

corporate social responsibility
complete report





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Chief executive officer of France Telecom-Orange Group

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Stéphane Richard

Chairman and Chief Executive Officer

“corporate social responsibility is a key component of our conquests 2015 project”

Every day, France Telecom-Orange delivers essential services to over 220 million customers and plays a key role in the economic and social development of 35 countries in Europe, Africa and the Middle-East. Corporate social responsibility is therefore, quite naturally, at the heart of our activity and is also a key component of our conquests 2015 strategic project.

Our first mission is to build fast, reliable and secure networks to bring the benefits of the digital world to as many people as possible. In Europe, we are building very high speed broadband networks, both fixed (fibre in France) and mobile (4G/LTE), in order to respond to the boom in new digital uses. In Africa, we are investing in undersea cables, in particular the 17,000-km long ACE cable which will eventually bring broadband capacity to around 20 West African countries. Our networks contribute to the economic and social development of the countries in which we operate, and we encourage this growth through our “Orange for Development” programme.

Our aim is to help build the digital world, and make it safe, secure, and respectful of the private lives of our customers. For example, in 2011, Orange strengthened its commitment to



online child protection by embracing two major European programmes (including “A better Internet for Kids”).

Our goal is also to provide our customers with useful and easy-to-use services. In Africa, for example, Orange Money has enabled over 3 million people, often without access to traditional banking services, to use their mobile for money transfers and transactions.

Finding solutions for a greener world is another key commitment. Our target is a 20% reduction of our CO₂ emissions between 2006 and 2020. The key to successfully achieving this target lies in developing more efficient networks, together with initiatives such as the 2,000 solar-powered sites we have built in 17 of the Group’s countries. We are also collecting mobile phones for re-use or safe dismantling, with over one million mobile phones recycled in 2011.

Our corporate responsibility commitments are based on a global vision of performance with economic, environmental and social dimensions. Our Orange People Charter, launched in 2011, embodies this approach. In France, each of the 158 measures of the new social contract helps realise this vision.

Our corporate social commitments are resolutely long term. As early as 2000, we signed the United Nations Global Compact, and we engaged in meaningful dialogue with all our stakeholders, in all our subsidiaries and in the field. Our Group’s development must be to the benefit of all our partners, and society as a whole.

The following pages show that France Telecom-Orange places corporate social responsibility at the very heart of its strategy. The executive team and our 172,000 employees around the world spare no efforts to make this a reality.

to become

Through its mission to provide better communication for all and its presence

the leading

in both industrialised and emerging countries, our Group measures every day the importance of its

role in and responsibilities towards society.

CSR player

CSR, at the heart of the Group's strategy

Corporate social responsibility (CSR) is an integral part of our culture and history. France Telecom-Orange has developed a set of founding values which guides its action principles in terms of its stakeholders.

Our Code of Ethics, adopted in 2003, sets out the Group's action principles and the individual behaviours it expects from its employees as well as its fundamental principles in terms of respecting human rights, protecting the environment and combating corruption. To ensure its implementation and to control day-to-day risks, we have put in place rigorous internal control and governance systems.

over fifteen years of commitments

Our commitment to corporate responsibility is demonstrated in the support we give to international projects and initiatives that promote sustainable development.

In 1996, France Telecom-Orange signed the ETNO (European Telecommunications Network Operators) Environmental Charter and, in 2000, it was one of the first companies to sign up to the United Nations Global Compact.

We actively participate in a range of telecommunications industry initiatives. These initiatives aim to combat climate change, increase the recycling of electronic equipment, develop a greener economy, combat all forms of the digital divide, promote the safe and responsible use of digital technologies by young people and children, and ensure the respect of basic human rights.



an ambition supported at the highest level of the company

Our CSR approach goes above and beyond civic engagement. We are convinced that corporate social responsibility is a key success factor for the future of the Group. To develop in a sustainable manner, we must be able to innovate and create value for all our stakeholders, i.e. employees, customers, suppliers, shareholders, local communities, associations, etc. We must also address the challenges linked to ever limited resources and the need to maintain the fragile balance of our planet by reducing our impact and finding innovative solutions for a greener world. That is exactly what our CSR policy helps us to do by providing us with a better understanding of society's concerns, which in turn helps us to anticipate new challenges and create innovative value added services and products that meet these new requirements. This is why CSR informs all our decision-making and operational processes. It is an integral part of each of the four pillars of our conquests 2015 strategic project, which was unveiled last year. It is also an integral part of our entities' roadmaps and determines the variable pay awards of senior executives. Its progress is regularly monitored by the Group's Executive Committee. The Board of Directors attaches great importance to CSR and has created a specialised CSR monitoring committee – the Governance and Corporate

Social Responsibility Committee, which follows its works.

By placing CSR at the heart of our company strategy, we are re-affirming our goal to become the leading CSR player in the telecoms industry. This goal, which is shared at the very highest level of the company, is a joint project mobilising all the company's employees.

4 major commitments

Our approach to corporate social responsibility is expressed in four fundamental commitments:

recognising and supporting employees

Being responsible means building a human company that values solidarity and is attentive to the expectations and needs of all its employees. Our Group is committed to placing men and women at the heart of its development strategy and this is accompanied by strong social goals, e.g., by 2015 to be among the preferred employees in the main countries where we work. To achieve this, we have developed a new social model based on a renewed management style and shared workplace values.

ensuring transparency, quality, security and safety for our customers

Today, customers expect very high quality services and personalised support. To achieve our goal of giving customers the best possible experience in all of our markets, we must be certain



that we are exemplary in terms of quality of service, data protection, protecting children, and radio waves. To achieve this, we must find clear responses and adapted tools that ensure that everyone can enjoy the benefits of the digital world.

sharing the benefits of the digital world with the greatest possible number of people

This is one of the key missions of the Group and a major responsibility. It involves tackling all forms of the digital divide by deploying access infrastructures (particularly in isolated areas), making our products and services more accessible to the elderly and people with disabilities, developing adapted offers for people with low incomes and simplifying our products so that they can be used by everyone including those with learning difficulties. We must also use our technological expertise to promote economic and

social development in countries by creating value added solutions that meet the needs of local communities and encourage the creation of companies and new businesses based on information and communication technologies (ICTs).

finding innovative solutions for a greener world

Faced with environmental challenges, we have made ambitious commitments to reduce the footprint of our activities, to improve the environmental performance of our products and services (thanks to eco-design principles), and to offer our customers innovative solutions that help them to reduce their own environmental impact. Only by acting on these three fronts can we effectively contribute to addressing these major challenges, i.e. climate change and recycling electronic equipment at the end of its life cycle.

an approach fuelled by stakeholder dialogue

One of the strengths of our highly structured CSR approach is that it relies on dialogue with our stakeholders. We decided to develop our CSR policy around the AA1000 standard, which relies on a systematic process of engaging with stakeholders. This is vital as it enables us to ensure that our projects meet the needs of society. It also improves our vision of the risks and opportunities linked to our activities and the countries in which we operate. It also enables us to jointly construct value creation opportunities with local actors that not only benefit the Group but stimulate the social and economic development of regions and countries.

In real terms, this means deploying a range of dialogue tools and processes with local stakeholders (surveys, interviews, panels of stakeholders, etc.), which result in matrices that help us prioritise issues and structure action plans accordingly.

In France, Spain and Poland, we have been taking this approach for several years and we regularly renew the process. In 2009, our CSR Department implemented the CSR Dialog Toolkit for subsidiaries in emerging and developing countries where there is no structured dialogue process in place. In 2011, it was deployed in six new countries after being piloted in Africa: three in Africa and three in Europe. In total 14 countries, representing 70% of the Group's turnover, now systematically engage in dialogue with stakeholders. The feedback we receive is essential in helping us to identify trends in each zone such as quality of service, child protection in Europe or our contributions to social and economic development in emerging countries.

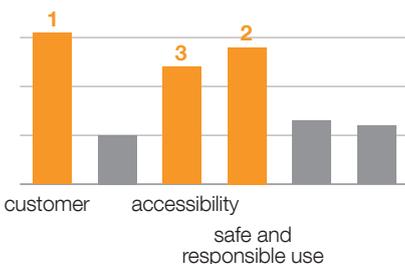
better cooperation with our suppliers

To address the majority of our industry's challenges – climate change, the eco-design of products, the respect of basic human rights, quality of service –, we must involve our suppliers if we want to make a real difference. That is why our responsible purchasing policy has a fundamental role to play.

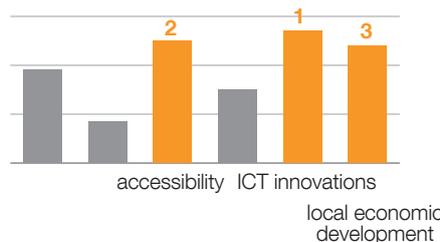
Responsible purchasing means ensuring that the products and services we buy do not harm the environment or infringe any basic social rights.

It also means acting in a responsible manner towards our suppliers by giving them a long-term view of our strategy and informing them of changes in our requirements. In this way we can build relationships based on trust and work together to integrate CSR into every aspect of the supply chain. The CSR "JAC" (Joint Audit Cooperation), launched with Telecom Italia and Deutsche Telekom to carry out joint audits of suppliers, confirms our willingness to collaborate with all players in order to promote environmental and social best practice within the industry.

Western Europe



sub-Saharan Africa



Classification of our stakeholders' expectations in order of importance. In Western Europe, corporate responsibility is focusing on the growing demand for child protection. In Africa, our stakeholders want us to contribute to their countries' economic development and design innovative services.

A portrait of Marc Fossier, a middle-aged man with dark hair and glasses, wearing a dark suit, light blue shirt, and dark tie. He is smiling slightly and looking towards the camera. The background is a soft, out-of-focus orange and brown.

Marc Fossier

Executive Director of Corporate Social Responsibility at the France Telecom-Orange Group

“We have all it takes to reach our goals.”

In 2009, we wanted to give new impetus to our CSR approach. After three years, where are we?

The main area of progress is that CSR is now highly visible and integrated into the Group's strategies and priorities. Beyond the Executive Committee's commitment, which has provided the impetus, our CSR approach has been adapted to the countries and today the majority of our entities have structured CSR plans, which are determined and implemented at the highest level

of local management.

In terms of stakeholder dialogue, we have seen real progress over the last year in African countries, and this year we have reached a milestone in the largest and most complex European markets. We have also built an information database to help us anticipate new expectations and respond to them.

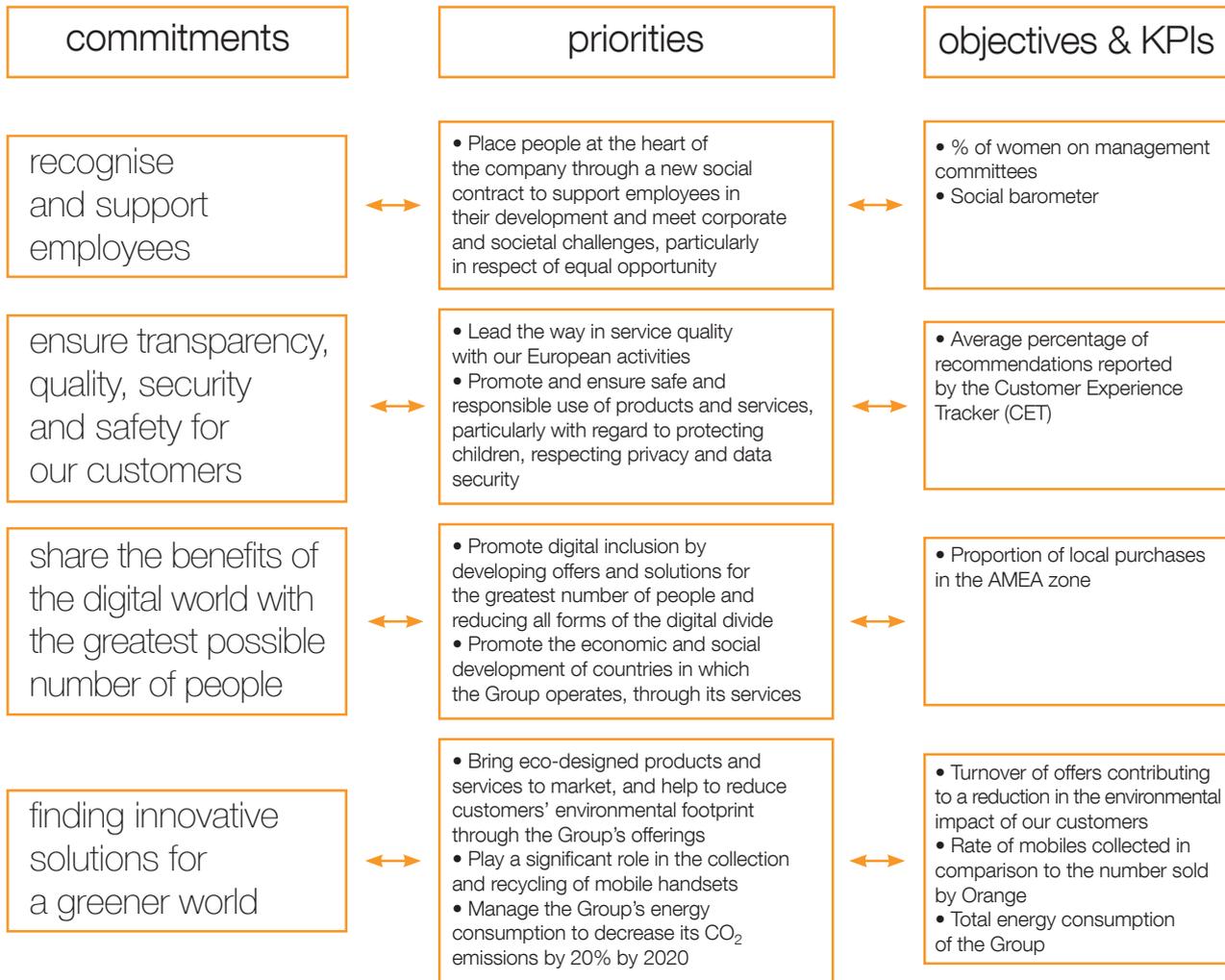
I would also like to mention that the results of our last social barometer show that the social climate is improving. I am convinced that CSR has a major role to play in our new social model: in their professional lives, every day our staff can see that the company they work for has the will to commit.

In 2011, we made significant

progress in two areas: mobilising European countries on the subject of child protection and formalising our strategy on helping to improve economic and social development in emerging countries.

There are, of course, some areas where the results of our action are not yet clearly visible. Notably, in the area of data protection; a complex issue where expectations and regulatory contexts vary significantly from one country to another. We must also continue in our efforts to integrate CSR indicators into strategic dashboards, information systems and decision-making processes. Our priorities are clear, our teams are motivated and I am convinced that we have all it takes to reach our goals.

CSR, at the heart of the Group's strategy



A close-up portrait of Nicole Notat, CEO of VIGEO. She has short, wavy blonde hair and is wearing red-rimmed glasses and a light pink blazer over a white top. She is smiling slightly and looking directly at the camera.

Nicole Notat

CEO of VIGEO

“Over the last ten years, awareness of the issues has increased.”

The emergence of the corporate social responsibility concept has put the company's fundamental role into perspective.

Over the past years, the predominant view was that the company's strategy should be entirely based on satisfying its shareholders. What CSR has changed is the idea that the company can only guarantee long-term performance if it takes into account the interests of all its stakeholders in

its eco-system, i.e. the company's employees, customers, suppliers and subcontractors. Furthermore, because the company operates in several countries, it must ensure that it addresses environmental challenges and respects basic human rights as ignoring this means placing the company in a situation of risk. Over the last ten years, due to the requirement to produce tangible results, awareness of these issues has increased.

In the telecommunications industry, certain subjects are particularly sensitive. I cannot mention them all but in my opinion social dialogue is of the utmost importance as it is able to accurately capture – in real time – emerging social issues such as those

related to stress management and workplace harassment. Customer relations are another area of particular importance for the telecoms industry and notably the issue of outsourcing. Outsourcing customer relations does not mean that the company is released from its social responsibilities. Telecoms operators must be aware of their ability to guarantee social standards and must help subcontractors to honour their own social responsibilities. Telecoms operators must develop policies and report on their practices in the areas of anti-trust, corruption, providing access to telecoms products and services for low income communities, recycling electronic equipment at the end of its life cycle and data protection.

being attentive-

Our goal is above all a human goal with an inspiring challenge: to transform a technological

tive to our

challenge into a human adventure, which espouses economic performance and social quality.

Our Group is committed to placing men and women at the heart of its development strategy and

employees

this is accompanied by strongly-formulated social goals, e.g. by 2015 to be among the preferred

employers in the main countries where we work.

a responsible employer

For Orange, being a responsible company means being attentive to the expectations and needs of its employees.

Our goal is above all a human goal with an inspiring challenge: to transform a technological challenge into a human adventure, which espouses economic performance and social quality.

Our Group is committed to placing men and women at the heart of its development strategy and this is accompanied by strongly-formulated social goals, e.g. by 2015 to be among the preferred employers in the main countries where we work.

This new social approach is based on four pillars:

- establishing bonds between economic performance and social performance;
- building a common and shared management culture;
- addressing the skills issue;
- recognising individual and collective contributions.

establishing economic performance and social performance

At Orange we have one firm conviction: social quality is inseparable from long-term economic sustainability. It will be thanks to motivated and caring teams that we will be able offer the best possible services to our customers and become the most creative and popular operator in all the countries where we operate. Placing men and women at the heart of the company will enable us to build a group which is successful in the long term. This conviction, which is shared by all the members of the Executive Committee, is backed by dedicated resources. 900 million euros have been earmarked for the 2010-to-2012 period to fund the implementation of the new social contract. One year after the

launch of the social contract in France, the investment is starting to bear fruit: teams are more satisfied and confident, customers have a better perception of the company, and the economic results are positive.

Orange People Charter: the goal of the new social model

Drafted collectively, the new social model is at the heart of the conquests 2015 strategic project. First implemented in France in the form of the new social contract in 2011, it was then deployed throughout the Group under the banner of the Orange People Charter. This document was the result of a collaborative process and involved around 100 managers and employees from several Group countries. It was approved and signed by all members of the Executive Committee in November 2011 and was sent to all the Group's entities in December 2011.

regularly evaluated social quality

The social barometer gathers information on employees' perceptions of the quality of managerial relations, the quality of work life, remuneration and recognition, and the company's strat-



egy. First conducted in France, this twice-yearly survey is now being extended to other Group countries. Linked to human resources indicators, it is also integrated into composite corporate social performance indicator, which affects the half-yearly variable pay awards of senior executives.

strengthened social dialogue

Encouraging quality social dialogue with all employees is also one of the key commitments of the new social contract. This can be seen within the Group by the numerous social agreements that have been signed since 2010, the high rate of employee participation in staff representation elections, and the setting up of the Group Global Committee bringing together representatives from 22 Group countries (first convened in May 2011).

In addition to discussions held in the employee representation bodies, Orange has put in place a range of innovative initiatives to encourage employees to engage in discussions in less formal settings: organising chats with directors, team meetings, visiting members of the Executive Committee in the Group's offices, etc. The company's social network Orange Plaza is strengthening social bonds by encouraging discussion and dialogue within the Group. At the end of 2011, Plaza could be accessed by 75% of Orange employees around the world. It is making a real contribution to the first pillar of the conquests 2015 strategic project, i.e. placing men and women at the heart of the company. One year following its launch, it has over 30,000 members and 1,000 professional communities; it is being progressively deployed overseas.



towards a common and shared management culture

Managers play a key role in implementing the new social contract and contributing to Orange becoming the preferred employer in the countries where we are present. Placing the emphasis on the human dimension of our organisation means having a managerial culture based on day-to-day values, which are shared by all.

Orange Campus: promoting the new management approach

It was in order to breathe new life into the management culture in the com-

pany that Orange Campus was created. Its aim is to create a community of managers and support them in carrying out their day-to-day responsibilities in order that they can play a key role in ensuring a balanced relationship between the company and each of its employees. Since it was created in January 2011, Orange Campus has trained 10,000 managers, i.e. half of the Group's 20,000 managers who are concerned by the new Orange management support programme.

The Orange Campus offer is based on the six challenges contained in the "placing men and women at the heart of the company" pillar of the conquests 2015 strategic project:

- developing pride in belonging to the Group;
- sharing what it means;
- recognising performance;
- strengthening managers' independence;
- strengthening the management culture;
- increasing well-being in the workplace.



addressing the skills issue

In an industry that changes constantly, skills planning is a highly strategic lever. Identifying short and longer term trends, identifying risk areas and offering employees career prospects in line with these trends is the challenge of the GPEC (forward planning of employment and skills) approach. In France, a new milestone was reached in this area with the signing of the GPEC agreement in March 2011. One of the priorities of the agreement is to give employees the means with which to pursue their professional development via a dedicated support system which facilitates and secures their professional career (see p. 76). This agreement is particularly innovative in that it gives employees greater visibility in terms of their career prospects at the local level and in their immediate work-

ing environment via an annual communication document, which covers the 85 employment catchment areas in France. A dynamic which goes beyond France and involves all the Group-level entities and especially Orange Business Services.

valuing expertise

To value its capital of expertise and offer its experts attractive career opportunities, the Group created Orange expert.

This plan, launched in 2010 and integrated into the conquests 2015 strategic project, meets several objectives:

- to identify, recognise and value our most talented experts and to give them a complete overview of possible career paths within the company;
- to encourage the development, capitalisation and transmission of knowledge and skills;
- be able to mobilise teams around strategic subjects;
- to identify and secure key areas of expertise.

encouraging diversity

Given the challenges related to skills, the diversity of our teams is a key asset for the Group. At Orange, we have long been convinced that a company which encourages diversity and equal opportunities is a more creative and more innovative company and one which is better able to serve its customers and attract new talents.

The main goal of our diversity policy is to ensure equal opportunities for men and women: to achieve 35% of women in its management bodies by 2015, which reflects the average rate of women working in the Group.

We also support individuals experiencing difficulties entering the labour market such as workers with disabilities and young adults from disadvantaged backgrounds (see p. 80).

attracting new talents

To attract new talents and ensure the ongoing success of the Group, Orange has launched targeted recruitment campaigns in prestigious schools and universities and has made a range of innovative recruitment tools available such as the Orange Jobs application.

In order to contribute to skills development and the training of people from different backgrounds, Orange supports scholarship programmes in France and around the world.

The Orange Graduate Programme is an attractive recruitment programme, which offers high-potential graduates the opportunity to commence their career at Orange. Each year, 60 graduates join the Group in this way to take on roles with significant levels of responsibility.

A close-up portrait of Cristina Lunghi, a woman with shoulder-length blonde hair and bangs, smiling warmly at the camera. She is wearing a dark jacket. The background is a plain, light-colored wall.

Cristina Lunghi

President of Arborus, the European endowment fund for professional gender equality

“Equal opportunity policies in the company are a vector of well-being for the whole society.”

The benefits of implementing an equal opportunity approach in the company are multiple.

