

# ORANGE statement on the English law on modern slavery / 2016

---

Orange is one of the world's leading telecommunications operators with sales of 40.9 billion euros in 2016 and 155,000 employees worldwide at 31 December 2016, including 96,000 employees in France. Present in 29 countries, the Group has a total customer base of more than 263 million customers as at 31 December 2016, including 202 million mobile customers and 18 million fixed broadband customers worldwide. Orange is also a leading provider of global IT and telecommunication services to multinational companies, under the Orange Business Services brand. The company works with several thousand suppliers and subcontractors all over the world, chiefly in Europe, Asia and Africa.

Orange takes steps to combat modern slavery and human trafficking, particularly with actions involving Ethics, HR, Purchasing and Human Rights.

Orange was one of the first companies to sign the United Nations Global Compact in 2000, thus asserting its commitment to respecting and promoting fundamental human rights in its activities and sphere of influence. Compliance with the fundamental principles set out in the Universal Declaration of Human Rights and by the International Labour Organization figures explicitly in the Group's Code of Ethics. This document sets out the Group's principles of action with regard to its customers, shareholders, employees, suppliers and competitors, as well as all other stakeholders in the countries in which the Group operates<sup>i</sup>.

In 2006, Orange reinforced its commitment by signing a worldwide agreement with the UNI Global Union. Through this agreement, Orange reaffirmed its intention to respect fundamental human rights, both internally and in its relations with its suppliers and subcontractors.

Orange's initiatives on human rights focus on three areas:

- **Employees** relations
- Relations with suppliers and subcontractors
- Contributions to freedom of expression and privacy protection

## Employee awareness

This pro-active approach to human rights goes hand in hand with raising Orange employees' awareness. An e-learning on the topic is available online on the company intranet. More specific (in-person) training focusing on combating forced labour and on protecting individuals is given to employees directly affected by these issues (e.g. CSR, ethics, compliance, purchasing and logistics chain personnel, etc.).

## Impact studies

We undertake a human rights risk assessment in the countries where we operate. Carried out by an independent expert, these impact studies enable us to establish our priorities at a very detailed level, as well as determining our vulnerabilities in the countries concerned. In order to improve risk management in our activities and with our suppliers, we have introduced specific Orange indicators, relating to the number of customers, the size of the workforce and the Group's geographic scope.

## Orange principles for responsible purchasing

For several years, Orange has implemented a responsible purchasing policy that aims to build principles of social responsibility into its supplier relations while strengthening risk management, including risks to human rights<sup>ii</sup>.

The policy is structured around two approaches:

- being a responsible purchaser, by including CSR principles in governance and internal processes for purchasing and logistics, and using our purchases to contribute to local development and employment;
- requiring our suppliers and subcontractors to meet their own CSR standards and in turn apply them to their own purchasing and supply chain.

The ethical, social and environmental commitments expected by the Group are described in the Supplier and Supply Chain Code of Conduct.<sup>iii</sup> Orange requires its partners, its suppliers, and their sub-contractors to comply with all of the national, European and international regulations on responsible and ethical behaviour. These include, but are not limited to, standards on human rights, environmental protection, sustainable development, corruption, and child protection. The Group promotes these CSR standards with the majority of its suppliers when purchasing. Orange selects its suppliers using a seven stage process. This process includes assessing suppliers when they are first referenced, but also throughout the duration of the contract.

The Group's purchasing contracts and a growing proportion of local contracts include a specific clause on Orange's requirements in the various areas covered by CSR. A documentation-based supplier evaluation process is carried out, either using an Orange designed questionnaire, or by a specialist consultant in responsible purchasing (EcoVadis).

## JAC - Joint Audit Cooperation

In order to enhance the evaluation process, in December 2009, Orange, with Deutsche Telekom and Telecom Italia, instigated the creation of a cooperation agreement between telecommunications operators (the Joint Audit Cooperation – JAC). The association aims to verify, evaluate and develop CSR implementation at the production centres of the most important multinational ICT suppliers. The JAC now encompasses 13 telecommunications operators: AT&T, Belgacom, Deutsche Telekom, KPN, Orange, Rogers, Swisscom, Telecom Italia, Telefonica, Telenor, TeliaSonera, Verizon and Vodafone.

The guiding principles worked out by the JAC aim to facilitate supplier adoption of shared CSR expectations, and provide support for their implementation throughout the audit and monitoring process. The audits, which are carried out according to common methodology, are used to assess suppliers' compliance with labour and environmental standards (SA 8000, ISO 14001, etc.) and to develop corrective action plans when necessary.

At the end of December 2016, 278 audits of suppliers in Asia, Africa, Eastern Europe, South America and North America had been carried out.

---

<sup>i</sup> The Group's Code of Ethics is available online at: <https://www.orange.com/en/Group/Governance/Governance-documentation>

<sup>ii</sup> The responsible purchasing policy is available online: <https://www.orange.com/en/Commitments/Responsibility/Trust/Folder/Responsible-purchasing>

<sup>iii</sup> The Supplier and Supply Chain Code of Conduct is available online: [https://www.orange.com/fr/content/download/3191/28145/version/10/file/code\\_conduite\\_fournisseur\\_2013\\_Orange.pdf](https://www.orange.com/fr/content/download/3191/28145/version/10/file/code_conduite_fournisseur_2013_Orange.pdf)