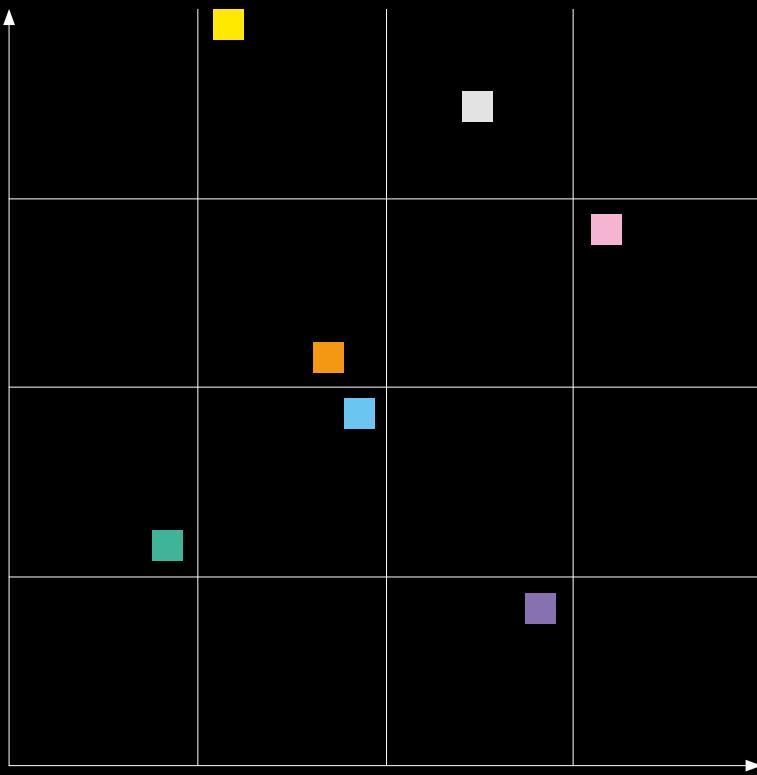


Integrated 2017 annual report



Foreword

The Internet of Things, Big Data, cybersecurity, ever more digital essential services, ambient connectivity and artificial intelligence are a few examples of the unprecedented digital shifts and surge we are seeing today. These developments are placing Orange ever closer to the core of these big issues and deepening our determination to contribute to a more intelligent, more open and more responsible society.

This attitude shapes our commitment.

This is also what our Human Inside philosophy is all about: the only metric that matters when we look at digital technology and at all the innovation it can spur is the extent to which they serve people in particular and society as a whole. We hope this third integrated annual report gives you a clearer picture of what our dedicated teams are achieving day after day and how Orange's commitment is generating value for stakeholders across the board.

We have chosen to illustrate what we are doing with seven experiences you will find in these pages and on our digital platform, rai2017.orange.com/en/.

Contents

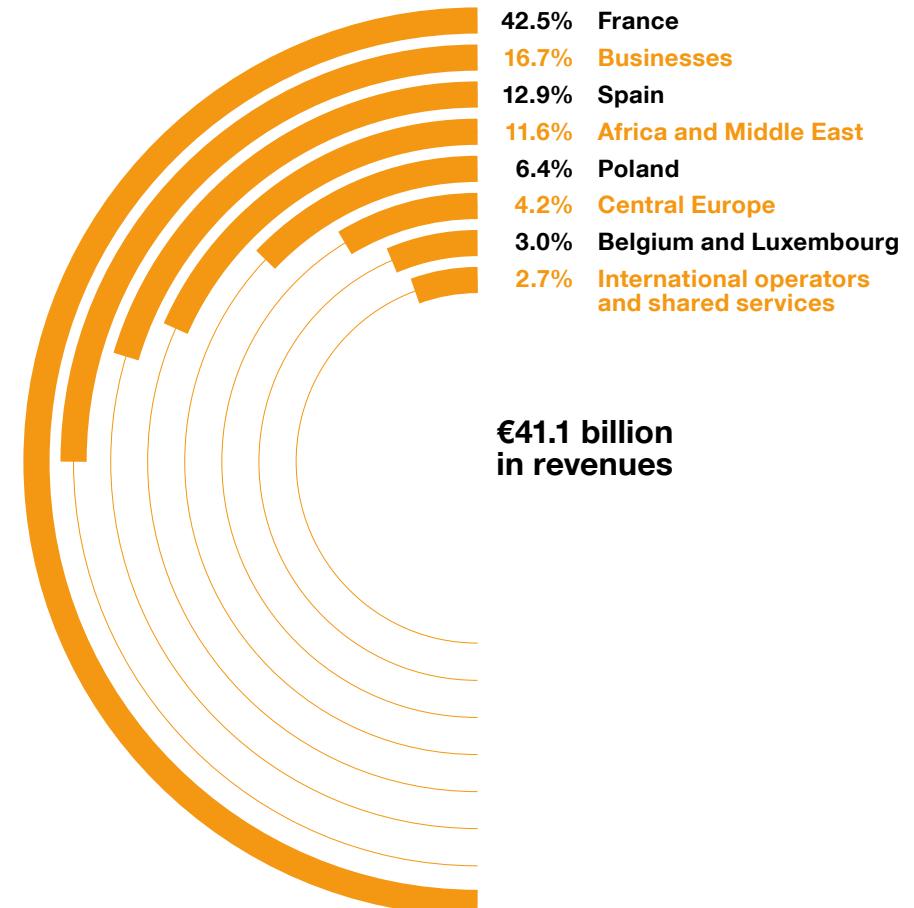
04 – 05	Orange at a glance
06 – 07	2017 key figures
08 – 09	Corporate governance
10 – 11	Our model to create value
12 – 35	Chapter 1 Our vision for digital technology
36 – 73	Chapter 2 Our strategy to create value
74 – 103	Chapter 3 Our contribution
104	Tables and charts
105	Contacts and useful links

Orange at a glance



2017 key figures

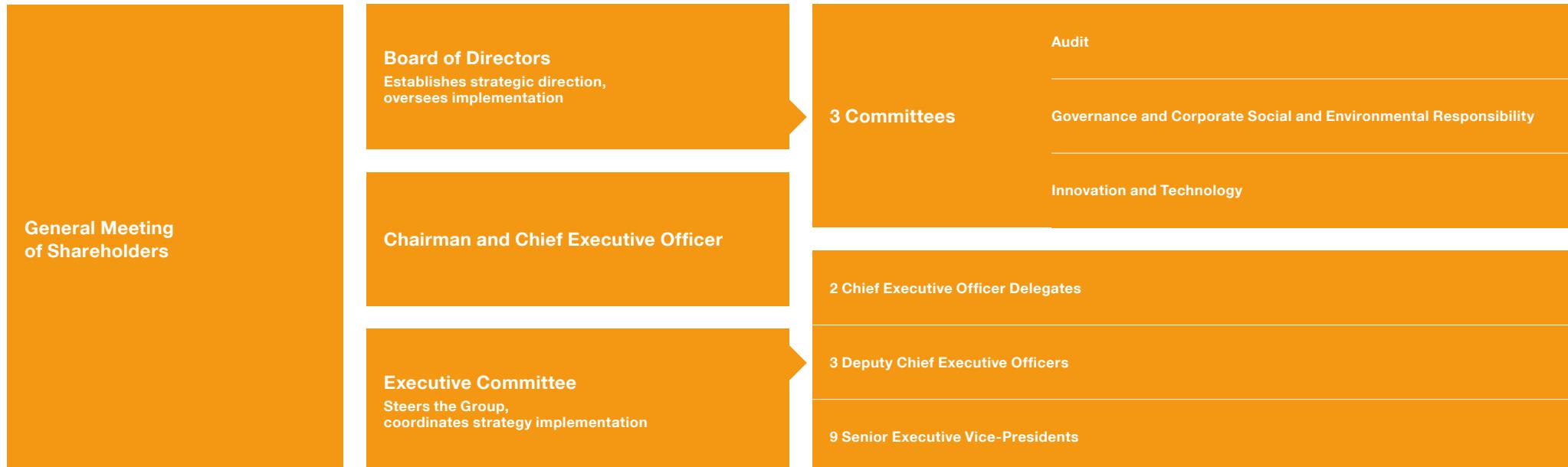
			152,000 employees
	Over 2 million BtoB customers (professionals and SMEs, incl. 43,000 businesses with more than 50 employees) in France	Over 3,000 customer multinationals outside France	
273 million BtoC customers	Over 450 customer operators in France (wholesale)	€7.2 billion investment in 2017	
4.7 million customers with very high-speed (over 100 Mbit/s) broadband access	46 million 4G customers	No. 1 FTTH operator in Europe (26.5 million fibre-ready households)	10.3 million BtoC customers on convergent fixed and mobile deals



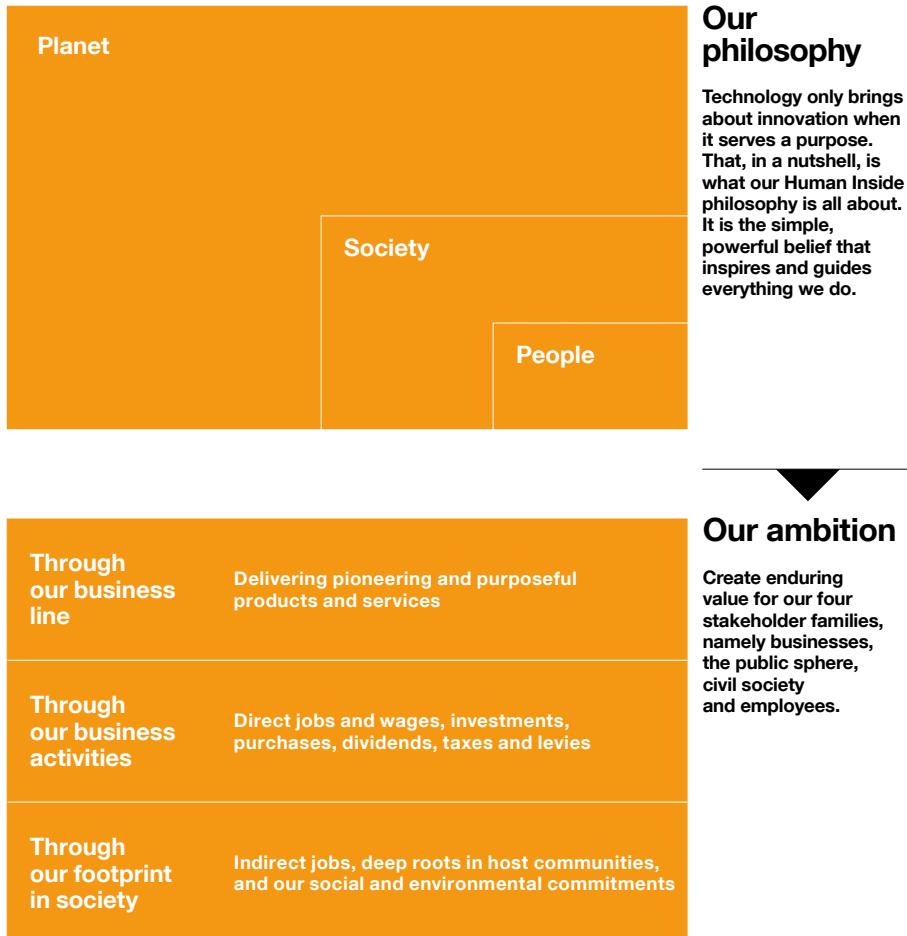
Corporate governance

Orange's robust governance is geared to advancing the Group's strategy and tackling the challenges in its environment. Convinced that strong governance drives strong performance, we keep accountability along with risk management and control constantly at the centre of our concerns. That is why we have built Orange's governance around four central bricks (see opposite).

1	2	3	4
A sound organisation where responsibilities are balanced across the corporate management structures commensurately with the Group's scope	A Board encompassing a complementary array of profiles and fields of expertise, and representing Orange's full wealth of stakeholders	Active and proactive directors	Strategic seminars twice a year to contribute to the Group's transformation



Our model to create value



Our strategy

Our Essentials2020 strategic plan is aimed at maximising the value we generate through our model and distribute to our stakeholders by connecting everyone to what matters to them.



Our business model

In essence, we generate returns from our resources using four business and industrial levers.

Resources

Invest in building and operating our network infrastructure

Business model

Serve our customers and thereby monetise our networks

Nurture customer loyalty with outstanding services and experiences

Provide an open service ecosystem

Share value with beneficiaries

Chapter 1

Chapter 2

Our strategy to create value

Chapter 3

Our contribution

Our vision for digital technology

In addition to reshaping our societies, digital technology is opening up new growth opportunities for Orange. Our overarching aim is to build a more intelligent, more open and more responsible society. That involves rising to the challenges that the digital revolution is bringing about, i.e. harnessing innovation to make it useful and make sure its benefits reach as many people as possible. This way, we can concurrently address the high hopes emerging throughout society and deliver the performance investors expect from a publicly traded company. Our role as operator, our teams' expertise and the investments we make put us in a position to steer today's shifts in the right direction and support our long-term growth.

How technology is reshaping and augmenting the world

The leaps forward in artificial intelligence, upsurge in processing power and ubiquitous networks are giving rise to a fourth industrial revolution. Orange is one of the driving forces behind that revolution, as well as one of its beneficiaries. Our Group has the expertise, infrastructure and international wingspan to channel today's and tomorrow's disruptive technologies. Those breakthroughs will in turn spur growth in our core business and in the new service universes that are becoming increasingly essential in people's connected lives and for companies and operators to conduct business.

The physical and virtual worlds started converging as the 21st century dawned. Digital services and all kinds of everyday objects are interacting more and more. And this is upending production methods, business models and even people's habits.

Increasingly intuitive technology
Technology kick-started this revolution, and rocketing processing power, network capacity and algorithm sophistication are fuelling it. Artificial intelligence is one of the

3.8%
ICT market growth in 2017

Over 5 billion
mobile users worldwide

21 billion
connected objects in 2020

developments that will have the most extensive impact over coming years: deep-learning technologies are enabling machines to solve problems by themselves, and thereby opening doors to wonderful opportunities ranging from task automation to customer-support chatbots and on to industrial robots and home assistants. Artificial intelligence will also play a pivotal role harnessing Big Data, i.e. collecting, analysing and processing masses of data generated by billions of connected objects to distil purpose-designed applications that effectively improve people's lives and companies' operations. Also at the border between the physical and digital worlds, up-and-coming virtual and augmented-reality technologies are enhancing interaction with our environment, recasting learning methods and even changing the way we produce innovation.

A plethora of prospects
This revolution is opening up a wealth of growth opportunities for a top-tier player in the digital arena such as Orange. In several ways. Firstly because it is triggering exponential growth in demand for connectivity. We are catering to this demand with

our future-ready fibre networks (with bandwidths exceeding 10 Gbit/s), Internet of Things networks (LTE-M and LoRa®) and the very high-speed mobile bandwidth that 5G will usher in, starting in 2020. Then, this revolution is opening up new possibilities to bring our BtoC and BtoB customers ever more essential services. We are already supplying mobile banking solutions and other content today, and the prospects we are looking forward to range across connected homes, well-being, healthcare, education, energy, industry, transport and even smart cities. We will not be tapping into these opportunities by ourselves, of course: we will be increasingly involved in co-operation arrangements with other carriers, Internet giants, IT service companies, the main industrial verticals (the automobile sector among others) and myriad cutting-edge start-ups.

Tackling tomorrow's challenges
This revolution is also giving rise to many of the challenges we are seeing on the economic and social fronts:
■ digital inclusion, i.e. accessing new technologies and the new practices springing from them, then distributing the value they create;

12 billion tons
Potential reduction in CO₂ emissions from digital and smart services by 2030 (1/5 of the world's total emissions)

15%
Average annual growth in the Big Data market through to 2020

■ the environment, i.e. renewable energy and the raw materials that the digital economy needs to thrive;
■ the regulation to channel activities in global markets where borders are blurring;
■ security, as people and businesses have a crucial need to place their data in digital spaces they can fully trust.
These are the ripples that the fourth industrial revolution is setting in motion, that will shape the world tomorrow, and that Orange is addressing through its business model, strategy and commitments to society.

Why we do what we do at Orange

Companies need to open up and reach out to the increasingly connected world around them because their business will only grow, endure and earn acceptance if they know how to listen to and talk to the stakeholders in their ecosystem. That is why we have set up structured channels for conversations inside and outside the Group.

These conversations help us zero in on the issues that each of our stakeholders really care about on an individual and collective level, and direct our decisions and commitments accordingly.

Our drive to share value across Orange and society have shaped our method to engage in dialogue with stakeholders. This method encompasses the three principles in the AA1000 standard, namely inclusivity (we identify stakeholders that are active locally), materiality (the issues we address are topical for Orange and our ecosystem) and responsiveness (we map out and roll out short-, medium- and long-term action plans).

This structured approach earned us a Défis RSE (CSR Challenges) award in the Stakeholder Dialogue

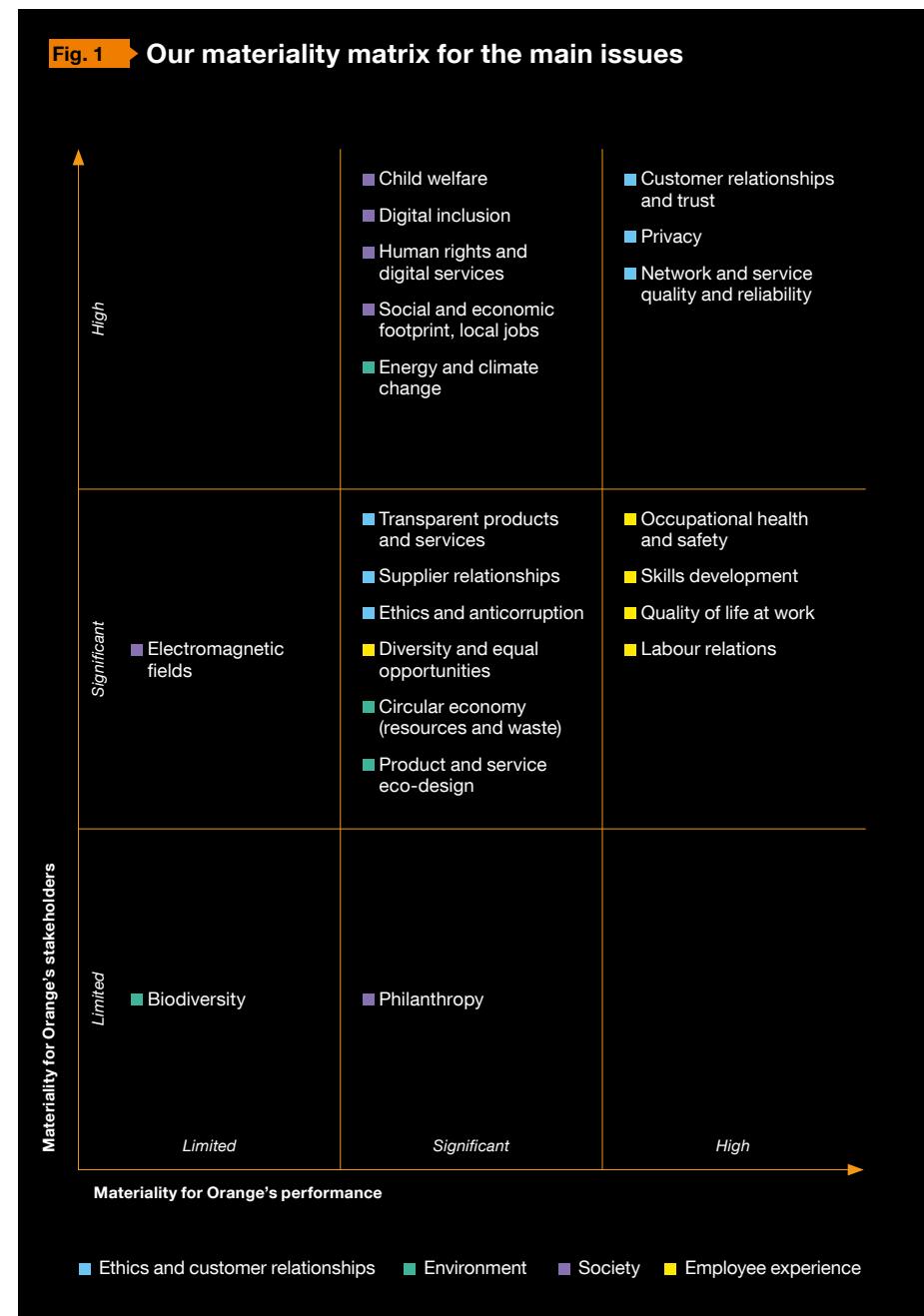
46 stakeholder dialogues since 2009, including country-level and theme-specific dialogue

category in December 2017. We have embarked on numerous conversations in our host countries since 2009. Some issues relate to society as a whole ("Women and ICT", "Children and technology", etc.) and others apply more specifically to the Group. In 2017, for instance, Poland became the seventh country in the Group to organise discussions with stakeholders on diversity and equal opportunities. France, Poland, Spain and Egypt are also involved in dialogue on the circular economy.

Sensing the weak signals

This active listening approach helps us identify social and environmental issues and prioritise the risks associated with them. We make a point of picking up weak signals and spotting the opportunities to focus innovation on the fronts that will open up fresh growth prospects for Orange while fostering economic and social development in our host countries. We plot out the feedback from these conversations on our materiality matrix, the tool we use to cross-reference the expectations that our customers, our employees, our suppliers and civil society spokespeople are voicing with the business challenges we are

Fig. 1 Our materiality matrix for the main issues



addressing. Then we can rank them in a comprehensive overview that sheds light on our priorities for action.