It develops employee loyalty, attracts new talents, and improves our image in terms of stakeholders and especially consumers (over 50% of them are women!). We know from experience that mixed teams are easier to manage

and are more creative. Having an equal opportunity policy creates cohesion and a sense of belonging to the company. Orange, which has implemented an equal opportunity policy for several years, has seen how it creates a virtuous circle within the company. It leverages modernisation and social innovations and gives us the opportunity to review our governance and internal organisation in order to implement more rewarding working practices. Thanks to the Arborus funds and the European label for equal opportunities in the workplace, companies now have tools with which to promote a common European culture in terms of equal opportunities in a framework that promotes

international steering and coordination while enabling countries to adapt the approach to their context. Beyond the benefits it brings to the company, equal opportunity policies also have positive repercussions on the macro-economy by addressing major social challenges such as falling birth rates (which affect several European countries), or the precarious situation of women's pensions, which, on average, are 45% lower than that of their male counterparts. Implementing virtuous policies also helps to combat “social dumping” (the use of cheap labour elsewhere). They can also be used to promote well-being at all levels of the society, which can only be seen as positive in the current climate.

recognising individual and collective contributions

Because the men and women of Orange are absolutely key to the Group's success, we are committed to sharing collective value added by putting in place fair and incentivising remuneration mechanisms.

a fair assessment process

In the majority of countries, Group employees attend half-yearly assessments where they can discuss their aspirations and career development and take stock of their individual and collective objectives.

The employee assessment is not solely based on quantitative indicators but also on qualitative indicators such as lasting customer satisfaction and individual employee's contributions to Group effectiveness. It also takes into account the conditions in which employees have to perform their duties.

sharing our success with our employees

We also reward our employees' commitment through incentivising remuneration packages and company profit-sharing schemes.

France Telecom-Orange has set up an exemplary value sharing model to recognise the contributions of the men and women who work for the Group. In 2011, the value added paid out by the Group was distributed in the following manner : 39% to employees, 22% to investments, 14% to reimburse Group debt and 16% to shareholders. To reflect what is happening in France,

the Group is progressively rolling out employee profit-sharing schemes (e.g., employee incentive and share allocation schemes) in other countries. Our employees also receive social benefits in terms of health (medical insurance) and planning for the future (Group savings plan and Group pension plan).

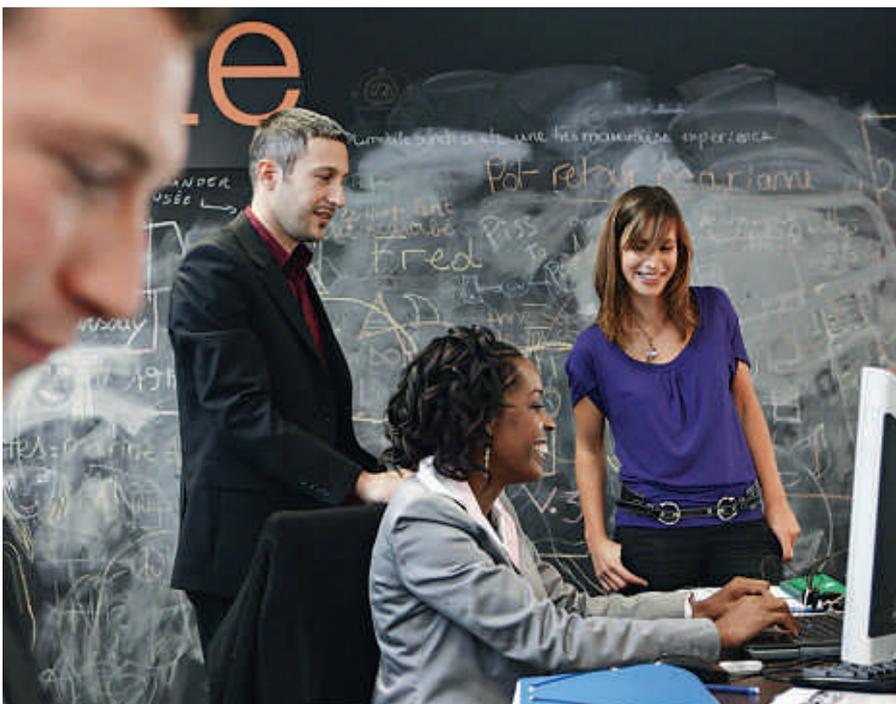
key events in 2011

Orange obtains the European label for equal opportunities

In June 2011, Orange obtained the Gender Equality-European Standard. This certification, created under the patronage of the European Commission by the Arborus Fund, is the first European standard for gender equality in the workplace. France Telecom-Orange is one of the first French companies to be certified. Several Group entities have also been honoured: the Group for its ability to drive forward and steer a European-wide policy, Orange France, Orange Spain, Mobistar and Orange Business Services in its German and Italian subsidiaries.

"Partageons": a new free-share allocation plan

Being committed to an ambitious policy of growth, profitability and optimal quality and being aware that employees are essential to this strategy, we decided to extend our employees share allocation plan. In July 2011, we set up the "Partageons" scheme, a new free share allocation plan benefiting over 80% of Group employees in 92 countries.



A portrait of Bruno Mettling, a middle-aged man with grey hair, smiling. He is wearing a dark suit jacket, a light blue shirt, and a red tie with a small pattern. The background is a plain, light grey color.

Bruno Mettling

Deputy Managing Director, Director of Human Resources at the France Telecom-Orange Group

“Employees’ vision of the company is continuing to improve.”

T

he entire Executive Committee and Stéphane Richard

have clearly stated that they want the new social contract to be the driving force behind the new social dynamic of the company in France and a priority of our development strategy. The 158 measures contained in the new social contract have now been

implemented. The positive results of the social barometer demonstrate that the new organisational model in France, which promotes greater decentralisation and gives greater latitude to managers, is starting to produce positive results and that the social contract is becoming part of daily life in the company. Employees’ vision of the company is continuing to improve: 88% of employees questioned about the quality of work life thought that it was the same or better than in other companies (79% in October 2010) and the percentage of employees who thought that the situation was worse decreased threefold (16% in October 2010 compared to 6% in December 2011). These results confirm that the situation

in the company is returning to normal in France.

Some employees are worried about how the current economic climate will affect our social commitments. I would like to state that the increasingly difficult environment will not compromise the social contract; in fact it makes it even more important than before. The social contract is an investment in the men and women who work in the Group and has been planned and integrated into the budgets. It will be respected. Believing that we can improve our economic performance without taking into consideration social quality is an error – even a heresy. Numerous examples demonstrate that good social relations improve economic performance.

a world lived in trust

deserving

One of the objectives of the conquests 2015 project is to become

our custo-

the preferred operator in all our markets by 2015. How? By offering the best telecommunications experience and by providing personalised support to customers to help them navigate

mer's trust

the digital world.

a world lived in trust

One of the objectives of the conquests 2015 project is to become the preferred operator in all our markets by 2015. How? By offering the best telecommunications experience and by providing personalised support to customers to help them navigate the digital world.

However, at Orange we are aware that offering the best technology is not enough. Excellence at all levels of the customer journey is essential to ensure that customers are satisfied and are happy to recommend our products and services to others.

Meeting customer expectations by addressing all their needs and concerns means that we must go above and beyond providing basic quality of service. For example, it means helping young users, parents and educators use new technologies in a safe and responsible manner; it also means offering guarantees in terms of data protection and addressing the issues of radio waves.



our goal: to be the leader in customer experience by 2015

The way in which customers perceive quality of service and the quality of customer relations is absolutely critical, especially in mature and extremely competitive markets such as ours. Fortunately, we have a number of advantages that will enable us to offer the best customer experience in the market by 2015: proximity, our know-how as a network operator and our expertise in terms of advanced technology, and our considerable capacity for innovation in terms of services.

However, this will not be sufficient and we must also ensure that these know-how and expertise benefit our customers. To achieve this we are focusing on two areas: quality of customer relations and the simplicity of our offers.

towards personalised customer relationship approach

To achieve our goal of becoming our customers' "digital coach", in 2010 we embarked upon a collaborative process with all our countries to define a common Orange approach to customer relations. This common approach is based on a willingness to address all customer concerns and to offer assistance and support, which is adapted to their needs and experience in using new technologies. Being Orange means being attentive and adapting to each and every one of our customers. It also means carefully analysing and understanding how customers use our services. And finally it

means always responding to customer demands and questions in a positive and engaged manner.

To share and disseminate this approach, we have developed a toolbox, which combines training, recruiting talents, internal communication and specific action plans for each country as well as management-level flagship actions.

Our customer advisors, who are in direct contact with our customers, are the torch-bearers of this new approach. We have launched two initiatives to support them and strengthen their skills and commitment:

- The Orange certification programme offers customer service employees a two-level accreditation recognising their professional qualifications.
- “Orange Customer Champion” trophies pay tribute to our champions of customer service excellence. This is the biggest in-house competition ever launched by Orange. The trophies reflect our goals in terms of quality of service.

measuring the quality of the customer experience

The Customer Experience Tracker (CET) was first implemented in 2008. It is a quarterly barometer which guides our actions. Focusing on four thematic areas (offers, quality, customer relations and emotions), it allows us to compare the quality of the Orange customer experience with those of our competitors (for the entire customer journey). We regularly update it to ensure that it is in line with our customers’ needs.

The CET is implemented in 11 European countries (France, the United Kingdom, Poland, Spain, Belgium, Switzerland, Romania, Slovakia, Austria, Moldova, Armenia) and also in the Dominican Republic and since 2010 has been integrated into the calculation of senior executives’ pay awards.

The Africa, Middle East and Asia (AMEA) zone uses a similar tool called the “Quality of Service barometer”.

The business market uses a specific professional customer satisfaction measuring system as part of the “Customer Excellence” approach.

a policy of excellence for business customers

To meet the specific needs of our business customers, for several years Orange Business Services has been implementing a customer satisfaction improvement programme: the “Outstanding Customer Experience” programme.

This programme is an integral part of the conquests 2015 strategic project, which was adopted by the Group in September 2010. One of its priorities is to “ensure that customers choose Orange for its exemplary customer experience”.

Several projects are being deployed in France and overseas (see p. 84).

ensuring that customers are at the heart of processes

Being as close to customers as possible in order to understand their expectations, needs, difficulties and even disappointments is the rationale behind our “Time to Market” (TTM) offer launch process. It integrates a process for listening to customers’ views at the design phase of a new product or service through to when the offer is launched on market.

For each new offer, a customer satisfaction office conducts:

- tests with potential customers of the offer prior to the launch;
- a qualitative study on “customer moments” and a survey following the launch to measure “on-the-spot” customer satisfaction, to analyse the roll-out of the launch and, if necessary, implement improvement plans.

le service Orange satisfait quand vous l'êtes

installation et découverte
bilan conseil personnalisé
assistance 24/24 h en cas d'urgence

www.satisfait.orange.fr

le service change avec orange

Offres accessibles à conditions, valables en France métropolitaine.
* Sur les conditions des offres d'abonnement au service le 15/01/2014, pour information : voir le site orange.fr pour les offres Orange. Pour en savoir plus sur les offres Orange, contactez le service client Orange au 1069 ou sur le site orange.fr.
Prix moyen : 100 millions, SA au capital de 12 380 041 500 € - RCS Paris 3081 100 080 - Orange France, SA au capital de 12 380 041 500 € - RCS Créteil 426 794 021



At the end of 2011, 26 Group countries were using the Time to Market strategy and 19 testing centres were operational worldwide.

simplifying offers for customers

This is a key customer demand. We are striving to ensure the reliability and simplicity of our offers and to develop high quality assistance services that support our customers throughout their Orange journey.

A wager? In 2011, we removed over 1,000 products from our catalogue to simplify our offering. We also pursued our customer journey optimisation approach and we were able to optimise over 80 journeys in 21 countries.

key events 2011

customer satisfaction evaluated from all angles

In 2011, in order to respond to new customer expectations, i.e. in addition to quality of services requirements, we added new questions to the Customer Experience Tracker – our quality of service (as perceived by customers) barometer. These questions focused on five themes: honesty, rewarding customer loyalty, quality of technical support, the fair

and responsible treatment of employees and data protection.

Business Continuity Plan for the business market – tried and tested effectiveness

In January 2011, following the political unrest which affected our activities in Egypt, we took the decision to transfer the activity of our Major Service Centre (MSC) in Cairo to our other MSCs in New Delhi, Rio and Mauritius. MSCs play a crucial role in the business market; they ensure customer service and monitor the proper operation of infrastructures, networks and information systems. This was the first time we needed to activate our Business Continuity Plan (BCP) for such a long period – two weeks. The BCP has two priorities: to ensure the safety of employees and to maintain contact with our customers. Thanks to the hard work of our teams, we were able to manage the crisis effectively, which much appreciated by our customers. Our crisis management expertise was also recognised by IDC, a major research and consultancy firm operating in the information and communication technology (ICT) markets. They visited our MSC in Mauritius to evaluate our Business Continuity Plan; the resulting report paid tribute to the performance of our teams.

A portrait of Jean-Philippe Vanot, a middle-aged man with grey hair, wearing a dark blue suit, a light blue shirt, and an orange tie. He is smiling and looking directly at the camera. The background is a dark, textured wall.

Jean-Philippe Vanot

Deputy Managing Director at the France Telecom-Orange Group in charge of Quality and Corporate Social Responsibility

“Our customers expect from us high quality services as well as personalised support.”

T

oday's customers are increasingly well-informed and demanding.

They expect high quality services as well as personalised support. To reach our goal of offering the best customer experience in all of our markets, we

must promote an “Orange customer relations culture”. This will require time and commitment. Although our customer experience barometer shows that we are on the right track, we still have a long way to go. My objective is that, over the next few years, customers will immediately know that they are at Orange by the friendly and enthusiastic manner in which a call centre advisor addresses them and deals with their request. We must also address customer's concerns about data protection, child protection and radio waves by providing clear responses and tools that allow everyone to enjoy the benefits of the digital world. Orange

actively participates in a number of initiatives that promote the safe and responsible use of new technologies, especially by young people. We were one of the first companies to adopt the “ICT Coalition” principles, which aim to make the Internet a safer place for children and adolescents. On this subject, our customers – many of whom are parents – have high expectations. Guiding and protecting them in a complex and changing universe are at the heart of our digital coach commitment. Only by addressing all our customers' expectations and concerns will we be able to stand out as an operator that can be trusted.

promoting safe and responsible uses

child protection: a growing concern

With the explosion of digital uses, protecting children against the risks associated with the Internet is becoming one of the biggest public priorities. This was the finding of the 2010 and 2011 TNS Sofres-Orange survey on the perception of the Group's CSR actions in France. According to a study by the Family Online Safety Institute, 40% of 8-to-17-year-olds around the world visit a social networking site every day. A European study entitled "EU Kids Online" estimates that 93% of 9-to-16-year-olds go on the Internet at least once a week. The multiplication of digital tools has generated an explosion of content to which young people are increasingly exposed. Furthermore, their Web navigation skills are often superior to those of their parents. According to the most recent study conducted in France by TNS Sofres⁽¹⁾, only half (55%) of 8-to-17-year-olds talk to their parents about social networks and when they do these discussions tend to focus on the amount of time spent on social networking sites rather than associated risks.

In our role as a digital coach, we can support parents to help their children enjoy the digital world safely. We have been working hard in this area for several years. Because the issues change so rapidly, so does our approach and that is why, in 2011, we strengthened our Group policy on digital protection for children. It is based on three common action principles, which can be easily adapted to different country contexts and needs:

■ **actively promoting responsible use** by passing on clear messages and information issued by specialised institutions and associations. To raise the awareness of the greatest number of people, we are passing on clear rules on the use of new technologies to all of our users. We are also relaying mobile telephone usage precautions issued by governments and health authority recommendations to parents via a range of tools: usage guides for parents, special websites, awareness-raising campaigns, round tables, etc.

■ **informing, supporting and training** parents and educators: helping parents to instil responsible reflexes in their children through original pedagogical tools. This is one of the flagship elements of our new policy. To reach out to schools, we have formed partnerships with specialised associations and experts (psychologists, addiction specialists, PTAs, etc.).

■ **continuing to develop tools** in order to filter content and apply parental controls in line with digital developments. We also offer free parental control tools for computers, mobiles, TV and VoD to limit access to inappropriate sites or content. These powerful tools are being progressively deployed in all countries. We also propose specially adapted offers for children and adolescents in line with parents' expectations and requirements. In 2011, our European subsidiaries worked hard to promote child protection, and conducted numerous awareness-raising initiatives



(1) Adolescents and social networking sites – TNS Sofres, July 2011.

in all countries in partnership with local authorities, specialised associations and schools. This constant mobilisation was highlighted on Safer Internet Day. This is an annual event organised by the Insafe European network in 60 countries to promote the safe and responsible use of technologies and the Internet by children and adolescents (see p. 91 to 93).

ensuring data security and confidentiality

Every day, a massive volume of important and confidential data is exchanged on the Internet and on mobile telephones. At Orange, we offer effective solutions to protect customers' personal data and to ensure that their private lives remain private.

■ securing our offers

For over ten years, France Telecom-Orange has been conducting a technology watch on network security enabling it to monitor the development of threats (viruses, spam, phishing, etc.) and design appropriate responses. Data security is a top priority in the design of any new product or service. Group security teams regularly raise awareness among product marketing managers on the different risk factors, and provide security monitoring throughout development.

■ ensuring the confidentiality of personal data

The development of social networks, online shopping and mobile marketing has given rise to major new challenges in terms of data protection.

In all our entities, we apply stringent measures to ensure that the private lives of our customers are respected (see p. 88-89). Several countries such as France and Spain have published a charter on data protection. A Group policy defining common action principles was drafted at the end of 2011



and will be disseminated throughout all entities in 2012.

■ developing security solutions for our customers

In addition to internal data protection measures, we offer our customers a range of powerful security solutions for workstations and mobile telephones, to control access to networks, to detect and prevent cyber attacks and to protect company resources from eavesdropping attacks and the destruction of information.

But because tools alone are not enough, we regularly contact our customers to remind them of usage recommendations and to give them practical advice on how to better protect their personal data.

addressing the radio waves issue

The massive development and use of mobile telephones and the erection of relay antennas has given rise to some concerns on the possible ill effects of radio waves on health. At Orange, we understand these concerns and we believe it is our duty to address the

issue in as clear a manner as possible. For over ten years, the Group has followed the advice of national and international health authorities. We closely monitor scientific studies with our research laboratories.





key events 2011

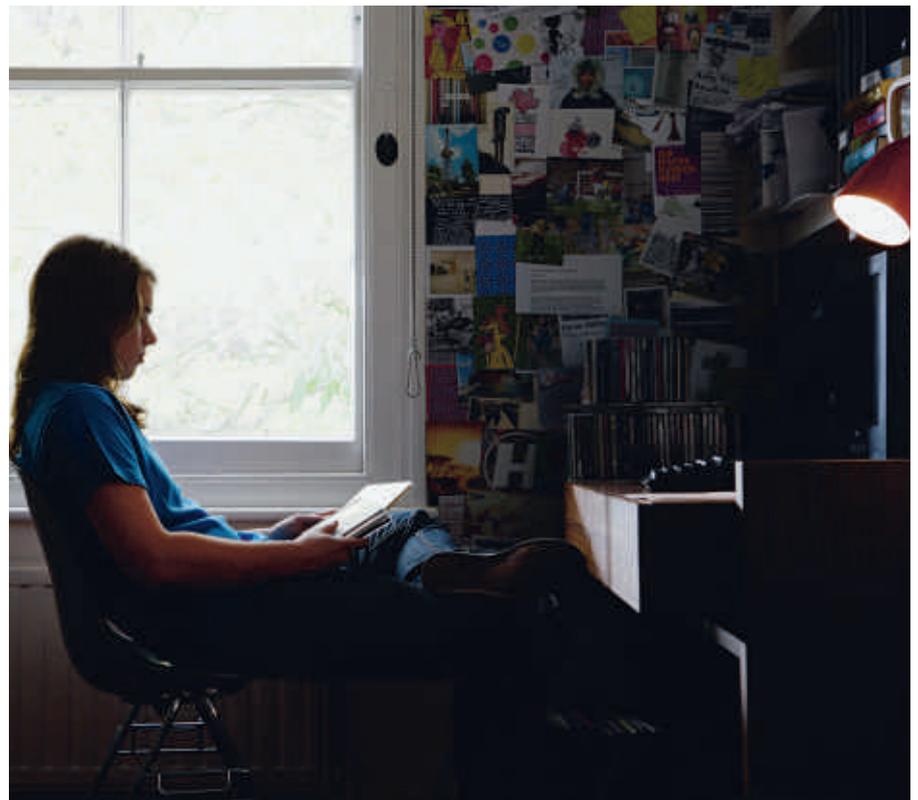
Orange supports Europe-wide child protection initiatives

In 2007, we signed the European framework on the safer use of mobile telephones by children and adolescents, the European framework on the safer use of connected devices and online services by children and adolescents, and the Mobile Alliance Against Child Sexual Abuse Content. In 2011, Orange supported a further two new European child protection initiatives:

- In December 2011, the Group made a commitment to the CEO Coalition via the «A better Internet for Kids» initiative launched by Neelie Kroes, Vice-President of the European Commission in charge of the Digital Agenda for Europe to promote actions at the European level.

- We also contributed to drafting the guidelines in the “ICT Coalition for a Safer Internet for Children and Young People”, which was published on 19 January 2012 by 25 ICT companies.

In terms of the general public (our customers and employees), we regularly pass on information and in particular usage precautions and recommendations issued by public authorities aimed at reducing individual's exposure. On a purely voluntary basis, we choose to display (in our French stores and on websites) specific absorption rates, i.e. the quantity of electro-magnetic waves produced by a mobile handset, which can vary from model to another. For several years, hands-free kits are systematically offered to customers when they purchase a mobile. By distancing the mobile telephone from the human body, the kit reduces the individual's exposure to the electro magnetic waves.



A portrait of Serge Tisseron, a middle-aged man with short, thinning hair and a light beard, wearing a dark suit jacket over a blue and white striped shirt. He is looking slightly to the right of the camera with a neutral expression.

Serge Tisseron

psychiatrist and psychoanalyst and expert in the field of youth-media-image relationships

“A child who is properly supported in his/her ‘real’ life will use the Internet appropriately.”

In just a few years we have moved from a book-based culture to a screen-based culture.

The former was a “this one OR that one” culture, while the latter is a “this one AND that one” culture. With the

Internet, children are “at home” and “out” at the same time. They are looking for adventure and experimenting – something which has always been part of growing up. This is why it is important to abandon certain received ideas. For example, just because a young person spends a lot of time on the Internet does not necessarily mean that they are becoming isolated – they may be interacting with their classmates.

Perhaps the most serious issue is the lack of trust between young people and adults. Many parents worry about their children and feel that they are no longer needed. This is simply not the case. Parents must make time to talk to their children and have a positive attitude towards their interests. The Internet is a fabulous tool for encouraging creativity and interaction. A child who is properly supported in his/her “real” life will use the Internet appropriately.

an accessible world

providing

Today, the Internet and

digital

mobile telephones have become indispensable in our professional and personal lives.

access to all

At Orange, we believe that one of our key missions is to make the benefits of information and

communication technologies available to as many people as possible.

