

EWC opinion in the context of the information-consultation on the Edison project

The European Works Council would like to begin by praising the compliance with its prerogatives regarding the information/consultation process.

However, based on the information communicated by management, we believe that certain items that are essential to understanding this dossier within the Group have not been shared, such as what initially motivated management to implement it, in particular the economic and financial aspects, as well as the human aspect with regards to the choice of employees affected by the project and the precise outlines of the positions to be filled as part of the transfer of activities.

Which is why we are asking for an effort to be made regarding the clarity and precision of the requested information, and updating this information, at the next European Works Council plenary meetings, and until the project is finished.

In addition, we are also asking for a presentation of the economic, financial and **human** situation at the end of the first year of implementation, to assess what has been achieved and compare with the targets initially announced by management, in order to also be able to assess the human impacts on the people involved.

Concerning the observations and opinions of the EWC:

Concerning the drivers of the Edison project.

Despite the reassurances given by Orange Brand Services Limited management about employee well-being and team cohesion, we believe that the professionalism, seniority and commitment of our British colleagues, which are recognised internationally, can in no way be linked to the fact that Orange has decided to stop being a mobile operator there. On the contrary, we are inclined to think that the Group is enriched by the wide range of profiles spread across the Group's entire footprint.

The argument of isolation due to working from home cannot result in abandoning our colleagues by making them redundant. As Orange was to be a player in digital solutions, we believe that the Group should also take advantage of the current rise in telework to change its internal processes, in particular by adopting solutions that it actually proposes to its own customers.

What is more, there are two sides to the budgetary and financial aspects: the first seems to be a salary saving, the other a saving on property costs. Regarding the salary savings, they do not seem to exceed 15%, a figure confirmed by management during the session. In addition, the cost of the redundancy packages and the low wage gap of the positions cut then transferred, which remains to be demonstrated, confirm our

feeling that no return on investment can be expected in the short or medium term, if we add to this the costs linked to skills development for the transferred positions.

While the property-related financial aspect seems more concrete, we believe that, were the affected employees to accept, the creation of a telework centre would help preserve more positions locally, without sacrificing our competitive edge and without the inherent complexity of transferring positions owing to the loss of skills, the unavoidable time required to develop skills, and the adverse impacts for the end customers.

Lastly, we recommend more clearly separating these two aspects in the presentation of the business model.

In conclusion, taking into account all the arguments put forward by management, which - according to them - justify the implementation of this project, the reasons related solely to the massive “redundancy” of the positions held by our British colleagues seem very difficult to justify. While we continue to hope that Group senior management has made no connection between Brexit and its decision to reduce the number of positions within the Orange Brand Services Limited entity, we would like to remind the Group of its obligation to comply with agreements prohibiting any cultural or geographic discrimination.

Concerning the position relocation/reduction process

The choice of the technical profiles affected is also difficult for us to understand (the reasoning behind the positions chosen to be relocated or cut was simply explained using an argument from authority about the criticality of the positions, with no clarifications about the matrix of objective criteria that could be used to confirm the criticality of the positions).

The negotiation process for the packages involved is not within the EWC's scope, however, we would like to point out the changes observed regarding the consideration of seniority above the cap of 20 years of seniority stipulated as a minimum by local laws.

In this context, we would like to stress the assistance and support devoted to our colleagues affected by this project. In particular, we request:

- that preference be given to transfers of positions to the other subsidiaries in Britain, in particularly Orange Business Services,
- that preference also be given to voluntary redundancies,
- that support to find another job be extended until colleagues are actually hired for another position outside the Group,

- that the total number of colleagues affected by the project be reconsidered, especially those that do not wish to leave voluntarily with the negotiated package,
- the immediate provision of the package to colleagues who have voluntarily agreed to leave the Group,
- that Group management acts as guarantor for the affected colleagues in their job search,
- that the Group prioritises colleagues who wish to move to follow their relocated position, by providing real assistance to support them with this change in their life, including for their family.

In conclusion, with regard to the lack of clear reasons justifying the implementation of the project on the one hand, and the current international situation affecting our British colleagues (Brexit and Covid-19) on the other hand, the relevance of project Edison seems unfounded, given the Group's desire to position itself as a digital and human employer, while solely considering redundancy to get around the difficulties relating to the distance of our colleagues in the United Kingdom.

Consequently, the European Works Council delivers a negative opinion on project Edison, in both form and substance. We highly recommend to management that they reconsider this project, in order to dissociate the financial aspects linked to the restructuring of property from the professional and human aspects linked to our colleagues' situation.

For the Orange European Works Council

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