Customer experience and ethics
When we look at our materiality matrix, we can see that concerns revolve around three main areas: customer relationships, data security and service quality. These three areas relate directly to our core business.

Our stakeholders' expectations overlap seamlessly with our Group's overarching focus on the customer experience. This is why we have been investing massively for several years now in strengthening our networks and expanding their coverage, redesigning our customer journeys and enhancing them with a digital edge, and simplifying our deals.

We were one of the first movers on the data security and privacy front: the 2013 Orange charter on data protection and personal privacy was one of the pioneering steps in this direction. Constantly sharpening our cybersecurity expertise is solidifying all our operations within the Group and at the same time supporting

24 countries
engaged in dialogues with stakeholders

Orange Cyberdéfense's development in the market. This approach also raises ethical questions. The Group tightened its ethics and compliance programme to meet Sapin II law obligations in 2017, and has built its first vigilance plan under the French law of 27 March 2017 (requiring reasonable surveillance measures to identify risks and prevent serious violations of human rights and fundamental freedoms, risks and serious harm to health and safety and the environment), through stakeholder consultation (see the 2017 Registration Document). Orange is also one of the 39 companies that have secured French Relation Fournisseurs et Achats Responsables ("responsible procurement and supplier relations") certification. On the broader international scene, the Group is a founding member of the Joint Audit Cooperation (JAC), an association of 16 operators promoting transparency in the telecoms supply chain, in particular by carrying out assessments and mapping out corrective action plans among the sector's suppliers and their subcontractors.

Employee experience
The employment-related issues we have identified in our materiality matrix principally encompass Orange employee expectations and the Group's human resources policy, which we see as a sine qua non in our performance. This is one of the five pillars in our Essentials2020 strategy. We honed our pledge to build a company model that is both digital and caring with over 1,000 employees from across the Group, and the goal is to treat employees to an experience matching the one Orange wants its customers to enjoy. In practice, this cascades into action plans to adapt our work tools and methods to our digital age, ensure consistently high quality of life at work, and give all employees control over their career path.

Society
Our stakeholders' main expectations here include human rights, child welfare, digital inclusion and our social and economic footprint. Their feedback is directing our efforts at Orange in two ways. In our core business, firstly, what we do has a direct impact on our

4,000 participants
in the various channels and forums (one-to-one interviews, round tables, "digital cafés", etc.)

host communities' development and vitality. Examples include Public Initiative Networks (PINs) in France and our development strategy in emerging economies in Africa and the Middle East, where booming digital technology is spurring social and economic development more than anywhere else in the world. Secondly, stakeholder expectations are also shaping our CSR policy. We are fostering entrepreneurship with a social and inclusive edge via La Ruche, for example, and supporting incubators in Africa. By harnessing digital technology to further digital literacy, and by ensuring everyone – especially children – can use technology in a safe and people-friendly setting, we are helping to spread trust. More broadly, Orange is contributing to achieving the UN's 17 Sustainable Development Goals looking at 2030. We are aligning our business activities with this worldwide benchmark in the belief that digital technology provides the bedrock for a more inclusive and fairer society to thrive, and will help spread prosperity and protect the planet.

Environment

Our stakeholders' environmental expectations mirror growing awareness of the climate- and energy-related challenges the planet needs to address, and of their ability to influence business decisions as consumers. At Orange, this responsibility intertwines with our overarching business goals because we know that our long-term performance and prospects depend on all the above. That is why we made two

momentous commitments during COP21 in 2015: to reduce our CO₂ emissions by 50% per customer use by 2020 (from their 2006 baseline) and to further embed circular economy principles in the Group. Our efforts to fulfil these commitments range from eco-designing products and services to reusing and recycling hardware. Green efficiency, moreover, is one of the four pillars in our transformation plan, Explore2020. Orange also started aligning Group reporting with TCFD (Task force on Climate-related Financial Disclosures) recommendations in December 2017. (The TCFD was set up by G20 during COP21.) We have since run our reporting through an

50%

Orange has pledged to halve its CO₂ emissions per customer use between 2006 and 2020

initial assessment using a method developed by Carbone 4, a consultancy specialised in low-carbon strategy and adapting to climate change. This assessment shed light on several pointers for progress, which we will start working on to upgrade our reporting and align it with TCFD international standards in 2018.

Fig. 2 ► Our stakeholders

Businesses	Customers (BtoB)	Large accounts, SMEs, microbusinesses, entrepreneurs
	Finance	Shareholders, creditors, rating agencies, financial institutions, development agencies
	Suppliers	Construction and maintenance, networks, handset manufacturers, industry and energy, information and communication, enterprise services, sheltered sector
	Owners	Public and private real-estate owners
	Professional associations	Telecoms associations, business federations, CSR organisations
	Education	Training centres, schools and universities, research chairs
	Business partners	Telecoms partners, incubators, start-ups, recycling channels
	Distribution	Distributors and wholesalers, Orange partner stores and franchises, retailers, preowned handset brokers
Public sphere	Ministries	Telecommunications and digital, employment, culture and communication, health, agriculture, education, environment
	Authorities	European and African Union authorities, local elected officials
	Regulatory bodies	Telecoms regulators, standards organisations, oversight bodies
	International organisations	World Health Organization, United Nations, International Telecommunication Union, Institut de recherche pour le développement
Civil society	General public (BtoC)	Urban professionals, rural professionals, job-seekers, students, senior citizens
	Opinion leaders	Political leaders, influencers, artists, activists, networks of influence, community representatives
	Organisations driving social and economic development	Environmental agencies, networks of social entrepreneurs, development NGOs
	Media	Traditional and online, influencers (bloggers, social networks)
	Experts	Think tanks focusing on digital and social developments, sociologists, psychologists, ICT experts
	Non-profits	Child welfare, consumers/users, healthcare, organisations assisting disabled, disenfranchised and marginalised populations, organisations promoting human rights, neighbouring communities
Employees	Business lines	Marketing, sales, HR, technology, customer service, etc.
	Management	Executive committee, senior managers, leaders, management committees
	Partners in industrial dialogue	Employee representatives, unions

“Let’s add purpose to progress for people, society and the planet”

Stéphane Richard
Chairman and Chief Executive Officer

What strengths can Orange count on today?

What we’re seeing today is that the series of major strategic decisions we made when I took over the Group’s helm in 2010 are starting to bear fruit. Orange’s revenues and adjusted EBITDA rose for the second year running in 2017, and the Group’s operating cash flow grew for the first time since 2009 last year. One of those milestone choices, of course, involved FTTH. We invested no less than €3.4 billion in this technology over the past three years because that’s where we saw the highest potential returns. We were right – and this move has made us the leader for very high-speed fixed broadband in Europe. Our infrastructure today is engineered to support the exponential growth in home connectivity requirements over the coming decade. We have also invested heavily in our mobile networks. And the outstanding quality of our networks has propelled us into the top position among convergent operators Europe, precisely when convergence is starting to gain traction in the European market. These networks also provided the foundation we needed to build an unmatched customer experience teeming with the latest services and enhanced features, and ever simpler, more personal and more digital relationships with our clients. So we can count on all those strengths, and will be working on three levers to take the Group’s growth and transformation to the next level going forward. I’m talking about speeding up very high-speed fixed and mobile network rollout, of course. But also about digital transformation and work methods within the Group, with a key project involving skills management. And, lastly, we will be stepping up our development in new markets where we can create



value in the BtoC and BtoB segments. In banking and financial services, of course, but beyond them, too. We will be tapping into the Internet of Things, for example, to treat our customers to a full constellation of more digital and diversified services – including energy services, among others.

What big trends are you seeing further down the road?

Artificial intelligence, Big Data and robotisation have ushered us into the fourth industrial revolution. We are looking at huge potential here – and, at the same time, at a risk of seeing the benefits scatter unevenly. But none of that will happen without innovative digital services running on ultra-efficient and extremely safe and secure networks. So Orange has a major role to play in this revolution. And we're fully aware of the responsibilities this position entails. We need to create the right conditions to build a digital society that is open to everyone, and suited to everyone. Because we're looking at an amazing opportunity to build a more connected planet, where societies and

“Orange’s heritage, commitment and vision put it in a class by itself. We’re fortunate to have all that.”

economies can flourish, and to build a more sustainable, more open world. We've always been optimistic about innovation at Orange. But, even more importantly, we've always tried to make sure as many people as possible benefit from that innovation. Because that's the only way it works: innovation only brings about progress when everyone finds it useful. This humanist philosophy shapes everything we do. We call it “Human Inside”.

Why that philosophy, specifically?

Because the rules have changed for companies. Social networks are giving people access to information in real time and opening up channels for dialogue. So we all need to be more transparent and more accountable. Orange's heritage, commitment and vision put it in a class by itself. We're fortunate to have all that. And embracing what makes us different, letting it guide us and letting it shine can be the single most important step towards boosting our competitive edge.

How does all that translate into Orange's business?

Our overarching goal is innovation. Everything we accomplished in 2017 shows that we have what it takes to harness digital technology and use it to develop solutions our customers use. Starting with one of the year's highlights, the successful launch of Orange Bank, the first 100% mobile banking solution. I'd like to talk about the extent of our involvement in Africa and the Middle East too: digital technology is an essential lever for economic and social

development on that big continent that will see its population double by 2050. When you look at the demographics there, you see the prominent role that continent will play in humankind's future – and the formidable challenges it needs to rise to, in terms of growth, infrastructure and social inclusion. And digital technology is an essential part of the answer.

What is the outlook looking like for Orange?

We're back on the road to profitable, sustainable growth, we have healthy fundamentals, our debt is under control and we have strict mechanisms to manage our operations. I don't see any major consolidation in the near term in France or elsewhere in Europe, but we nevertheless have the resources we need to pursue a dynamic, selective policy for our asset portfolio, be it through acquisitions or deeper cooperation.

Our roadmap going forward is clear: we need to strengthen our leadership and cement the hallmarks that put Orange in a class by itself, i.e. the quality of our networks, our diverse range of customer-focused services, and our responsible commitment.

Our BtoC and BtoB customers need a partner they can trust – a partner that also takes a strong ethical stand – more than ever before to seize the opportunities that are coming up for them in our ultra-connected world teeming with data. Orange will be the partner they need because it will provide the outstanding quality, safety and data protection expertise they value. Price wars and bottom-of-the-barrel promotions are behind us now. Our success going forward will hinge on our ability to create enduring value for everyone.

Human Inside

We have chosen words that encapsulate a philosophy that has inspired and guided the women and men at Orange since the beginning. This philosophy captures what we do and how we do it, and the purpose shaping our innovation for citizens, employees, customers and humankind as a whole.

Digital citizen

We are aware of our duty to rise to the challenges facing society and are committed to nurturing trust in a digital society that fosters community spirit.

Better me

All our actions, products and services equip people to raise their standards of living and develop their potential.

Smarter society

Our initiatives build a more intelligent, more responsible, accessible and open world for everyone.

Augmented planet

We play our part in building a more efficient connected planet while protecting its natural resources by ushering in more abiding and sustainable models.

2017 highlights



Cybersecurity Orange Cyberdefense starts a school

In January 2017, the Group's division specialised in corporate security opened its new base in northern France and announced plans to set up its Orange Cyberdefense Academy, a country-wide centre to train tomorrow's talents.

Innovation Hello Show

One of the breakthroughs in the spotlight at the fifth Hello Show was Djingo, a multiservice home assistant and Orange's first venture into the realm of artificial intelligence. Djingo has a built-in speaker, responds to voice and text instructions, enables simple and intuitive browsing on Orange TV, operates systems in connected homes, places calls and links to the other services in Orange's ecosystem. And it learns from users, so it can cater to their wants and needs increasingly accurately as time goes by.



Business The Business & Decision acquisition's project



Orange has announced plans to acquire Business & Decision, an international consulting and systems integration group, to solidify Orange Business Services' leadership in data service integration and operation in France and on global markets.

Start-up Innovation in Africa

Orange Digital Ventures Africa is the Group's investment fund working on pioneering projects that address the big issues in Africa, covering latest-generation connectivity, FinTech, the Internet of Things, energy and e-health. This fund targets early-stage innovative start-ups regardless of their geographic location.



Financial services Introducing Orange Bank

Orange's 100% mobile banking solution is now available in metropolitan France. Orange Bank is the only French bank to provide free-of-charge bank accounts and cards (terms and conditions apply), instant transaction processing, mobile payments, state-of-the-art features and a 24/7 virtual adviser. In February 2018, four months after it went live, Orange Bank had over 100,000 customers.

Environment Orange France's IT department earns ISO 50001 certification



The Group's Technical and IT Services department in France has been certified to comply with ISO 50001 (the benchmark international standard for energy management systems) across its technical facilities and including the 15,000 vehicles its technicians drive. Orange France is one of the handful of large companies that has been awarded this stringent certification across such a large operation.



Entertainment Orange Content is up and running

The Group is enhancing its choice of content with Orange Content, its division tasked with rolling out its policy on this front. It has signed new agreements and announced bold plans to invest in TV series coproduction.



Employee shareholding Fostering engagement

The Group's pledge to serve as a digital and caring employer, and its drive to encourage collective agility and nurture engagement throughout its workforce, led to Orange Vision 2020, a new free share award scheme for its teams, in October 2017.

This plan is also furthering the Group's strategic aim to put 10% of its voting rights in its employees' hands.

4G Rolling out in Africa and the Middle East



Following its 4G service launches in Mali and Egypt, Orange had 11 million 4G customers at end-2017.



Brand Orange branding reaches three new countries

After Egypt, Belgium and Morocco in 2016, three countries switched to Orange livery in 2017: Burkina Faso (7.5 million customers), Liberia (1.7 million) and Sierra Leone (1.4 million). The Orange brand is now up and running in 26 countries (8 in Europe, 18 in Africa and the Middle East).



Very high-speed broadband Europe's leading networks



At end-2017, Orange had 4.7 million customers on very high-speed (over 100 Mbit/s) fixed deals, and Europe's largest fibre network with 26.5 million connectable households. Orange also has more 4G customers than any other carrier in 7 of its 8 European country markets. And it is busy paving the way for 5G, for example contributing to securing industry support for the first global standard, which will open the door to full-scale very high-speed mobile network rollout.

Convergence Over 10 million customers in Europe

After reaching Spain in 2016, LOVE deals combining Internet, TV and Mobile services in a single package grew into all Group host countries in Europe in 2017. By end-December, Orange had 10.3 million convergent customers with its Open and LOVE packages in France and the rest of Europe.



Quality Orange's mobile network No. 1 in France for the 7th year running

The annual survey that ARCEP (the country's telecoms regulatory authority) published in June 2017 confirmed that Orange is the leading mobile operator in metropolitan France for the seventh year running, ranking the Group in first place or tied for first place on 176 of the 193 criteria.

Developments in 2017 have confirmed that our Essentials2020 strategy is on target and rekindling growth momentum. Orange's revenues and adjusted EBITDA grew for the second year running and its operating cash flow increased for the first time since 2009.

The Group also stepped up its investments in 2017, notably in its telecoms activities (17.4% of its revenues), with a clear focus on its very high-speed infrastructure. Its leadership in fixed and mobile networks ranked it as Europe's number-one convergent operator with 10.3 million customers, following 11.1% growth over the year. Orange's sales and marketing teams also performed very well in the Group's main markets: at end-2017, the number of customers who trust its services had risen 3.7% (on a comparable basis) to 273 million. Outside France, it also saw sharp growth in Africa and the Middle East, the world's most dynamic region, where the telecoms market grew by 3% last year.

The Group continued to blaze new trails and cleared a milestone in November 2017 when it introduced Orange Bank, its new 100% mobile banking solution, in France.

All this means that we can move forward confidently in 2018. Growth in our mobile banking activities will be one of the highlights this year, but Orange is planning to boost its sales and forge ahead in all its markets, working on the three levers in its strategy – the best network, cutting-edge enriched services, and peerless customer experience – to treat its customers to outstanding experiences.

France

0.6%
growth in
revenues in 2017
(on a comparable
basis)

59%
of BtoC fixed
broadband
customers have
convergent deals



Orange's revenues grew for the first time since 2009 (up 0.6% on a comparable basis), fuelled by outstanding performance in its broadband offers – especially Fibre – in the BtoC and wholesale market segment. It cleared the 2 million FTTH customer mark in early January 2018 following an all-time-high 546,000 net sales in 2017. This is the best year achieved on this technology. Moreover, 57% of these FTTH net sales were to new Orange customers. Revenues in the mobile market, where competition remained as fierce as ever, rose for the first time since 2011 in Q4 2017, buoyed by outstanding sales and marketing performance. Orange can look back on 2017 as its best year for contract net sales since 2008.

Convergence is gaining traction in the market: by Q4, 6 million customers had chosen an Orange convergent deal (59% of its BtoC fixed broadband customer base). Orange also continued to expand its network and enhance its bandwidth in France. At end-December 2017, Orange had the country's leading FTTH network (9.1 million fibre-ready households, up 32% year on year). It also won a number of contracts involving Public Initiative Networks (PINs) in Loire-Atlantique, Moselle, Orne, Lot-Lozère-Aveyron, Charente-Maritime and other areas, and is intent on keeping its number-one position France-wide.

Lastly, Orange also consolidated its leadership in 4G coverage and quality. Its mobile network now reaches 96% of the French population (up 8 points compared to 2016), and ARCEP (the country's telecoms regulatory authority) ranked it as the country's best for the seventh year running in June 2017.

Europe

Revenues increased by 3.9% (on a comparable basis) in Orange's seven other country markets in Europe.

It now has 49 million mobile customers in this geography, including 34.6 million on contracts (up 4.1% year on year), and 7.1 million fixed broadband customers, including 2.6 million on Fibre deals (up 46.2%). The growing momentum in convergence and the ongoing rollout of LOVE (Mobile, TV and Internet) deals, especially in Spain, explain most of this increase. Orange remains the most active convergent operator in the Spanish market, where it has 3.1 million customers (83% of the fixed broadband total).

Also in Spain, Fibre deals continued to thrive (the number of FTTH customers increased by 40.4% to 2.3 million over the year) as did TV deals (up 23% to 626,000 clients). In Poland, the decline in revenues from the legacy copper network was offset to a very large extent by growth in very high-speed services and the LOVE deal we introduced in February 2017. The Group has become the first operator to offer 4K TV across Poland and has grown its FTTH customer base by 143% to 214,000. In Belgium, where Orange now provides 4G coverage throughout Brussels' metro system, and in Luxembourg, where the Group opened its first Smart Store this October, revenues increased by 0.8% in 2017. Fixed services grew especially fast in both countries, driven by the LOVE deal's success (the number of convergent customers jumped from 31,000 at end-2016 to 100,000 at end-2017). The year's highlights in Slovakia included the introduction of the LOVE deal and large-scale fibre rollout in urban areas, where we have connected 372,000 households to date. In Romania, Orange cemented its leadership in the 4G segment. It serves a total of 3.2 million customers in the country and reaches 93% of its population. The Group celebrated its 10th anniversary in Moldova, where it has likewise consolidated its leadership with a 70% share in the overall market and a 57% share in the mobile segment.

10.3 million
convergent BtoC
customers in Europe
(incl. France)

49.1 million
mobile customers
in Europe
(excl. France)



Africa and Middle East

After slowing towards the end of 2016, growth resumed vigorously in Q2 2017, pushing the year's revenues up by 3% on a comparable basis to €5 billion. This momentum reflects healthy revenues from mobile services (4.7% higher in 2017 than in 2016) and Orange Money's undisputed success (its revenues grew by 58% from Q4 2016 to Q4 2017). The Group's 3G networks reach 20 countries in this region. Following recent launches in Mali and Egypt, 4G services are now available in 11 countries (excluding associates and joint ventures). In the fixed and broadband segment, Orange pushed ahead with its targeted FTTH network rollout in Morocco, Côte d'Ivoire, Jordan and Senegal (it introduced its first fibre deal in Dakar in November 2017).

To bolster its development strategy in Africa and the Middle East, Orange has combined all its operations in a full-service subsidiary, which will step up the Group's support to local subsidiaries and speed up network expansion and innovation. We invest about €1 billion a year in this region, and our multiservices approach ranks Orange among the front-runners in Africa's and the Middle East's digital transformation. The Group is developing cutting-edge practices suited to the local populations' wants and needs in a variety of fields including communication, energy, financial services, entertainment, agriculture, healthcare and education.

The Group ranks among the most prominent employers in the area, and has hired and trained most of its 20,000 employees locally. It was awarded Top Employer certification in Africa for the fifth year running in October 2017.

35%
growth in mobile
data services
in Africa and the
Middle East in 2017

37 million
Orange Money
customers
at end-2017



Enterprises

Orange Business Services pushed ahead with its transformation in 2017, upgrading its operations to address growing demand for integrated IT services and connectivity among companies. Revenues practically stabilised at €7.3 billion at end-2017 (a 1% decline versus 2016 on a comparable basis) in spite of unrelenting competitive pressure on voice services. In the opposite direction, mobile equipment sales jumped to €151 million.

Acquiring Lexsi in 2016 gave Orange Cyberdefense's revenues a 19% year-on-year boost, cementing the Group's position as the number one player in France's cybersecurity market and moving it closer to its goal to emerge as Europe's leader on this front further down the road. Revenues from Cloud-related services rose by 21%, buoyed by Flexible Engine, a public cloud solution the Group launched in February 2017. The move announced in spring 2017 to acquire Business & Decision, an international group that will bolster data service integration at Orange Business Services, was another of the year's highlights.