Today, the Internet and mobile telephones have become indispensable in our professional and personal lives. At Orange, we believe that one of our key missions is to make the benefits of information and communication technologies (ICTs) available to as many people as possible. This basic commitment in our corporate social responsibility policy also guides the actions of the Orange Foundation.

Tackling digital exclusion in all its forms includes reducing the geographical digital divide which is why we are deploying infrastructures in all our countries as well as implementing alternative solutions in remote areas. Our commitment also means contributing to economic and social development, making our services accessible to those with low incomes and stimulating entrepreneurship. It also means making our products and services easier to use by the elderly or by those with disabilities, and always making technology simple to use even for people with learning difficulties. Above and beyond providing access, we want to encourage the emergence of new and innovative uses in key areas such as health, education and culture.

promoting digital inclusion in countries

Combating the digital divide means investing in technology and high quality networks.

Our success is built on the success of our networks and the expertise of our technicians and we are continuing to invest in order to increase fixed and mobile broadband coverage in both industrialised and developing countries.

voluntary investment plan

Developing networks is one of the priorities of the conquests 2015 strategic project.

It was reaffirmed by Stéphane Richard during his presentation in Brussels of its 10 commitments to answer the challenges of digital technology in Europe. Among these, three concern more particularly the digital inclusion with the roll-out of 4G/LTE networks in all Orange European Union markets by 2015, make Fiber to the Home (FTTH) available to 15 million households and 80% of businesses by 2020 in France; and participate in the roll-out of very-high speed broadband in our European markets. At last, the roll-out of 3G by 2015 in all African and Middle-East countries where Orange operates and offer mobile coverage to over 80% of the population in this region.

In mature markets, the explosion of uses and new consumer expectations means that we need ever faster broadband speeds. The future lies in very-high speed broadband.

It is a lever of attractiveness in regions and countries. That is why we are continuing to combat the digital divide so that no geographical area is overlooked.

To achieve this we are investing in networks, information systems, livebox, real estate, etc. This investment represented 12.7% of the turnover in 2011. We plan to increase our investment in networks in the 2011-2013 period. Close to 17 billion euros will be set aside, 2 billion of which will be invested in the fibre optic programme in France and 500 billion of which will be used to modernise our 3G networks in Europe.

These investments allow us to have high quality, convergent and shared very-high speed broadband networks that are able to cope with increasingly high volumes of data exchanges.

The official ARCEP report on "the quality of mobile network voice and data services (2G and 3G) in mainland France", published on 4 November 2011, confirms that Orange has the best mobile network in the country and offers the best coverage, the fastest mobile broadband, the best quality voice communications and mobile data services, etc.

In developing countries where we contributed to numerous advances, much remains to be done to improve Internet access. Africa, in particular, is one of the continents with the fewest network infrastructures. That is why Orange is actively contributing to large-scale broadband and fibre optic sub-marine cable projects (LION2, ACE, etc.), and is deploying innovative solutions to provide coverage in remote areas.



Delphine Ernotte Cunci

Deputy Managing Director France Telecom-Orange Group Executive Director at Orange France

“All our teams are mobilised.”

The deployment of very-high speed broadband constitutes one of the big infrastructure projects which we shall have to realise in the next years.

Economic, social and cultural stakes are extremely high. The very-high

speed broadband is the driving force of companies' competitiveness. For communities, it simplifies relationships between services and between users and administrators. In terms of society, it makes it possible to develop innovative solutions that facilitate everyday life, e.g. helping vulnerable, elderly, disabled or ill people stay at home. In this context, our commitment is clear: to enable everyone to enjoy the benefits of very-high speed broadband (fiber optic

and 4G (mobile) networks (as we did with ADSL) and to achieve coverage of almost the whole country and for the mobile network to obtain a class one network rating from ARCEP. We also make a commitment to make service our trademark to accompany all our customers in discovering the digital world. For that purpose, all our teams are mobilised, as our advertising campaign illustrates, “the Orange service, satisfied when you are”.



adapted solutions in remote areas

In zones where it is too difficult or too costly to deploy ADSL technology, we offer innovative alternative solutions adapted to the local context such as our Internet satellite offer – the Orange Flybox –, which provides domestic Internet access via the mobile 3G high speed network. Another example is our solar-powered radio stations, which have been installed in remote villages without electricity to provide them with telecommunications services. At the end of 2011, 2,065 solar sites including 1,416 solar-powered mobile radio stations had been installed in 17 countries. This programme won the “Best mobile tech-

nology in developing countries” prize at the Global Mobile Awards in 2011.

working with our competitors

To accelerate the deployment of infrastructures in remote areas, we are sharing network infrastructures with our competitors. This is a win-win situation, which increases geographical coverage while minimising our environmental footprint and controlling costs. Concerning mobile network infrastructures, in addition to “passive” equipment (buildings, pylons, masts...), we are also in the process of developing RAN sharing (sharing infrastructure with competitors). While this is the most effective approach in terms of gains, it is also the most complex to

implement. In 2007, we signed a RAN sharing agreement (rolled out over five years) with Vodafone in Spain. The aim is to work together to deploy 3G coverage in towns with between 1,000 and 25,000 inhabitants, i.e. around 13 million inhabitants in total. Upon completion, around 5,000 sites will be shared. Another recent example is the joint venture we set up with Deutsche Telekom in Poland to share the mobile network throughout the country. Concerning sharing fibre optic network access infrastructures, in 2011 in France, we signed sharing agreements with Free and SFR, and in the beginning of 2012 with Bouygues, to accelerate fibre optic deployment.

key events 2011

a key contribution to developing digital uses in Poland

In Poland, our subsidiary – Orange Poland – has been working hard to increase coverage and mobile and ADSL network speeds throughout the country. In the framework of an agreement concluded at the end of 2009 with the country's telecommunications regulatory body (UKE), Orange Poland has undertaken to construct 500,000 new ADSL lines and to improve the speed of 700,000 existing lines in the 2010-2012 period.

Furthermore, in 2011 a contract was signed with voivodship Lubusz (one of the country's 16 administrative regions) to lay a 1,337-km fibre optic cable to provide ADSL access to 281 towns and villages for the very first time. This project costs in the region of 40 million

euros; 67% of which was funded by Orange Poland and the remaining amount of which was covered by European funds.

using our technologies to further economic and social development

Research shows that ICT is a major economic and social lever in developing countries. With over 70 million customers in 25 countries in the Africa, Middle-East and Asia (AMEA) zone,

our goal is to develop these markets further. That is why we are committed to actively contributing to economic and social development in the AMEA zone by investing 800 million euros each year.

Our first priority is to increase network coverage and develop offers for individuals with low incomes by offering second-hand telephones and implementing innovative solutions that tackle poverty such as the "Community Phone", which has provided mobile telephone access to over 1,700 villages with over 500 inhabitants in Mali, Niger, Côte d'Ivoire and the Central African Republic; or our mobile reverse charge call service Pay for Me or our Emergency Credit service, which gives customers extra minutes if they need to call someone urgently but their credit has run out.

But we are going much further than this:

- in collaboration with each country we are developing thematic or sectoral solutions in line with their development priorities: education, rural development, agriculture, health, etc. We are offering adapted tariffs, special connections, school and educational equipment, SMS services that send useful business information such as the market prices of agricultural commodities, etc.;

- we are encouraging the development of an eco-system based on new technologies which promote entrepreneurship either directly – such as setting up a start-up business incubator in Senegal (and soon in Niger) or facilitating economic transactions with the Orange Money solution – or indirectly by stimulating the creation of business via initiatives such as the African Social Venture Prize or the Ideas for Enterprises competition in Moldova. We are also working closely with local actors (experts, universities and specialised schools) to promote the development of key skills in each country.



key events 2011

Orange for Development

In order to better respond to the specific development challenges of African countries, at the end of 2011 we launched a Group-wide programme called "Orange for Development". This frame of reference summarises the expectations identified in the stakeholder dialogue process and via the massive internal consultation which was conducted in 2011 with the entities to identify and prioritise Group action principles in terms of economic and social development in the AMEA zone. This will be achieved via three supplementary levers:

- increasing network coverage and Internet access to enable as many people as possible to benefit from the digital world;
- working with local actors to produce value added products and services that meet the specific needs of communities;
- supporting the local ICT market and developing an ecosystem that favours innovation and the emergence of products, services and content designed for the local market.

To build on what has already been achieved, the Orange for Development Committee was formed. The committee meets every two months to review existing initiatives and receive country updates. Its collaborative working practices are inspired by social networking and it strives to coordinate existing initiatives in a cross-cutting manner.

Orange Tunisia committed to supporting the local content industry

Through its "Developers Programme" launched in October 2010, Orange Tunisia encourages the creation of 100% Tunisian mobile telephone applications in partnership with a number of engineering schools in the country and especially in disadvantaged regions. The objective is to promote Tunisian expertise in this area and to support the emergence of a veritable ecosystem as a precursor to a profitable and sustainable mobile content industry with a high potential for innovation and job creation opportunities for young Tunisians. The results at the end of 2011 were more than promising: over 800 individuals were accepted, 600 were trained in the framework of their university studies and around 30 applications were produced. And Orange Tunisia has no intention of resting on its laurels, it is planning to further promote and extend the network to include around 2,000 young developers by setting up regular targeted activities which involve all stakeholders and business angels.

Orange Money is extending its reach

In Africa, in order to remedy the lack of banking infrastructure, we developed Orange Money: a simple, secure solution enabling users to open a payment account linked to a mobile number. With Orange Money, communities with no access to traditional banking services can now open an account, transfer money to their loved ones or pay bills in a simple and accessible manner. Orange Money is also a means for companies and small businesses to simplify payment for trade services and even wages.

This service, offered in partnership with a major bank, has a high level of security to avoid the risk of theft or fraud. At the end of 2011, it was available in eight countries (Mali, Senegal, Côte d'Ivoire, Niger, Botswana, Kenya, Madagascar and Cameroon) and had over 3 million users. The aim is to roll it out in all our African and Middle-Eastern markets to reach 30 million customers by 2015.

first edition of the African Social Venture Prize

Launched in June 2011, the African Social Venture Prize was set up to support entrepreneurs and start-ups using information and communication technologies (ICTs) to meet the needs of local communities.

The call for projects, which was open from June to September 2011, received over 600 applications on a wide range of subjects such as health, agriculture, education, and financial and merchant services, reflecting the entrepreneurial and telecommunications potential in Africa.

The three winners of the first edition were revealed at the AfricaCom Awards held in Cape Town on 9 November 2011: a remote irrigation project in Niger using mobile technology to help growers, the Agasha Business Network, a Ugandan start-up using the Internet to help small-and medium-sized African enterprises, and Kachile, an Ivorian start-up selling artisan products on line.

In addition to the prize money worth up to 25,000 euros, these projects will receive six-months' support from specialists working in our local subsidiaries and strategic support from the venture capital company Innovacom.

A portrait of Marc Rennard, a middle-aged man with grey hair, wearing a dark pinstriped suit jacket, a light blue shirt, and a grey patterned tie. He is smiling slightly and looking towards the camera. The background is a blurred office setting with large windows.

Marc Rennard

International Executive Director of France Telecom-Orange in charge of Africa, the Middle-East and Asia

“We encourage the emergence of innovative ecosystems based on new technologies that stimulate entrepreneurship.”

Already present in Africa and the Middle-East, more and more our goal is to become the benchmark operator in this high-potential zone.

To succeed we are focusing on our ability to innovate and offer adapted solutions that meet the needs of local communities. Combating poverty, the lack of infrastructures, youth

unemployment and the lack of equality of the socio-economic system are challenges faced by a number of countries. We must contribute to promoting the sustainable development of these countries. Social and economic development is our *raison d'être* in these countries and guarantees our growth and long-term success. Our stakeholder dialogue (conducted in our main African markets) demonstrates that we do have a role to play. We are responding via three action levers. Firstly, by continuing to implement our voluntary policy to improve connectivity on the continent, i.e. by 2015 to provide mobile coverage to 80% of the

population and to provide access in rural zones where over 60% of the sub-Saharan African population lives. Secondly, in collaboration with local actors to develop value-added services (in line with local priorities) particularly in the health and agriculture domains. We also encourage the emergence of innovative ecosystems based on new technologies that stimulate entrepreneurship. We have already accomplished a great deal such as Orange Money, which now has over 3 million users. These achievements clearly demonstrate that Africa is a land of innovation for Orange and will provide opportunities for progress in other domains.

ensuring the accessibility of our solutions to people with disabilities

Elderly people or people with disabilities often have difficulties in using mobile telephones or the Internet. This is why Orange has for many years been committed to breaking down the physical and cognitive barriers that can restrict access to the benefits of new technologies.

“Accessibility” means enabling anyone with a disability or impairment – visual, auditive, motor or mental – to use digital devices and access content thanks to adapted functions and features such as voice synthesis, the possibility to enlarge fonts and/or adjust colours, adapted keyboards, optimised search functions, Braille, etc. To do this, we address these needs at the design phase of our offers; we also provide specialised advice and assistance. In France, a dedicated network supports the distribution of our Autonomy offers using innovative services such as our commercial website, which allows users to talk to a specially-trained customer advisor in French sign language via a webcam.

In 2005, we also created an accessibility and ergonomics centre of expertise to help us improve the accessibility and ergonomics of our websites.

Orange Spain: receiving recognition for its accessibility initiatives

In 2011, Orange Spain launched its first catalogue of independent living offers, which was certified by the Spanish committee of representatives of people with disabilities (CERMI) to acknowledge the efforts made to improve access to telecommunications for almost 4 million people living with disabilities in Spain. Two stores have also been fitted with audio induction loops to make it easier for people with auditive impairments to speak to sales staff. This initiative was implemented in collaboration with the Spanish confederation of deaf families (FIAPAS). As of 2012, all new points of sales will include audio-induction loops and our aim is to equip all Orange Spain stores by 2015.

addressing the challenges of health and dependency

At Orange, we are convinced that the doctor of tomorrow will be a network doctor for whom managing information is vital and for whom communication solutions will be key to bringing about real improvements.

In industrialised countries, these solutions are already being used to address major challenges such as the ageing population, dependency, decreasing medical resources and the

need to reduce costs. For over ten years, we have been modernising infrastructures, equipping hospitals and clinics with software and communication solutions and offering solutions that make it easier for medical practitioners to coordinate the administration of healthcare. We have also developed offers that help elderly dependent people and patients suffering from chronic illnesses stay in their homes. All our offers prioritise the respect, comfort and safety of the individual, maintain social links with the family and facilitate medical care and follow-up.

In developing countries, telemedicine solutions are making a real difference in places where there is a lack of hospital and healthcare infrastructure. Our Orange Healthcare division has launched tele-diagnosis solutions in a number of African countries such as tele-dermatology via mobiles in Botswana and Egypt, screening gynaecological cancers in Madagascar, real-time health monitoring of 200 children in Mali... Other pilot schemes are ongoing notably in the framework of our partnership with mHealth Alliance, which aims to deploy mobile telephone health solutions in West Africa.

Orange Kenya launches a drug authentication service

Launched in partnership with the mPedigree NGO, this free drug authentication service has been operational since October 2011. In certain countries where the percentage of counterfeit drugs can be as high as 50%, patients and medical personnel need to be able to check the authenticity of drugs; this is now possible by sending an SMS containing the drug code hidden under a scratch tab. The response indicates whether the drug

is authentic or not and provides the service user with a laboratory telephone number to contact in the event that the drug is a counterfeit. With this service, Orange is supporting Kenya's public health policy to target organised crime.

healthpresence in Senegal

In November 2011, Sonatel, our operator in Senegal, launched a remote medical consultation solution in the Thiès Hospital, located 92 km from Dakar. Healthpresence facilitates high quality interactions between the patient at the medical centre in Tivaouane and a doctor in Thiès. If necessary, the doctor can consult a specialist in Dakar. This solution provides the doctor with a range of medical data about the patient: blood pressure, heart rate, blood sugar, etc. Doctors can also prescribe medicines remotely.

online medical assistance in Bhutan

Orange Business Services, in collaboration with Regal Information Technology, is supplying the Kingdom of Bhutan with real-time public health services. With the creation of a medical assistance centre, the Ministry of Health wants to offer citizens reliable and high-quality healthcare services. Thanks to the special "Health Line Call Centre", medical advice and emergency services are available 24/7.

facilitating access to education and culture

New technologies are revolutionising the ways in which we access knowledge. With the Internet, everyone has access to almost-unlimited resources for learning, information or accessing culture. At Orange, we want as many people as possible to access these new resources.

To do that, we are working closely with local actors to address educational needs, which vary significantly from one country to another.

In certain countries, we are supporting girls' education – a recognised social and economic development lever. In other countries, we are equipping schools and higher education colleges with ICT equipment to make education more accessible and more motivating. We are also supporting the development and dissemination of local, general and educational content (as we did in Jordan in Arabic).

To remove educational and cultural obstacles such as illiteracy or the reticence to use IT tools, we are offering easy-to-use services such as Voice SMSs, which allow users to send voice messages in just a few minutes without the need to know how to read or write.

Besides developing tools, we work with groups with learning or inclusion difficulties to help them take advantage of the opportunities offered by new technologies.

A good example of this is the Orange Digital Solidarity project, which was launched at the end of 2010 by the Orange Foundation. With support from Orange volunteer employees, we organise digital workshops on behalf of partners working in the voluntary sector. These cover a wide range of themes such as basic computer and Internet usage, writing a CV, advanced use of office tools, using social networks and even more advanced uses.

Poland and Jordan: two major education initiatives

In 2010 in Jordan, Orange launched an ambitious strategy to increase the local population's access to ICTs as well as providing educational support. The "Orange Broadband Fund" aims to extend Internet access to the regions (i.e. beyond the capital). It has three specific objectives: to raise the population's awareness of the importance of the Internet in terms of learning and productivity, to improve Internet access, and to use it as a training tool. The funds will mainly be used to provide an Orange ADSL connection as well as the necessary infrastructures and equipment for 500 schools in the country.

In Poland, the "Education with Orange Poland Internet" programme, deployed since 2004, continues to provide schools with Internet access at preferential rates. At the end of 2011, over 14,500 schools and 4.5 million pupils were able to access the Internet. Orange Poland has also provided Internet access to 3,200 municipal libraries.

a better

In a world with limited natural resources, companies will only

control of

be able to ensure their long-term success by controlling their energy consumption and reducing

the environmental impact of the life cycles of their products and services.

our impacts

For Orange, it is obvious – long-term success is only possible if we better control our impact on the

environment.

In a world with limited natural resources, companies will only be able to ensure their long-term success by controlling their energy consumption and reducing the environmental impact of the life cycles of their products and services.

For Orange, it is obvious – long-term success is only possible if we better control our impact on the environment.

To achieve this we are acting on three fronts:

- reducing the environmental impact of our operations by lowering greenhouse gas emissions and optimising waste management;
- reducing the environmental impact of our customer products thanks to eco-design and promoting eco-friendly usages;
- developing innovative products and services that allow individuals and companies to be greener citizens.

a priority: combating climate change

At Orange, we believe that telecoms operators have a special responsibility to address the climate change issue. While the digital revolution is an undeniable vehicle for social and environmental progress, it results in ever-increasing volumes of data traffic and the need for increasingly powerful and energy-hungry infrastructures. Addressing this issue without increasing our networks' energy consumption is a real challenge. However, it is essential if we want to ensure the sustainability of our activities and fulfil our green citizen commitment to contribute to protecting our planet. Faced with decreasing stocks of fossil fuels and

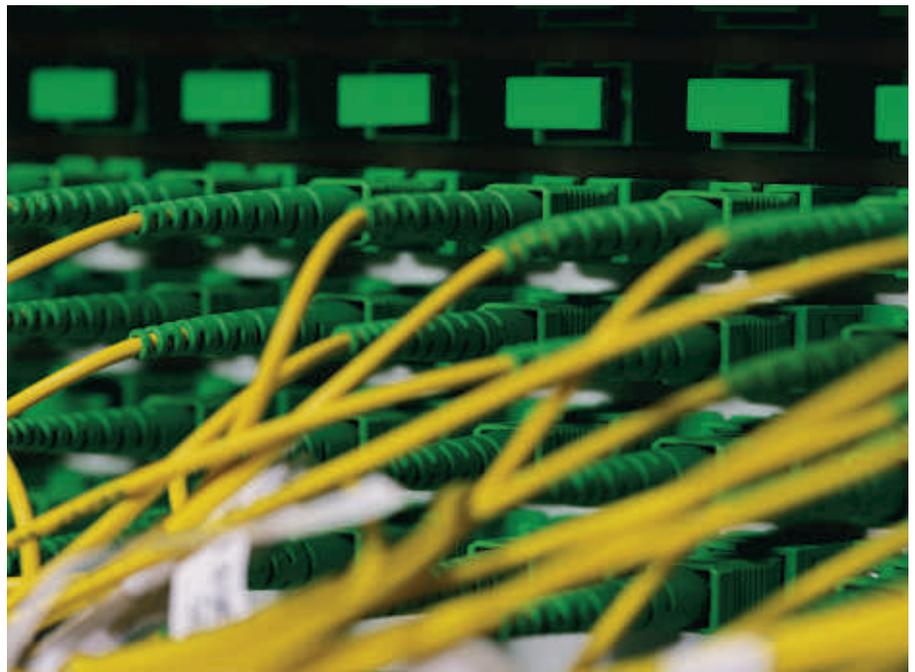
increasing energy costs, those telecoms operators which survive will be those that manage to install high-quality low-energy consuming networks.

ambitious goals to meet the energy challenge

Orange is committed to reducing its CO₂ emissions by 20% and its energy consumption by 15% between 2006 and 2020. These objectives are a key component of the conquests 2015 strategic project and are quarterly closely monitored by the Group's Executive Committee with the help of special indicators.

Since 2009, we have been implementing action plans based on three levers in all our entities:

- reducing the energy consumption of networks, information systems and buildings;
- deploying solutions that rely on renewable forms of energy;
- reducing emissions caused by vehicles and employee business trips.





some encouraging results

The most significant results will become more visible in the long term; however, these action plans prove that our actions are working:

- stabilising our energy consumption in terms of customers;
- 225 GWh saved in three years thanks to the “Green ITN 2020” network infrastructures and information system transformation programme;
- more than 2,000 solar sites representing an annual production of 13 GWh, allowing us to save 25 million litres of fuel and avoid 67,000 tons of CO₂ emissions per year;
- over 16,000 virtual servers at the end of 2011: the virtualisation of servers (started in 2007) generated electricity savings (in 2011) of 65 GWh; this rep-

resents almost 4,800 tons of CO₂ emissions;

- 16 million litres of fuel saved in 2011 thanks to the renewed vehicle fleet.

improved governance

In 2011, three specialised departments conduct our action:

- the EER – Energy & CO₂ Emission Reduction – Department, in charge of steering network infrastructure energy reduction actions in the ITN (techniques and information systems) domain;
- the Group’s Buildings Department, which meets quarterly and brings together the Heads of Real Estate from

our entities in France, Spain and Poland, and Orange Business Services, Equant and two representatives from the EME (Europe and Middle East) and AMEA (Asia, Middle-East and Asia) zones to study and implement efficient energy solutions for buildings;

- the Sustainable Mobility Department, which supervises all aspects linked to employee travel, deploys video-conferencing solutions and optimises the Group’s vehicle fleet management.

increasingly accurate measuring tools

We can not reduce our energy consumption or our carbon footprint without reliable measurements. In order to monitor our real-time consumption and make any necessary adjustments, we have been installing smart meters on our main sites and in our biggest office buildings. Following the installation of these smart meters on 90 sites, we have been able to make energy savings of around 20%.

