in all its forms and refrains from offering or giving to such persons gifts or advantages of significant value of any kind;
- refrains from providing such persons with incentives to infringe the ethics rules to which they are bound;
- refrains from organising conferences, events or meetings where attendance as speaker is subject to remuneration of any kind;
- refrains from using for commercial or advertising purposes the information he/she receives;
- refrains from selling to third parties copies of the documents emanating from the State, from an independent public or administrative authority or use the headed paper or logo of such public authorities or administrative bodies;
- acts with tact and diplomacy towards his/her external counterparts in order to preserve the company's image;
- always acts with integrity in the defence of the company's interests and use the alert mechanism at his/her disposal if the action he/she must undertake proves contrary to his/her personal moral values;
- strives to raise awareness within the Group on the general interest at the heart of all public action;
- ensures that his/her oral presentations to an external audience are in line with the company's position;
- builds relationships of trust and cooperation with his/her external counterparts, in order to preserve unity of action and ensure consistency and understanding of the position by the outside;
- complies with the rules on confidentiality designed to protect the activities of the Group.



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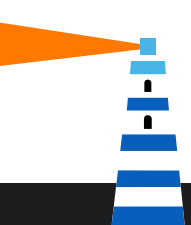
# Card # 7

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## Guidelines on contributions to political parties

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Orange prohibits all kinds of contributions from the company (cash, valuable items, goods or services, loans, loan securities) made directly or indirectly to political parties.



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# Card #8

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## Whistleblowing mechanism

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The Orange group has put in place a Group whistleblowing mechanism<sup>15</sup> supplemented by local whistleblowing mechanisms in certain entities and/or countries. This mechanism aims at strengthening Orange's "Ethics and Compliance" approach, encouraging the detection of dysfunctions, enabling their resolution, and allowing Orange to operate in accordance with its anticorruption policy<sup>16</sup> and applicable laws and regulations.

The Group whistleblowing mechanism is available on the bottom strip of the Intranet homepage and the alert notification procedure is available online on the Ethics&Compliance Intranet website.<sup>17</sup>.

<sup>15</sup> by sending <mailto:deontologie.alerte@orange.com>

<sup>16</sup> <https://gallery.orange.com/rse/media/84c5ab25-8814-467f-9d73-dde3b6088b41#v=Version1&l=en>

<sup>17</sup> [https://intranet.com.intraorange/sites/intranet/files/2020-04/procedure\\_alerte\\_EN.pdf](https://intranet.com.intraorange/sites/intranet/files/2020-04/procedure_alerte_EN.pdf)



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# Card #9

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## Procedure to identify, prevent and manage conflicts of interest

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There is a conflict of interest in a case of interference between the interest of the company and the private interest of an employee or of natural or legal persons to which the employee is related or close, and if the interference is likely to influence or seem to influence the independent and impartial conduct of the employee' professional activities: any Orange employee may be faced with a conflict of interest, including in spite of him/herself.

Conflict of interest is not an offence as such but may lead to an offence being committed, such as fraud, misappropriation or even corruption. It can also raise suspicion on the integrity of the person concerned, of the entity to which he/she belongs, or even of the Group.

In order to prevent risks in relation to conflicts of interest, the Orange group has set up a procedure for the identification, prevention and management of conflicts of interest as follow: an employee which finds him or herself in a situation of conflicts of interest<sup>18</sup> should declare it to its line manager; the line manager will seek the opinion of the In-house Referee<sup>19</sup> before informing the employee of its decision which may be:

- conflicts of interest not confirmed
- remain in the situation
- step back from the situation

The line manager, the In-house Referee and the employee sign the decision which is archived, together with the declaration of conflict of interest, by the employee and the entity.

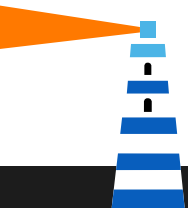
Examples of conflicts of interest are given in the practical guide<sup>20</sup> aiming at helping the employees and managers to identify, prevent and manage risks of conflicts of interest.

In addition, top managers undersign a letter of acceptance of their delegation of power which states that he/she “commits ... to declare any conflict of interest in which he would find himself/herself”.

18 in case of doubt, an employee may seek advice of its line manager, its compliance officer, its ethics advisor, HR or legal manager <https://ethics-et-compliance.shp.finance.intraorange/en/Pages/contacts.aspx#>

19 The In house referee is a natural person or a committee having legitimacy in the entity to give advice on declaration of conflict of interest and associated managerial decisions such as the compliance officer, the ethics adviser, the ethics committee or compliance committee, the HR manager...

20 [https://ethics-et-compliance.shp.finance.intraorange/Documents/2.2.11.1\\_BookletCI\\_EN.pdf](https://ethics-et-compliance.shp.finance.intraorange/Documents/2.2.11.1_BookletCI_EN.pdf)



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# Card # 10

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## Due Diligence of third parties

(corporate customers, suppliers, partners, intermediaries)

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### 1. Global Policy for the selection of the Group's third party representatives

Before entering into or renewing a partnership agreement, a **set of controls** must be carried out in order to i) ensure that the relationship does not pose a potential risk to Orange, and ii) make the appropriate decisions regarding the relationships that should, or should not, be set up with such partner. This set of controls constitutes the assessment procedure known as “**Due Diligence**” of third parties (corporate customers, suppliers, partners or intermediaries). Intermediaries are all natural or legal persons acting in the name or on behalf of Orange or one of its affiliates, such as : agents, sales representatives, consultants, consulting firms, suppliers, distributors, dealers, subcontractors, franchisees and all other business partners including lawyers, accountants, etc.

### 2. “iDDfix” Due Diligence Procedure

If Orange is not sufficiently cautious about the integrity of third parties it has relationships with, it may be involved, more or less directly, in non-compliant operations with potential legal and/or financial risks as well as risks to image and reputation.

Consequently, Orange has defined a specific process in order to assess the situation of third parties in relation to fraud and non-compliance, called **iDDfix**<sup>21</sup>. It is a risk-based approach enabling focus on the assessment of “risky” partner, in two steps:

- a pre-assessment of the global risk posed by the partner, based, on the one hand on criteria related to the country (country of registration of the partner and of its mother company, country where the transaction is carried out) and on the other hand, on criteria related to the partner (stock exchange listing or lack thereof, potential links with public bodies or governments, type and nature of the partnership).
- this pre-assessment then enables a level of risk to be set a priori on a scale of four levels (low, moderate, high, very high). A set of controls is associated with each risk level, constituting the due diligence as such, and highlighting a set of attention points and recommendations in order for the management to make an informed decision on whether to enter into the partnership and under which conditions.

<sup>21</sup> <https://ethics-et-compliance.shp.finance.intraorange/en/Pages/iddfix.aspx#>

Translation of the « Principes directeurs » validated by the Group Ethics committee on 8 October 2018

In any event, any decision to work with a third party must be clearly formalised in order to avoid any risk situation. In particular, no written or oral agreement can be entered into with a third party representative, no payment can be made in cash to a third person or on bank accounts that are not opened in the name of third party representatives.

Commissions, compensations, refunds and other payments must comply with accounting standards, be reasonable, related to provided services and to market prices, and adequately recorded in our accounts.

Agreements with third parties must include a Compliance section (the “Compliance” clause) providing, in particular, for compliance with applicable anticorruption laws, in particular the “Sapin II” law, the US FCPA and the British UKBA.