Looking at the bigger picture, in 2017 Orange Business Services' 21,000-plus employees stepped up their strategy to rank the Group as the preferred partner for enterprises embracing digital transformation by supporting the entire "data journey", i.e. harvesting it via the Datavalue platform, carrying it over the world's largest end-to-end network (spanning 220 countries and territories), storing it in the Cloud, processing it using business intelligence solutions, and harnessing Orange Cyberdefense's full wealth of expertise to safeguard it.

€2.1 billion
revenues from IT and integration services in 2017 (up 2.6% on a comparable basis)

19%
growth in Orange Cyberdefense's revenues in 2017



International carriers and shared services

This operating segment consolidates the Group's business in the wholesale market, excluding its domestic market, and including Orange Marine's submarine cable laying and maintenance operations, and content-related activities. The decline in services for international carriers explains the 8.6% drop in revenues on a comparable basis to €1.7 billion in 2017.

Orange is a key player in the international wholesale market and ranks second worldwide for voice services by volume. It is a pioneer for mobile data services, security and fraud prevention. It pushed ahead with its efforts to upgrade its global customers' connectivity in 2017, for example by opening a high-capacity IP hub in Marseille to cater to rocketing data traffic among operators in Africa and the Middle East. Orange International Carriers' expertise earned it the Best Wholesale Carrier for Voice award from its customers and industry peers in 2017.

The Group also set up Orange Content in September 2017. The new entity is tasked with coordinating its bold content acquisition, coproduction and distribution strategy. This operating segment's highlights last year included an exclusive agreement to broadcast HBO programmes in France on OCS, the move to deepen its longstanding partnership with Canal+, a pledge to invest €100 million in TV series production over the next five years, and a new agreement with Netflix expanding service distribution to all Group host countries.

€100 million
minutes: Orange International Carriers' voice traffic in 2017



Chapter 1

Our vision for digital technology

Chapter 2

Chapter 3

Our contribution

Our strategy to create value

At Orange, we believe in creating value for all stakeholders such as our shareholders, customers, employees, the public sphere and communities, suppliers, people driving innovation. Our massive investment in networks is geared to offering customers to an unmatched experience powered by outstanding connectivity. In Fibre, for instance, our FTTH network reaches more European households than any other. By connecting customers wherever they are, Orange is contributing to local development and to narrowing the digital divide in all its geographies. Our deep local roots also translate into our significant contribution in the form of taxes and levies, which benefits society as a whole. Lastly, Orange is helping to make this value creation more sustainable and more responsible by training its employees, playing its part in the innovation chain and rolling out its CSR policy.

Value creation at Orange

The connectivity we provide to our customers, whenever and wherever they need it, is at the core of our model to create value. We develop innovative services so that customers can enjoy everything the digital universe has to offer in a secure setting where their privacy is protected.

Dedicated resources
Our single most important resource is our 152,000 employees and the array of skills, profiles, expertise and cultures they represent. We are enhancing this human capital with the intellectual capital we are building through our research and innovation chain, the power of our brand and the wealth of knowledge we have on our customers, their wants and needs, their habits and their experience with digital technology. We operate substantial tangible assets – including our infrastructure, technical facilities, network equipment and 6,000 stores – on a daily basis. The Group also needs financial resources to operate and invest. Shareholders provide some of these resources and our financial situation gives us the borrowing capacity we need to secure the rest. Lastly, of course, we consume energy (mostly

152,000 employees
in the Group

A €700 million budget for innovation in 2017

€3.4 billion invested in Fibre since 2015

4,299 GWh of electricity consumed in 2017

1.85x Net debt/adjusted EBITDA ratio in telecoms activities

electricity) and need to acquire licences to operate the radio frequency spectrums that carry our mobile services.

A distinctive business model

We use these resources in our day-to-day activities. Our model is one of the hallmarks that define who we are and what we do at Orange, and encompasses three phases:

- building and operating telecommunications networks;
- marketing fixed and mobile connectivity deals to our three main customer families, namely consumers, businesses and operators;
- and, lastly, distributing digital services within a unified ecosystem under the Orange brand.

Benefits all around

Our activities, technologies, products and services create value for all our beneficiaries in our geographies, and have positive social, economic and environmental impacts. The first beneficiaries are our customers, who choose to use our products and services on account of the advantages they provide in their personal or professional lives.

Our activities also benefit our employees (through the wages and benefits we pay), suppliers (the purchases we make), shareholders and creditors.

Our networks and activities support regional development, and the taxes and levies we pay fuel development in the countries hosting our operations. Lastly, our investments in the innovation ecosystem – which we are active in as customers, suppliers and business partners, for instance – are helping local start-ups to flourish.

Fig. 3 Our model

Resources

- Human capital
- Intellectual capital
- Natural resources
- Equipment/Assets
- Financial capital

Business model

Building and operating	Providing connectivity for all, guaranteeing high-quality service
Marketing and distributing	Offering connectivity solutions, and fixed, mobile and convergent services for the three segments (consumers, businesses and operators)
Creating an ecosystem	Enhancing our choice of deals with a comprehensive suite of services backed by a brand people trust

Sharing value with beneficiaries

- Customers (consumers, businesses and operators)
- Employees
- Suppliers
- Communities
- Public sphere
- Shareholders and creditors

Our impacts

The wealth and variety of Orange's interactions with its many stakeholders entail substantial impacts.

- We supply products and services that all our customers value: they enhance consumers' daily lives, and help businesses and other operators work more efficiently and thereby create value in their turn.
- We incur expenses as an employer, customer, investor, taxpayer, borrower and publicly-traded company.
- And, lastly, we generate qualitative impacts through the convenience we bring customers, the trust our brand inspires, our efforts to manage our and our customer's environmental impacts, and the many benefits from our philanthropy and social outreach.

These aspects are visible in our financial flows and achievements, but the social and economic value that our Group creates stretches far beyond the numbers.

Fig. 4 Essential benefits for our stakeholders

Financial flows	Beneficiaries	Examples of impacts for stakeholders
Orange services (revenues) €41 bn	Orange customers (consumers, businesses and operators)	<p>Fibre reaching 4.7 million customers</p> <p>4G coverage reaching 46 million Group customers</p> <p>Banking services for 37 million Orange Money customers in 17 countries</p>
Wages and benefits €10 bn	Employees	<p>The Group recruits 10,000 people a year</p> <p>In 2016-2018, we hired about 5,000 people on work-study contracts, more than 2,500 interns and 7,500 people on permanent contracts in France</p> <p>83% of Group employees recommend Orange as an employer (2017)</p>
Net investments (excl. licence purchases) €7 bn	Host communities Innovation	<p>26.6 million households are ready to connect to very high-speed fixed broadband (excl. xDSL)</p> <p>Over 90% 4G coverage in Europe</p> <p>We had invested €170 million at end-2017 and pledged a further plus €100 million via Orange Digital Investment</p>
Purchases €18 bn	Suppliers Partners	<p>Orange Fab, La Ruche (France) and 4 African incubators supported 435 entrepreneurs in 2017</p> <p>Our distribution network encompasses 160,000 Orange Money retailers</p> <p>Joint Audit Cooperation (JAC) assessments are building suppliers' skills and lowering their employee churn</p>
Taxes and licence acquisitions €3 bn	Public sphere	<p>€0.6 billion in income tax</p> <p>€1.8 billion in other taxes including the French contribution économique territoriale, IFER (flat-rate tax on network enterprises) and similar levies, frequency spectrum fees, and taxes on telecommunications services</p> <p>€617 million to purchase licences</p>
Investors €4 bn	Shareholders Creditors	<p>4.8% total shareholder returns in 2017 including a €0.65 dividend per share</p> <p>A 0.3% increase in our share price</p>
Intangible shared value		<p>A brand people trust, services that bring people closer together</p> <p>Environmental impact (a 50.03% drop in CO₂ emissions per customer use, in Group scope, versus 2006; 15.2% of used mobile devices collected Europe-wide)</p> <p>Contributions to discussions on the social impacts of digital technology via the Digital Society Forum</p> <p>Orange Foundation: 8,000 employees active in 30 countries, notably advancing digital education for youths and support for women in vulnerable circumstances</p>

Measuring our social and economic impact at country level

What is our Group doing for the countries it operates in?
 In 2017, Orange decided to accurately measure the windfall from its value creation model, with Goodwill Management and Utopies, two consultancies specialised in CSR. We used 2016 data available inside and outside the Group to conduct an in-depth study of the ripples spreading around our operations in France and Niger. These assessments shed new light on the value that Orange creates across three social and economic levels.

€32 billion

Orange's contribution to wealth creation in France in 2016

Local footprint

To measure our simple economic footprint in the two countries, we tried to replicate our activity realistically in a given territory. We used the Thésaurus-Leontief method (based on work by the winner of the Nobel Memorial Prize in Economic Sciences Wassily Leontief) to analyse the ways in which monetary flows originating from Orange (purchases, wages, taxes) support businesses and jobs on a national scale. This method for example showed that Orange had made a €32 billion contribution to wealth creation in France, amounting to 1.5% of the country's gross domestic product (GDP), in 2016. Findings also showed that our impact varies considerably depending on the geography, its GDP, the Group's purchases in it and average wages at Orange and country-wide.

Extended footprint

This second angle zooms out to provide a bigger picture of the value Orange creates. This "extended" social and economic footprint encompasses the additional value that our customers generate when they use our infrastructure,

products and services. Orange's investment in Internet infrastructure fast-tracks development in communities. When consumers and businesses use the full array of available services, they ultimately fuel their country's economy and thereby grow its GDP. For example, in a country such as Niger, which has a sizeable informal economy, GSMA/Deloitte survey findings in 2011 suggest that increased mobile (voice and data) service penetration rates triggered a 10% increase in productivity and GDP. Based on this model, we found that Orange's mobile services have contributed €56 million to Niger's economy.

CSR footprint

Lastly, the Group has developed a method to factor in the value it creates through its externalities, i.e. the impact from its CSR programmes and Orange Foundation initiatives. This approach covers the economic effects arising from our commitments and measured in terms of incremental purchasing power among beneficiaries (because we provide free access to a new service or spare

beneficiaries the cost of an essential product or service). The results depend on the model used and are tested against publicly-available data. We estimate that our social and economic footprint amounts to over €179 million, i.e. 4.8 times Orange's value added in Niger and 2.89% of the country's GDP.

Fig. 5 ▶ The Thésaurus-Leontief analysis grid



Fig. 6 ▶ Social value created by Orange measured in terms of the number of jobs it supports

This multiplying factor provides the number of jobs that one direct job at Orange supports in its host country (based on 2016 data).



Fig. 7 ▶ The social value Orange is creating through its CSR policy

Examples of its initiatives to develop essential services and support entrepreneurs in Niger

Orange Money	M-Agri	The incubator (Cipmen)
In a country where few people have bank accounts, the Orange Money mobile service provides users with a less expensive, simpler and instant alternative that covers the same features (cash deposits and withdrawals, money transfers, bill payment, etc.).	Most Nigerians are small-scale farmers. Labaroun Kassoua is a mobile service that supplies them with essential information about their business, including prices of agricultural goods and livestock.	Orange Niger supplies a portion of the funding for Cipmen, Niger's leading business incubator. Cipmen takes in companies working in forward-looking sectors such as ICT, renewable energies and the environment. The incubators help these high-potential businesses get started, thrive and go on to contribute directly to the country's wealth and job market.
The benefits for the country over a year		
Over €2 million (direct and indirect job creation, savings on bank charges, averted cash loss and theft, etc.)	Over €2 million (savings on the cost of shopping around for prices, increases in farmers' incomes, consumer savings from lower prices, etc.)	€900,000 (contribution to start-up revenues)

Our strategy

Orange is committed to a human and positive digital revolution, and to rolling out its Essentials2020 strategic plan to create sustainable value. This strategy is delivering financial results – operating cash flow has started growing again – as well as benefits for our stakeholders.

Essentials2020 in a nutshell

We see it as our mission to be there for our customers at all times, connecting them to what they see as essential and treating them to an unmatched experience, day after day, with digital services they can use to enjoy the things they care about the most, in an environment they can trust. This involves listening to them and then working with them to build the customer-centric solutions that address their needs. Our aim with our Essentials2020 strategy, which we set in motion in 2015, is to take our momentum as an efficient and responsible company to the next level by:

- providing enriched connectivity, i.e. delivering superior performance on every level, across borders, with an environmentally-friendlier approach;

72%
Orange's share in FTTH rollout in France

83%
convergent high-speed fixed broadband BtoC customers in Spain

- reinventing the customer relationship, i.e. building more personal interaction and treating customers to the best bricks-and-mortar and online digital stores, meaning more spacious buildings where they can try out and learn about our products and services, and always-on digital services;
- building a company model that is both digital and caring, i.e. developing our employees' skills, helping them sharpen their agility and nurturing their engagement;
- supporting transformation among our business customers by enhancing technology and data-related expertise to further their projects, and serve their teams and customers in turn, notably firstly with cloud & cybersecurity;
- capitalising on our assets to diversify into promising forward-looking markets such as mobile banking and connected objects.

Strengthening our core business

In 2017, the Group pushed ahead with its strategy to increase its network bandwidth and reach in all its footprint. Bringing our customers enriched connectivity is what we do. And it provides the bedrock for the unmatched

experience we promise and for the full array of digital services that it encompasses. We have stepped into the very high-speed broadband age and reached our Essentials2020 plan's midpoint, and Orange has strengthened its leadership through its substantial investment in fixed and mobile networks.

The sharp rise in our revenues in Europe stems, to a large extent, from our very high-speed deals (4.7 million customers at end-2017) and the quality of our 4G service. This standout position on fixed and mobile networks in turn explains the success we are seeing in our convergence strategy. We are the leaders on this front: over 10 million customers have signed up for our LOVE and Open deals, which are now available in all our European countries, and grew by 11.1% in 2017, versus 2016. We also have heavily invested in networks in Africa and the Middle East, where voice and text services are gravitating towards the mobile Internet. The Group is supporting and smoothing this rapid shift with 3G services in 20 countries and 4G services in 11 countries (excluding associates and joint ventures), and a wide choice of affordable smartphones.

€750 million
investment in content

Over €2 billion
revenues from BtoB integration and IT services

Developing our growth levers

Orange has carried on building its core business by developing services that spur growth, enhancing our customers' experience and nurturing their loyalty. For example, we set up Orange Content, a new division that tailors a choice of films, TV shows, sports events, music and games to preferences in each host country.

Services are also at the core of Orange's development in the business market, where demand for integration and connectivity solutions harnessing data from Orange Business Services is growing. These services alone generated over €2 billion in revenues in 2017, including a significant contribution from acquisitions in key sectors such as consulting and integration, consulting & integration, cloud systems (Log'in Consultants), cybersecurity (Lexsi in 2016) and vehicle fleet management (OCEAN in 2015).

Lastly, Orange Money once again posted sharp growth in Africa and the Middle East, and the Group stepped further in its plan to diversify into mobile financial services when it launched Orange Bank in France in November 2017. This move captures

several aspects of our strategy: it is a pioneering leap forward – it is the first time a carrier has ventured into the banking market with such a comprehensive solution – and we built it side by side with our employees and customers, following a test-and-learn approach mirroring the Group's listening and responding attitude and its new corporate culture.

Leveraging our employees' skills

Orange's employees and their dedication brought about more of the Group's success in 2017 than ever before. Three major trends sped up changes in our environment. Firstly, the nature of our operations has kept evolving. We shifted further away from our telecommunications carrier model and closer towards a multiservice digital operator model. Secondly, technology has carried on its development. Artificial intelligence continued to break new ground and software shifted closer than ever to the core of network architectures. And, lastly, society continued to evolve. Expectations and attitudes towards work are changing among employees in general and younger ones in particular. Orange pushed ahead with its own transformation amid those changes in its

327 Smart Stores
in 15 countries

4,000+
Orange employees and customers involved in Orange Bank pre-launch tests

environment, and updated its pledge as a digital and caring employer with three priorities:

- ensuring its teams have the skills they need for the future, through recruitment as much as training;
- boosting its collective agility, meaning its ability to innovate faster and to adapt its services and processes more swiftly and efficiently, with new work methods, new workspaces and large premises like the Orange Gardens innovation campus in France, Orange Côte d'Ivoire's new head office in Abidjan (where construction work began at the end of November 2017) and Bridge, the Group's future head office in France;
- fostering engagement by providing opportunities for employees to work on new business ventures in our Intrapreneurs Studio, thinking outside the box with our Oz participative innovation programme, and investing their time and talent in Orange Foundation initiatives.

Speeding up digital transformation
We can look back on breakthroughs in every aspect of our digital transformation in 2017. The Group drove its customer relationships further into the digital world,

in particular with smartphones and our My Orange application (which over 16 million people now use), and kicked off its Digital Retail 2020 programme to speed up digital technology rollout in all its stores and treat customers to a smooth retail experience throughout their journey. The Group's digital transformation is also shaping our collaborative innovation policy. Orange's innovation ecosystem grew to encompass new start-ups in 2017, as we extended our Orange Fab programme (which is now up and running in 15 countries) and enriched our catalogue of solutions and APIs in the Orange Developer portal. The Group is moreover aiming to invest over €350 million in funding start-ups via Orange Digital Investment.

Promoting a responsible approach
In addition to supporting entrepreneurship, Orange is helping digital transformation to spread throughout society with other pledges ranging across initiatives to promote trust in digital services, the Orange Foundation's programmes to foster digital inclusion, and efforts to encourage responsible and worry-free use of digital technology. We are

89%
of employees say they are proud to work for Orange

70%
of employees say they are benefitting from the Group's digital transformation

coordinating these initiatives as part of our more comprehensive CSR policy, which encompasses our environmental measures and has been described as advanced. Orange's various scores in this area improved in 2017: we moved into first place on the Vigeo Eiris telecoms sector ranking with a 63/100 score and have been included in four indexes, our EcoVadis score increased by 2 points to 79/100, and our Carbon Disclosure Project score was upgraded from B to A-.

2018 outlook

Orange's strategy remains fully focused on building an unmatched customer experience. This entails pushing ahead with investment in networks to continue spreading FTTH in Europe and paving the way for rapid expansion in very high-speed fixed broadband networks in Africa and the Middle East, while bolstering our 4G coverage on both sides of the Mediterranean and preparing to launch 5G in 2020. We are also expecting to push our strategy as a multiservice operator to new heights in 2018, for example by enhancing our range of banking and financial services, the choice of content we offer, IoT solutions

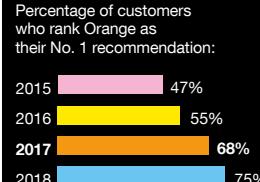
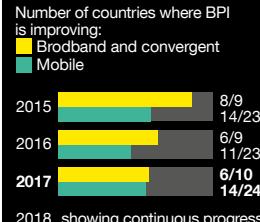
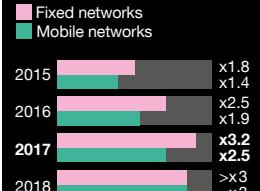
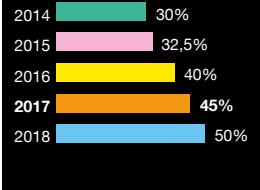
and digital ecosystems in homes. These two strategic pillars – networks and services – will be backed by the Group's ongoing transformation, including large-scale Group-wide initiatives to take our skills and culture to the next level, and to improve our processes by embedding artificial intelligence and more innovation into them. For the next strategic plan, we will

continue to leverage on our investment capacity and our ability to forge pioneering industrial partnerships. Finally we will remain alert on mergers and acquisitions opportunities as we did in the past to strengthen the Group's position in its markets and to enhance our products and services, for consumers and businesses, when and as opportunities arise.