We were also the first telecoms operator to conduct an in-depth evaluation of the direct and indirect greenhouse gas emissions of our activities around the world including the life cycles of all our products and services. The evaluation uses the Bilan Carbone® methodology developed by ADEME. After France and Belgium (in 2010), a new Bilan Carbone® process has begun in 2011 at Orange Spain.

towards a greener world

In Europe, Orange is piloting a scheme to establish a common method to measure the footprint of organisations working in the information and communication technology (ICT) sector. We are also supporting the work of the International Telecommunications Union and various standardisation organisations (ETSI, ISO, IEC, and CENELEC).

commitments applied to our products and services

Our efforts will be in vain if we only reduce our internal impact. We must offer our customers eco-friendly products and services that help them to control their own energy consumption. For several years now, we have been using the principles of eco-design for new products.

Following the eco-design of the Livebox in 2007 in the framework of a strategic partnership with Sagem, we are now extending this approach to the eco-design of services. This is a new area and we are mobilising multidisciplinary teams of experts, Orange Business Services, Research & Development and Purchasing.

In 2011, two Cloud Computing services (under development) have undergone a life cycle analysis: Flexible Computing Express and Unified Communication as a Service (UcaaS) (see p. 139).

key events in 2011

“Green” data centres

In November 2011, the Sophia-Antipolis data centre was certified by the

European Commission for its rigorous application of the European Data Centre Code of Conduct on the energy efficiency of data centres. A further two certification applications were submitted in the beginning of 2011 for our data centres in Łódź, in Poland, and Val-de-Reuil, in France.

In Val-de-Reuil, the new generation data centre, which will be inaugurated in 2012, has been built in accordance with the *Haute Qualité Environnementale* (HQE; in English “high environmental quality”) standard. Built from natural materials, this data centre will rely on fresh air intake to cool its IT areas, thus reducing the need for artificial air conditioning systems. It will save the equivalent of the electrical consumption of 15,000 individuals per year, i.e. 7.5 MWh/year. With a Power Usage Effectiveness of 1.3, this new Orange

data centre will be one of the most eco-efficient data centres in the world.

new building certifications

To improve the environmental performance of our stock of buildings, in several countries we are progressively deploying improvement plans based on existing best environmental practice and market standards: the *Bâtiment Basse Consommation* (BBC; in English “low energy consumption building”) or the HQE® standard in France, and BREEAM⁽¹⁾ and LEED⁽²⁾ in other countries.

In 2011, we obtained several new certifications for the environmental performance of our property developments:

■ In France, four sites obtained HQE Construction certification (the Orange



Stadium in Saint-Denis, Orange Village in Arcueil, Lumine & Sens in Bordeaux, and the Orange Campus in Montrouge). The Arcueil, Paris-Olivier de Serre and Saint-Denis sites also obtained the HQE[®] Exploitation label (high environmental quality operation) label in recognition of the environmental performance of the buildings' operations. The Apollo site in Montpellier obtained BREEAM certification. Finally, two sites (Caen Venoix and Paris-Olivier de Serre) obtained the HQE[®] Rénovation label – a new category for office building renovation projects.

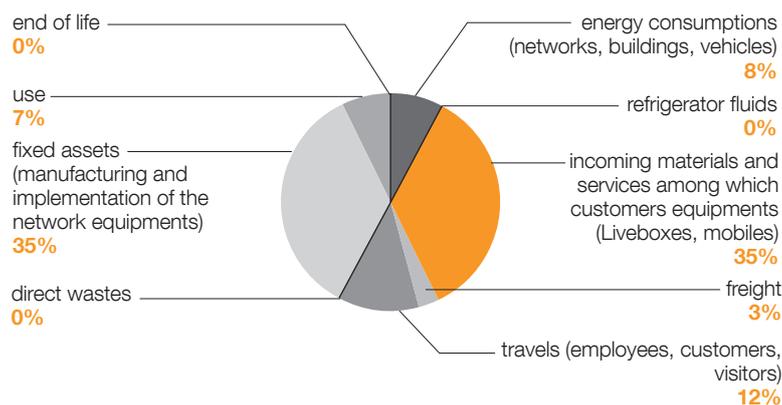
■ In Egypt, the Cairo site obtained LEED Gold certification – the highest environmental performance level granted by LEED.

■ In Poland, the future headquarters of the Orange Poland Group in Warsaw will be built in accordance with the BREEAM standard (construction started in 2011).

Bilans Carbone[®] (tool used to calculate carbon footprints) results

In 2010, with help from a specialised firm, we decided to completely assess the CO₂ emissions linked to our activities using the Bilan Carbone[®] method developed by ADEME. In addition to direct emissions (energy consumed by buildings, fuel for vehicles, network electricity, etc.), which have been reported annually for several years, this exercise enabled us to identify other sources of greenhouse gases both upstream and downstream of our direct carbon footprint.

absolute value of CO₂ emissions and by customer



The main identified sources of emissions were electricity required for the network, the manufacturing of customer equipment (Liveboxes, mobiles), the manufacturing and implementation of network infrastructure and equipment, and employee journeys.

Thanks to this extended evaluation, we now have a clearer vision of the carbon footprint of our activities. This will enable us to adapt our strategy to combat climate change by focusing on key areas, i.e. reducing network energy consumption (energy action plan), the impact of handsets (environmental information, offers without mobiles, etc.) and the reduction of emissions linked to business travel.

giving electronic equipment a new lease of life

Optimising waste management is an environmental priority for Orange. In addition to decreasing our own waste, for several years we have been working hard to address an issue of increasing significance: the collection and recycling of our customers' electronic waste.

With over 1.5 billion mobile handsets sold every year and with handsets being renewed every eighteen to twenty-four months on average in industrialised countries, the number of used mobile handsets is continuing to grow. We estimate that the stock of non-used mobile handsets in Europe could reach 2 billion units by 2015.

(1) Environmental assessment method for buildings developed by the Building Research Establishment (BRE) - equivalent to the HQE[®] standard in English.

(2) Leadership in Energy and Environmental Design (LEED): North American standardisation system created by the US Green Building Council.



It is estimated that between 20% and 30% of these handsets are kept by their owners but are not used. Giving electronic equipment a second lease of life is a major challenge: economically because handsets contain rare and precious materials (gold, silver, etc.) that can be recuperated; socially because they can be passed on to people with low incomes (especially in developing countries); and environmentally because it is crucial to properly dispose of the harmful substances (lead, mercury, cadmium, bromine containing compounds, etc.) contained in handsets.

Orange is mobilised on all fronts

We are addressing the issue on a number of fronts in order to:

- extend the life of mobile telephones by putting in place schemes to encourage customers to keep their existing telephones for longer;
- sell reconditioned second-hand

mobiles by gradually extending the trial piloted in France and in other European and African countries over the last two years;

- increase the collection rate of used telephones to +50% per year by improving customers' awareness of the issue and by implementing incentives.

In 2011, our European entities collected over 1 million used mobile telephones from their customers, representing an increase of 100% compared to 2010. Seven European countries have launched initiatives to re-purchase used mobile telephones with significant results (in Romania the collection rate reached 14%).

In June 2011, we also launched a prototype of used phones smart collector called "Mobo", which is being piloted in France and Slovakia with very promising results. It was designed to help us reach our objective of a 50% collection rate per year.

a voluntary initiative in Africa

In emerging countries and especially in Africa, the problem of recycling used equipment is growing due to the lack of local well-structured and controlled networks. Since 2009, Orange has been implementing the "Africa Project", whose aim is to set up a network to collect and recycle used mobiles from the African market.

In partnership with Emmaüs International, the initiative consists of setting up used mobile telephone collection centres in African countries. Following the opening of the first workshop in Burkina Faso in 2010, two further workshops were opened in Benin and Madagascar in 2011. The collected waste is shipped back to France where it is received by Ateliers du Bocage (a social employment association linked to Emmaüs), the waste is then sorted before being sent to European recycling plants. By the end of 2011, over 31 tons of waste materials had been collected (representing around 210,000 mobile telephones). We are planning to create two new workshops per year and cover a further 10 countries in the next three years. To ensure absolute traceability, we have asked Pricewaterhouse Coopers to conduct an annual audit in each country. It is hoped that this initiative will contribute to developing eco-responsible mobile telephone markets in Africa.

A portrait of Vivek Badrinath, a man with dark hair and glasses, wearing a dark suit, a light blue checkered shirt, and a blue patterned tie. He is smiling slightly and looking towards the camera. The background is a plain, light-colored wall.

Vivek Badrinath

Executive Director of Orange Business Services, France Telecom-Orange Group

“I have the will that we demonstrate the environmental benefits of our solutions.”

In the fight against climate change,

I am convinced that we have only seen the tip of the iceberg in terms of what new information and communication technologies (NICTs) can offer. The outlook is promising; according to the

experts, NICTs should enable us to reduce global greenhouse gases by 15% by 2020. Our video – and teleconferencing solutions are already reducing business trips and our fleet management solutions are optimising the journeys of thousands of vehicles in real time and improving preventative maintenance.

By addressing our customers' main needs we are participating in the collective effort as well as strengthening our sectoral leadership in terms of sustainable development. Today, our business customers expect us to help them understand their energy budget and reduce costs as well as helping them to reduce their environmental footprint. We offer solutions such as eco-calculators,

which enable businesses to calculate real environmental gains. We are also working in new areas notably via our “Smart Cities” strategic programme, which concerns utilities (electricity, water and gas) and transport (connected cars and public transport). Finally, the eco-design of services, a domain in which we are deploying considerable resources, will help us make significant progress in this area by guaranteeing that environmental issues are integrated into all our offers from the design phase. We have also launched several pilot initiatives including a Cloud Computing offer. Given our ambitions in this area, I have the will that we demonstrate the environmental benefits of these solutions.

finding innovative solutions for a greener world

This is our goal and our digital technology expertise that will make it possible. We want to play a decisive role in the emergence of innovative solutions that better protect the environment.

A number of studies have demonstrated the major role ICT can play in tackling climate change and encouraging a new and greener economy. Orange is a leader in this area and has been honoured by Verdantix for the third year running in its "Green Quadrant Sustainable Telecoms Europe" category, which recognises the Group's commitment to reduce its impact and to offer innovative solutions to support business customers' sustainable development policies.

We actively participate in initiatives, which, thanks to ICTs, allow us to develop greener practices at all levels of society, e.g., new forms of mobility (vehicle sharing, GPS systems, etc.), new ways of working (teleworking, machine-to-machine, etc.), new ways of designing towns and homes (home automation systems, digital communities, etc.) and new ways of managing energy (smart electrical networks).

Orange Business Services offers a range of solutions that facilitate teleworking and collaborative working practices in companies, optimise vehicle fleet management, consolidate and virtualise infrastructures, make exchanges paperless, provide tele-monitoring systems, etc., to enable our customers to reduce their environmental footprint (see p. 142).

In addition to technical solutions, we offer "Green IT" consultancy services. Our aim is to help our customers improve the energy efficiency of their information systems and to use ICTs to reduce their environmental footprint. In 2011, in association with JouleX, we launched the first energy audit service for IT equipment in France.

key events in 2011

Orange is investing in sustainable mobility

In November 2011, Orange partnered with SNCF, PSA Peugeot Citroën and Total to create Écomobilité Ventures, the first European investment company dedicated to sustainable mobility. Écomobilité Ventures has a capital of 30 million euros, which it will invest in new and innovative companies. With this project, Orange and its partners hope to contribute to the emergence of a new mobility ecosystem, which goes far beyond the boundaries of traditional sectors.

smart water meters

In the framework of its "Smart Cities" strategic programme, in 2011 Orange Business Services joined forces with Veolia Eau to create m2o city, an operator specialising in the remote reading of smart water meters and environmental data. m2o city offers local authorities an ultra-low energy consumption radio network system, which is able to collect information from meters but also from environmental sensors (e.g., in order to tackle air and noise pollution). This is yet another example of the benefits of ICTs benefiting sustainable towns and cities.



Cristina Bueti

Programme Coordinator for Climate Change and Information Communication Technology at the International Telecommunications Union

“We must move towards a greener, smarter and more efficient society.”

T

he ITU⁽¹⁾ is deeply involved in drafting ICT and environmental standards

in order to develop ICT environmental impact evaluation methods. In the past, different methods were used to evaluate the carbon footprint of ICTs and this lack of a common method was an obstacle to disseminating credible information about climate change.

The new standard method, which is the result of work carried out by the ITU's Research Commission no. 5, now gives us an accurate, reliable and common tool with which to evaluate the energy consumption and greenhouse gas emissions of the ICT sector and to compare performances within the sector. It is key in inciting companies to “go green” by modelling the environmental gains brought about by new technologies. It also helps consumers to make informed choices and favours public procurement contracts with low carbon footprints. It will enable the sector to play a pioneering role in combating climate change by providing clear and reliable information about how ICTs can help

reduce climate change. To separate economic growth from environmental pressures, we must move towards a greener, smarter and more efficient society. A society which will see the light of day thanks to ICTs. This is the message that the ITU will continue to pass on to policy-makers and regulators, notably at the fourth United Nations Sustainable Development Conference, which will be held in Brazil in June 2012, and the next United Nations Conference on climate change.

(1) International Telecommunications Union, a specialised ICT agency of the United Nations.

our 2011
achievements

our 2012
roadmaps

to become the leading CSR player

Through its mission to provide better communication for all and its presence in both industrialised and emerging countries, our Group measures every day the importance of its role in and responsibilities towards society.

53 a long-term commitment

57 responsible governance

59 a process fuelled by dialogue

62 promoting responsible purchasing principles

a long-term commitment

the Group's approach

Corporate social responsibility is vital for the Group's ongoing success and creates value for all its stakeholders. Orange has developed an ambitious strategy to enable it to become the benchmark for corporate social responsibility in the telecommunications sector.

This strategy, which is core to the company's conquests 2015 project, is translated into practical action plans revolving around four basic commitments that involve every entity in the Group:

- recognising and supporting employees;
- ensuring transparency, quality, security and safety for our customers;
- sharing the benefits of the digital world with the greatest possible number of people;
- finding innovative solutions for a greener world.

Implementing this strategy requires a structured approach based on special department, tools, and reliable audited reporting processes.

a historic commitment

Corporate social responsibility is firmly anchored in the history of the France Telecom-Orange Group as is its commitment to sustainable development. France Telecom-Orange signed the ETNO (European Telecommunications Network Operators) Environmental Charter in 1996, and in 2000 was one of the first companies to sign up to the United Nations Global Compact.

The Group is also involved in a wide range of organisations and initiatives focused on corporate social responsibility and sustainable development such as:

- the Observatoire sur la Responsabilité Sociétale des Entreprises (ORSE or CSR observatory), which brings together companies and their financial partners that care about CSR;
- CSR Europe (European network for corporate social responsibility, which brings together more than 60 Europe-based multinationals);
- the Global e-Sustainability Initiative (GeSI), which includes telecommunications manufacturers and operators;
- the Mobile Phone Partnership Initiative (MPPI), operating under the aegis of the United Nations Environmental Programme, which brings together major suppliers and operators to develop codes of good conduct for the collection, shipment and reconditioning of used mobile telephones;
- the Energy Efficiency Inter-Operator Collaboration Group (EE IOCG), which brings together major global operators together to promote energy efficiency in the ICT sector;
- the Mobile Alliance Against Child Sexual Abuse Content launched in 2008, is an alliance of mobile operators working together to combat the sexual exploitation of children on the Internet.

key dates relating to the Group's commitment to sustainable development

1996

- Signing the ETNO Environmental Charter.

2000

- Signing the UN Global Compact.

2003

- Formalisation of the Group's Code of Ethics (see p. 57).

2004

- Signing the ETNO Sustainability Charter.

2006

- Signing the Group agreement with UNI Global Union.

2007

- Signing the European reference framework for safer use of mobile telephones by teenagers and children.

2008

- Signing Caring for Climate.

2009

- Signing the Code of Best Practice for Women in ICTs drawn up under the aegis of the European Commission.

2010

- Launch of the company's conquests 2015 project.

2011

- Signing the "ICT Coalition" to promote safer Internet usage for children and adolescents.

a strengthened approach

The company's new conquests 2015 project, unveiled in July 2010, confirms the central position of CSR, which is at the heart of the Group's new strategy.

4 major commitments

France Telecom-Orange's approach to CSR is shaped by four basic commitments:

- recognising and supporting employees;
- ensuring transparency, quality, security and safety for our customers;
- sharing the benefits of the digital world with the greatest possible number of people;
- finding innovative solutions for a greener world.

8 strategic priorities

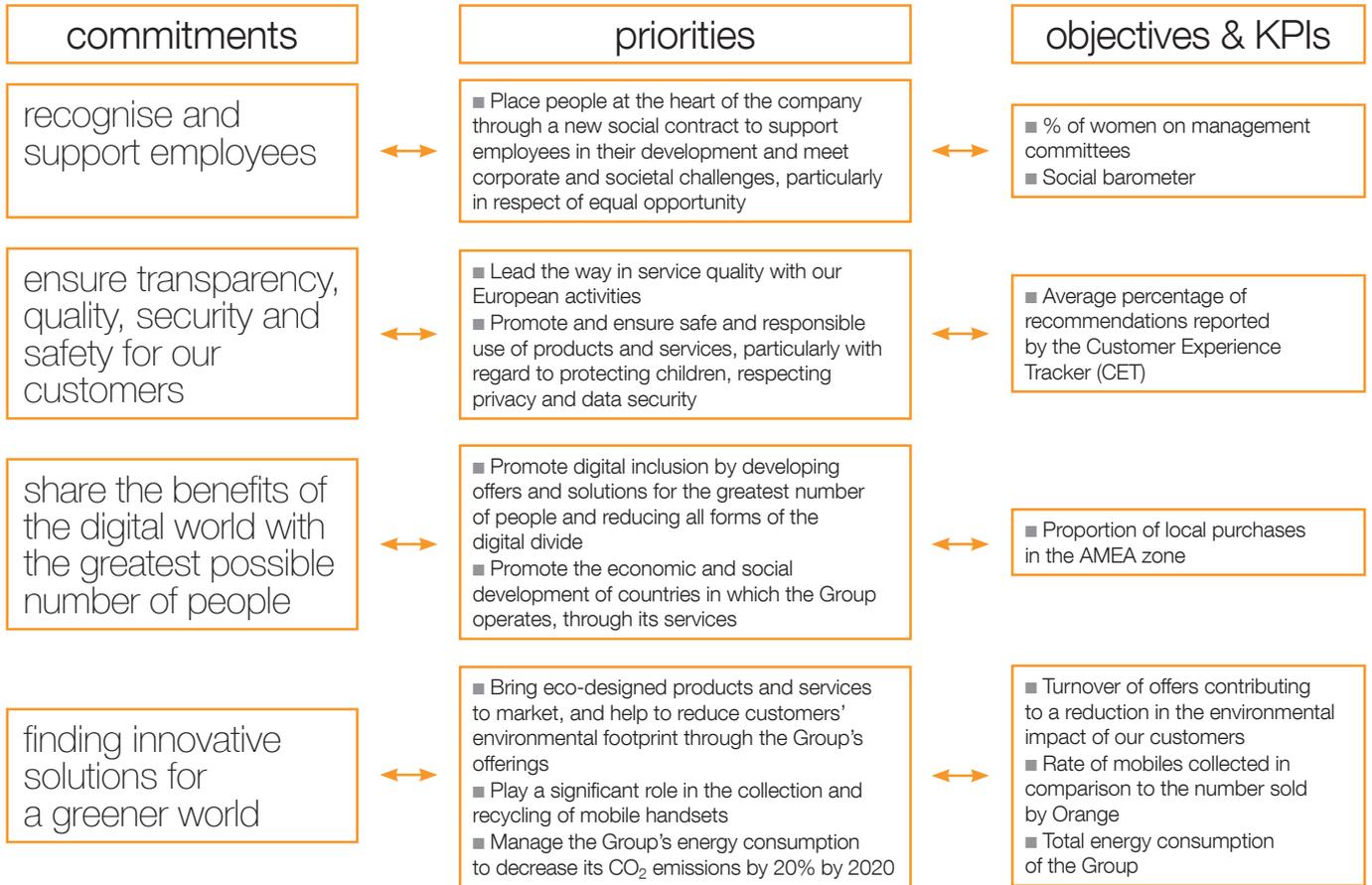
The definition of Orange's strategic CSR priorities is based on two complementary elements:

- analysing stakeholders' requirements, which are identified through regular discussion and research carried out at Group level and in three main countries (see p. 59-61);
- identifying risks and opportunities relating to sustainable development and assessing their impact on the company's growth.

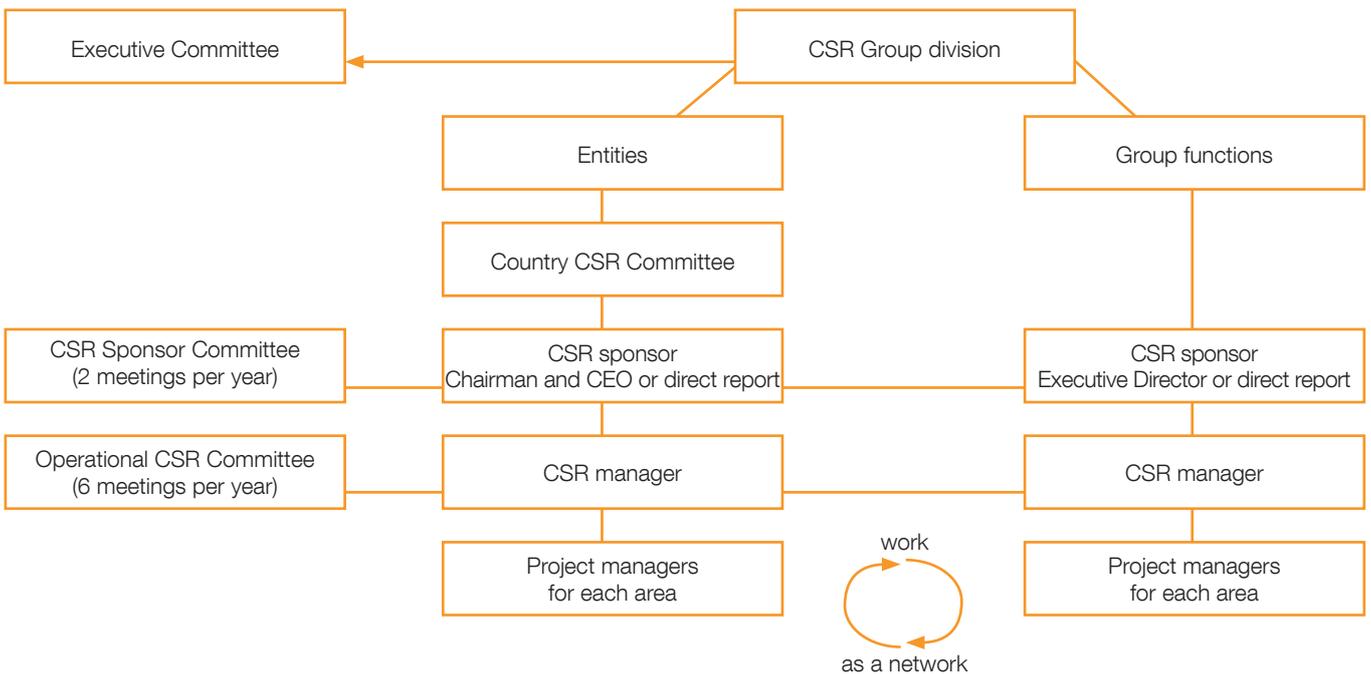
Priorities in this respect are updated at least once a year to keep abreast of changes in the field.

For 2010-2012, eight strategic priorities were defined. Each of these priorities can be broken down into specific objectives, which are accompanied by key performance indicators (see p. 54);

CSR, at the heart of the Group's strategy



CSR organisation within France Telecom-Orange



a structured approach

France Telecom Orange sets aside considerable resources to implement its corporate social responsibility strategy and reach its objectives.

strengthened organisation

The Group's corporate social responsibility affairs are managed in a special department: the CSR Department. Reporting to one of the Group's Assistant General Managers, the CSR Department answerable to the Executive Committee and its Manager is a member of the management team.

CSR sponsors, reporting to the highest organisational level, have been appointed in each Group function and entity operating in all the Group's markets. Meeting two times a year within the CSR Sponsor Committee, they ensure the implementation of the strategic directions decided upon by the Group's Executive Committee. A network of CSR managers who meet every two months helps with the operational deployment of the CSR policy.

To help incorporate CSR issues in the decision-making processes of the subsidiaries, CSR committees have been formed in a number of countries (Senegal, Poland, Spain...).

a rigorous and audited process

France Telecom Orange's CSR policy applies the principles of inclusiveness, materiality and responsiveness as defined in the AA1000 APS (2008) standard. This is the international reference for corporate social responsibility and emphasises the need to take stakeholder requirements into account (see appendices for more details on the application of the AA1000 standard). The Group has also adopted the principles defined in the new ISO 26000 standard relating to social responsibility, which was published in November 2010.

CSR is managed through a special reporting tool called "Indicia", which measures changes in the performance of each entity through qualitative and quantitative questionnaires. The definitions and methodologies for reporting each indicator have been clearly formalised in line with the relevant international guidelines, particularly those of the Global Reporting Initiative (GRI – see orange.com, CSR section).

For several years, Orange has had an external CSR audit carried out by one of its auditors (see appendices) in order to ensure the reliability of indicators and the proper application of the Group's commitments in the entities. In 2011 in particular, an audit into reasonable assurance was carried out on the Group's approach and its roadmap.

recognised performances

In order to gain an external view of its policy, France Telecom Orange responds to questionnaires from non-financial ratings agencies every year and maintains a regular dialogue with financial analysts and socially responsible investors.

The Group has been included in the FTSE4Good index since 2002, and also the Aspi Eurozone® index managed by ratings agency Vigeo.



focus

main CSR awards received by the Group in 2011

- At the 2011 Global Mobile Awards, Orange received the prize for best mobile technology in emerging countries for its solar-powered station construction programme in Africa and the Middle East.
- For the third year running, Orange Business Services ranked first in the Verdantix Green Quadrant Sustainable Telecoms Europe report, confirming its commitment to sustainable development and corporate social responsibility in terms of customer solutions at the Group level.
- Orange Business Services was among the leaders in the most recent "Magic Quadrant", which was published by Gartner, Inc.
- In November 2011, Orange won the "Entreprise numérique éco-engagée" prize for its Shared Medical Imaging solution in the framework of awards that promote green digital technology and reward creation, invention and digital technology that promotes sustainable development.
- The 2011 study carried out by the Centre français d'information sur les entreprises (CFIE or French corporate information centre) ranked the Group's corporate social responsibility report number one out of 50 companies. This ranking reflects the accuracy and completeness of published data.
- In Poland, Orange Poland is one of the most socially responsible companies in Poland according to 5th edition of the ranking of socially responsible companies organised by the newspaper *Dziennik Gazeta Prawna*, the Koźminski university and the Responsible Business Forum. Orange Poland came first in its category: "Telecommunications, technology, media and entertainment" and third overall.
- In February 2012, Orange obtained the 2012 Top Employers label for its human resources policy in France, Belgium and Poland and in Spain in 2011 (see p. 73).
- Within the framework of a trophy organized by the European Commission, Orange received the prize for best salaried voluntary service programme in Romania for its ENGAGE project.
- The Orange quality of service and network quality were also awarded several times.

CSR, at the heart of the Group's strategy

Vigeo rating

France Telecom – November 2011 – sector: Telecommunications – companies in sector panel: 24

■ sector performance ■ company performance

	environment		human resources		human rights		community involvement		business behaviour		corporate governance	
100												
75												
50												
25												
0												
Scores/Trend	2009	2011	2009	2011	2009	2011	2009	2011	2009	2011	2009	2011
Rating	+		+		+		+		+		=	
2009 global score: 48/100						2011 global score: 56/100						

The score is the level of company's CSR engagement on a 0 to 100 scale. It is based on an analysis of the company's policies and their effectiveness. The rating is the positioning of the company's performance compared to its sector.

- ++ the company is ranked as a leading performer in its sector
- + the company is ranked as an active performer in its sector
- = the company is ranked as an average performer in its sector
- . the company is ranked as a below average performer in its sector
- .. the company is ranked as a poor performer in its sector

environment : incorporation of environmental considerations into the manufacturing and distribution of products, and into their use and disposal.

human resources: labor relations, working conditions, health and safety, career development and training, remuneration system.

human rights: fundamental human rights, freedom of association, non-discrimination, forced and child labor.

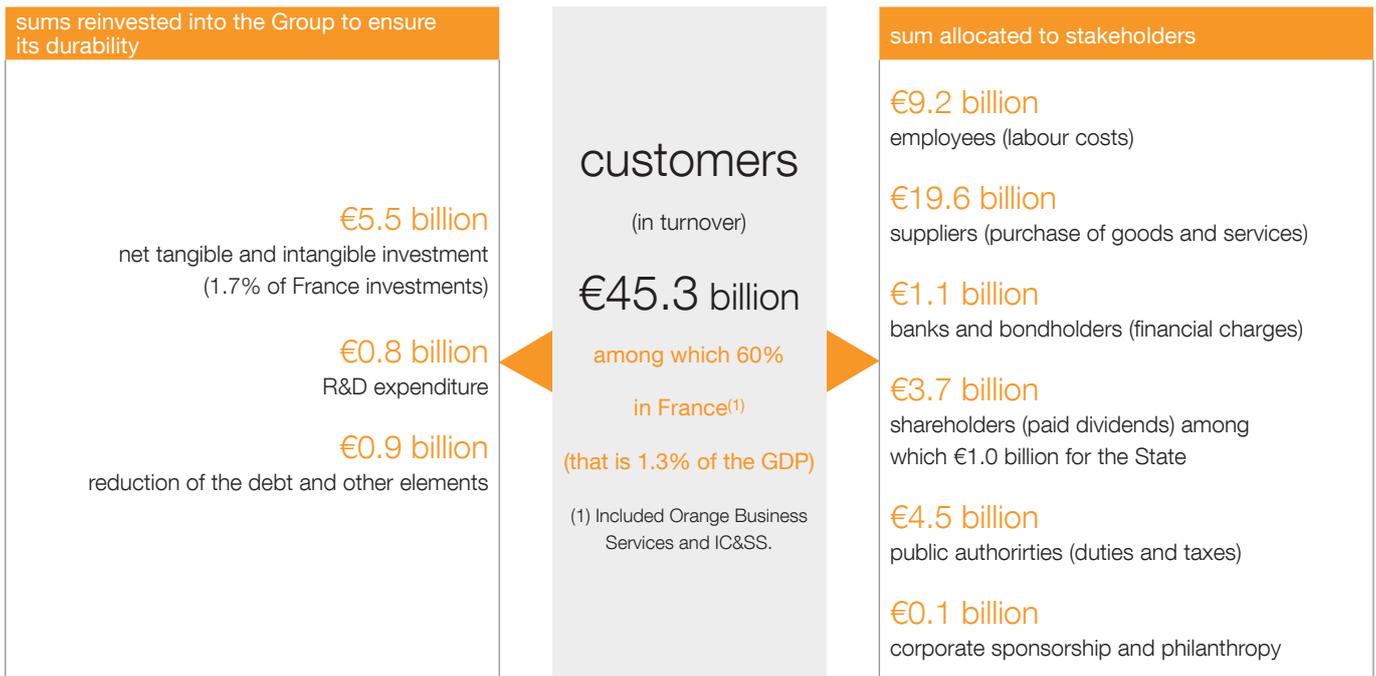
community involvement: impacts, on local communities, contribution to social and economic development, general interest causes.

business behaviour: relationship with clients, suppliers and subcontractors, prevention of corruption and anti-trust.

corporate governance: board of directors, audit and internal controls, treatment of shareholders, executive remuneration.

a fairly value sharing model

France Telecom-Orange has put in place a value sharing model that distributes the wealth created between all the stakeholders fairly.



responsible governance

a founding document: the Group's Code of Ethics

The France Telecom Board of Directors adopted a Group-wide Code of Ethics in 2003. The Code (available on www.orange.com) sets out the Group's actions with regard to its customers, shareholders, employees, suppliers and competitors, and also with regard to the environment and countries in which the Group operates. It also sets out a certain number of principles relating to individual behaviour with which each employee, manager and director is expected to comply.

This Code of Ethics is an integral part of the Group's guiding principles along with those of the Universal Declaration of Human Rights, the International Labour Organization (ILO), the United Nations Global Compact and the guiding principles of the OECD for multinational corporations.

For more information: http://www.orange.com/en_EN/responsibility/our_approach/ethics/

a network of ethics advisers

The Group has set up a dedicated system:

- the Group Ethics Committee, consisting of four members appointed by the Chairman, ensures the consistent application of the Code's principles and advises entities on their implementation;
- in each country or entity, a network of ethics advisers helps to coordinate and disseminate the policy and ensures that its principles are applied in a manner appropriate to local contexts and disciplines.

employee awareness

The Code of Ethics has been communicated to all employees worldwide.

Employees can learn about the Code's principles through an e-learning module (available in eight languages), which includes practical simulations inspired by actual cases. The content is regularly updated and tailored to countries and business lines in order to reflect the everyday experiences of employees.

Every year, all countries use in-house communication campaigns to "bring the Code to life" among employees by adapting it to the local context.

- In France, 13 business line ethics guides and 12 quizzes are available on the intranet to provide employees with the opportunity to test their knowledge of the rules of conduct specific to each business line. New quizzes are being prepared for 2012. A procedure for dealing with conflicts of interests has also been made available to managers and

populations in jobs exposed to increased risks of conflict of interests or insider trading (administrators, insiders, delegates, finance function, prescribers or negotiators) with additional training.. In 2011, a new ethics module was added to the SME manager seminars on the theme of sole traders.

- At Orange Business Services, five versions of the Code of Ethics have been produced (Audit Charter, Accounts Charter, Fiscal Deontology Charter, Specific Rules for the Purchasing Department/Ethical Sales Rules and Procedures) are available to all staff in the "Ethics" section on the intranet. Risks connected to ethics are identified and listed in an ethics practical guide produced in French and English. This list was reviewed on 20 October 2011 at the quarterly Ethics, Fraud and Revenue Assurance Steering Committee meeting. To encourage getting to know these documents, an internal ethics communications campaign was distributed in December 2011 to all Orange Business Services staff with a video interview with Vivek Badrinath, Orange Business Services' Executive Director and Patricia Waldron-Werner, Human Resources Director and CSR sponsor. In addition to this campaign, specific information on the gifts policy was sent to all staff in a push mail. Two presentations on ethics were made to the Executive Committee in October and November 2011. In addition, a section on ethics was inserted last year in the welcome book for new arrivals.

- In Armenia, the Ethics Committee was launched officially in April 2011. This launch was announced in an e-mail sent to all staff by the CEO of Orange Armenia, Bruno Duthoit, who used the opportunity to remind staff of the importance of the ethics charter.

- In Poland, 96% of Orange Poland staff and 87% of PTK Centertel staff took an e-learning ethics training module. In 2011, Orange Poland put in place a new interactive ethics training module with strengthened content particularly on the theme of human rights, equality of treatment, discrimination, corruption and conflicts of interests. This one-hour training course is also provided for sub-contractors. Ethics are also now a part of the corporate social responsibility training session.

a concept extended to service providers

To raise awareness among some of its call centre service providers, Orange France produced a special quiz. A similar process is under way for network companies and home support services. Moreover, as part of the Group's responsible purchasing policy, all contracts with suppliers listed at Group level and a growing proportion of

local purchasing contracts include a clause on "Ethical practices – corporate responsibility" that sets out France Telecom Orange's demands in this area (see p. 62).

a firm commitment to human rights

France Telecom Orange was one of the first companies to sign the United Nations Global Compact in 2000. Respecting the basic principles set out in the Universal Declaration of Human Rights and the ILO figures explicitly in the Group's Code of Ethics.

In 2006, France Telecom signed a global agreement with UNI Global Union on basic social rights. Through this agreement, the Group reaffirmed its commitment to respect basic human rights both internally and in its relations with its suppliers and sub-contractors (see p. 62-63). Implementing these commitments is a complex process, which is rolled out progressively in different countries according to the local context and in a manner that respects national sovereignty.

France Telecom-Orange relies on dialogue with stakeholders to identify priority issues in each country and implement appropriate actions. The Group has undertaken to provide a transparent account of its actions, and for this, uses indicators of respect for human rights defined by the Global Reporting Initiative (GRI – see table of correspondence).

France Telecom-Orange has obviously been impacted by the revolutions known as the "Arab spring", not least in Egypt, with two types of event in particular: network shutdowns (Internet, mobile voice and text services) as well as a massive text message campaigns ordered by the government.

CSR, at the heart of the Group's strategy

reminder of the events

On 27 January 2011, Hosni Mubarak's government ordered all operators to close telecommunications networks. Mobinil had no choice but to comply, the lives and freedom of its staff could have been in danger. Two days later, Egyptian authorities authorised the use of voice services again. Operators were then ordered to send text messages to their customers. Wanting to preserve above all the freedom, or even the physical safety of its staff, Mobinil executed the order taking the precaution of saying that the messages were sent and dictated by the government.

Orange considers that the United Nations directing principles for businesses and human rights, approved in June 2011, are a significant milestone in clarifying the duties of governments to protect human rights and the responsibility of businesses to respect these rights. Orange, in common with other stakeholders, must define the way in which UN principles must be applied in our sector, all the more when they touch the freedom of expression and the private lives of citizens.

Orange has started to work with a certain number of other operators and manufacturers in the telecommunications sector to deal with these questions jointly. An "Industry Dialogue" was initiated during the summer of 2011. It must explore the interaction and borders between the duty to protect and the responsibility to respect human rights. Participating businesses want to develop and provide – jointly – largely accepted principles, tools and mechanisms of reasonable diligence to respect the private lives of citizens and freedom of expression. Specific information to provide and schedules must systematically be developed in the first days of the process. Participants are looking for idea contributions and feedback from a wide variety of stakeholders in the first stages of the dialogue to verify that their work is built on proper understanding of expectations, rather than industrial principles developed in isolation.

clear structures and governance principles

France Telecom Orange complies with the principles of corporate governance defined specifically by the Loi de sécurité financière (financial security act) in France and the Sarbanes-Oxley Act in the United States. The Group is particularly vigilant regarding the responsibility and integrity of its managers and directors, the independence of Board members, the transparency and disclosure of information, the respect of shareholders' rights and the Group's Code of Ethics.

The governance of France Telecom is structured around the Board of Directors and its specialised committees:

- Audit Committee;
- Governance and Corporate Social Responsibility Committee;
- Strategic Committee.

In 2011, the company's Governance and Corporate Social Responsibility Committee met nine times. Its remit was extended to include examining the main risks and opportunities relating to the environment, the Group's social policies, all the information published by the Group on community and environmental matters and the main directions of the corporate social responsibility policy.

rigorous risk management

Continuously improving internal controls within the Group relies on organisation, procedures and checks and balances implemented by the General Management and all the staff under the responsibility of the Board of Directors. The aim of these measures is to give reasonable assurances as to the achievement of operational goals, compliance with laws and regulations and the reliability of financial information. The Group's Internal Control Department steers the Group's internal control plan. The Group Audit and Risk Control Department and the Group Fraud and Revenue Assurance Department help to assess this system.

a global security policy

The global security policy covers and coordinates three areas:

- information security;
- the health and safety of individuals;
- environmental safety.

It applies to the entire Group, the parent company and consolidated subsidiaries.

A security management system based on ISO 27001 standard ensures the application of the security policy in all entities. Its objectives are to assess risks, help managers define priority measures for accepted risks, train and raise awareness among employees to improve behaviours, and propose offers that comply with security requirements.

identifying major risks

At least once a year, each of the Group's operational entities identifies the major risks within its scope (including environmental, company- and community-related risks). This identification, completed by the description of the action plans intended to cover these risks, constitutes the risk map of each of these departments. Changes in the list of these risks and the implementation of action plans are checked during internal control reviews and also, once a year, by the Risks Committee.

proactive prevention of fraud and corruption

France Telecom-Orange has drawn up a proactive policy to prevent fraud and mitigate any possible consequences thereof. This programme has been deployed throughout the Group since 2006. The programme is drawn up and managed by the Fraud and Revenue Assurance Department, which ensures the proper deployment of the strategy and its effectiveness among the Group's managers.

The anti-fraud policy, which was updated in 2010 (available in French and English), can be consulted by all employees on the intranet. Each entity manages its own policy based on Group policy principles at the local level.

Several anti-fraud modules have been developed, one of which is specific to the prevention and detection of corruption. The anti-corruption module has been deployed in the Group's main entities, which are responsible for over 97% of the Group's turnover.

A module on preventing fraud at the management level has also been introduced in the same entities. Since 2009, these two modules have been internally and externally audited every year to comply with the Sarbanes-Oxley Act.

Employees are regularly reminded of the risks of fraud and corruption. A number of information and training tools can be accessible by employees on the intranet including a collection of practical cases, an anti-fraud guide for use by managers, and e-learning modules.

Every year, members of the Fraud and Revenue Assurance Department pay numerous visits to entities to support the deployment of the system. In 2011, members travelled to 22 countries to raise awareness among management teams on the main risks of fraud and corruption.

All employees or suppliers wishing to signal a suspected fraud can use the whistle-blowing process to pass on any information (via a special e-mail address) and facts that may constitute an offence or fraud in the financial, accounting, banking domains or pass on any information which helps combat corruption. This procedure means that these alerts can be dealt with in confidence and independently, and ensures the protection of employees.

a process fuelled by dialogue

the Group's approach

Listening to and incorporating the requirements of stakeholders form the basis of France Telecom-Orange's CSR policy, in accordance with the principles of inclusivity, materiality and responsiveness defined in the AA1000 standard. For Orange, this structured, regular dialogue with those concerned in the company's operation meets three objectives:

- ensuring that the Group's CSR projects are consistent with the priorities of the stakeholders;
- identifying and prioritising risks and opportunities linked to community issues and the needs of countries in which Orange operates;
- identifying opportunities for innovation opening up new prospects of growth for Orange whilst supporting the social and economic development of the countries concerned.

a multi-level dialogue

France Telecom Orange is involved in dialogue with its stakeholders on a number of levels:

- at Group and business line level, which ensures consistency throughout the company;
- at country level, which is the most in touch with local issues and players.

In addition to exchanges carried out at Group level, each country draws up and implements its own system of dialogue with its local stakeholders, using a number of resources (surveys, individual meetings, panels of stakeholders etc).

Besides closer links and improved mutual understanding with local stakeholders, these processes enable the Group to detect "weak signals": emerging requirements or issues not identified through traditional channels.

structured processes in the main European entities

Several years ago, three countries (France, Spain and Poland) introduced their own systems for dialogue with stakeholders, in line with the priorities of the Group's CSR policy.

In July 2011, Orange France carried out a new survey to identify CSR requirements among a sample of 975 people representative of French society. An additional qualitative survey in the form of meetings with participants selected for their involvement in the telecommunications sector helped to cover themes corresponding with major requirements in more depth:

- child protection;
- clarity of offers and quality of listening;
- health, environment;
- jobs, Internet and mobile phone access for all;
- economic role of telecoms operators.

In Spain, the comprehensive process implemented in 2011 made it possible to enrich the drawing up of CSR action plans by including in them the priority requirements of stakeholders. In Poland, stakeholder panels met in three different regions to discuss key CSR issues.

a more robust process at Orange Business Services

Orange Business Services embarked in 2011 on a project aimed at strengthening and structuring its dialogue processes with stakeholders:

- on a worldwide level, by putting in place a dialogue on CSR challenges linked to products and services;
- on a local level, using structured dialogue approaches in the main countries.

The first milestones in a dialogue approach were laid down in Russia at the end of 2011. Other key countries will follow in 2012, particularly the United States and Egypt.

Objectives:

- to enrich the vision of the main issues and avenues for improvement in respect of corporate social responsibility;
- to identify the priority requirements of stakeholders in the various markets;
- to gain a better understanding of CSR issues connected with the Group's business products and services.

a Group method deployed in 11 subsidiaries

Since 2009, Orange's CSR management has developed a methodological tool to help countries that do not yet have a structured process for dialogue with stakeholders: the CSR Dialog Toolkit.

The CSR Dialog Toolkit helps to enhance the value of CSR initiatives already embarked upon by subsidiaries and to increase their impact by integrating the perceptions and requirements of the leading local stakeholders. It contributes to the deployment of the Group's CSR strategy by providing a common framework ensuring the consistency of the actions carried out in the different countries.

Based on internal "blue sky" workshops and external meetings with stakeholder representatives, the toolkit enables subsidiaries to gain an understanding of internal and external views of CSR issues and gives rise to the creation of a CSR action plan suited to local issues and consistent with the Group's CSR priorities.

The methodology has been designed to be easily adapted to all Group entities, whatever their resources.