Fig. 8 ► Our Essentials2020 strategy

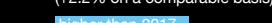
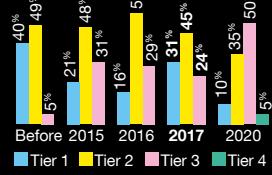


Our Essentials2020 indicators

Essentials2020 driver	Choice and strategic priority	Definition of indicator	Actions by category of stakeholder	2017 highlights	Change
Customer experience	Become and remain No. 1 in Net Promoter Score (NPS) for 3 out of 4 customers by 2018	The NPS is the customer satisfaction metric that most accurately reflects the degree of customer loyalty to a brand. It is measured by asking customers whether they would recommend a company to family or friends. The score is calculated by deducting the percentage of those who would not recommend a brand (detractors) from those who would (promoters), broken down by country and relevant segment. The indicator is the percentage of customers in the countries and segments where Orange ranks as their No. 1 recommendation.	For customers and employees: <ul style="list-style-type: none"> – by finding keys to differentiation in each country to become or remain No. 1; – by focusing on our clients and employees in our decisions and initiatives; – by offering all customers services and prices aligned with their expectations; – by improving the quality of the network and its perception by each of our customers. 	– Orange in Touch training implemented in more than 15 countries and Essential Voices programme to develop employees' people skills. <ul style="list-style-type: none"> – Rollout of Orange Premium in 10 countries to reach 1 million key account customers and provide them with the extra services and care they want. 	Percentage of customers who rank Orange as their No. 1 recommendation: 
Customer experience	Improve Orange's Brand Power Index (BPI) in our different markets by 2018	This indicator is measured using the Brand Equity model developed by the specialised consultancy Millward Brown. The indicator shows predisposition for the brand independent from specific commercial factors, taking into account how meaningful, different and prominent the brand is in customers' minds. It is a means of measuring the power of the Orange brand and the engagement of consumers.	For customers: <ul style="list-style-type: none"> – by deploying our new brand identity in all our host countries; – by providing customers with concrete proof of their experience with Orange. 	– Shared campaigns: LOVE (convergence) and Christmas (both in Europe), Youth (Africa and the Middle East), VHBB (Africa). <ul style="list-style-type: none"> – Rebranding in Burkina Faso, Liberia and Sierra Leone. 	Number of countries where BPI is improving: 
Offering enriched connectivity	Triple average data throughput of our customers on both fixed and mobile networks by 2018 compared with 2014	Calculated in Mbps: <ul style="list-style-type: none"> – based on external and independent measurements of average data throughputs delivered respectively by our 3G and 4G networks; – based on queries to fixed Internet databases of active customers (ADSL and Fibre), and measure of the data throughput configured for each. <p>Average data throughputs reflect our capacity to offer our customers richer connectivity, in line with growing data usage (streaming, HDTV, etc.).</p>	For customers and regions: <ul style="list-style-type: none"> – by improving the quality of our network in critical areas for our customers; – by covering over 95% of the population in our European host markets with 4G access; – by gradually increasing 4G capacity, to maintain high average data throughput for 4G; – by continuing to launch 4G in new African countries; – by continuing the rollout of FTTH in Europe and the number of customers connected to fibre. 	– 4G coverage above 90% in Europe and 4G available in 11 African countries excluding associates and joint ventures (Egypt, Madagascar and Mali launched in 2017). <ul style="list-style-type: none"> – 4.7 million very high-speed fixed broadband customers (>100 Mbps). – Commitment to provide better coverage in white areas in France. – Improvement in network coverage where customers need it (Toulouse metro, Mestalla stadium in Valencia, Brussels metro, 4G along four new high-speed rail lines in France, etc.). – Penetration rate of 4G-enabled handsets. – Measure of individual service quality with the CEM (Customer Experience Management) tool used in 8 countries. 	Fixed networks  Mobile networks 
Reinventing the customer relationship	Conduct 50% of customer interactions via digital channels in Europe by 2018	The share of digital out of all interactions (purchase, management, service) with our customers in France and the rest of Europe across all our channels (digital, call centre, stores).	For customers and employees in contact with customers: <ul style="list-style-type: none"> – by offering a personalised and predominantly digital customer relationship, but always providing support if the customer needs it; – by rethinking our omni-channel experience delivered through both physical premises and digital channels; – by making it easier for customers to manage all their simple services from their smartphone; – by developing online chat and messaging services for customer support. 	– 327 Smart Stores at end-2017 and launch of the Digital Retail 2020 programme to deploy an omni-channel retail experience: Orange Spain now makes it possible for sales representatives to experience the entire customer journey by moving through the steps with the customer in the store. <ul style="list-style-type: none"> – 16.6 million active My Orange users (19% growth in 2017). – In France, almost 1 out of 4 Livebox customers signs up for Fibre service through a digital channel, and nearly 1 out of 3 Orange mobile plans is sold via digital service. – The first chatbots were rolled out in France (Dingo) and Spain to deliver 24/7 conversational support. 	2014: 30% 

Essentials2020 driver	Choice and strategic priority	Definition of indicator	Actions by category of stakeholder	2017 highlights	Change															
Building a company model that is both digital and caring	Reach 90% of employees recommending Orange as an employer in 2018	<p>Orange is committed to building a people-oriented and digital employer model with regular measurement in employee surveys of the percentage of employees who recommend Orange as an employer, both in France and other countries. This rate has been measured since 2010 in a twice-yearly survey conducted by an outside firm.</p> <p>In 2017, for the first time in France, all employees were asked to take part in the employee survey available online. Previously, only a sample of 4,000 employees answered the survey by phone. This survey was implemented outside France in 2011. The questionnaire – with 49 questions structured into the 3 priorities that make up the Orange pledge – has been adapted and standardised to apply to all Group employees.</p> <p>In November 2016, a test project carried out involving all employees outside France and a sample of 15,000 French employees, about which the Group had not disclosed information until now, was used to consolidate findings on both French and international employees for 2016.</p>	<p>For employees:</p> <ul style="list-style-type: none"> – by securing the skills needed for the future (training, recruitment); – by developing our collective agility thanks to simplified processes and more collaborative work methods; – by fostering individual commitment (employee shareholding, participative innovation, intrapreneurship, etc.). 	<ul style="list-style-type: none"> – New agreement on the recognition of employee skills and qualifications in France signed in February 2017. – First phase of Oz, the new employee innovation programme. – Top Employer Global certification renewed for the third year in a row in February 2018. – 8.8% of voting rights held by employees. 	Percentage of employees who recommend Orange as a great place to work in France  and outside France  , then worldwide  : <table border="1"> <tr> <td>2014</td> <td>85%</td> <td>84.3%</td> </tr> <tr> <td>2015</td> <td>86.9%</td> <td>86.2%</td> </tr> <tr> <td>2016</td> <td>81%</td> <td></td> </tr> <tr> <td>2017</td> <td>83%</td> <td></td> </tr> <tr> <td>2018</td> <td>90%</td> <td></td> </tr> </table>	2014	85%	84.3%	2015	86.9%	86.2%	2016	81%		2017	83%		2018	90%	
2014	85%	84.3%																		
2015	86.9%	86.2%																		
2016	81%																			
2017	83%																			
2018	90%																			
Supporting the digital transformation of business customers	Increase the share of IT & integration services in the Orange Business Services revenue mix by 10 percentage points by 2020	Orange wants to be the trusted partner for companies in the digital revolution that is currently reshaping their business models, services and offers. Orange will measure the success of the transformation of its enterprise business model in light of the share of IT & integration services in the Orange Business Services revenue mix (excluding the mobile segment in France).	<p>For customers:</p> <ul style="list-style-type: none"> – by enriching connectivity services for enterprises; – by helping business customers through the transformation of their IT systems as they migrate toward the Cloud; – by providing applications for customer relations, IoT and data analysis; – by proposing flexible, mobile, collaborative environments; – by protecting customer networks and applications. 	<ul style="list-style-type: none"> – Orange Cyberdefense campus opened in Paris-la Défense. – Coordination of the smart city project in Doha, Qatar, the largest in the Persian Gulf. – Global launch of the new Flexible Engine public cloud solution. – Plan to acquire Business & Decision. 	<table border="1"> <tr> <td>2014</td> <td>28%</td> </tr> <tr> <td>2015</td> <td>30%</td> </tr> <tr> <td>2016</td> <td>32.2%</td> </tr> <tr> <td>2017</td> <td>34%</td> </tr> <tr> <td>2018</td> <td>38%</td> </tr> </table>	2014	28%	2015	30%	2016	32.2%	2017	34%	2018	38%					
2014	28%																			
2015	30%																			
2016	32.2%																			
2017	34%																			
2018	38%																			
Diversifying by capitalising on our assets	Successfully diversify into new services that will contribute more than €1 billion in revenues in 2018	Orange is diversifying and exploring new areas in order to better anticipate the key needs of its customers and develop new services (in particular financial and IoT-related services).	<p>For customers:</p> <ul style="list-style-type: none"> – by developing new connectivity solutions and services for businesses and by offering its BtoB and BtoC customers a range of connected objects and services (e.g. for smart homes); – by offering a broader range of mobile financial services, in particular through the launch of Orange Bank. 	<p>For innovation and regions:</p> <ul style="list-style-type: none"> – by becoming a major actor in the connected objects ecosystem. 	<ul style="list-style-type: none"> – Launch of Orange Bank on 2 November: a user-friendly, mobile-only offer designed to give customers the mobile banking services they really want. It had 55,000 customers in France at end-2017. – Orange Money is available at 160,000 points of sale in 17 countries, serving 37 million customers. – Launch of Smart Security services in Spain and Luxembourg. – Several agreements signed to provide IoT solutions for OBS: Viasat, e-healthcare, Cargotec, China Telecom partnership, etc. – Launch of Orange VR2 headset, the Orange Live Cam and the Orange drone. – Continued rollout of the LoRa® network in France and national LTE-M coverage in Belgium. – Live Booster programme for manufacturers of IoT devices. – 330 million pieces per minute: data processing capacity of the Orange Dataventus IoT solution. – Launch of Orange Energie, a subscription-based solar energy kit, in DRC. 	<p>Revenues and other income:</p> <table border="1"> <tr> <td>2015</td> <td>€228 million in revenues</td> </tr> <tr> <td>2016</td> <td>€323 million in revenues and other income</td> </tr> <tr> <td>2017</td> <td>€615 million in revenues and other income</td> </tr> <tr> <td>2018</td> <td>€1 billion in revenues and other income</td> </tr> </table>	2015	€228 million in revenues	2016	€323 million in revenues and other income	2017	€615 million in revenues and other income	2018	€1 billion in revenues and other income						
2015	€228 million in revenues																			
2016	€323 million in revenues and other income																			
2017	€615 million in revenues and other income																			
2018	€1 billion in revenues and other income																			

Our Group indicators

Target	Definition	Resources	Data																														
Financial indicators																																	
Achieve higher adjusted EBITDA in 2018 than in 2017 on a comparable basis	Adjusted EBITDA is operating income before depreciation and amortisation, before impacts related to acquisitions of controlling interests, before impairment of goodwill and assets, and before income from associates, adjusted for key disputes, specific personnel expenses, review of the portfolio of shares and operations, and restructuring and consolidation costs.	– Through revenue growth and further progress in our operational efficiency plan.	2017  €12.8 billion (+2.2% on a comparable basis) 2018  higher than 2017																														
Reach higher operating cash flow in 2018 than in 2017 on a comparable basis	Operating cash flow equals adjusted EBITDA minus capital expenditure (on tangible and intangible assets excluding telecommunication licences and investments through finance leases).	– Our continued efforts to reduce costs and maintain strict control over investments.	2017  €5,610 million (+0.8% on a comparable basis) 2018  higher than 2017																														
Maintain the ratio of net financial debt to adjusted EBITDA in telecom activities at about 2x in the medium term	Net debt is the amount of financial liabilities, excluding operational liabilities (converted into euros at the current rate of exchange on the balance sheet date), including derivatives (assets and liabilities), less cash collateral deposits, cash and cash equivalents, and investments at fair value.	– Through growth in adjusted EBITDA and careful management of our balance sheet.	2017  1.85x around 2018  2x																														
Extra-financial indicators																																	
Reduce CO₂ emissions by 50% per customer use by 2020 compared with 2006	Orange has been actively committed to controlling and reducing the environmental impact of its operations since 2007. Orange set a new objective at the COP21 climate conference in late 2016. Starting in 2016, the CO ₂ emissions of the 10 main countries which account for 90% of the Group's internal emissions (networks, buildings, vehicles) are calculated based on customer use (base year: 2006). The method for calculating this indicator has been devised and audited by independent bodies. The indicator measures different types of use (voice, data, TV, Internet, etc.).	– By monitoring network energy use and sharing equipment with other operators. – By cutting the CO ₂ emissions of buildings, vehicles and travel. – By extending ISO 14001 certification to the Group's entire scope. – By engaging with international standards organisations (ITU, ETSI, Cenelec, etc.). – By embedding circular economy principles in our processes by 2020.	Reduction in CO ₂ emissions per customer use: 2016  48.23% 2017  50.03% 2020  50%																														
Increase the number of entrepreneurs supported by our initiatives in favour of local economic and social development by 15% per year	As part of our position as a socially-engaged operator in our host communities and regions, Orange supports the development of new forms of business and entrepreneurship at the local level, in addition to our Open Innovation programme. We provide support directly through targeted actions by Orange, as well as indirectly by contributing to the momentum of local digital ecosystems.	– By supporting the economic and regional development of La Ruche, a collaborative co-working space for start-ups that want to make a social impact. – By providing impetus for the creation of business incubators in Africa. – By organising the annual Orange Social Entrepreneur Prize since 2011 in Africa and the Middle East. – By helping create venture funds. Average annual growth is expected to come to 15% by 2020.	2015  150 2016  239 2017  435																														
Reach 35% of women in our management networks in 2020	Ensuring access to management positions for women is a top priority in our workplace diversity policy.	– By deploying multiple initiatives to identify new female talents. – By training managers to limit decision bias and the impact of stereotypes. – By ensuring gender balance within talent pools (as part of Orange Graduate Programme recruitment, for example).	% of women in management 2014  24.5% 2015  25.2% 2016  27.3% 2017  28.5% 2020  35%																														
Collect 30% of customers' used mobile phones by 2020 in Europe	Natural resources are not limitless, which is why Orange has embedded the concept of a circular economy directly in its processes. In particular, this means recycling or reusing equipment and terminals, especially used mobile phones. Percentages refer to the number of mobiles collected out of the number of mobiles sold in Europe.	– By working with suppliers to extend the lifetime and maximise the reuse of network hardware thanks to a modular approach. – By offering commercial incentives and organising eco-citizenship initiatives across our distribution networks and with partners (public authorities, business customers, etc.).	% of used mobile phones collected 2014  12.5% 2015  14% 2016  15.3% 2017  15.2% 2020  30%																														
Achieve these percentages of supplier audits performed as part of the Joint Audit Cooperation (JAC) by 2020: – tier 1: 10%; – tier 2: 35%; – tier 3: 50%; – tier 4: 5%.	Orange set up the Joint Audit Cooperation (JAC), an association of telecoms operators, in 2011, and submits to audits. The JAC verifies, assesses and develops CSR implementation by Orange suppliers, including corrective action plans when necessary. The KPIs were reworked in 2016 to steer audits more towards covering the deepest levels of the supply chain, which are often where most cases of non-compliance are found. Tier 4 will be covered as of 2018. Working more closely with tier 1 suppliers could naturally lead to a reduction in the number of audits at this level. The tier 1 percentage could be adjusted based on the findings of audits performed at this level between 2017 and 2019.	– By cooperating with the JAC, enabling Orange to benefit from a larger panel of audited suppliers. – By working with tier 1, 2, 3 and 4 suppliers to reach the more distant levels in the production chain. – By implementing a full audit process across our own portfolio of suppliers.	 <table border="1"><thead><tr><th>Year</th><th>Tier 1</th><th>Tier 2</th><th>Tier 3</th><th>Tier 4</th></tr></thead><tbody><tr><td>Before 2015</td><td>40%</td><td>49%</td><td>15%</td><td>5%</td></tr><tr><td>2015</td><td>21%</td><td>48%</td><td>31%</td><td>16%</td></tr><tr><td>2016</td><td>16%</td><td>55%</td><td>20%</td><td>5%</td></tr><tr><td>2017</td><td>31%</td><td>45%</td><td>24%</td><td>10%</td></tr><tr><td>2020</td><td>35%</td><td>50%</td><td>50%</td><td>5%</td></tr></tbody></table>	Year	Tier 1	Tier 2	Tier 3	Tier 4	Before 2015	40%	49%	15%	5%	2015	21%	48%	31%	16%	2016	16%	55%	20%	5%	2017	31%	45%	24%	10%	2020	35%	50%	50%	5%
Year	Tier 1	Tier 2	Tier 3	Tier 4																													
Before 2015	40%	49%	15%	5%																													
2015	21%	48%	31%	16%																													
2016	16%	55%	20%	5%																													
2017	31%	45%	24%	10%																													
2020	35%	50%	50%	5%																													

Our main non-financial risks

Effective, responsible governance takes, above all, foresight. This means dealing with the risks and opportunities involved in implementing strategy, carrying out business activities, building trust in the Orange brand, and managing legal liability. As such, the Group has set up a structure, procedural framework and risk control system to reduce its risk exposure, making sure that adequate and appropriate measures are taken to identify and mitigate risk.

Risk	Potential impact	Protection/Preventive measures	
■ A	Breach of integrity or confidentiality of data or information	Illegal access or cyberattack causing an information leak or business interruption.	The Group's Security Department oversees a comprehensive security system, continuously improving measures to protect infrastructure, products and services, and implementing a Security by Design approach to address security issues as of the design phase. Meanwhile, the Data Protection Officer coordinates all privacy-related programmes and measures. Orange also has specialised expertise through Orange Cyberdefense.
■ B	Ethical breach (incl. fraud, corruption, etc.)	Sanctions against the company and/or employees, damage to Group property and assets.	The Group's Ethics Committee and Chief Compliance Officer have laid down a Code of Ethics and the Orange Group anticorruption policy, and carry out regular internal control system audits; while providing employee training and awareness programmes to ensure these principles are applied.
■ C	Overreliance on a supplier.	Business interruption, deterioration in quality or performance due to failure on the part of a key supplier or contractual terms imposed by a monopolistic supplier.	The purchasing policy, steered by the Global Procurement & Supply Chain Department, includes a risk assessment in the supplier selection process. The Group conducts regular audits, and closely monitors suppliers at risk of bankruptcy.
■ D	Destabilisation due to a disruptive business model or innovation	Obsolescence, loss of contact with customers or drop in performance due to a disruptive technology or business that could affect the appeal or profitability of our products and services.	At our Orange Gardens eco-campus, the Innovation, Marketing and Technology Department monitors industry trends for any major transformations in our markets, participates in standard setting bodies, and steers our policy of active investment in research and innovation.
■ E	Failure to diversify (mobile financial services, connected objects, cybersecurity, content)	Damage to the Group's image and reputation (also financial losses).	Special organisations and teams have been set up to track our growth areas and monitor industry trends, and are backed with available funding and an open innovation policy with ecosystem leaders, through partnerships and investments.
■ F	Geopolitical and macroeconomic instability	Threat to the security and safety of people and property (also decline in financial performance).	Monitoring systems are in operation to anticipate any potentially adverse geopolitical and macroeconomic situations (national conflicts, international tensions, monetary crises, etc.) and to take appropriate steps to protect people and assets.
■ G	Major business interruption	Loss in quality or disruption of services provided to other organisations due to a technical malfunction, operational failure, cyberattack or damage to our infrastructure.	A Business Continuity Management System (BCMS) is overseen by the Security Department and deployed at our business units, featuring backup sites, system redundancy, business recovery plans, etc.
■ H	Lack of key or rare skills	Delayed launch or discontinuation of new businesses, major business interruption, increased reliance on suppliers.	The Group implements an employment and skills planning policy, invests in or buys specialised businesses, and develops its range of job training (Cyberdefense Academy, Sonatel Academy, etc.) to make sure it has the new expertise it needs.
■ I	Non-compliance with laws, regulations or contractual obligations	Disputes, administrative, civil or criminal sanctions at either the local or international level, revocation of the right to do business.	The Group's Legal Department supervises the coverage of all our regions and business activities through special programmes and units focusing on key issues, e.g. the European General Data Protection Regulation (GDPR), France's duty of care law, compliance with international economic sanctions, etc.
■ J	Electromagnetic fields: potential effects without scientific certainty	Reduction in the use of mobile devices, destabilisation of the telecoms business model, legal claims.	The Group takes steps to make sure that its handsets and other equipment meet current health requirements, supports public and private epidemiological research programmes (WHO, SCENIHR, etc.), develops tools to measure wave intensity, and leads awareness initiatives on safe usage for employees and customers.
■ K	Human health and safety	Deterioration in working conditions, physical and mental harm to people (employees, customers, partners).	The Group leads a proactive risk prevention policy with its own budget and special agreements: – internally, the application of the people charter and our pledge to be a digital and caring employer; – externally, awareness programmes about responsible use of digital technology, such as family support programmes: Better Internet for Kids, bienvivreledigital.orange.fr website, etc.



Our principles and governing bodies

Orange firmly believes in the importance of strong, efficient governance. That is why it has built a robust governance system geared to advancing the Group's strategy and tackling the challenges in its environment. Also convinced that strong governance drives strong performance, Orange keeps accountability along with risk management and control constantly at the centre of our concerns. To apply the best governance practices, Orange refers to the recommendations set out in the corporate governance code for French publicly traded companies (Afep-Medef Code).

15 members on the Board of Directors, of which 6 women (50% as determined by the French law of 27 January 2011)

7 independent directors

directors, 3 directors representing the public sector, 3 directors elected by employees and 1 director representing employee shareholders. Their term of office is four years. The Board also appoints a senior independent director, who works to maintain the balance of power within the Board, and centralises and coordinates the work of the community of independent directors. This role guarantees efficiency in governance while ensuring smooth relations between the Board of Directors and the senior management at Orange. The Board of Directors meets regularly and as needed to serve Orange's business dealings. In 2017, the Board met 8 times, with an attendance rate of 92%. It also responded promptly when the Group's situation required it, holding exceptional meetings on top of its regularly scheduled sessions. Board meetings typically last about four hours.

Work of the Board in 2017
In addition to overseeing regular business operations (review of operational performance, quarterly earnings, half-year and annual financial statements,

budget, risk factors, executive pay, etc.), the Board of Directors monitored progress on implementing the Essentials2020 strategic plan. For example, it examined the sale of a stake in BT Group owned by Orange, financing requirements of consolidated subsidiaries, and the FTTH investment plan in Spain. The Board also renewed the 2017-2019 multi-year performance-based variable compensation plan for corporate officers. In application of the Board's internal regulations, the Board of Directors met once to check that internal control systems and financial and extra-financial risk management systems are in place, and to monitor their efficiency. This meeting was prepared by first holding a joint meeting with the three Board committees.

The Board received presentations on the Group's 2016 CSR performance and on the detailed CSR report. As part of the annual review of its functioning and the functioning of its committees, the Board implemented recommendations from the formal audit led by the Governance

8
sessions held
by the Board of
Directors in 2017

4 hours
typical duration
of Board meetings

and Corporate Social and Environmental Responsibility Committee in 2016. The Board decided to launch a self-assessment of its functioning after the Annual General Meeting on 4 May 2018. At the meeting of the Board of Directors on 20 February 2018, Charles-Henri Filippi, senior independent director, reported on his duties in 2017.