Initially tested in pilot countries in Africa, this tool was deployed in six new countries in 2011: Armenia, Moldova, Switzerland, Côte d'Ivoire, Cameroon and Senegal. Including the three main countries, a total of 14 Group subsidiaries (including nine in Africa) accounting for over 70% of sales deployed a structured dialogue process with their local stakeholders. The extremely rich feedback reveals strong trends in each zone:

- service quality and child protection in Europe;
- the contribution to economic and social development in emerging countries.

CSR, at the heart of the Group's strategy



focus

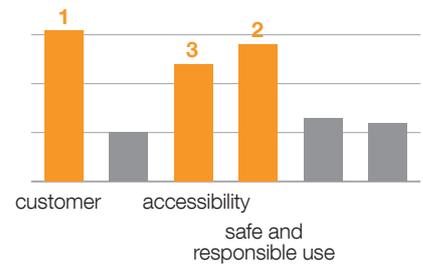
Senegal, Armenia: two examples of dialogue processes initiated in 2011

In Senegal, the concept of listening to stakeholders introduced in 2008 applied for the third time by holding a dialogue with stakeholders using the CSR Dialogue Toolkit. Two half-day internal workshops brought together 20 representatives of various company departments: marketing, finance, human resources, business sales, communications, etc. The workshops provided an opportunity to discuss various CSR themes (inclusion, customer experience, responsible usage, environment, local development, telecoms for development) and together select those offering the best business opportunities and reflecting the prime requirements of external stakeholders: service quality and geographic inclusion emerged as two priority topics. This internal view was then compared with the perception of Sonatel's external stakeholders, who were questioned on the same themes in 19 individual one- to two-hour interviews. These stakeholders included members of the economic sector (e.g. the incubator CTIC and Sunéor) and civil society (e.g. Ashoka), and authorities such as the association of Senegalese mayors. The comparison helped to reveal that the themes of development, jobs and radio waves, which are not widely identified internally, were perceived externally as major issues. An additional quantitative survey of a sample of 300 stakeholders helped to refine these results, which were used to support the revision of Sonatel's CSR action plan.

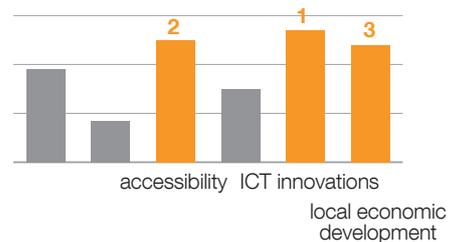
In Armenia, a stakeholder dialogue was held in March 2011 using the same methodology, with 24 external stakeholders including NGOs such as the WWF and the Children of Armenia Fund, businesses and authorities such as that regulating public services. Child protection, local purchases, customer relations and telecoms for health emerged as the main themes that are more important externally than is perceived within the company. This dialogue, in which the CEO of Orange Armenia played a prominent part, resulted in the subsidiary's first CSR action plan.



Western Europe

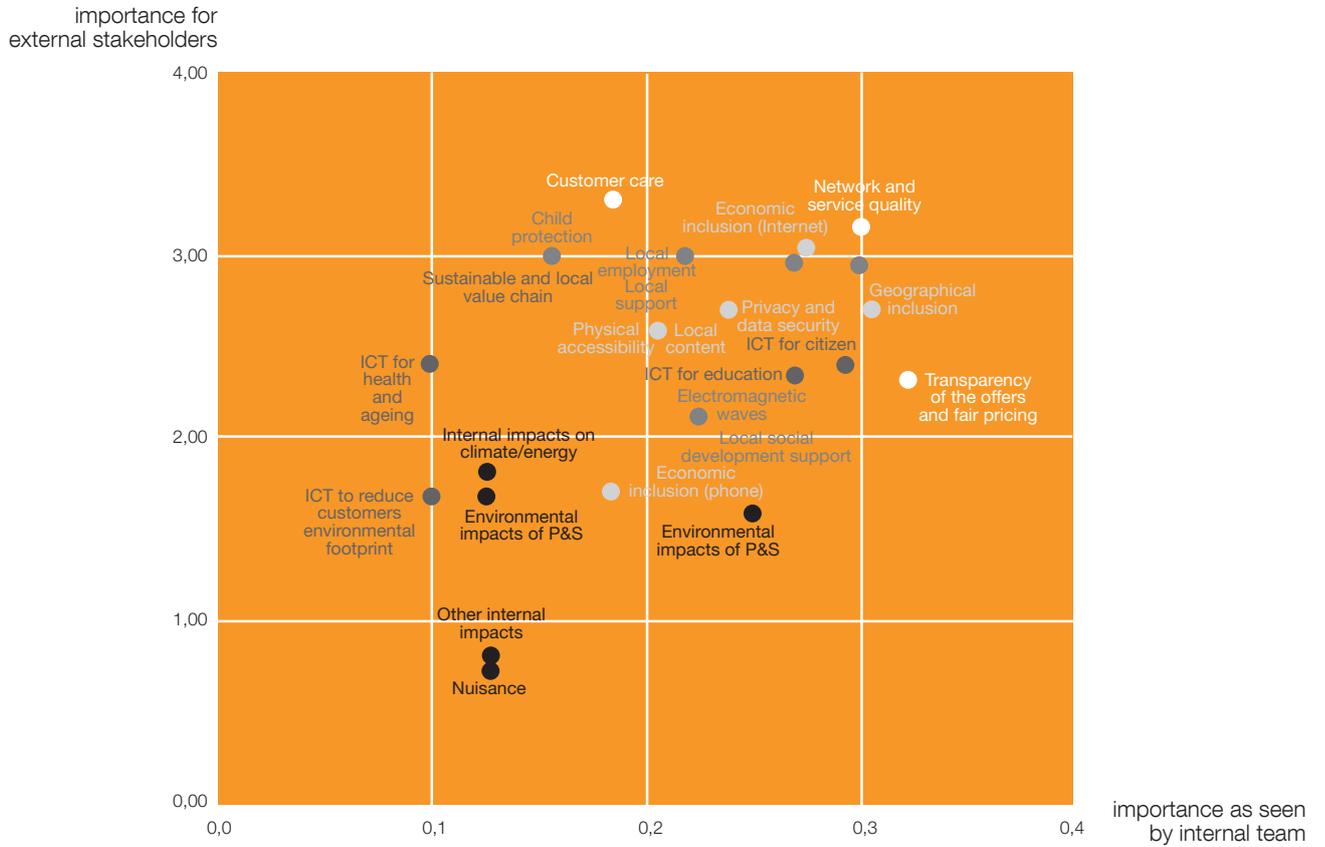


sub-Saharan Africa



Classification of our stakeholders' expectations in order of importance. In Western Europe, corporate responsibility is focusing on excellence on its core business with a growing demand for child protection. In Africa, our stakeholders want us to contribute to their countries' economic development and design innovative services.

analysis of variations in internal and external perceptions of CSR issues in Senegal



matrix of materiality for Orange Armenia



promoting responsible purchasing principles

the Group's approach

For several years, France Telecom Orange has implemented a responsible purchasing policy. The aim of this is to ensure the application of corporate and social responsibility principles in its relations with its suppliers by improving how it controls ethical, social and environmental risks.

a structured evaluation and monitoring process

The France Telecom Group selects its suppliers using a structured seven-step process including an evaluation of suppliers at the moment of their selection (or listing) as well as throughout the lifetime of the purchase contract.

In addition to assessing quality, lead times and costs, supplier evaluation and selection takes into account:

- the compliance with applicable laws and regulations;
- the adherence to the rules of confidentiality, loyalty and sub-contracting;
- the existence of clearly formalised commitments and action principles;
- environmental, corporate and social criteria adapted to the type of purchases.

demanding contractual requirements with regard to human rights and protecting the environment

All Group contracts and a growing number of local contracts now include a responsible purchasing clause entitled "Ethical practices – corporate responsibility".

This clause was strengthened when the Group signed a global agreement on basic social rights with UNI Global Union in 2006, which contains a section on suppliers and sub-contractors.

This document ensures that all France Telecom suppliers and service providers are committed to:

- combating all forms of compulsory or forced labour;
- prohibiting child labour;
- respecting the principles of non-discrimination.

Furthermore, to ensure that suppliers understand the Group's CSR expectations and commitments and are able to pass this information on to their own suppliers, France Telecom-Orange has

drafted a Sourcing and Supply Chain Code of Conduct, which clearly sets out its ethical, social and environmental commitments: to ensure that working conditions in France Telecom Orange's supply chain are safe, that workers are treated with respect and dignity, and that manufacturing and delivery processes do not harm the environment. This code can be consulted on orange.com.

monitoring overall supplier performance

Once suppliers have been contracted, their overall performance (economic, environmental, social and ethical) is regularly assessed using the QREDIC® tool. This tool, designed by Orange, covers the majority of Group purchasing contracts and is being progressively applied to local contracts in the main subsidiaries. It enables us to integrate the supplier's CSR evaluation into its overall performance.

Each contract is assessed once or twice a year (or on request) with support from the entities concerned. The results are presented to the suppliers and, where necessary, lead to the drafting of improvement plans.

At the end of 2011, QREDIC® was deployed in France and the following countries: Belgium, the Dominican Republic, Egypt, Jordan, Kenya, Luxembourg, Mauritius, Moldova, Niger, Romania, Slovakia, Spain and for certain Orange Business Services purchases.

raising awareness among buyers

The company has also drafted a purchasing code of conduct and awareness-raising actions are regularly undertaken among all those involved in the purchasing process to ensure that the Group's responsible purchasing policy is properly applied.

Special training on responsible purchasing has been available since 2007 and covers the major

challenges such as respecting human rights and the interdiction of child labour. This training module (first delivered in France) is being re-designed.

improved management of suppliers risks

A system to monitor and trigger alerts on different types of purchasing and supply risks has been introduced for key or strategic company suppliers, i.e. those suppliers whose bankruptcy could have a major impact on the Group's business or, in terms of CSR, whose activity concerns a high risk product category.

These suppliers are regularly assessed by different departments:

- for the financial, CSR and performance (quality, relations, lead times and innovation) aspects, by the Supplier Performance Development Department, and
- for the production and supply aspects, by the Orange purchasing office in China.

CSR evaluations of Group suppliers

For several years, due to increasing scalability, suppliers must undergo a corporate social responsibility evaluation. This is a documentary-based evaluation carried out using an Orange questionnaire or with assistance from EcoVadis, a company specialising in responsible purchasing. At the end of 2011, 140 Group and France strategic suppliers were assessed in this way.

Areas of improvement had been identified for 80% of suppliers whose assessment showed weaknesses.

on-site CSR audits

In December 2009, to improve the verification and evaluation of international social standards, France Telecom launched the Joint Audit Cooperation – JAC initiative with Deutsche Telekom and Telecom Italia. Its purpose is to jointly carry out CSR supplier audits using a common methodology.

In 2001, four new operators joined the initiative: Belgacom, KPN, Swisscom and Vodafone. Extending the reach of the JAC means that we are able to increase the number of suppliers we monitor (from 38 to 73, i.e. 70% of France Telecom-Orange's suppliers), and pave the way for better supplier collaboration in finding solutions that better address CSR issues at the various levels of the CSR chain.

indicators	2007	2008	2009	2010	2011
% of purchases evaluated using the QREDIC® system	82% of Group purchases	350 Group contracts = 80% of Group purchases	59% ⁽¹⁾	59% ⁽²⁾	67% ⁽³⁾

(1) Total purchases examined down by 13% compared to 2008

(2) Total purchases examined down by 8% compared to 2009

(3) Total purchases examined constant compared to 2011

The JAC campaign commenced in June 2010 and the audits were conducted using a joint methodology to verify, evaluate and promote norms and best practice with shared suppliers and subcontractors and, where necessary, to draft corrective plans. The JAC methodology is based on the SA8000 social responsibility standard and the ISO14001 environmental standard.

In 2010 and 2011, 33 audits were carried out in plants in China, Taiwan, South Korea, Japan, India, Eastern Europe and South America and covered over 155,000 workers. 132 instances of non-compliance were stated; 36 of which were considered critical (see graphs below). Following discussions with the suppliers in question, improvements were made notably in terms of working hours, pay and rest days. These measures resolved the majority of instances of non-compliance. At the end of 2011, 75 instances of non-compliance remained unresolved (45 of which were identified during the audits conducted in 2011) in the following areas:

- working hours: 31 (13 unresolved in 2011);
- health and safety: 25 (19 unresolved in 2011);
- pay: 9 (6 unresolved in 2011);
- environment: 3 (3 unresolved in 2011);
- child or youth labour: 3 (0 unresolved in 2011);
- business ethics: 2 (2 unresolved in 2011);
- disciplinary practices: 2 (2 unresolved in 2011).

Actions are being implemented in order to improve suppliers and sub-contractors' practices.

Outside the scope of JAC audits, France Telecom-Orange also conducts specific purchasing audits on environmental and health and safety issues. Four on-site audits were conducted in France in 2011.

contributing to local economies and sustainable development

One of the priorities of France Telecom-Orange's CSR policy is to contribute to social and economic development in countries where the Group is present. Purchasing has a significant role to play in this area. Since 2010, an indicator has been in place to monitor local purchases. Depending on the geographical zone, around 30% of Group investments are injected into the local economy:

- 28% to 36% in the Europe zone;
- 13% to 42% in the Africa Asia zone; however, owing to the unequal deployment of financial tools, this data is not as reliable.

Via its purchasing policy, the Group supports the development of small- and medium-sized enterprises (SMEs), the "workers with disabilities" sector and, more broadly, encourages the use of a wide range of suppliers:

- in 2010 in France, Stéphane Richard, Chairman and CEO of the Group, signed the credit mediation charter with CDAF (French association of buyers) governing relations between major clients and SMEs. Through this charter, France Telecom commits to promoting the development of SMEs in France;
- since 2003, the Group has also committed to employing people with disabilities by outsourcing at least 10 million euros of its purchases per year to companies employing disabled workers. In 2011, France Telecom-Orange purchased 17 millions euros of goods from this sector;
- to promote diversity among suppliers, invitations to tender in France now include criteria which assess their commitments in four main areas: equal opportunities for men and women, recruiting and retaining employees with disabilities, equal opportunities for all, and combating of all forms of discrimination.



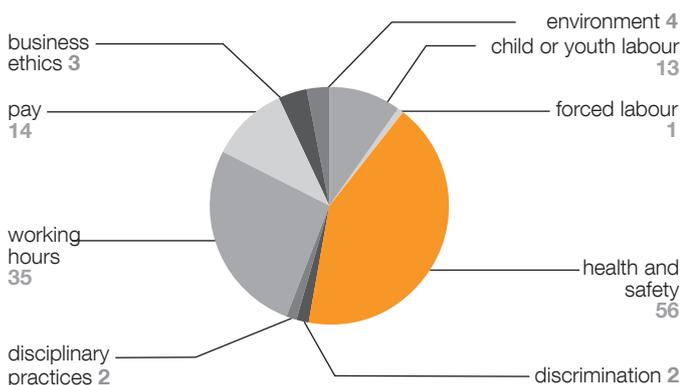
focus

Japan: proactive supply risk management

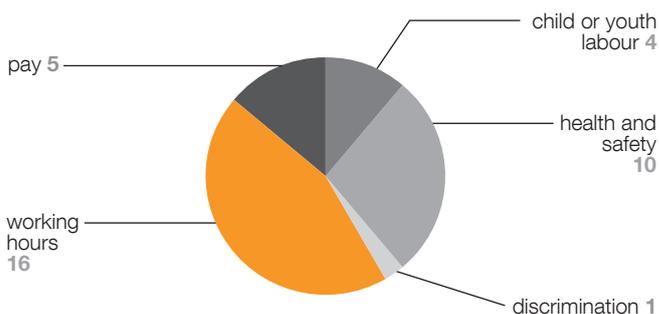
Following the Fukushima nuclear accident, the Group purchasing division set up the Japan Crisis Monitoring Team on 16 March. Around 50 suppliers were identified as requiring special monitoring due to the potential impact of supply disruption and its subsequent impact on the Group's business and operations.

These suppliers were contacted on 18 March to evaluate the possible impact on supplies to the Group (list of equipment, possible supply disruption dates, etc.) as well as to find out what measures would be put in place if necessary. Following the issue of disruptions to the supply chain, the risk of radioactive contamination arose. Over two-thirds of the suppliers we contacted responded. The guarantees we were given were deemed satisfactory (even very satisfactory) in terms of certificates, commitments and special controls prior to shipping (for manufacturing plants in Japan) or following acceptance (for suppliers importing material from Japan).

breakdown of identified non-compliance areas in audited sites



breakdown by critical non-compliance areas



CSR, at the heart of the Group's strategy



focus

stronger cooperation in the purchasing domain with Deutsche Telekom

In October 2011, the anti-trust authorities granted permission to launch BuyIn, a Deutsche Telekom and France Telecom joint venture, which was formed to make combined purchases of handsets, mobile communication networks and a significant part of landline equipment and service platforms. The purpose of this joint company, based in Brussels, with operational units in Paris and Bonn, is to improve the purchasing competitiveness of the two groups, to generate long-term economies of scale, to reduce costs for customers, and to encourage supplier innovation. It is also believed that this will improve the standardisation of equipment used by the two operators. This joint venture will enable the two groups to give new impetus to cooperation in the domain of responsible purchasing.

stronger links with suppliers and sub-contractors

In addition to its programme for evaluating and managing purchasing risks, France Telecom wants to form long-term relationships and partnerships with its suppliers.

creating a common vision

It is vital to give suppliers a clear vision of the Group's new objectives and changes in its activity in order to link them more closely to the Group's strategy.

In the network domain, where cooperation with suppliers and sub-contractors is particularly important, two key projects were launched in 2010:

- the ETR Excellence programme consists of strengthening the partnership between Orange and its sub-contractors in the area of support/maintenance (on networks or in customers' homes) as this area is subject to strong fluctuations in activity. The aim of this project is to resolve interface failures in order to facilitate the work of the various actors and ultimately increase customer satisfaction. Five support/maintenance units and seven sub-contractors took part in the pilots, which resulted in the development (and subsequent testing) of corrective action plans before the general roll-out. It is hoped that this project will give sub-contractors a better overview of business forecasts, improve their work plans, provide an opportunity to discuss skills management, help sub-contractors implement improvements, improve interface performance, etc. The scope of the project will be extended to all Orange support/maintenance units and their sub-contractors mid-2011;

- the second project relates to developing "network" skills and aims to improve existing skills and ensure their continuity through the recruitment of young people. We are currently planning to recruit approximately 170 local loop network technicians per year from outside the company. To compensate for the lack of skills in the market, Orange has set up work/study programmes in partnership with Auxo and Pôle emploi. Successful completion of these courses results in a *bac professionnel* (vocational qualification), which is recognised in the market. These training courses are offered to sub-contracting companies and some have become involved in the programme. At least 250 future technicians per year will be trained in this way over the next five years, and will then be able to join Orange or its sub-contractors.



focus

1st CSR forum for the Joint Audit Cooperation members

On 12 January 2012, in Shenzhen, in China, the 1st JAC forum on CSR – "Cooperation beyond competition, let's CSR together" – was held and brought together seven member European telecoms companies (Belgacom, Deutsche Telekom, France Telecom, KPN, Swisscom, Telecom Italia and Vodafone), NGOs, international institutions and associations (such as ILO and Business for Social Responsibility) and representatives of major technology and IT multinationals. The large attendance attests to the key role of this initiative in improving CSR in the industry.

key events in the Group's responsible purchasing policy

2004

- Introduction of the QREDIC® tool to assess the overall performance of suppliers.
- Incorporation of an "Ethical and environment" clause in all Group purchasing contracts.

2006

- Definition of a purchasing risk map.
- Incorporation of an "Ethical and environment" clause in all local France contracts.

2007

- Sending all suppliers the UNI Group agreement on basic social rights.
- Introduction of a special training course on responsible purchasing (including human rights).

2008

- The "Ethics and environment" clause becomes the "Ethical practices – corporate responsibility" clause and now includes five of the basic ILO conventions on forced labour, child labour and combating discrimination.
- Distribution of a questionnaire to all suppliers concerned by the REACH regulation.
- Strengthening the collaboration programme with key and strategic suppliers; this becomes the Supplier Relationship Management process.

2009

- Design and implementation of a monitoring and alert system for all supplier risks.
- Launch of first social audits of Chinese suppliers performed using the SA8000 standard by an independent specialist firm.
- Signing of a cooperation agreement with Deutsche Telekom, Telecom Italia and France Telecom Orange to carry out joint CSR audits of Asian suppliers.

- Organisation of a seminar on eco-rating to familiarise and link suppliers of mobile and fixed terminals to the environmental labelling programme.

2010

- Launch of around 20 CSR audits of Asian suppliers under the cooperation agreement between Deutsche Telekom, Telecom Italia and France Telecom Orange.
- Launch of a new CSR assessment strategy with the support of an external specialist company – Ecovadis.

- Publication of a Code of Conduct for Group suppliers.
- In the framework of the Supplier Relationship Management: engaging in structured dialogue with the Group's key and strategic suppliers.

2011

- Extending the JAC agreement to four new operators.
- Launch of BuyIn, a joint purchasing company formed by France Telecom-Orange and Deutsche Telekom.



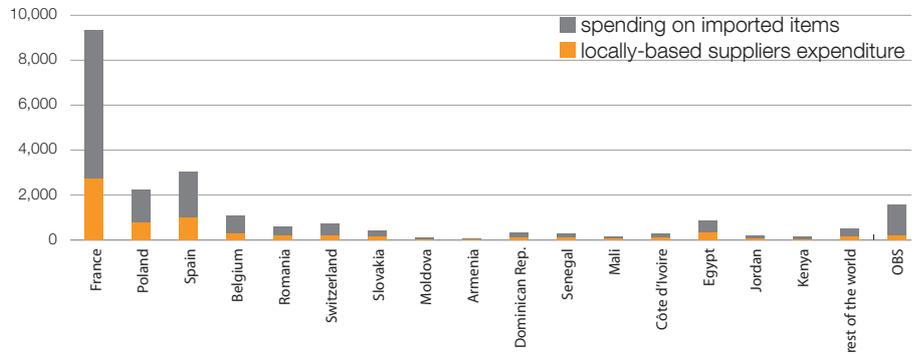
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**the Green Fleet Forum:
an example of increased
cooperation with suppliers**

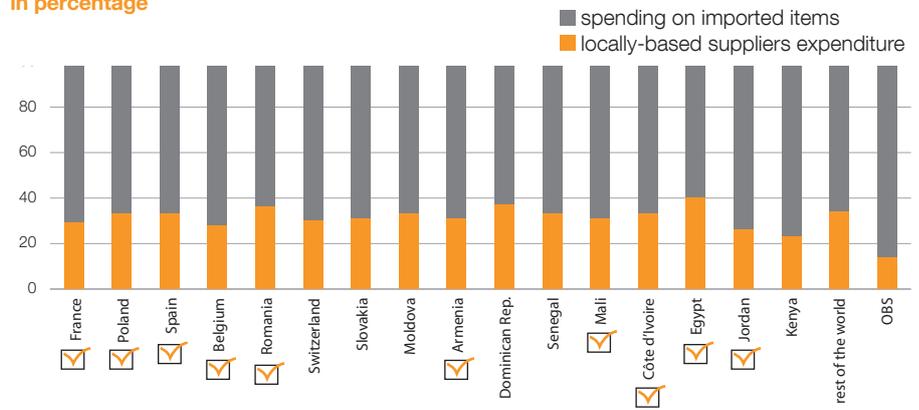
To ensure environmental commitments are implemented and more particularly objectives relating to its fleet of vehicles, France Telecom-Orange set up an annual discussion forum three years ago, the Green Fleet Forum. Its main objective is to ensure everyone involved in the purchase process adheres to the Group CSR policy to encourage the reduction in CO₂ emissions caused by the vehicle fleet: internal customers, suppliers, buyers in different countries...