Embracing transformation
The Board of Directors actively participates in the Group's transformation. In addition to regular Board of Directors meetings, its members come together for strategic seminars twice a year. These seminars are an opportunity to engage in detailed discussions about Orange, progress on its strategy, and the result of actions undertaken at the Group.

Role of specialised committees
The Board of Directors is guided by three specialised committees, namely the Audit Committee, Governance and Corporate Social and Environmental Responsibility Committee (GCSE), and the Innovation and Technology Committee. These committees

Fig. 10 ▶ Composition of the Board of Directors

Stéphane Richard*	Chairman and Chief Executive Officer
Hélène Marcy	Director representing the employee shareholders
Sébastien Crozier, Fabrice Jolys, René Ollier	Directors representing the employees
Alexandre Bompard, Christel Heydemann**, Charles-Henri Filippi, Bernard Ramanantsoa, Helle Kristoffersen, Mouna Sepehri, Jean-Michel Severino	Independent directors
Lucie Muniesa, Anne Lange, Bpifrance Participations (represented by Nicolas Dufourcq)	Directors representing the public sector

* Subject to renewal at the AGM scheduled on 4 May 2018.

** Subject to ratification at the AGM scheduled on 4 May 2018.

are very active, holding as many sessions as necessary before each Board meeting, to support Board members in making informed decisions on specific topics, drawing on their respective expertise and responsibilities. The specialised committees held a total of 18 meetings in 2017. Each committee is chaired by an independent director; the Governance and Corporate Social and Environmental Responsibility Committee, and the Innovation and Technology Committee are chaired by women.

Audit Committee

This committee reviews the management reports and accounts, and ensures the reliability and clarity of the information provided to shareholders. As of December 2017, its chairman also presides over the Joint Committee, a forum which brings together the members of the three committees to examine the efficiency of internal control and risk management systems, and of antifraud measures. The Audit Committee met seven times in 2017, with an attendance rate of 91%.

92%
attendance rate
at meetings of the
Board of Directors

93%
attendance rate
at preliminary
Committee
meetings

Governance and Corporate Social and Environmental Responsibility Committee (GCSR)

Its three main areas of expertise are the appointment and remuneration of corporate officers, corporate social responsibility and governance. This committee reviews company policy on human resources, executive pay and corporate social and environmental responsibility, based on discussions with the Group's stakeholders and in line with the Group's strategy. It also ensures that the Group's Code of Ethics is adhered to, and is informed about the implementation of compliance programmes covering ethics, anticorruption, international economic sanctions and mobile financial services. The Governance and Corporate Social and Environmental Responsibility Committee met six times in 2017, with an attendance rate of 92%.

Innovation and Technology Committee

This committee contributes to informing the opinion of the Board of Directors about issues involving innovation and value creation

at Orange, and reviews the Group's objectives for innovation and research. The Innovation and Technology Committee met four times in 2017, with an attendance rate of 95%.

Beyond Orange SA

As governance plays an essential role in driving the performance of a group, Orange aims to set the example in its governance practice. Beyond Orange, a publicly traded company, the robustness of the governance system is adapted at Group companies through its Orange Directors programme. This programme addresses staff members who serve as director at a company owned by Orange, providing them with a shared set of best practices to uphold strong governance throughout the Group at all times.

Fig. 11 ▶ Active and proactive directors

	Committee meetings	Board of Directors
January	Innovation and Technology	
	Audit	
February	Audit	BD CGSER (x 2)
March	Audit	BD CGSER
April	Audit	BD
May	Innovation and Technology	
June	Innovation and Technology	Ordinary BD Extraordinary BD
July	Audit	BD CGSER
August		
September	Joint	
October	Audit	BD CGSER
November	CGSER	
December	Audit	BD Innovation and Technology

General Management

To improve the effectiveness of its everyday corporate governance, Orange is led by its Chairman and Chief Executive Officer, who works with two Chief Executive Officer Delegates, three Deputy Chief Executive Officers and nine Senior Executive Vice-Presidents. They all work to contribute to the Group's long-term success.

Executive Committee

The Executive Committee steers the Group and coordinates the implementation of its strategy. It monitors the Group's progress towards achieving operational, social and technical targets, and the allocation of financial resources. The Group's operational governance is put into action by several specialised committees, which report to the Executive Committee. The main objective of these committees is to manage the risks involved in honouring the Group's financial commitments, thereby limiting its overall exposure:

- the Group Investment Committee focuses on reviewing the Group's financial commitments;
- the Treasury and Financing Committee defines the framework for managing the Group's financing and debt;

15
members
of the Executive
Committee
(2 May 2018),
of which 5 women

- the Tax Committee and Claims and Commitments Committee study, respectively, the Group's principal tax issues to determine the impact, if any, on the Group's books, and the Group's main disputes and contractual obligations to ensure that any risks related to them are covered in the form of accounting provisions;
- the Risks Committee reviews the Group's primary risks and submits recommendations to the Executive Committee pertaining to risk management and internal control;
- the Employment and Skills Committee plays a special role in implementing the Group's employment policy;
- the Disclosure Committee checks the completeness, accuracy and consistency of Orange's financial disclosures and their compliance with applicable laws, regulations and recognised practices;
- the Ethics Committee ensures that the Group's Code of Ethics is applied, offers guidance on its implementation and suggests amendments where needed. It also looks into specific situations submitted for its review, and reports to the Executive Committee and Governance and Corporate Social and Environmental Responsibility Committee every year.

Fig. 12 ▶ Executive Committee at 2 May 2018

Stéphane Richard	Chairman and Chief Executive Officer
Ramon Fernandez	Finance and Performance Executive Director, Europe (excluding France and Spain)
Gervais Pellissier	Chief Executive Officer Delegate, Group Transformation, and Chairman of Orange Business Services
Fabienne Dulac	Deputy Chief Executive Officer, Orange France
Mari-Noëlle Jégo-Laveissière	Deputy Chief Executive Officer, Technology and Global Innovation Division
Laurent Paillassot	Chief Executive Officer, Orange Spain
Christine Albanel	Executive Vice-President, CSR, Diversity, Partnerships and Philanthropy, and Deputy Chairman of the Orange Foundation
Jérôme Barré	Chief Executive Officer, Orange Wholesale & International Networks
Hugues Foulon	Executive Vice-President, Group Strategy and Cybersecurity
Nicolas Guérin	General Secretary and Secretary of the Board of Directors
Valérie Le Boulanger	Executive Vice-President, Human Resources
Béatrice Mandine	Executive Vice-President, Communications and Brand
Alioune Ndiaye	Chief Executive Officer, Orange Middle East and Africa (OMEA)
Helmut Reisinger	Chief Executive Officer, Orange Business Services
To be appointed	Executive in charge of developing Orange Bank and Orange Money activities

Business conduct

Our Group has made a pledge to be a responsible, trusted company, and to conduct its business activities with honesty and integrity, in line with our Code of Ethics.

The goals in our Essentials2020 strategic plan for international growth and the development of new services make our commitment to ethics even more necessary, as we enforce a zero tolerance policy on corruption, money laundering and financing of terrorism, while upholding human rights and acting as a responsible purchaser and taxpayer.

Ethics policy

Group employees can find out about ethics and compliance through the set of guidelines laid down in our Code of Ethics. This code, along with online training modules and other literature on ethics, anticorruption and conflicts of interest, is available on the Orange corporate website and a special intranet site, Ethics and Compliance. Intranet sites developed by divisions and countries also provide access to these documents and training.

Zero

Orange enforces a zero tolerance policy on corruption

Ethics and Compliance Day, an annual Group-wide event organised worldwide to build a positive attitude towards ethics and compliance, is an opportunity for executive managers to express their support for these issues while creating a powerful way to raise employee awareness and provide them with information and training.

Anticorruption

Orange updated its anticorruption policy in 2017 to comply with French law no. 2016-1691 of 9 December 2016, referred to as the "Sapin II law", on transparency, anticorruption measures and the modernisation of economic life. This new policy serves as a code of conduct as defined in article 17 of the legislation. In 2017, Orange also continued rolling out its due diligence procedure to review its partners, iDDfix, covering fraud and compliance in its main countries. The procedure is designed to protect the company and its stakeholders, gaining a deeper understanding of our partners and the risks involved in doing business with them.



2017 performance

Operational and financial figures

Financial figures

€41.1 billion	Consolidated revenues
€12.8 billion	Adjusted EBITDA
€2.1 billion	Consolidated net income
17.4%	Investment in telecommunications out of consolidated revenues
1.85x	Ratio of net financial debt to adjusted EBITDA in telecom activities

Operational figures

273 million	customers in 28 countries
10 million	more customers in 2017
211 million	mobile customers
10.3 million	BtoC convergent customers in Europe
4.7 million	Fibre customers
36.9 million	Orange Money customers
21 countries	covered by 4G

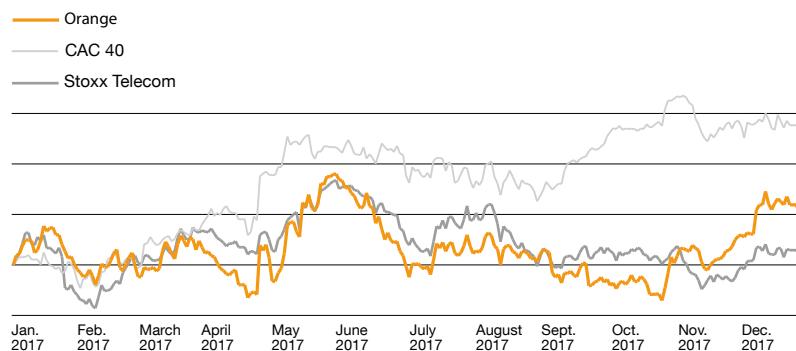
€41.1 billion in consolidated revenues

Breakdown

42.5%	France
12.9%	Spain
11.6%	Africa, Middle East
6.4%	Poland
4.2%	Central Europe
3.0%	Belgium and Luxembourg
16.7%	Enterprises
2.7%	International carriers & shared services

Extra-financial figures

Share performance in 2017



The telecoms industry underperformed the market in 2017 for the second year in a row, posting a total return rate of 0.7%, compared with 11.2% for the European market (Stoxx Euro 600). This performance brought total shareholder return (TSR) for the Orange share to 4.8% for 2017, surpassing the Stoxx Telco index (up 0.7%). The Orange share closed 2017 at €14.48. This was reflected in considerable returns, with the dividend rising from €0.60 for FY 2016 to €0.65 for FY 2017. The Group will propose a dividend payment of €0.70 per share for 2018.

Orange share

€14.48 share price at 31 December 2017

€0.65 dividend per share for 2017
(subject to the approval of the AGM)

Number of meetings

8	Board of Directors
4	Innovation and Technology Committee
7	Audit Committee
6	Governance and Corporate Social and Environmental Responsibility Committee (GCSER)

Attendance rate

92%	at Board of Directors meetings
93%	at preliminary Committee meetings

Energy consumption

5,672 GWh

By region

A France

48.8%

B Spain

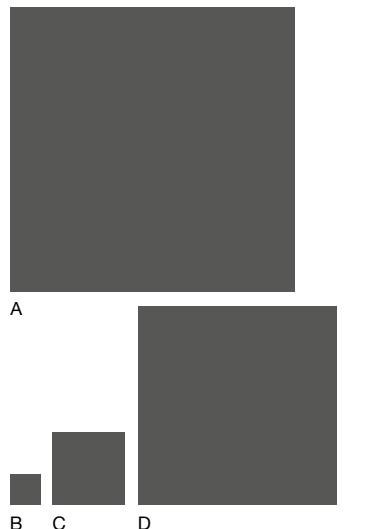
7.2%

C Poland

11.9%

D Rest of the world

32.1%



1.33 million tons of CO₂ emitted in 2017 (scopes 1 and 2)

By energy source

A Electricity

75.3%

B Oil

14.5%

C Vehicle fuel

7.2%

D Natural gas

3%



Employees by business line

A Customer services

49.4%

B Innovation

2.4%

C Support functions

13.6%

D Content and multimedia

0.4%

E Information systems

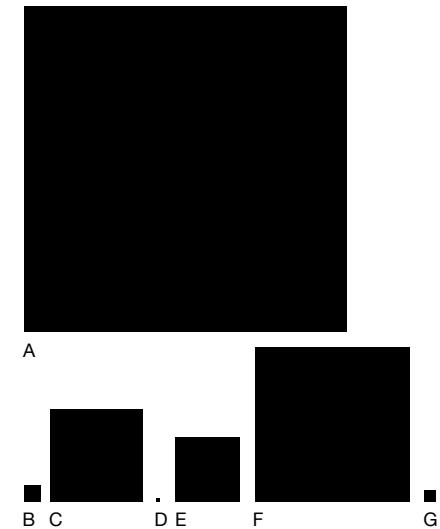
9.4%

F Networks

23.4%

G Other

1.4%



Employees per country

A France

61.2%

B Spain

4.7%

C Poland

9.9%

D Africa, the Middle East and Asia

10%

E Europe (excl. France, Spain, Poland)

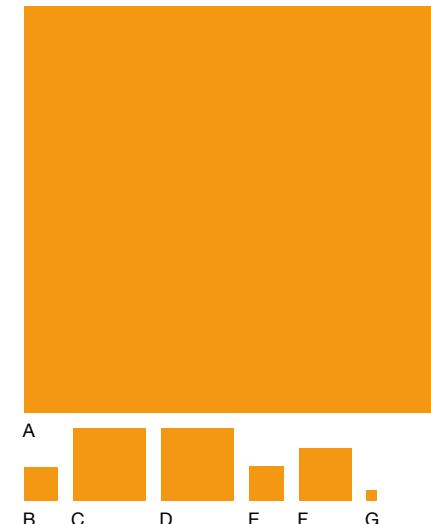
5%

F Orange Business Services

7.9%

G Rest of the world

1.3%



Chapter 1
Our vision for digital technology

Chapter 2
Our strategy to create value

Chapter 3

Our contribution

How do our philosophy, our business model and its strategic implementation translate into concrete action? The angle we have chosen to present our 2017 initiatives and achievements is the benefits our stakeholders are enjoying as a result. Here are seven sets of issues that intertwine with the digital world and which, taken together, illustrate the Orange experience and our commitment to creating value everyone can share.

Networks and connectivity

This is the core of our business: we roll out, operate and maintain the networks that enable the full range of digital experiences, and invest massively to expand, upgrade and enhance the reliability of our networks so that our customers and host communities can enjoy all the possibilities digital technology brings them.

Fibre

Very high-speed broadband is creating new ways for our residential customers to use digital technology. Several years ago, Orange began investing in FTTH (Fibre To The Home) to be able to offer bandwidths of up to 1 Gbps, and eventually up to 10 Gbps. This strategic choice is what has made us leader in very high-speed broadband in Europe, a position our



households in Europe at end-2017. Orange is also rolling out FTTH in Africa and the Middle East, targeting the main cities in Morocco, Jordan, Côte d'Ivoire and Senegal.

€7.2 billion invested in 2017, mainly in our 4G and FTTH networks.

4G

Orange invests heavily in its high-speed broadband mobile networks. Following

recent launches in Madagascar, Mali and Egypt, 4G is now available in 11 countries in Africa and the Middle East (excluding associates and joint ventures). We have extended 4G coverage in Europe, which now reaches 96% of the population in France and almost 100% in Belgium and Poland.

5G

Scheduled for deployment starting in 2020, 5G will provide both BtoB and BtoC customers with personalised services. This enhanced multiservice connectivity will unlock the potential to develop new uses, in areas such as 360° video and self-driving cars. Orange is already working to build this network and aims to be a leader in the market. Orange's 5G strategy is directed at three key objectives: offer mobile broadband service 10 times faster than 4G, develop fixed access through 5G, and design new applications to support the digital

transformation of businesses. The technology cleared a milestone in 2017, with the first technical specifications defined by 3GPP, the umbrella organisation that sets telecoms technology. Orange was a part of the process. Our research and innovation programme also continued to focus on 5G technology and services in partnership with leaders from the mobile industry and other business sectors. For example, Orange Romania conducted an unprecedented trial in the centre of Bucharest in December 2017 to test smart antennas designed for the 5G network.

Convergence

Future networks will be based entirely on IP technology. This will make the evolution towards convergence easier and open the gates towards even more new services. Orange pioneered this network transformation with the introduction of

the Livebox and triple play in France in 2004. Today, the switch towards all-IP is advancing steadily, with 70% of our residential phone lines running on the technology. The Group also rolled out voice over LTE and Wi-Fi services throughout Europe. Also on the forefront of delivering TV over IP, Orange boasts the largest European network, with 9.1 million customers (IPTV + satellite TV). we will respond more quickly to network attacks and incidents, and develop new services more easily – in just a few days rather than the few months it currently takes. The Easy Go Network, the first solution based on this technology, was launched in 2016 for our multinational business customers and is now available in 75 countries. We are also deploying virtualised network functions, for example to manage mobile data, and voice over LTE or over Wi-Fi.

1 million

The number of customers in France who used Orange Wi-Fi services in high-speed trains in July and August 2017.



Connectivity

Meeting growing connectivity needs, especially in emerging economies, is one of the main challenges of the digital revolution. In 2017, the Group joined in two new submarine cable projects: FLY-LION3 to enhance connectivity in the Indian Ocean and the Kanawa cable in the Caribbean to link French Guiana to Martinique by the end of 2018. To offer operators expanded IP connectivity, the International Carriers segment opened IP points of presence in Cape Town and Johannesburg, making Orange the first operator to provide the wholesale market with high-quality IP connectivity throughout Africa.

87%
increase in demand
for mobile data traffic
via Orange networks.

**Internet
of Things**
The IoT makes it possible for people to manage their lives more intelligently and more sustainably, e.g. their consumption of energy and natural resources, and their access to essential services. Orange has been active in developing IoT for over ten years, with Machine-to-Machine applications using 2G, 3G and 4G mobile networks. To take things up a notch, the Group is rolling out a LoRa® network dedicated

to linking objects, with more than 150 business customers who have already chosen the Datavenue solution available from Orange Business Services. Meanwhile, the Group decided to deploy LTE-M across its 4G networks in Europe. This technology is specially designed to optimise IoT services: Belgium was fully covered by the end of 2017, with testing under way in Spain and initial trialling in France.

330 million
Datavenue's processing capacity in pieces of data per minute (up 5 times in volume over a year).



Jean-Marie oversees the development of digital infrastructure in his region

Vice-President in charge of digital development of the Charente-Maritime region in western France, Jean-Marie Roustit discusses how connectivity is fuelling progress in the region he represents.

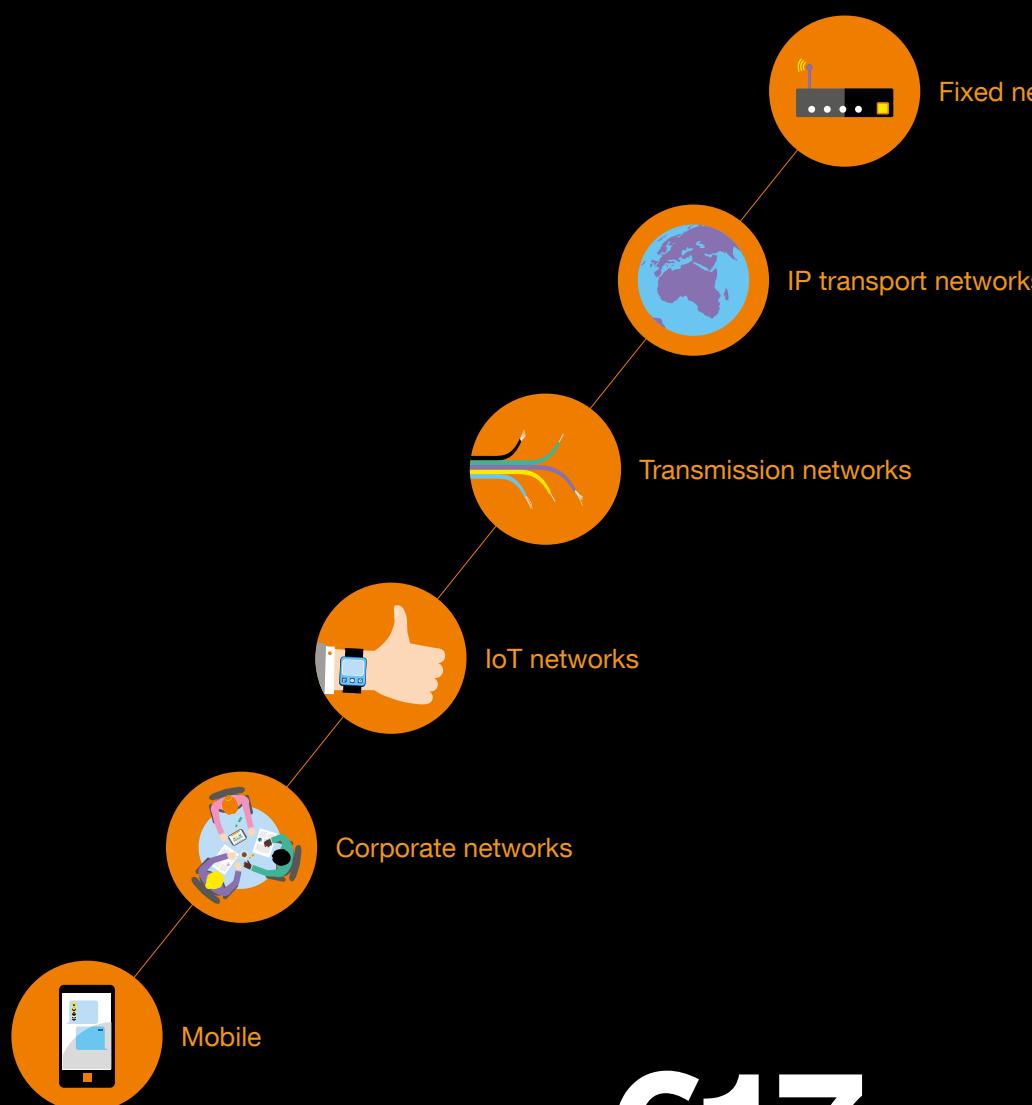
"It has become vital for elected officials and authorities to make sure that all citizens, regardless of origin, location, age or lifestyle, can be part of the 'digital society'. This also contributes to the development of our region. These days all companies across every business sector need good connectivity. By covering the entire department with very high-speed broadband service, we are giving all businesses everywhere, not just those in town centres, the means to grow. Charente-Maritime has been developing these Public Initiative Networks since 2006, and it has always viewed its involvement as a partnership. Our private partners bring us their expertise in developing and operating the network while investing in our department. In exchange, public funding acts as a catalyst to develop digital infrastructure that would not be feasible without a viable economic model for private operators. As a result, all these partners come together to improve digital service."