This forum encourages discussions around common objectives and challenges sharing the latest technological advances, particularly in the field of electric vehicles. The latest edition of the forum, held on 30th March 2011, devoted to sustainable mobility, was an opportunity to present the latest electric or hybrid technologies and innovative services such as car-sharing to about 100 participants (car manufacturers, rental companies, buyers and Orange environment correspondents and representatives of several CAC 40 companies). The presence at the forum of three members of the Executive Committee, including Stéphane Richard, showed the interest in the subject from the company. This event was an opportunity to highlight strategic partnerships agreed between Orange and its suppliers, shown particularly by the operational user test of electric vehicles carried out in 2011 in Yvelines with the help of Renault-Nissan and also Schneider Electric, EDF and Total (project SAVE – Seine Aval Véhicules Électriques). The exhibition on this forum of innovative prototype vehicles also shows the relationship of trust that Orange has been able to build with its suppliers.

**breakdown of purchases, by origin (local or imported), for 2011,
in thousands of euros**



**proportion of spending on locally-based suppliers
in percentage**



☑ element verified by Deloitte, moderate assurance

CSR, at the heart of the Group's strategy

2011 review	deadline	achievements
responsible purchasing		
Implement a code of conduct in the various subsidiaries and finalising the implementation of the "Ethical corporate responsibility" clause in all the AMEA countries.	2011	<ul style="list-style-type: none"> ■ Launch of the Suppliers' Code of conduct. ■ Implementation of the CSR clause in the local purchasing contracts in 12 out of 16 countries in the AMEA zone.
Extend the reach of QREDIC® to cover 15 countries.	2011	<ul style="list-style-type: none"> ■ Deployment of QREDIC® in 14 of the 15 countries.
Carry out CSR assessments with suppliers with the aim of evaluating 500 CSR strategic or at risk suppliers over a three-year cycle.	2011-2013	<ul style="list-style-type: none"> ■ At the end of 2011, 140 suppliers evaluated (out of an interim objective of 150). ■ Based on a sample of contracts, there has been an increase of more than 90% of the proportion with a CSR-type clause.
Implement action plans with suppliers whose CSR evaluation was low.	2011	<ul style="list-style-type: none"> ■ Identifying areas for improvement in terms of CSR risks for 80% of evaluated suppliers.
Conduct social audits with at risk suppliers or sub-contractors and ensuring follow-up with action plans.	2011	<ul style="list-style-type: none"> ■ Carrying out joint audits in the framework of the Joint Audit Corporation (JAC – founded by France Telecom, Deutsche Telekom, and Telecom Italia). ■ 2011: extending the JAC to KPN, Vodaphone, Swisscom and Belgacom. ■ Conducting 33 audits covering 37 plants between 2010 and 2011 (mainly in China). ■ Monitoring corrective actions mainly in terms of health and safety, working hours, and the employment conditions of young people and workers. ■ Outside JAC, conducting four audits in the context of purchasing and focusing on the environment and occupational health and safety.

2012 roadmap

deadline

- Extend BuyIn (joint venture with Deutsche Telekom to make common purchases), a responsible purchasing policy (code of conduct, CSR clause, etc.) in line with the Orange's policy. 2012
- Consolidate the use of QREDIC® in countries and extending it to four new countries. 2012
- Continue supplier CSR evaluations with the aim of evaluating 500 strategic or non-compliant CSR suppliers every three years. 2012
- Continue to identify areas of improvement for evaluated suppliers and verifying the implementation of any action plans. 2012-2013
- Strengthen the auditing process with the Joint Audit Corporation by increasing the number of audits, extending the scope and working more closely with suppliers. 2012-2013
- Conduct social and environmental audits in addition to the JAC initiative. 2012
- Strengthen the reporting of countries on human rights on the basis of the commitments taken in 2011. 2012

being attentive to our employees

Our goal is above all a human goal with an inspiring challenge: to transform a technological challenge into a human adventure, which espouses economic performance and social quality. Our Group is committed to placing men and women at the heart of its development strategy and this is accompanied by strongly-formulated social goals, e.g. by 2015 to be among the preferred employees in the main countries where we work.

⁶⁹ establishing bonds between economic performance and social performance, recognising individual and collective contributions

⁷⁵ building a common and shared management culture and addressing the skills challenge

establishing bonds between economic performance and social performance, recognising individual and collective contributions

the Group's approach

France Telecom-Orange, convinced that social performance and economic performance are inseparable for long-term overall success, has been reviewing its social policy since the end of 2009 to place its employees at the heart of the organisation. The men and women who work at Orange add to the value of the Group and its profits. Key to the success of the Group, they deserve to be recognised and rewarded for the work they undertake on behalf of customers and the company. This ethos underpins the sharing model implemented by the Group, which is based on recognising individual and collective contributions.

a new social contract

The Group's economic success can not be achieved without social success. To conciliate these two dimensions, France Telecom Orange must be more attentive to all its employees, establish a constructive dialogue between unions and management, and put in place a system for analysing social quality in the workplace.

social reform in France

In view of the social crisis that occurred in France in 2009, France Telecom-Orange embarked on an initiative to be more attentive to its employees to help it understand the reasons behind the dissatisfaction and to remobilise all its teams in a new company-wide project.

These discussions resulted in several social agreements being concluded, which were then used as the basis to draft a new social contract. This was then personally sent out by Stéphane Richard to the 102,000 employees in France in September 2010.

This new social contract sets out the conditions and principles for working together and includes 158 measures aimed at establishing stronger bonds between economic success and social success. It will be implemented progressively (by 2015) and is based on six major themes:

- jobs;
- work organisation;
- management;
- working conditions;
- remuneration;
- HR.

To ensure its implementation, 900 million euros have been earmarked for the 2010-2012 period as part of the conquests 2015 strategic project. One year after its implementation, over three quarters of the 158 measures outlined in the social contract have been implemented and are supported by action plans. The twice-yearly social barometer, which measures social quality as it is perceived in France, shows improvement in the social climate (see focus). The barometer is extended to the entire Group since 2012.

Orange People Charter:

the international mirror of the social contract

In July 2010, to extend the reach of the principles underpinning the new social contract in France to the entire Group, an international working group drafted the principles and commitments aimed at promoting social quality at the Group level in a document entitled "Orange People Charter".

This document was the result of a collaborative process and involved around 100 managers and employees from several Group countries. It was approved and signed by all members of the Executive Committee in November 2011 and was sent to all the Group entities in December 2011.

Through the Orange People Charter, the Group is confirming its willingness to initiate long-lasting, trust-based relationships with its employees; Orange people charter is based on six key principles:

- be an ethical and socially responsible employer ;
- offer career and development opportunities;
- provide a work environment for outstanding customer satisfaction;
- empower managers and hold them accountable for progress and success;
- provide a positive quality of life at work;
- recognise and reward employees for their individual and collective contributions to our success.

This aim of the Orange People Charter is to give the men and women who work at Orange the opportunity to succeed in an environment where team spirit is valued and collaborative working practices ensure customer satisfaction. It will be used to adapt employee commitments to local country contexts.

strengthened social dialogue

Encouraging quality social dialogue with all employees is also one of the Group's key commitments.

dialogue bodies at all levels

To support social dialogue at all levels of the company, France Telecom Orange is encouraging the establishment of local employee representative bodies (to better reflect realities in the field) and national and supranational bodies, enabling major issues to be dealt with from a Group viewpoint.



focus

re-electing employee representation bodies in France

In 2011, a number of employee representation elections were held within the Group in France.

The France Telecom Orange economic and social unit (ESU) elections were the first to be held following the law passed on 20 August 2008 on reviewing the social dialogue process.

On 22 November 2011, almost 104,000 ESU (France) voters were invited to cast their votes to elect the works councils and the employee representatives. Employees were extremely mobilised as demonstrated by the 73.68% rate of participation. In terms of France Telecom SA, all the public sector voters (over 66,000) elected representatives to the *commissions administratives paritaires* (joint administrative committees) with a participation rate of over 79%.

Employee representation elections also were held at Equant France, Innovacom Gestion, NordNet, Orange Caraïbes, Neocles Corporate, Soft At Home (HNSA) and UES Etrali France/ Etrali SA subsidiaries.

a responsible employer

Exchanges between unions and management are taking place as part of a very comprehensive programme:

- almost 400 local employee representative bodies in Europe and in a number of African subsidiaries;
- a Central Committee of the economic and social unit in France;
- a French Group Committee;
- a European Group Committee representing employees from 19 countries;
- a Global Group Committee was formed in June 2010 to improve the effectiveness of social dialogue with employees and to ensure that they are all properly represented. This new social dialogue body brings together members (elected for four years) representing all the countries where the Group has over 400 employees.

initiating new bonds between employees

In addition to discussions held in the employee representation bodies, Orange has put in place a range of innovative initiatives to encourage employees to engage in discussions in less formal settings: organising chats with directors, visiting members of the Executive Committee in the Group's offices, etc. The company's social network – Orange Plaza – strengthens social bonds by encouraging discussion and dialogue within the Group. Entirely voluntary and with no managerial involvement, Plaza makes it possible for employees to create or join professional or non professional communities. Initially only accessible to Orange France employees and in the 38 Orange Business Service countries, the network will extend its international reach in 2011 by setting up local versions in the Spanish, Polish and Romanian subsidiaries. Plaza can now be accessed by 75% of Orange's 170,000 employees around the world and is available in four languages: English, French, Spanish and Polish. With over 70,000 visitors, 30,000 members, between 20,000 and 60,000 pages views per day and 1,200 communities (30% non professional and 70% professional), Plaza is making a real contribution to the first pillar of conquests 2015: placing men and women at the heart of the company.

social quality analysis tools

To monitor progress in terms of social quality, France Telecom Orange has introduced a number of measuring tools:

- a social barometer survey was conducted by an independent survey institute with a representative sample of employees in order to gather information on how employees perceive social quality within the Group and to identify any possible discord between given commitments and day-to-day realities (all dimensions of their company). This barometer covers the five major areas set out in the Orange People Charter and the social contract, i.e. management relations; career development paths and prospects; quality of working life and working environment,

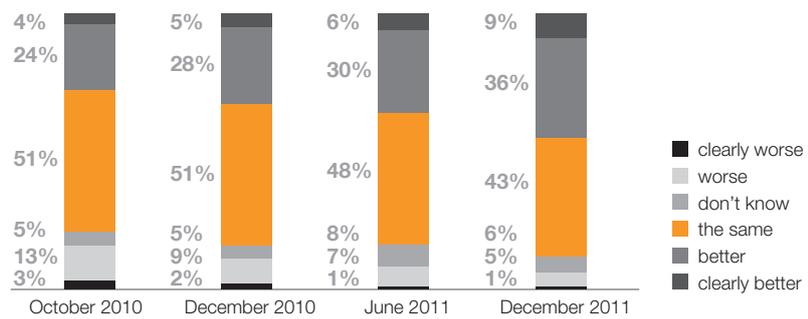
remuneration and recognition, and the CSR strategy. First conducted in 2010 in France, this twice-yearly survey has now been extended to other Group countries. In December 2011, an international version of the barometer was launched in the vast majority of the Group's countries (in nine languages). Carried out once a year in the form of an annual survey by an independent institute, the barometer complements existing surveys conducted in the Group's entities;

- a composite corporate social performance indicator (CCSPI), comprising the results of the barometer (50%) and HR indicators (50%) (rate of absenteeism under five days, rate of diversity in governing bodies, rate of voluntary departure of new recruits before serving three years, rate of

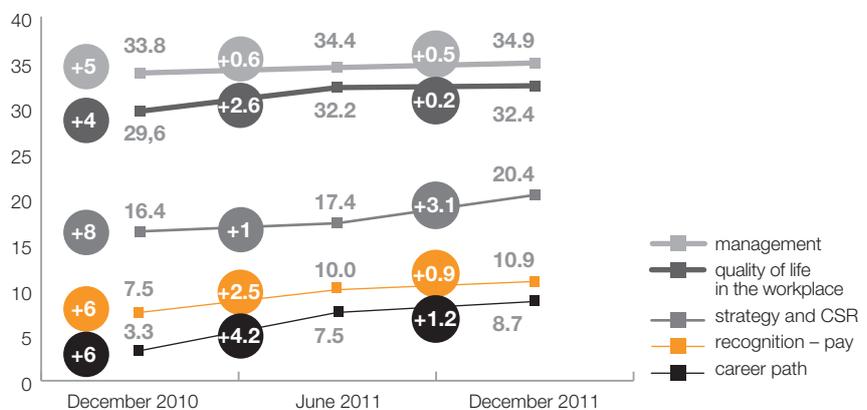
personal assessments, rate of employees receiving no training in the last three years), measures social performance in the Group's various entities. This indicator influences leaders' (mainly executive directors) variable pay awards in order to foster solidarity: managers are jointly responsible for social quality within the Group, regardless to which division they belong in order to encourage greater solidarity and mutual support and the emergence of new forms of organisation, i.e. ones that are more human and encourage the creation of social bonds;

- groups of employees composed of managers, HR professionals, health and safety professionals, etc., also analyse social quality and the implementation of the social contract in the field.

how do you judge the quality of life in the workplace in France Telecom-Orange with regard to other companies?



evolution of the Group France employees on each theme average mark between -100 and +100 calculated from the answers of the questioned employees on each theme





focus

continuing to improve the social climate in France

A year following the launch of the new social contract, the fourth edition of the social barometer in France (in December 2011) was conducted. Its findings were positive and encouraging. 88% of the 4,000 employees questioned about the quality of work life at France Telecom thought that it was the same (43%); better (36%) or much better (9%) than in other companies. The percentage of employees who thought that the situation was worse decreased threefold compared to October 2010.

For the second consecutive half-year period, each area showed signs of improvement in terms of daily working conditions.

Questions about the quality of life at work showed significant signs of improvement. We also observed improvement in terms of the volume and pace of work, and in the work/life balance.

The theme of career paths has improved the most thanks to actions taken by the company in this area: recruitment, local HR officers and an increased number of training programmes.

Finally, the area with the highest score – relations with management – reveals that while a large majority of employees trust their line managers they think they are not given enough latitude.

improving working conditions

Improving the day-to-day quality of life and work organisation is one of the main challenges of the social contract. To succeed, the Group is making concerted efforts to improve the comfort of work spaces, simplify IT tools, encourage proximity and cooperation, and provide services that facilitate everyday life and the work/life balance.

In the new social contract, several measures have been taken to improve working conditions:

- 10 million euros have been set aside to improve conditions on 800 sites and to modernise equipment;
- 20% of the IT budget has been earmarked to improve employee comfort in using work systems.

Furthermore, work is under way, as part of the Orange toBee project, to improve the ergonomics of employees' work stations with expert advice from Orange Labs.

Trials to simplify and facilitate daily life are being piloted on certain sites: inter-company crèches, child-minding facilities and care services for dependent relatives, concierge services, etc.

The Group is also striving to address other personal issues by introducing remote working systems to allow employees to work from home or a more convenient site and the possibility to adjust working hours to deal with personal issues. A few examples:

- in Belgium, 15% of Mobistar employees are contracted to work from home one or two days a week. Their work schedules are flexible;
- in 2011 in Spain, Orange obtained EFR (Empresa Familiarmente Responsable – in English "family friendly company") certification in acknowledgement of the company's efforts to promote work/life balance;

■ in Slovakia, Orange received the "family-friendly" award three years' running.

■ in the USA, Orange Business Services was nominated "Best Workplaces for Commuters" thanks to its tele-working programme which has reduced commuter journeys by 50% as well as increasing employee satisfaction (1,200 employees in 30 large cities);

■ in France, following agreements signed with social partners in November 2009 and December 2010 on measures in favour of seniors and improving older employees' career exit strategies, over 5,300 senior employees have been allowed to work part-time or on an intermediate basis (including a further 2,200 employees since March 2011).

strengthening the way in which professional risks are addressed

Orange is committed to protecting the health and safety of its employees and sub-contractors wherever they are in the world. In addition to an

occupational health and safety system, the Group is also working hard to prevent psycho-social risks.

ongoing improvement of health and safety conditions in the workplace

Since 2006, company entities have been continuing to deploy their health and safety management system in the workplace. In 2011, improvement has made notably in terms of training the network of prevention officer (two new sessions were added in 2011) and conducting health and safety audits in all the Group's entities. The second audit cycle of all the entities showed marked improvement compared to 2007.

One particular area requiring improvement is the need to strengthen managers' awareness and recognition of health and safety issues, Action plans are being deployed to address this issue. The France Telecom SA Occupational Health and Safety Department obtained ministerial approval at the end of 2011.

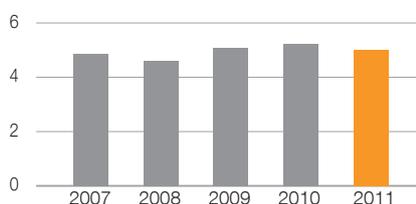
a voluntary psycho-social risk prevention policy

In accordance with the provisions set out in the "Assessing and preventing psycho-social risks" agreement signed on 6 May 2010, in 2011 France Telecom Orange continued to implement measures intended to provide employees with resources to enable them to thrive in the workplace and to do their jobs in the best possible conditions:

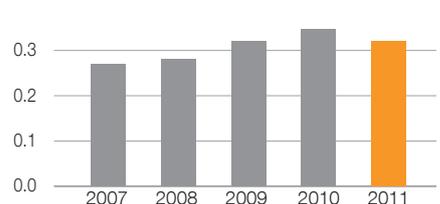
■ a National Stress Prevention Committee (NSPC) composed of staff and management representatives and stress prevention advisors was set up and granted considerable rights;

■ a psycho-social risk plan to assess and prevent risks has been implemented by the company's senior management. The in-house psycho-social risk assessment method was examined in the National Stress Prevention Committee and the findings were sent to all the operational units. The various assessments have resulted in several units drafting action plans. Building on the collective agreements signed in 2010, the various business lines have examined and implemented several initiatives aimed at reducing the impact of activities on employees' health;

frequency rate of work related accidents (TFRAC) – France Telecom SA (provisional data)



severity rate of work related accidents (TGRAC) – France Telecom (provisional data)





focus

ensuring employee safety in countries in crisis

In 2011, there were instances of political and social unrest and armed conflict in several of the countries where the Group is present.

In Côte d'Ivoire, at the end of 2010, Orange implemented a programme to protect its employees from the general state of insecurity: employees were sent daily safety information and recommendations by SMS or e-mail, offices in high-risk areas were closed, working hours were adjusted and safety measures were adopted, business trips were cancelled with the exception of urgent break down and call-out missions, at the medical centre a special support system was set up, etc. Following the conflict, Orange progressively resumed its activities by adapting working hours until the situation had returned to normal. It also set up a counselling service in the medical centre for employees affected by the conflict. Similar measures to those taken in Madagascar in 2009 were also taken in Tunisia and Egypt.

- 7,000 managers have been trained on managing sensitive situations. This training is now systematically included in their training programme;
- complaints mechanisms have been put in place to enable employees to alert the company should they observe any irregularities (ethical issues, discrimination, etc.);
- for all restructuring projects, psycho-social risks will be analysed with staff representatives and preventive measures will be put in place;
- in every country, a work environment department will be set up to support prevention professionals and coordinate their actions on behalf of managers and employees;
- the remit of the Central Health and Safety Committee has been strengthened and extra resources have been allocated to it representatives;
- every three years an independent expert will assess the company situation. The findings will be passed on to all stakeholders;

- to assist employees experiencing difficulties, the Group has set up 11 support and counselling units run by independent multi-disciplinary teams; provided set up a toll-free number that employees can call if they want to contact external professionals (covered by professional secrecy); and recruited additional occupational doctors in order to have a ratio of one doctor per 1,500 employees (twice the legal ratio).

sharing value with employees

France Telecom-Orange implements a value sharing model to recognise the contributions of the men and women who work for the Group. In 2011, on the 26.2 billion euros of value-added paid out by the Group, 38% was distributed to employees.

a process of fair assessment

In the majority of countries, Group employees receive individual assessments that provide them with the opportunity to:

- discuss their prospects and professional development and,
- take stock of their individual and collective objectives.

The employee contribution assessment is not solely based on quantitative indicators: it is also based on qualitative indicators such as lasting customer satisfaction and individual employee's contributions to Group effectiveness. It also takes into account the conditions in which employees have to perform their duties.

a motivating remuneration policy

To develop and anchor a results-based culture whilst promoting social quality, France Telecom-Orange rewards employees' contributions and performances via a motivating and incentivising remuneration policy. In addition to pay rises linked to improved performance in a specific role or to a significant increase in responsibilities, variable pay awards reflect the achievement of individual and collective targets:

- executives and managers who play a major role in mobilising teams receive an individual half-yearly pay award based on achieving targets in the Group's major programmes as well as their personal targets;
- each year, all employees, thanks to Group employee incentive schemes and profit-sharing schemes in France, receive a bonus linked to performance and profit indicators. To be in line with France, the Group is progressively rolling out employee profit-sharing schemes in other countries. In order to promote a healthy work/life balance, employees also receive innovative social benefits in terms of health (medical insurance) and planning for the future (Group savings plan and Group pension plan).

employee incentive schemes in France

Employee incentive agreements have been signed in each company. At France Telecom SA, employee incentive agreements were signed as far back as 1992. They involve all company employees in the operating income of the company.

In accordance with the 2009-2011 agreement, the France Telecom SA employee incentive scheme is based on an operating performance indicator (OPI). This is a result of changes in turnover, the controlling operational costs and the optimisation of investments. The OPI reflects the results of France Telecom SA (two-thirds) and Orange France (one third). It covers land-lines, mobiles and Internet.

The employee incentive scheme is also calculated based on the quality of customer service indicator (QCSI).

Should the OPI be exceeded, the money paid out increases in line with the levels attained by the QCSI and the OPI.

For 2011, a sum corresponding to 4.90% of the payroll, i.e. 1, 970 euros on average, will be paid out in May 2012.

profit-sharing schemes in France

A legal collective remuneration scheme in addition to the existing remuneration schemes. The Group made an advantageous choice on behalf of its employees: using a derogation formula to calculate the special reserve of the profit-sharing scheme, it is able to pay out more than the legal requirement if the result of the calculation is higher.

The amount of the profit-sharing scheme in France is determined by the operating income of the participating Group companies.

For 2011, an average of 1, 800 euros will be paid out in April 2012.