+ Find out more on
rai2017.orange.com/en/



"These days all companies need good connectivity."

Networks and connectivity



€17

billion investment in networks
(2015 to 2018)

28

countries with mobile access

Bringing connectivity to our customers

- Homes and buildings
- Public transport
- Trunk roads
- Tourist destinations (ski resorts, beaches, etc.)

Building connectivity and region appeal

- Orange Territoires Connectés programme enhancing coverage in France's rural areas
- Agreement with Arcep and French government on mobile coverage and eliminating white areas
- Contribution to France's Public Initiative Networks (PINs)
- Tripling average bandwidth between 2015 and 2018

3

markets:
consumers, businesses,
operators/ISPs (wholesale)

Managing our impacts

- 67.49% of our activities worldwide are ISO 14001 certified
- Embedding the circular economy in our processes
- Eco-designing future products and services
- Reusing hardware to lengthen its life
- Collecting and recycling preowned electronic equipment
- Teaming up with suppliers to develop high energy efficiency equipment
- Partnering with Huawei, Nokia, Ericsson
- The Green ITN 2020 plan to reduce information system and network energy consumption
- More than 2,800 solar power relay antennas
- Optimising datacentre air-conditioning

No. 1

for Fibre in Europe
with 26.5 million very high-speed fixed connectable households (FTTx)

Transforming our infrastructure

Preparing to introduce 5G in 2020

- 10 times higher maximum bandwidth than 4G
- 4 times more efficient to boost service coverage and quality

- Synergies with FTTH to improve very high-speed broadband coverage in local areas

Boosting flexibility with all-IP networks

- 70% of residential voice communications already IP-based
- 80% of fixed access points already IP-based
- 90% of France's copper aggregation network replaced with fibre so far

Leveraging FTTH networks

- Future-proof infrastructure to handle bandwidths over 1 Gbit/s tomorrow
- Virtualising networks functions and automating operations to gain efficiency: 3 Global Network Operation Centres (GNOCs) centralise operations in 20 countries
- Saving 10% to 20% on operating costs

Customer experience

We help our customers tap into all the advantages the digital world has to offer, with technologies and organisations that anticipate their requirements ever more accurately and individually, which we are using to reinvent Orange's relationships with its customers.

Digital

Customers want everything at their fingertips, right there, when and where they need it. And they want to do it on their own. So our digital interaction with them (BtoC, BtoB and operators) is developing. In Europe, 45% of the interactions between Orange and its customers now take place over a digital channel, edging us closer to our 50% target for 2018. Mobile service has been the



turning point towards a more digital relationship, especially with the My Orange application. Available

in all Group countries, the app has 16.6 million active users, up 19% from 2016. Growth has been particularly impressive in Africa and the Middle East, where the number of users increased fourfold over a year, clearing the 2.6 million mark by the end of 2017.

No. 2

Forbes magazine ranks Orange second in digital maturity among all CAC 40 companies.

Co-building with our customers

Orange wants to boost the engagement of its customers to build the future of digital together. We already have many examples of the ways we can collaborate. In Romania, more than 30,000 customers voted over a mobile app to choose the next priority regions where 4G should be deployed. Eight countries have created peer-to-peer digital help communities, where customers help out other customers in solving their technical issues, with an average problem-solving rate of 80%.

Putting people first

At Orange, we are reinventing the customer relationship by completely rethinking our people skills. For example, an Orange in Touch training programme was provided in more than 15 countries and business units, reaching over 12,000 employees. The course covered

two main topics: mindset and ways of doing and saying things. Through our Essential Voices programme, all Orange employees were asked to contribute in three areas: leading by example, employee empowerment and continuous improvement, with e-learning tools and hands-on workshops.

200,000 views of the Orange mini-series, "The customer experience, it's everyone's business", which followed Executive Committee members as they shared a day in the life of an employee in action on the job.



Artificial intelligence

In 2017, the Group launched several initiatives to enhance customer relations with artificial intelligence, for example using chatbots. In France, Orange unveiled its virtual assistant, Djingo, at the Hello Show. In Spain, a customer assistance service was implemented, which handled 300,000 chats in five months and filtered out most questions without any human intervention. Similar projects are on the verge of launch in Romania and Jordan, drawing on a Group-wide programme



structured to provide countries with a shared outlook and best practices in rolling out these solutions.

Customer journeys

Projects have been implemented in all our countries to identify or predict "pain points" in the customer journeys and eliminate them. These projects cover issues in both our traditional businesses (migration to convergence offers, roaming charges, switching to Fibre, mobile phone theft/loss) and mobile financial services. With the accelerated development of Orange Money, all

journeys (account opening, deposits/withdrawals, transfers/payments) have been

redesigned to meet the standards of our customers and those of regulators. These projects all factor in both the impact on the customer (satisfaction/recommendation) and operational efficiency (churn rates).

90% customer satisfaction rate at Orange Poland, which was awarded international certification for the fourth consecutive year from the Customer Operations Performance Center (COPC).



Smart Stores

To support our customers in using our products and services, and to showcase our innovation, we launched the Smart Store concept several years ago. This programme has transformed our retail outlets to complement services delivered through digital channels and create a smoother customer journey. At end-December 2017, we had opened 327 Smart Stores in 15 countries, of which 123 in France, 170 throughout the rest of Europe, and 34 in Africa and the Middle East. In 2018, we plan to open 400 more of these concept stores. In parallel, we are moving forward in our Digital Retail 2020 programme to deploy an omni-channel retail experience. Various enhancements are being tested in different countries, for example in Luxembourg (customers can reserve a product online and collect it two hours later in a physical store), Spain (providing our sales staff with tablets for more personalized customer support) and Tunisia (overhauling the self-care process to provide customers with access to their omni-channel purchase history).

Lope is thankful for Orange's customised solutions to support his business

Lope Quintero Roa is a technician specialised in fishing boats. Over the past twenty-five-plus years, he has seen how digital technology has dramatically changed his industry. These advances have enabled Lope to develop his business and customer base in sensors and automatic control systems within his market.

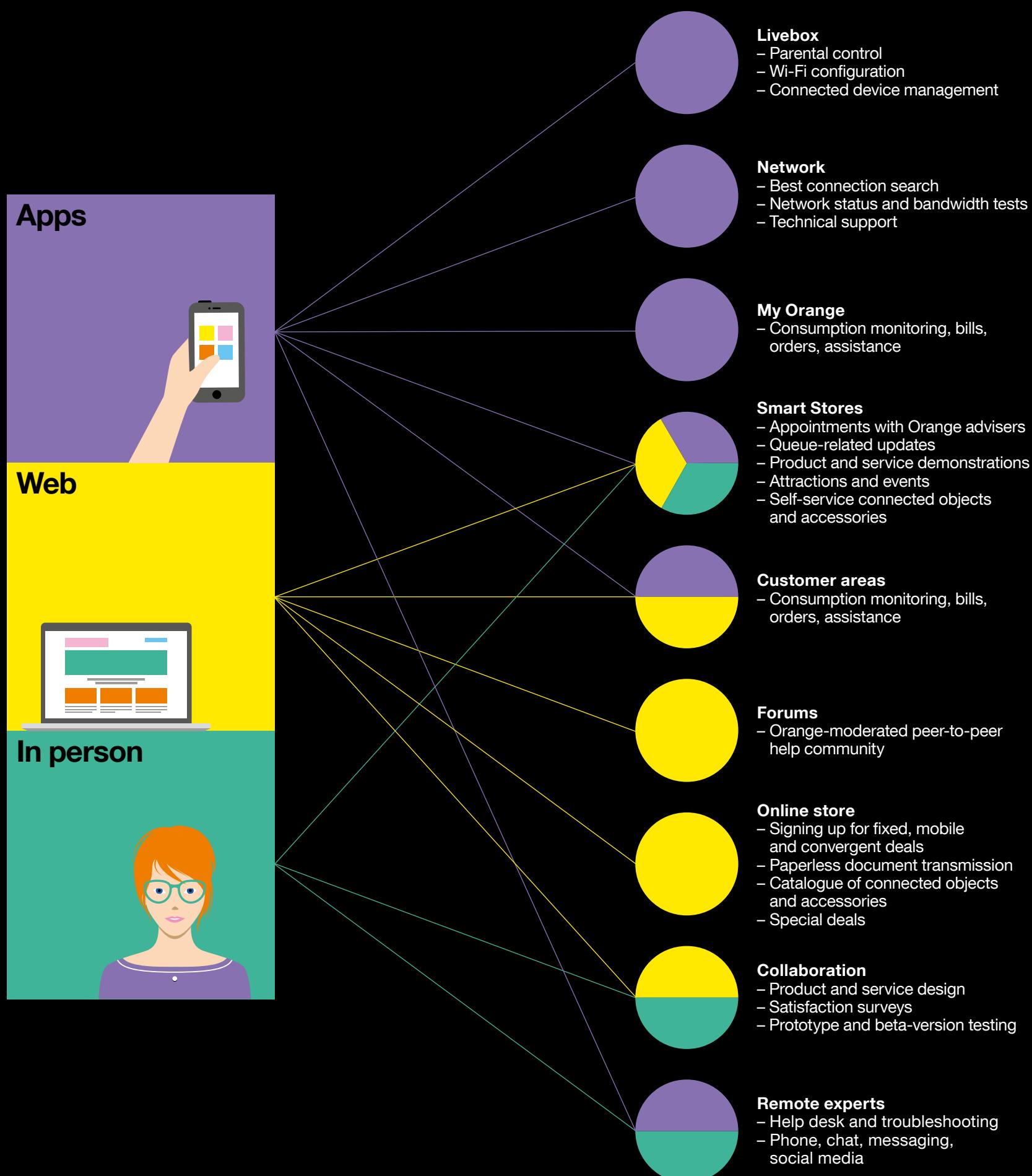
“Since the advent of smart systems, I've been able to take my business to the next level, boosting capabilities in service precision and quality for my customers. When one of them has a problem on a boat, I can now take care of it immediately and remotely, from anywhere in the world. I get that excellent service quality from Orange, which offers the most comprehensive range of options. I can use my Orange services every day – fixed, fibre, TV, mobile lines, smart TV, etc. – in running my business, as well as outside work. I have a perfect relationship with Orange. My adviser always gives me the time and care I need, bringing me an optimal personalised response to any need that may arise or doubts I may have.”

+ Find out more on rai2017.orange.com/en/



“I want to be able to bring my customers what Orange brings me.”

Customer experience



16.6

million
My Orange active users

48%

increase in My Orange
users in Africa and Middle East
(Q4 2016 to Q4 2017)

45%

of interaction
in France and the rest of Europe
via digital channels at end-2017

6,000

stores
worldwide,
incl. 327 Smart Stores

1 in 3

contracts sold
via digital channels in France

80%

of reported problems
solved by fellow customers

4,000+

Orange employees and customers
involved in Orange Bank pre-launch tests

Digital uses

We have a duty to stand by our customers as they explore the digital world's possibilities. The countless new uses – sometimes on the cutting edge of technology – need to be useful and relevant to our digital lives. And they are opening up significant strategic growth opportunities for the Group.

Digital financial transactions

For the past several years, Orange has been developing innovative mobile financial services – a fast-growing sector in 2017 – as electronic transactions and online personal finance management have become a reflex for an increasing number of people, especially the younger generation. Our Group has been spearheading this



their mobile phone, for easier, faster, more secure and less expensive service. In 2017, 37 million customers carried out over 1 billion transactions with Orange Money, moving a total of €26 billion. Initially developed by and for our African subsidiaries, the service was launched in Romania in 2016, where it attracted 81,000 users in one year. In 2018, Orange Money will expand its mix of financial

services, including micro-credit and micro-savings. To meet the burgeoning demand from customers who use smartphones, Orange Money will also be available through a new app featuring a conversational interface that was successfully tested in Côte d'Ivoire in 2017.

37 million
Orange Money
customers
in 17 countries
at end-2017.

Banking

One of the Group's major highlights of the year was its new Orange Bank service first revealed in April 2017 at the Hello Show, ahead of its retail launch in France in November. This mobile-only model is shaking things up on the market, offering a suite of unique services, such as opening a bank account with a smartphone, making contactless payments with a smartphone or bank card, transferring money via SMS, and placing or removing a temporary block

on a bank card. Distributed through a network of 140 approved Orange stores, the new banking service will also be available through the network of Groupama branches in 2018. Orange Bank had attracted nearly 100,000 customers by end-February 2018, less than four months after its launch, and aims to draw 2 million customers in France over ten years. Orange Bank's success stems from the Group's expertise in mobile financial services gained in both Africa and Europe. Its first mobile banking initiative, Orange Finanse, was launched as a partnership with mBank in 2014 in Poland. By end-2017, it had reached almost

427,000 customers (up 30% from 2016). The next step was Orange Cash, the mobile payment application launched in France and Spain in 2014 with over 650,000 customers at the end of 2017.

4,000
Orange employees
and customers
involved in testing
Orange Bank
services.

Artificial intelligence

Another trend to watch in 2017 was artificial intelligence. Orange customers began to benefit from this technology with Djingo, its multiservice virtual assistant that debuted at the Hello Show in April. Djingo interacts with all content and services within our ecosystem to command a smart



home, browse around Orange TV, or even answer a question. This voice- or text-controlled service comes with its own purpose-engineered speaker and is available through certain Orange applications and the remote control on the latest TV decoders. Djingo harnesses artificial intelligence capabilities to learn from its users and get better at bringing them what they want.

Smart cities

Connected objects and our Internet of Things solutions are finding actionable applications in the management of smart cities. In addition to contributing on an innovative project in Qatar through Orange

Business Services, Orange is a key partner in the smart city pilot project in Alba Iulia, Romania. In 2017, one year after the project launch with the city government, Orange completed the first operational phase and began analysing the data collected through a system embedded with over 600 sensors. What will this bring? The purpose is to bring about a positive impact for the city by more efficiently managing its infrastructure, transport network and tourism services. For example, the use of connected lampposts over the first few months resulted in electricity savings of 50% to 70% in the street lighting budget.



Connected objects

For customers to get the most out of what the Internet of Things has to offer, Orange plans to integrate value-added services for smart homes, healthcare and well-being across different markets in Europe. In 2017, the Group launched a Smart Security service in Spain and Luxembourg. It is bundled into a single-point smartphone app that lets customers enable and disable their alarm system, send alerts, and, if they've installed an IP camera, view what's happening inside their home in real time. As a partner to innovative start-ups in developing and distributing connected

objects, the Group has launched three new Orange-brand objects: the Orange Live Cam (360-degree camera for smartphones), high-performance Orange VR2 headset and the Orange Drone, to bring users a simple and fun flying experience. We are capitalising on our network of physical and Smart Stores to present these new objects and coach our customers in their digital choices. In 2017, Orange also launched the Livebooster programme for the wholesale market. This range of modules can be integrated into any object to enable connectivity, thereby driving the interconnected ecosystem.

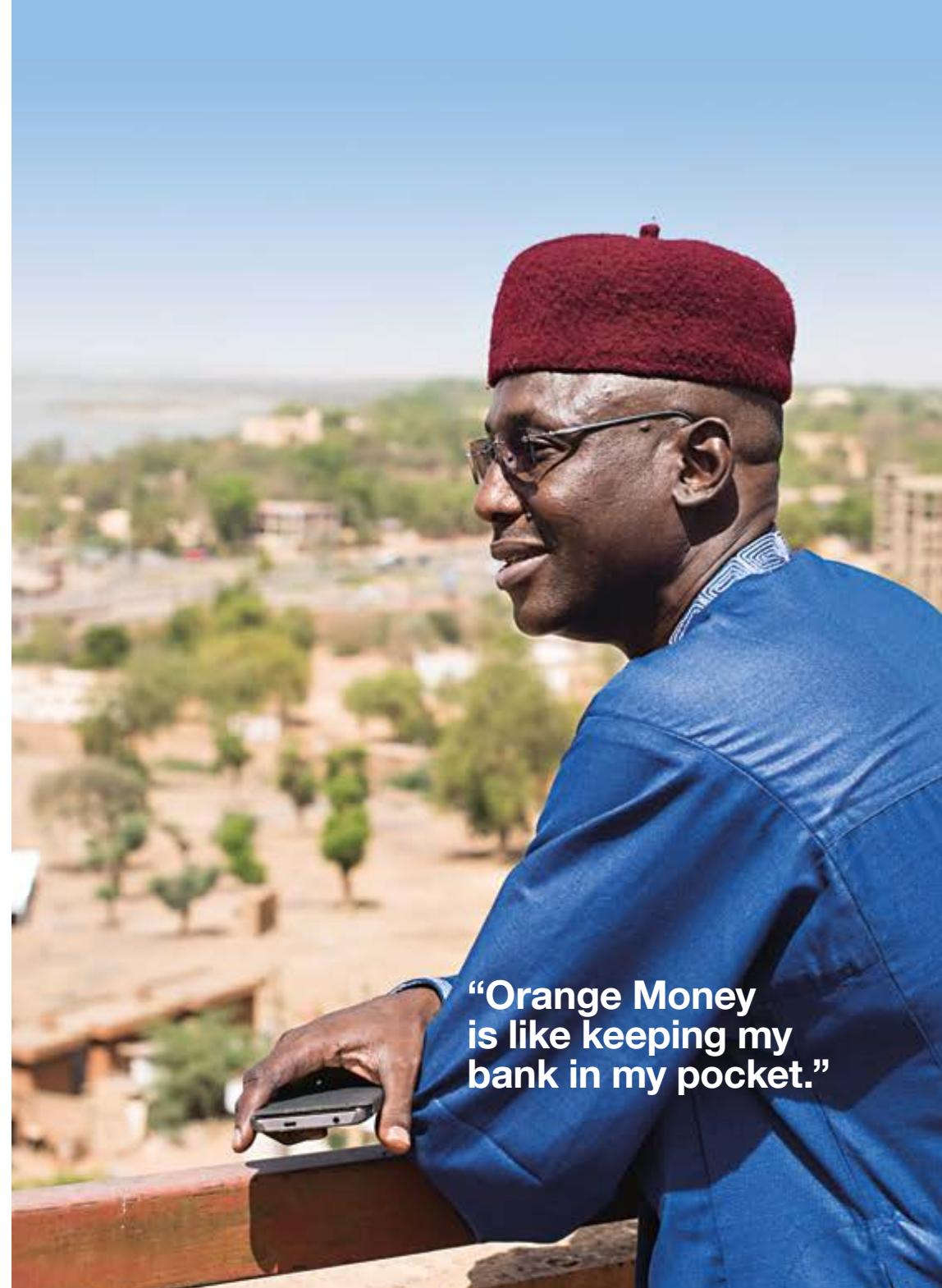


Attaher manages his money safely

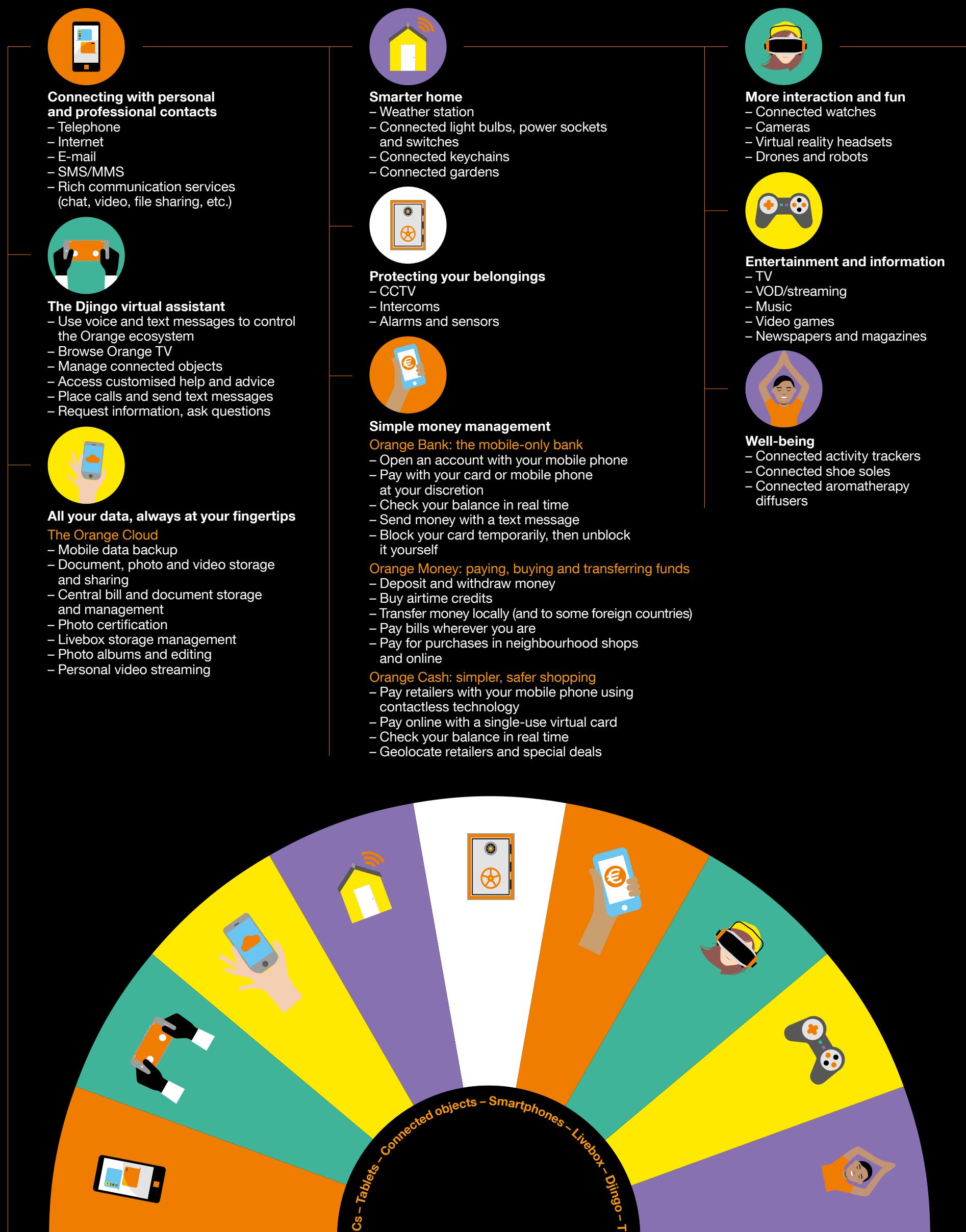
As a high-ranking official in Niger, Attaher Lawali Dango likes the fast, easy and secure service available from Orange Money. He can transfer money and pay bills that are important for his personal life, anytime, anywhere, even when far from where he works.

“Mobile service plays a special role in my daily life. It's a part of me. I've been using it to manage my personal finances since 2012, with Orange Money and all the services available: money transfers, airtime top-up, bill payment, financial transactions, etc. Paying bills electronically is the most practical service and the most important for me day to day. I use it to help my parents financially. They live in another region, but I can pay their water and electricity bills without leaving my office! Orange Money also allows me to coordinate one of the biggest projects I've undertaken in my entire life. I'm having two villas built over 600 km from where I work. These services save me time in every way. And I can manage my money safely, at a low cost.”

+ Find out more on
rai2017.orange.com/en/



Digital uses



Digital transformation in businesses and cybersecurity

The exponential growth in Big Data spells the need for complex, interconnected circuits, from collection to analysis, to turn bytes into insights. Orange is supporting this “data journey” by harnessing the power of data for companies’ teams, customers and projects.

Vision

In May 2017, Orange entered into exclusive negotiations to acquire the international consulting and systems integration group Business & Decision. The acquisition is in line with the strategy of Orange Business Services to become a leading partner across the value chain of customer data services. The deal aims to support businesses through every step in their “data journey”, which

covers six categories of action: Collect, Transport, Protect, Store and Process, Analyse, and finally Share and Create. Connectivity, IoT, Cloud, Cybersecurity...

Cyber-security

Orange Cyberdefense was created in 2016

to combine the expertise of Orange Business Services in data protection and security against cyberthreats. The entity gained traction in 2017, opening a 6,800 square metre campus in Paris-la Défense, Europe’s largest business district, and a hub in Lesquin, in northern France, to focus on security for customers in France and Benelux. Orange Cyberdefense

developed Cryptobox, an ultra-secure collaborative work solution (in partnership with Ercom) and launched a certification training programme open to all future cybersecurity experts, Orange Cyberdefense Academy.

30 billion events analysed every day by Orange’s CyberSoC (cybersecurity operation centres) for more than 80 large companies and organisations.



Cloud

In February 2017, Orange Business Services announced the launch of its worldwide public cloud, Flexible Engine, together with its new application management and expertise services offer. Flexible Engine is one of the Orange Business Services solutions delivered for the European Space Agency’s Copernicus programme. The Group was selected as part of an Airbus-led consortium to provide cloud services to boost the use of Earth observation data. Furthermore, the Group has reiterated its objective to become a leader in sovereign cloud solutions. As part of achieving that, it is seeking



compliance with the SecNumCloud standard set by the French National Information System Security Agency (ANSSI) for its French platform.

>70%

The share of IT budgets allocated to Cloud services over the next three years.

Smart cities

Orange Business Services signed a multimillion dollar contract in Qatar with the managed services provider Meeza to deliver the majority of applications and smart services for the Msheireb Downtown Doha project. With 500,000 embedded sensors and a set of advanced applications, this historical neighbourhood in the Qatari capital is one of the only fully-integrated smart district programmes in the world.

91.6 million

Estimated number of connected health objects in 2020, which is one of the strategic growth



trajectories set by Orange Healthcare, the Orange Business Services subsidiary created in 2016 to develop the Group’s e-health business.

Internet of Things

Orange Business Services signed several major contracts in 2017 relating to the IoT. One of these is to supply 350,000 SIM cards and a special IoT portal for Viasat, an international operator based in Italy that supplies telematics services for insurance and fleet management. Orange also supports UK-based start-up Stonelin in providing IoT connectivity for three innovative devices: V-Trak, a low-cost vehicle tracker that

launched in mid-2017, soon followed by the D-Trak wristwatch tracker for Alzheimer’s patients, and the W-Trak system aimed for use by domiciliary care workers. In

mechanical engineering, the Finnish company Cargotec chose Orange Business Services to fit its cargo and load handling equipment with IoT sensors and connectivity primarily used for predictive maintenance.

137,000

employees provided with network and IT infrastructure spanning 350 sites of German automotive suppliers ZF and TRW. Orange Business Services will integrate the infrastructure after their merger.



Smart agriculture

In June 2017, Orange and Nexxstep-Technologies teamed up in a partnership to develop smart agriculture in France. Based in eastern France, the company will roll out 4,000 sensors to be installed at farms in the Champagne region. The data collected will be sent over Orange's LoRa® network and processed by our Datavenu platform. Farmers will benefit from reliable connected traceability solutions that are economical and easy to use, such as land use monitoring, property and building protection, and logistics management for inputs (fertilisers and pesticides). A case in point, farming employs 60% of the labour market in Africa but contributes about one fourth of GDP. Orange supports many companies in streamlining farming operations, including a number of start-ups, such as Tech-Innov, which makes smart irrigation systems. Several test projects are being developed at our African subsidiaries.

Michel heads Orange expertise in cybersecurity

Orange Cyberdefense CEO Michel Van Den Berghe emphasises how important security is for businesses in our increasingly interconnected world.

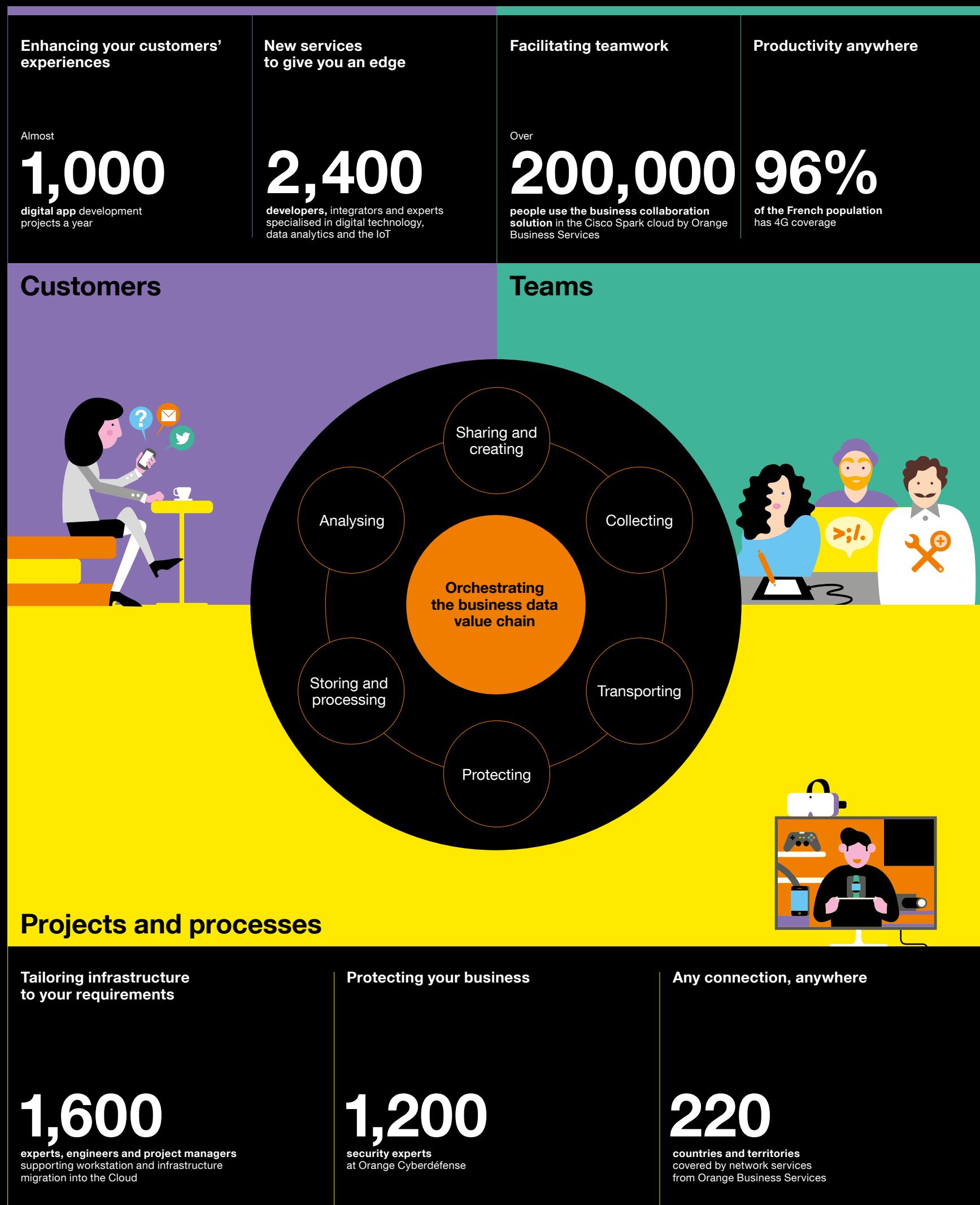
"With the digital transformation of organisations, data integrity has become critical. The continuity of their business operations and confidentiality of their transactions depend on it. In today's world, where concealing stolen information has developed into a business in its own right, all companies are potential victims of cyberthreats – from multinationals to small businesses that work together and can infect each other through their interconnected networks. As a European leader in cybersecurity, Orange Cyberdefense guides companies throughout the life cycle of their data, from conducting vulnerability audits on hardware to detecting intrusions, and to recovering from a cyberattack, should one occur. We continuously patrol operations, including on social media and the Darknet. That way, every business can benefit from the security solutions that match the value of its digital assets and how they're used. We protect what's essential to them."

+ Find out more on rai2017.orange.com/en/

"All businesses need to take cybersecurity measures."



Digital transformation in businesses and cybersecurity



Digital and caring employer

As healthy employee relationships are central to our business performance, we are moving forward with our pledge to be a digital and caring employer using similar approaches in all our host countries to build an unmatched employee experience.

Employee experience

Our HR objective is to create an employee experience that reflects the customer experience, both digital and caring. We want our teams to feel a sense of fulfilment at an organisation that is constantly moving higher, fuelled by the digital transformation. Managers play a key role in making that a reality, and need the support of HR, as it is set out in the agreement on the

digital transformation signed in 2016. Concretely, this employee experience should offer access to all day-to-day HR services by smartphone, while keeping human contact available if needed. With that frame of mind, we launched an app for occasional teleworking in 2017. The Group's long-term plan is to offer personalised HR services through the use of applications



while maintaining top-notch standards in human support.

Close to 30
applications available on our in-house mobile app store Apps@Work, to make life easier for employees.

Collective agility

In October 2017, we launched the first step in Oz, the new employee innovation programme. Set to evolve over the coming months, Oz aims to develop a culture that fosters initiative and entrepreneurial spirit to harness our full wealth of collective intelligence of our teams.

Gender equality and diversity

In November 2017, Orange successfully renewed its GEEIS (Gender Equality for European and International Standard) certification, which evaluates an organisation's commitment and initiatives in support of workplace gender equality. Since 2011,

the number of business units awarded certification for their gender equality standards has continued to increase. Today, it covers corporate, its European subsidiaries, Orange Egypt, Orange Tunisia, and Orange Business Services in France, Italy, Germany, Brazil and Egypt.



Listening

Our annual employee survey is structured into priorities based on our pledge to deliver in three areas: skills, agility and engagement. In 2017, 71,735 employees (51.4% of staff) expressed their opinions in answering the survey. The findings showed overall progress in three indicators that measure employee attachment to the

Group, both in France and around the world (see our Essentials2020 indicators on pages 50-53).

Skills

In February 2017, the Group signed a new agreement on the recognition of employee skills and qualifications with employee representatives in France. The agreement provides a framework for adapting employee skills to its rapidly changing environment and maintain the employability of its employees. Over the next few months, the Group will develop a knowledge base and training tools in four strategic areas for the future:



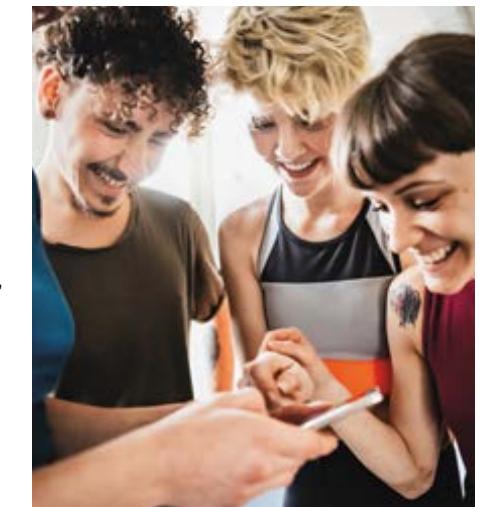
employment of people with disabilities. For example, we developed Ellomi, an application available in almost 40 countries to teach managers about invisible disabilities. On 28 June 2017, acting on unanimous approval from trade unions, Orange signed a further three-year agreement to support the employment and inclusion of people

with disabilities and antidiscrimination policy. The agreement targets 570 new hires with disabilities, and at least 150 of them to permanent positions.

7.1%
Share of employees with disabilities at Orange SA in 2017.

Professional integration

Continuing its action as a leading employer, Orange takes great care in making sure young hires feel properly integrated. The Happy Trainees and Happy Candidates awards the Group has earned reflect the quality of internships and work-based



learning programmes available and the outstanding overall recruitment experience. Each year over the 2016-2018 period, the Group is hiring 5,000 young people on work-based learning contracts and at least 2,500 interns across all its business lines in France.

Hiring

The Group raised its 2017 recruitment estimates for 2016-2018, with a total of 7,500 hires on permanent employment contracts in France (500 more than initially planned), of which 30% through integration programmes. Most



of these positions are for work in digital technology businesses.

Quality of life at work

In February 2018, for the third consecutive year, Orange received the Top Employer Global 2018 world certification, which rewards the best HR policies and practices. In all, 30 Group countries and regions, mainly through Orange Business Services, applied for this certification and successfully qualified. Orange is the only telecoms operator among the 13 multinational award winners this year.

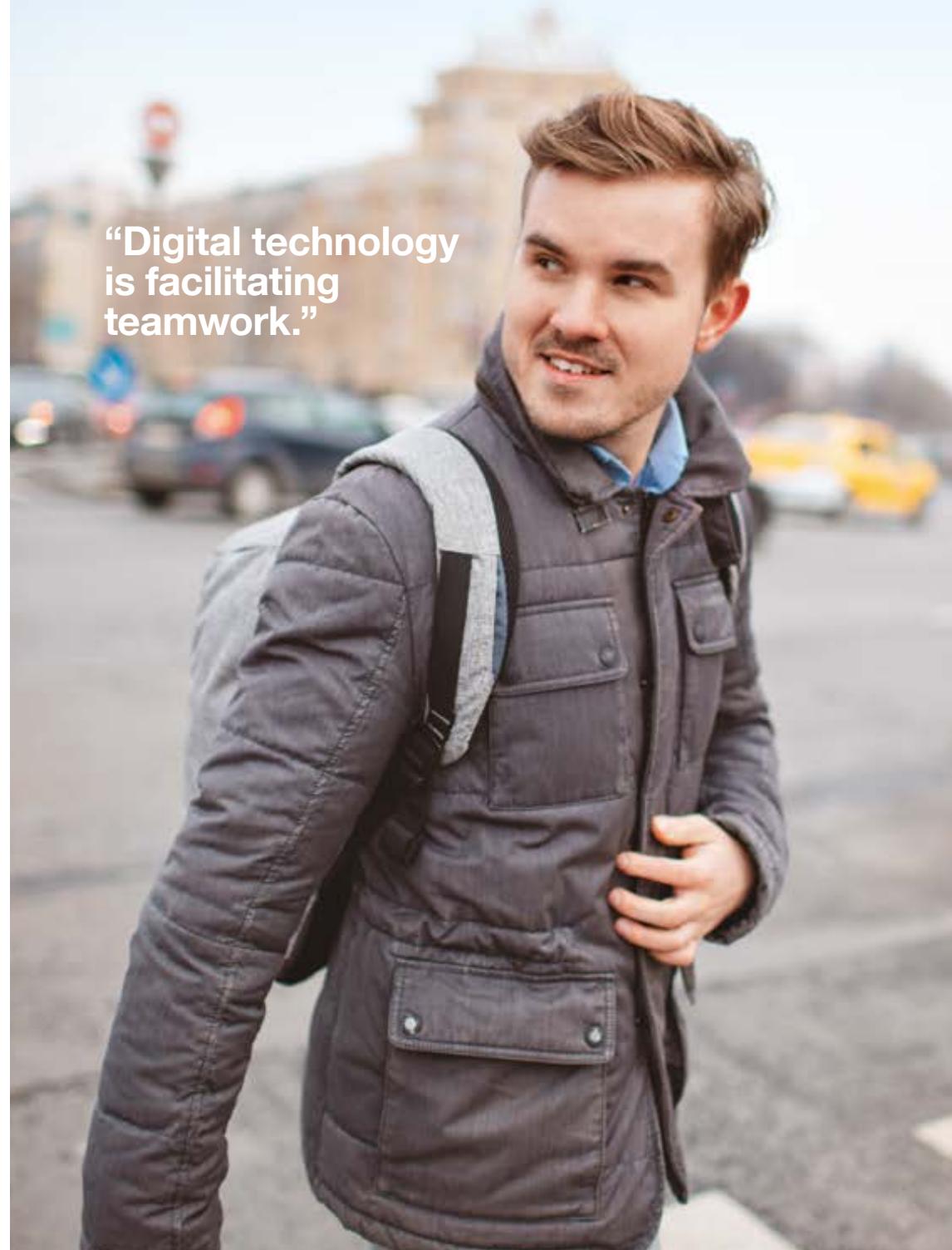
Catalin, putting customers first

Catalin Anechei, an operation quality engineer at Orange Romania, told us how digital technology is enhancing his everyday life at work, stepping up his self-reliance, shortening his response time and boosting his productivity by enabling him to share information more efficiently.

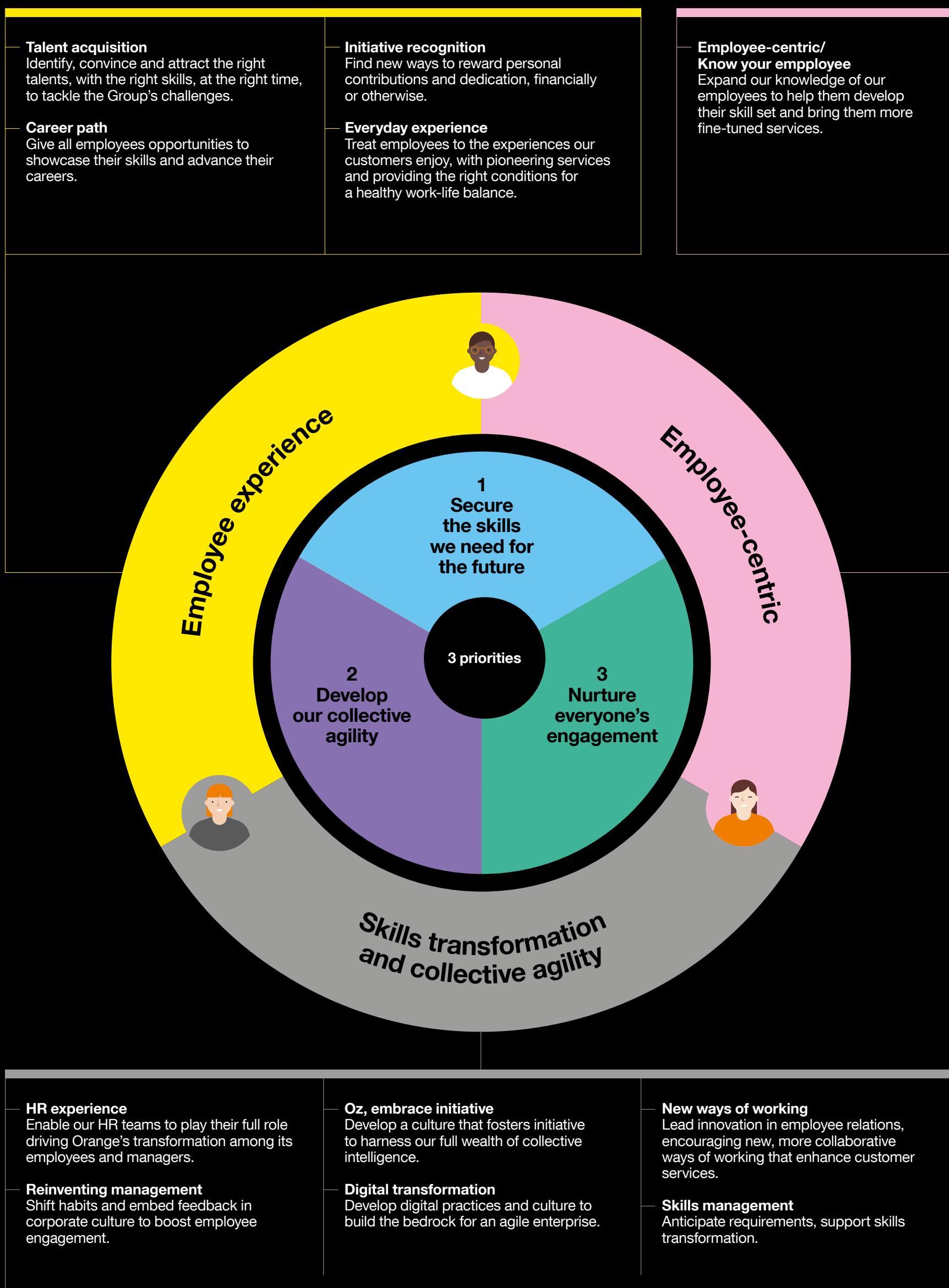
“I realised early on that agility is essential in my job. In our team, that means more independence. We’re all accountable for completing full assignments, from beginning to end. At my level, I use agile work methods because I’m always looking for new ways of getting jobs done more efficiently, to benefit our customers. As the world’s changing non-stop, agility is becoming the key to enjoying your job. There’s nothing quite like new technology to boost agility. The fact that we’re transitioning towards virtualisation means we can fast-track innovation, and it is actually opening up unbelievable possibilities for innovation. Digital technology is helping us facilitate teamwork and enables everyone on the team to pool information.”

+ Find out more on
rai2017.orange.com/en/

“Digital technology is facilitating teamwork.”



Digital and caring employer



Responsible commitment and trust

Because of the progress it can bring about, digital technology is also the subject of discussions about practices and the impacts it entails. We have a duty to be the operator people and businesses trust, and to be able to treat everyone to a safe, positive experience.

Digital education

Education is a key vector for taking advantage, safely, of everything digital technology has to offer. That's why we have made it a priority to support families and children. We develop a variety of initiatives to teach them about the right ways to use technology, and provide educational programmes on digital technology, through digital technology. For



example in 2017, under our #SuperCoders programme, 9,000 children age 9 to 12 in 17 countries were trained by 1,200 Orange coaches in the basics of coding and digital culture. In November 2017, we opened the Sonatel Academy in Senegal, a free coding school supported by the incubator CTIC in Dakar. In Côte

d'Ivoire, we teamed up with local universities and École polytechnique to launch a Master's programme in Data Science. To promote responsible use of digital technology, we continued supporting the Better Internet for Kids programme, through workshops, mainly in Romania, Slovakia and Moldova. In France, the practical tips and expert advice available on the website espacedesparents.fr were featured in a novel digital campaign that circulated through a number of exhibitions (Paris Games Week, Salon de l'étudiant, etc.). Additionally, nearly 2 million pages of advice were viewed on bienvivreledigital.orange.fr.

3,258 employees in Poland, i.e. 23.4% of total staff, were involved in the Orange Foundation's skills sponsorship programme in 2017. It is the country's largest corporate volunteer programme.



them with free-of-charge Internet access. The value of donations collected has supplied 500 households with free 4G access and a tablet, with configuration and training provided by volunteer staff members.

Solidarity

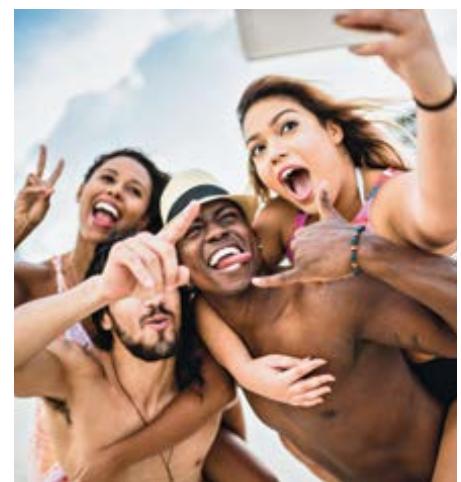
Accessibility, both geographical and financial, are key issues in preventing and bridging social gaps. The Group's commitment to addressing these issues takes concrete form in solidarity initiatives, especially through the Orange Foundation. 2017 highlights include the development of Orange Studio's social programme in Poland, with 27 new multimedia centres opened, for a total of 100 centres within reach of 900,000 residents in rural areas. Spain's original Gigas Solidarios campaign lets customers donate unused gigs to underprivileged families, providing

with will remain secure throughout every step in their relationship with Orange.

Freedom of expression

Digital technology plays a central role in today's society. So operators such as Orange must publicly and transparently speak out in support of privacy protection and freedom of expression. The Group is an active member of the Global Network Initiative (GNI), which merged with Telecom Industry Dialogue (TID) in March 2017 to bring together all stakeholders (operators, service providers, NGOs,

universities, and civil society representatives) in finding ways to address some of society's key issues in this area: online content from extremists, fake news, governments initiating network shutdowns, and the like. In 2017, we also took further steps in our commitment to uphold human rights, with the publication of a transparency report that lists government requisitions, the signing by Stéphane Richard of the modern slavery statement, and the publication of our first human rights report based on UN guidelines.



Duty of care

A vigilance plan was devised based on the first five requirements set out in France's duty of care law passed in 2017. These vigilance measures require organisations to identify the risks and the steps that can be taken to prevent these risks of violation of human rights and the health and safety of people and the environment.

Environmental protection

Orange deploys solutions and ambitious action plans to guide the ecological and energy transition. In 2017, we continued our progress in systematically obtaining ISO 14001 certification for our Environmental Management System (EMS). Currently, 66.6% of the Group's scope complies with this benchmark standard. At the COP21 climate change conference, we made a commitment to integrate circular economy objectives. We then presented our progress towards this goal at a

discussion held with stakeholders, to identify what they expect priorities to be in this area, and to advance in implementing our action plan. As a result, a collective channel was set up in January 2017 to manage waste electrical and electronic equipment (WEEE) generated internally by our networks and IT infrastructure. For used mobile phones, we collected a record number of customer devices in France, and the programme is taking hold throughout the Group. In Africa and the Middle East, we now have five waste sorting workshops that have collected 2 million mobiles and shipped 20 containers to France for recycling.



Janet got back on her feet through the Digital Centres programme

The Orange Foundation's Digital Centres support organisations that work to help women become more independent and to provide equal access to the labour market. Now working as a front desk receptionist in Brittany, France, Janet De Melo is a programme graduate.

"After working for seventeen years at a bank in Brazil, where I grew up, I arrived in France and had to start over. I was used to using office applications such as Excel, but they looked unfamiliar to me here! I got support from the organisation Force Femmes, where they encouraged me to take a refresher course through the Orange Foundation and its Digital Centres programme. I was able to participate in workshops that taught fundamental office tools such as Word, Excel and PowerPoint. That got me back on track, and enabled me to meet new people and benefit from expert advice. Thanks to that helping hand, I regained my self-confidence, learnt how to make my CV shine, and ended up finding a permanent position as a receptionist at Cercle Paul Bert in Rennes."

+ Find out more on rai2017.orange.com/en/

"Besides deepening my knowledge, the workshops gave me strength and self-confidence."



Responsible commitment and trust

Privacy

- Our comprehensive security policy complies with ISO 27001 requirements.
- The Group was one of the industry's first movers on this front with the Orange charter on data protection and personal privacy in 2013.
- We have appointed data protection officers (DPOs) in each subsidiary, who report to a Group DPO, in accordance with the EU's new General Data Protection Regulation (GDPR).
- Orange's Trust Badge gives users control over the information they share.
- A section discussing users' data and their identity on bienvivredigital.orange.fr helps them enjoy the Internet safely.

Individual liberties

- Orange is active in the Global Network Initiative (GNI), an organisation promoting freedom of expression and privacy in the ICT sector, and a member of the Initiative's board of directors.
- The Group has published its first report on Orange and human rights.
- The e-learning platform on human rights is available in 90% of the Group's geographies.
- Orange has signed a statement on modern slavery.

Responsible purchasing

- We conduct CSR audits among our suppliers and their subcontractors in partnership with other operators in the Joint Audit Cooperation (366 audits in 27 countries, covering 817,000 supplier employees, since 2010).

Inclusion

- Spanish users can donate unused gigs to underprivileged families, providing them with free-of-charge Internet access, through the Gigas Solidarios programme.
- We have set up a forum for stakeholders' dialogue on digital poverty.

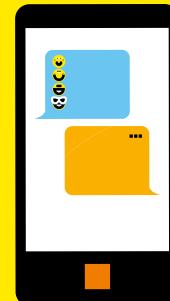
Digital society

- Orange's Digital Society Forum is an unprecedented collaborative space to share views on digital technologies and the changes they are driving throughout society. 12 topics including healthcare, learning in the digital age, new 2.0 relationships, attention and information abundance, and work and new technologies. 12 expert round tables, 69 workshops, 3,000 participants and over 1,000 proposals from citizens since 2013.

Protecting human rights



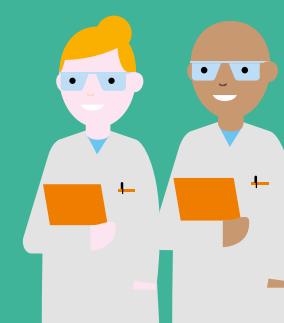
Promoting digital inclusion



Contributing to a more supportive and responsible society



Limiting the health-related impacts from our activities



Access

- We have set up 100 Orange Studios (public multimedia centres in suburban and rural areas in Poland).
- The applications-autisme.com website provides all the apps that can help people with autism learn about digital technology.

Family assistance

- The Better Internet for Kids programme provides parental control tools and educational videos on screen time, cyberbullying and other topics, on Orange's portals.
- The Orange Foundation's digital solidarity programme organises workshops on digital protection.

Education and training

- “Digital school” kits have reached 130,000 learners in 532 disadvantaged schools in 12 countries.
- The Ensemble pour l'Insertion des Jeunes (“together for youth integration”) programme trained 14,200 young people in digital technology in 2017.
- 200 Digital Centres in 18 countries have trained 11,000 unskilled or jobless women in Europe and Africa.
- 73 Solidarity FabLabs in 11 countries are working with young people from underprivileged backgrounds or who are having difficulties at school.
- We have pushed ahead with the #SuperCoders programme for children age 9 to 12. It has reached 20,000 kids in 17 countries in Europe and Africa since its inception.
- We have opened Sonatel Academy, the first free-of-charge coding school in Dakar, Senegal, in partnership with Simplon.

Protection from radio waves

- We are contributing to research programmes, including a study on the impact from 5G radio waves.
- And promoting best practices on www.ondes-radio.orange.com.

Curbing digital addiction

- Orange was the first operator to publish a brochure on digital addiction in children.

Collaborative innovation

Increasing technology complexity and higher user expectations have altered the innovation equation. New products and services will only interest users if we team up with all the players in our ecosystem to invent them, using diverse work methods that allow us to capture the most promising growth opportunities, while permanently integrating new uses for customers.

Acceleration

These days, start-ups are the ideal springboard for achieving fast, agile and responsive digital innovation that can interlock multiple concepts, technologies and models. By supporting these entrepreneurial initiatives and making the resources of our ecosystem available to them, Orange not only helps power the economy in the countries where it operates but also



poises itself to detect trends with the highest potential of enhancing its universe of services. Whether they are in the seed stage, ready to take off, or already mature, we offer start-ups guidance throughout every phase in their

development via our start-up accelerator, Orange Fab. With offices opened in Belgium, Luxembourg and Romania in 2017, this network is now active in 15 countries on 4 continents, and has supported more than 300 start-ups to date. Under Facebook's Telecom Infrastructure Project, Orange Fab France initiated Telecom Track for start-ups that develop network infrastructure.

435

entrepreneurs supported in 2017, up 82% compared with 2016.

Alliance

Orange is a member of the Go Ignite alliance alongside Deutsche Telekom, Singtel and Telefónica to bring start-ups access to the resources and global markets of the four partners, which offer combined potential of more than 1 billion customers. In 2017, Go Ignite selected its second contingent of five start-ups specialised in



artificial intelligence applications to enhance the customer experience, smart homes, cybersecurity and the Internet of Things.

Research

Orange research works closely with academic, institutional and industrial partners. As a member of several public-private partnerships, the Group works with 10 business clusters and contributes to more than 70 cooperative projects in France (Fonds Unique Interministériel, Agence nationale de la recherche, programme Investissements

d'Avenir) and Europe (seventh framework programme backed by the European Union, Eureka Celtic, Horizon 2020). Orange is involved with two Technology Research Institutes, B<>com and SystemX. We also support 12 research chairs and

5 foundations, and have signed more than 30 research contracts to establish strategic partnerships with leading-edge research centres around the world: Institut Mines-Télécom, INRIA, CNRS, Polytechnique, CentraleSupélec, Fraunhofer Munich, the Jean Tirole

(winner of the Nobel Memorial Prize in Economic Sciences) research teams, Ben Gurion University, and others. In late 2017, Orange initiated an integrative research programme to anticipate long-term breakthroughs in technology, usage and business models relating to the Internet of Things, sensitive homes and ambient connectivity.

Thing'in, Home'in and Plug'in, our three research platforms, are where Orange researchers come together to study how all the technological bricks will fit together with users, while in constant dialogue with society.

140

doctoral or post-doctoral students working solely on Orange research projects.

Investment

Through minority interests in several innovation investment funds (Innovacom, Iris Capital, Robolution, Teranga Capital, etc.) managed under

Orange Digital Investment, we are generating the resources to invest in start-ups from the digital ecosystem that are capable of capturing high-growth markets, developing disruptive technology or building innovative business models. Our Group also has its own investment vehicle, Orange Digital Ventures, to zero in on five key areas: new connectivity, enterprise services (cloud, data, etc.), Fintech, Internet of Things, and new business models for Africa. For example in this last area, Orange Digital Ventures opened a branch in Senegal in 2017, earmarking €50 million to finance African start-ups. At end-2017, the Group plans to set aside over €350 million to finance start-ups.

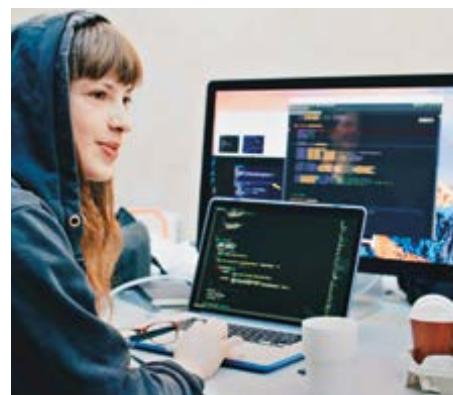
16

start-ups financed by the Orange Digital Ventures fund, through investments ranging from €500,000 to €3 million.

Supporting innovative ecosystems

Orange encourages the development of innovative services and business creation in diverse ways. For example, through the Orange Developer programme, the Group opens its service platforms to application developers to provide more innovative services to its customers. At end-2017, the programme's catalogue featured some 50 self-service application programming interfaces (APIs) spanning a broad range of areas, including identification, payment, cloud communications, the Internet of

Things, and more. The Group also partners with several incubators, such as La Ruche in France, Cipmen in Niger, CTIC in Senegal, Saboutech in Guinea and Createam in Mali. The seventh annual Orange Social Entrepreneur Prize for Africa and the Middle East was organised in 2017. A total of 1,200 projects were submitted, i.e. 60% more than in 2016. Every year, this prize recognises innovative projects that harness digital technology to improve the living conditions of local populations in sectors such as education, healthcare, agriculture, energy, mobile payment and sustainable development.



Lionel, apace with his fast moving company

Founded in 2010, Famoco is a success story in French Tech. It began selling secure, contactless payment terminals in 2014. Its chairman and co-founder Lionel Baraban talks about the role Orange has played in the growth of his start-up.

“Our relationship has developed over the years, first with Orange Fab and smooth access to the Group's different business units, then through a more traditional customer relationship with Orange Money in Africa and Orange in Belgium. Working with a large group like Orange has been a valuable experience. They are active on the ground and deal with actual operational challenges. That means we can benefit from their experience in real-life situations, and gauge our products and offers from their viewpoint. This has given us tremendous insight. And in exchange, we bring Orange our strength: flexibility and agility. Today, Famoco has set off to conquer Africa, where we have already climbed another notch with Orange in implementing mobile money and top-up solutions. Their trust and support have laid the crucial groundwork in helping us gain a foothold on the continent. We also count on this firm starting point, along with the knowledge brought by its business units on local issues, to push forward and develop more steadily in the region.”

+ Find out more on rai2017.orange.com/en/

“Innovation is an objective that we share, and that naturally brought us together.”



Collaborative innovation



Pioneering for our customers

People-centric innovation takes a Group-wide team effort. We are convinced that a collaborative approach, bringing everyone on board, spurs creativity, enhances efficiency and has a more powerful impact on business. Orange is integrating innovative ecosystems in all its geographies to address its customers' wants and needs ever more closely.

50,000 pro bono testers in the Lab Orange.

73 Solidarity FabLabs in 11 countries.

32,000 people a year visit the Orange Gardens Hello Lab, a venue for discussions, demonstrations and joint construction around Orange's innovation.

Participatory innovation, Intrapreneurs Studio, 44 businesses and 100 jobs created through spin-offs.

More than 30 research partnerships with universities, labs and institutes worldwide.

12 chairs financed by Orange.

Developers, integrators, publishers, object manufacturers and more.
- A catalogue containing 48 APIs on Orange Developer, along with a wealth of resources (connectivity kits, ID solutions, etc.)
- An Open IoT Lab to test objects on LTE-M and LoRa® networks

Orange Fab accelerators are up and running in 15 countries on 4 continents.
Go Ignite alliance with 3 other operators.

Support for incubators including La Ruche and Bond'Innov in France, Saboutech in Guinea, Createam in Mali, CTIC in Senegal and Cipmen in Niger.

Participation in innovation funds including Iris Next, Robolution and Teranga.

Direct investment via Orange Digital Ventures and Orange Ventures Africa (endowed with €100 million and €50 million respectively).

Partnerships with companies in the telecoms, electronics, IT, automotive and other industries to work on 70 cooperation projects.



With our customers

With our employees

With the academic sphere

With businesses

With start-ups

With industry

Research and innovation at Orange in 2017

€700

million invested in research and innovation

209

new patent-protected inventions

6,498

patents in our portfolio

Tables and charts

- Fig. 1** Our materiality matrix for the main issues — p. 17
- Fig. 2** Our stakeholders — p. 21
- Fig. 3** Our model — p. 39
- Fig. 4** Essential benefits for our stakeholders — p. 40
- Fig. 5** The Thésaurus-Leontief analysis grid — p. 44
- Fig. 6** Social value created by Orange measured in terms of the number of jobs it supports — p. 44
- Fig. 7** The social value Orange is creating through its CSR policy — p. 44
- Fig. 8** Our Essentials2020 strategy — p. 49
- Fig. 9** Our risk matrix — p. 58
- Fig. 10** Composition of the Board of Directors — p. 61
- Fig. 11** Active and proactive directors — p. 63
- Fig. 12** Executive Committee at 2 May 2018 — p. 65

Useful links

Integrated annual report website rai2017.orange.com/en/	Healthcare healthcare.orange.com/en
Orange Group corporate website orange.com	Orange Foundation fondationorange.com/en
Orange Business Services website orange-business.com	Digital Society Forum digital-society-forum.orange.com
Registration Document orange.com/en/Investors/Regulated-information	“Doing digital right” forum (French only) bienvivreledigital.orange.fr
CSR information orange.com/csr	Follow us on Facebook facebook.com/Orange
Careers with Orange orange.jobs	Follow us on Twitter @orange @orangerse

Contacts

Investors and analysts
investor.relations@orange.com

Individual shareholders
orange@relations-actionnaires.com
orange.com/en/Individual-shareholders

Integrated 2017 annual report:
Orange – 78, rue Olivier-de-Serres – 75015 Paris (France)
+33 (0)1 44 44 22 22 – Corporate Communication

and Brand – SA with a capital of €10,640,226,396 –
RCS Paris 380 129 866

Credits: Sylvain Cherkaoui, Getty Images,
Thomas Gogny, Guillaume Lechat, Orange Brandsite.
All rights reserved – Printed on 100% recycled paper.