The amounts paid out in France in the framework of the employee incentive and profit-sharing schemes in 2011 were on average higher than an employee's monthly salary.



focus

France Telecom-Orange signs an agreement to pilot initiatives aimed at improving working conditions

On 7 July 2011, France Telecom-Orange signed an agreement with three organisations to pilot initiatives aimed at improving working conditions.

The aim of these pilot schemes is to prevent psycho-social risks and to significantly improve working conditions for all Group employees. For each pilot, indicators will be identified and monitored to evaluate the economic, qualitative and social effectiveness of the proposed measures.

a new free share allocation plan at the Group level

In July 2011, the Group created "Partageons", a new free share allocation plan. The aim of this plan is for the Group's employees to benefit from conquests 2015.

It concerns around 150,000 employees of France Telecom-Orange and its participating subsidiaries in France and overseas.

A total number of shares worth 16.7 million euros were allocated within the framework of the programme, i.e. 0.64% of France Telecom SA's share capital.

This plan, which demonstrates the Group commitment to being a responsible employer, is:

- universal in that it includes all employees in all countries at the same time and under the same conditions;
- fair in that in each country⁽¹⁾ everyone receives the same number of shares or the same sum regardless of their role;
- uniting in that everyone works towards achieving a shared goal.

In countries⁽¹⁾ where regulatory or corporate conditions do not permit the allocation of free shares, plan beneficiaries will receive an amount equivalent to the France Telecom share price on 27 July 2015.

Subject to the condition that the employee is still working for the company, the final allocation of shares will take place on 27 July 2015, if the performance condition is satisfied: i.e. cumulated operational cash flow (EBITDA – CAPEX) of 27 billion euros in the 2011-2013 period (outside exceptional events).

key dates relating to the Group's social policy

2003

- Establishment of the Group's Redeployment Committee to examine re-structuring projects and manage external recruitment.

2004

- Establishment of the European Group Committee.
- Formalisation of the policy relating to health and safety in the workplace and establishment of a Health and Safety Department.

2005

- Establishment of new employee representation bodies (IRP) in France in accordance with the conditions set out in the Act of 31 December 2003.

2006

- Signing of the Group agreement on basic social rights with UNI Global Union.

2007

- Launch of Orange Passion to support the Group employees' interests in sport, cinema and music.

- Launch of the first free share allocation plan on a global level. It concerns a total of 12.6 million shares.

2009

- Inventory of stress and labour conditions and launch of conferences on reform.
- Creation of 160 local human resources management positions.
- Signing of an agreement on the employment of seniors and measures to enrich the later years of employees' careers.

2010

- Establishment of the Global Group Committee.
- Signing of several collective agreements, which constitute the basis of the social contract.
- Implementation of the new social contract and social barometer in France.
- Introduction of a composite corporate social performance indicator to be taken into account when calculating the variable pay awards of 800 senior directors in France (members of the network of leaders).
- Launch of Piazza, the Orange social network.

2011

- First meeting of the Global Group Committee attended by Stéphane Richard.
- Re-electing the ESU France Telecom Orange staff representation bodies.
- In France, signing an agreement to pilot initiatives aimed at improving working conditions.
- Launch of "Partageons": free share allocation plan – a key part of conquests 2015 based on three principles: fairness, solidarity and universality.

(1) Subject to participation.



focus

a social policy rewarded by several prizes

- The Group received the "Top Employers" label for its human resources policy in France, Belgium and Poland in 2012, in Spain in 2011. This label, awarded by the CRF Institute, recognises HR action by the Group as part of its project conquests 2015 and its new People Charter launched at the end of 2010 placing women and men in the company at the centre of its organisation. Orange also received the Remuneration Practices Special prize.
- In January 2012, Orange Business Services was designated "Best Workplaces for Commuters" for the benefits provided through a remote working program that aims to reduce the number of staff journeys in the United States. This programme, involving 1,200 staff in 30 major cities across the country, helped reduce the journey between work and home by 50% and improve productivity as well as staff satisfaction levels.
- Orange Business Services is also in the 10 leading companies "with a strategic and innovative approach to managing workspaces" according to the latest edition of the International Facility Management Association (IFMA) called "Work on the move".
- Orange Spain obtained EFR (Empresa Familiarmente Responsable – or "family friendly company") certification awarded by the Másfamilia Foundation, in recognition of efforts made to encourage work-life balance.
- In Slovakia, Orange received the "family friendly" prize three years running.
- The Group also received several distinctions praising its voluntarist policy in the field of professional equality.



focus

Orange Bravo: recognising everyday stars

Started in 2007, Orange Bravo is a programme designed to recognise the contributions of the Group's employees (previously called "Orange Stars"). Its aim is to recognise, value and celebrate men and women who, in their daily actions and behaviours, contribute to promoting the spirit of the Group through their commitment and solidarity, developing quality relationships and a willingness to share, commitment to the digital world, openness to the roles and cultures within the Group, etc. Orange Bravo gives all employees the opportunity to be nominated and honoured by their peers and to join the community of almost 1,500 people from different countries, cultures and professional backgrounds who contribute to strengthening pride in belonging to the company. In 2011, 433 "daily stars" were elected by their peers.

a responsible employer

2011 review	deadline	achievements
<p>social commitment</p> <p>Generalise dialogue with staff in all countries where we operate using means adapted to local contexts (staff representative bodies, engagement surveys, staff forums). Particularly, the aggressive internationalisation of the principle of social barometer.</p> <p>Start the Global Group Committee.</p> <p>Deploy the composite social performance indicator on a half-yearly basis in France and apply it in a format adapted to international contexts.</p> <p>Spread the principles underlining the creation of the people charter in France through the deployment of a Group staff charter used as a basis to implement staff commitments on a local level.</p> <p>Develop internal tools and services dedicated to strengthening the social link within the company.</p> <p>Recognise performance collectively by highlighting the involvement of staff in the company's success and associating them in performance sharing.</p>	<p>2011-2012</p> <p>2011-2012</p> <p>2011-2012</p> <p>2011</p> <p>2011</p> <p>2011-2012</p>	<ul style="list-style-type: none"> ■ Reaffirmation of the Group's commitments to social dialogue at the first meeting of the Global Group Committee to the 22 countries represented in May 2011. ■ Professional elections held in France: high participation rate in relation to the French average of 74% of 104,000 voters. ■ First meeting of the Global Group Committee on 12 May 2011. ■ 31 members elected for four years representing the 22 countries with more than 400 staff each across the world. ■ Meeting once a year on the initiative of the Managing Director of the Group. ■ Regular progression of the social barometer, carried out half yearly in France. An improvement in the index at 6.9 compared to 6.8 in the previous wave was noted in response to the general question about staff's individual perception of the quality of life at work. ■ Adaptation of the social barometer to the international context with annual online surveys available in nine languages and deployed in almost all of our country entities. ■ Validation and signature by all the Executive Committee of the People Charter. ■ Distributed in to Group entities in December 2011. ■ Launch of Piazza, the company's social network, available in French, English, Spanish and Polish (more than 30,000 users and 1,000 communities). ■ Launch of a community of staff skills volunteers in France (Orange digital solidarity operation). ■ Launch of a new free share scheme "Partageons", involving more than 80% of Group staff in 92 countries.

2012 roadmap	deadline
<ul style="list-style-type: none"> ■ Generalise dialogue with staff in all countries where we work using means adapted to local contexts (staff representative bodies, engagement surveys, employee forums). ■ Meet with the Global Group Committee on a regular basis and discuss the major international questions. ■ Continue to monitor the composite social performance indicator on a half-yearly basis in France and apply it in a format adapted to international contexts. ■ Progressively deploy the Orange People Charter internationally. ■ Update and reinforce the Group health and safety policy. ■ Recognise collective performance by highlighting the involvement of staff in the company's success and associating them in performance sharing. 	<p>2012</p> <p>2012</p> <p>2012</p> <p>2012</p> <p>2012</p>

building a common and shared management culture and addressing the skills challenge

the Group's approach

To support the Group's development in a responsible and sustainable manner, France Telecom-Orange has taken a series of commitments to:

- build a common and shared managerial culture, placing the human dimension at the heart of the company;
- anticipate and plan for changes in Group careers;
- support employees' professional development throughout their careers;
- increase external recruitment;
- help young people enter the labour market;
- promote diversity by favouring in particular equal opportunities for men and women.

build a common and shared managerial culture

Managers play an essential role in initiating new types of relationships between the company and its employees; relationships which establish the bond between economic performance and quality of working life. France Telecom-Orange, always keen to address the human dimension which is central to company life, is committed to reforming its management culture, based on common values shared by all.

a shared action framework

To ensure that all managers share the same vision, Orange has drafted and disseminated a new **Management Charter**. This charter restates the essential role played by managers in building quality human relationships, developing a climate of trust and providing support within teams, while remaining attentive to individual needs.

Orange Campus: assistance and support for managers

In January 2011, the Group created Orange Campus to promote this new management culture. Its aim is to bring together the community of managers and provide them with assistance and support in their daily duties, thus helping them play a key role in ensuring a balanced relationship between the company and each of its employees. Orange Campus seeks to develop managers' skills and reform the Group's management culture by implementing a new style of management. It uses a unique teaching approach, based on experience sharing, interaction and cooperation, to develop core managerial expertise and practices which are common to all Group managers. Orange Campus is a genuine forum of debate, a place for the entire management community to come

together in a spirit of openness, while strengthening their bonds with the company and a mutual sense of belonging.

The Orange Campus offer is based on six challenges:

- developing pride in belonging to the Group;
- sharing what it means;
- recognising performance;
- strengthening managers' independence;
- strengthening the management culture;
- improving well-being in the workplace.

Accordingly, with Orange Campus, every France Telecom-Orange manager can hone their skills in a climate of openness, with a firmer grasp of the issues relating to the Group's strategic development, while sharing a common core of practices that marry performance and social quality.

a wide-ranging training offer

Orange Campus provides around 60 managerial development programmes, all of them based on three principles:

- diversity: managers from different levels in the hierarchy attend the same programmes (35 programmes, i.e. more than 50% of the training catalogue);

- a wide range of programmes designed for managers with different roles and from different countries (24 international programmes). The content of the programmes is identical for all the participants, so that they all can share the same values and the same management culture;
- adaptability: 35% of the offer is customised to the cover specific business challenges facing the managers and their teams.

The programmes are divided into three series:

- "essential programmes", i.e. management basics to prepare managers to take on new responsibilities (length: three to eight days over one year);
- customised collective development programmes designed to help executive managers mobilise and further develop their teams: "collective challenges" (average length: five days);
- individual development modules to strengthen managerial skills and practices (average length: one to two days).



focus

Orange Campus meetings: broadening horizons

Much more than a simple training programme, Orange Campus was developed to provide opportunities for managers to meet and exchange ideas with the aim of promoting and spreading the Group's corporate culture, while uniting managers and, at the same time, broadening their outlook.

The "Orange Campus Meetings" help develop the Group's management culture and openness to others. In addition to exchanges between different countries, entities, roles and management levels on the Orange Campus, conferences run by external experts shed new light on management issues and help develop an original vision. In 2011, five conferences were held, presenting management themes in a new light: "the challenges facing a crew in outer space"; "music and management"; "the paradoxes of management"; "creativity and management: healthy doubt"; and "intuitive management, a new strength for the company?".

a responsible employer

10,000 managers trained

Since it was founded, Orange Campus has taken in 10,000 managers, i.e. half of the Group's 20,000 managers who are eligible for the new Orange management support programme. 2,000 of the 10,000 managers who have received training have come from the Group's international footprint (from 25 different countries). All levels of management are concerned: team managers (72% of participants), managers of managers (22%) and talents, leaders and executives (6%), reflecting the spread of these various management levels within the Group.

international coverage

The Orange Campus programmes take place on three international locations in Paris, Serock (Poland) and Madrid, as well as dedicated sites in Bordeaux, Marseilles, Nancy and Rennes. A new location will soon be opened in Africa, thus furthering Orange Campus' international reach.

anticipating and planning for changes in Group careers

To identify short- and long-term trends in the Group's activities and roles, to identify risk areas, and to offer employees career prospects and development opportunities in line with these trends, Orange has signed a forward planning employment and skills agreement (GPEC in French).

GPEC provides the Group with a forward-looking vision of its employment requirements and changes in roles and skills in all its areas of activity. This approach is based on a repository of jobs, which is common to all companies in the Group.

The 21 business lines, which represent all the Group's activities (sales, customer relations, professional services, marketing, IT, networks, content and multimedia, research and development, support functions, etc.), have developed a three-year vision of these requirements at the Group level in the main countries (France, Poland and Spain) and at Orange Business Services.

In France, a new milestone in this area was reached when the GPEC agreement was signed in March 2011. The aim of this agreement is to offer all employees, regardless of gender or age, the means with which to pursue their professional development via a dedicated support system that facilitates and secures their professional career via two action levers:

- regularly informing (nationally and locally) staff representatives and employees of strategic decisions on job and career development issues. A "Career and Skills Perspectives" report (updated annually) assesses the employment outlook for the next three years as well as modelling the impact of retirement departures in the coming five years;
- helping all employees to plan their professional development projects:

- collectively, by explaining changes in jobs and skills trends via the intranet, team meetings, forums, and information meetings,
- individually, via the manager (individual interviews) and Orange futures advisors (career development interviews).

The agreement also aims to strengthen the skills development policy through increased training.

training for all

To support the professional development of its employees, the Group is committed to:

- providing access to training to all its employees in relation to their needs;
- ensuring that all employees receive training at least every three years;
- developing professional training paths/programmes;
- promoting qualifications and *validation des acquis de l'expérience* (VAE – in English "accreditation of prior and experiential learning"), and collectively;
- increasing access to the *droit individuel à la formation* (DIF – in English "individual's right to training") scheme. In the company, almost 14,000 employees have accessed DIFs (i.e. an increase of 45% compared to 2010).

In 2011, every employee received on average 32.4 hours of training (28.3 in the Group); this places France Telecom-Orange among the two leading companies in France in terms of employee training.

In particular, the company is implementing its training and qualifications programme in the following areas:

- technical – with the setting up of VAE (concerns 271 employees in France);
- sales – with the customer advisor qualifications;

- cross-cutting – with trainer and tutor qualifications.

In France, 1,496 employees obtained professional qualifications in 2011 following completion of a professional training course or programme and 306 benefited from the VAE scheme. As part of the conquests 2015 strategic project, technical training has been made available for the fibre and IP domains. Specific sales training has also been developed, e.g. to improve how call-out technicians deal with customers and act as "digital coaches".

valuing expertise

To better value its capital of expertise and offer its experts attractive career opportunities, the Group created the Orange expert plan.

This plan, launched in 2010 and integrated into the conquests 2015 strategic project, meets several objectives:

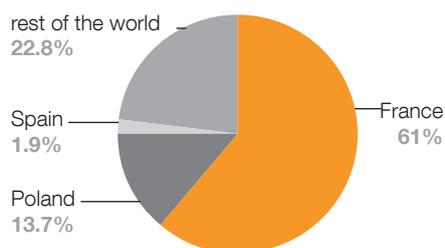
- to identify, recognise and develop the most talented experts by giving them a complete overview of possible career paths within the company;
- to encourage the development, capitalisation and transmission of knowledge;
- to mobilise teams around strategic subjects;
- to identify and secure the Group's key areas of expertise.

a highly dynamic employment policy

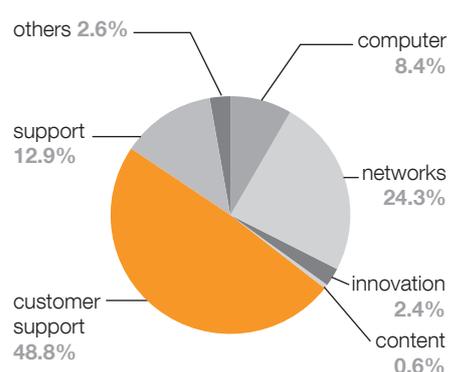
In the framework of the new social contract, France Telecom-Orange is committed to increasing the number of external hires; 10,000 external hires have been planned for permanent posts in France for the 2010 -2012 period.

In 2011, these objectives were reached and 3,679 external hires were made in France.

breakdown of Group workforce by geography



breakdown of Group workforce by business



a commitment to increasing youth employment

For several years, France Telecom-Orange has been involved in helping young job seekers enter the labour market: several thousand young adults have attended Group work/study programmes (4,700 in 2009, 5,300 in 2010 and 5,100 in 2011) including around 150 young PhD students and 2,500 trainees.

attracting young talent

In anticipation of demographic changes and to attract new talents to ensure the ongoing success of the Group, Orange has launched targeted recruitment campaigns in prestigious schools and universities and has made a range of innovative recruitment tools available such as the Orange Jobs application, which was launched in March 2011.

In order to contribute to skills development and training people from different backgrounds, Orange supports a variety of educational programmes and scholarships around the world. A few examples:

- In France, Orange funds one of the five “Sébastienne Guyot” scholarships, which offers three years’ of support to female students at the École centrale Paris. The young women are selected on the basis of their motivation and social backgrounds. The Group is also a partner of Énergie Jeunes, an organisation created in 2009, which organises educational visits to middle schools in educational priority areas in the Paris region. This initiative is run on a voluntary basis by employees, who visit schools and assist teachers.

- In Poland, over the last three years Orange Poland has partnered with 13 universities participating in the “Your Perspective” programme, which targets technical and economics students. In 2011, 35 workshops run by volunteer employees were held in participating universities to give students the opportunity to familiarise themselves with technological or managerial subjects. A system has been put in place to encourage the most motivated students: 27 students were selected to become Orange Poland “ambassadors” and pass on Group employment and internship opportunities, and participate in varsity challenges and themed workshops.

- In Moldova, Orange offers merit scholarships to assist the most talented students in the country in completing their education.

- For several years, Orange Business Services India has been supporting a scholarship programme to help young Indian students continue their studies in the most prestigious French universities.

- In 2011, in Armenia, Orange launched the Innovation Prize for students attending Yerevan university and the country’s engineering school. The winner will have the opportunity to further develop his/her project during a six-month paid internship in one of the Group’s French research and development laboratories. Another candidate was offered a six-month internship at Orange Armenia.

- The Group is also heavily involved, via its Foundation, in supporting girls’ education in developing countries (see p. 117 to 119).

The Orange Graduate Programme is also a strong attraction for young talents with high potential who have a unique opportunity to start their career with Orange.

Launched ten years ago, the Orange Graduate Programme is an attractive recruitment programme offering high-potential graduates from the best international engineering and business schools the opportunity to commence their careers at Orange. Each year, 60 graduates join the Group to take on roles with significant levels of responsibility in France or in other Group countries. They receive special support during the first five years of their careers.



focus

new agreement on the professional integration of young adults in France

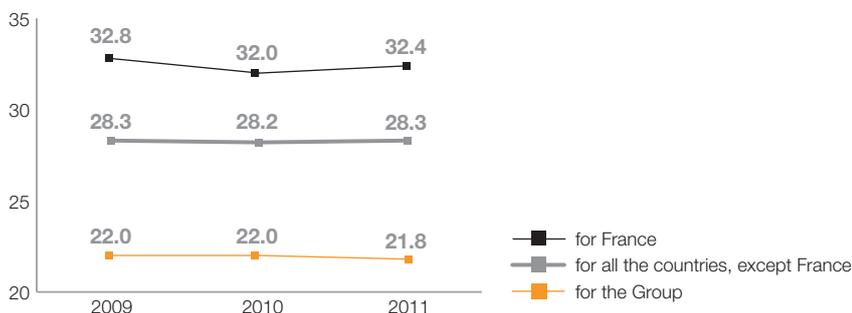
In 2011, Orange strengthened its commitment in this area by signing a new agreement on the professional integration of young adults with four union organisations.

The Group has undertaken five commitments over the next three years:

- each year, to accept a minimum of 4,500 students on work/study programmes and to recruit at least 1,200 of them on permanent work contracts upon successful completion of their training programme over the next three years;
- to accept a minimum of 2,500 trainees per year;
- to provide training for work/study programme tutors;
- for each career family in which the Group is recruiting, to hire a certain percentage of women on permanent contracts to reflect the percentage of women completing work/study programmes;
- to continue implementing current actions aimed at encouraging young people’s entry into the labour market, to promote diversity and to fight exclusion.

In October 2011, France Telecom-Orange signed a national agreement with the “Agence du service civique” (French civic service agency) and the French Ministry for Education, Youth Affairs and the Voluntary Sector to promote the civic service agency’s approach throughout the Group in order that this experience is recognised and valued when candidate’s apply for jobs at Orange.

evolution of the number of training hours per employee



number of external hires (on permanent employment contracts)

	2011	2010	2009
France Telecom SA	2,942	3,197	949
Subsidiaries in France	841	659	368
Total France	3,783	3,856	1,317
International subsidiaries	6,380	6,297	5,661
Total Group	10,163	10,153	3,978

a responsible employer

key dates in the employment and skills management policy

2002

- Launch of the “Telecom Talents” programme to recruit, support and generate loyalty among young people with high potential.

2003

- Framework agreement for forward planning of employment and skills in France.
- Establishment of the Group’s Redeployment Committee to examine re-structuring projects and manage external recruitment.

2004

- Launch of the international “Talent Sharing” programme to encourage and foster the sharing of experience within the Group.
- Production of guidelines on Group business lines.

2005

- Development of professional value with the launch of 17 skills schools, information to staff and managers on trends in businesses and career paths.
- Between 2005 and 2008: 45 professionalisation paths created – 3,900 certified in France with recognised external partners.

2006

- Creation of a Development Councillor role to accompany staff in their professional project.
- Mapping business lines in France.
- Setting up Orange management schools in France, the United Kingdom and Poland.

2010

- 10,000 DIFs in France.
- Launch of professional training programmes in Senegal.
- Launch of the “Orange Campus Meetings” throughout France: over 10,000 managers taking part.

2011

- 10,000 managers trained on Orange Campuses.
- Drafting of a new management charter.
- Orange Campuses opened in Paris, Serock (Poland) and Madrid.

encouraging diversity

Given the challenges related to skills, it is believed that diversity within Group will contribute to making Orange a preferred employer and attract new talents. France Telecom Orange intends to make equal opportunities a trademark of its human resources policy from the recruitment stage and throughout its employees’ working lives.

This commitment to promote diversity and equal opportunities not only reflects the Group’s values but also its conviction that diversity contributes to the company’s performance, innovation capacity and attractiveness.



focus

France – In June 2011 the Group honoured its 215 newly-qualified technicians

On 11 May 2011, Orange proudly honoured its 215 newly-qualified technicians who took part in the VAE scheme, which was introduced in 2010. This voluntary scheme, initially reserved for customer call-out technicians working in the mass market and enterprise markets, has now been extended to operations technicians. In just one year, 189 customer call-out technicians obtained a level IV telecommunications and network technician diploma or a level V communication cable network installer diploma. 26 operations technicians obtained a DUT (technical university qualification) in telecoms and network technology (level III) or a level II professional degree. Throughout the training period, the technicians were supported by their managers, and received personalised support from local HR managers and external partners (AFPA, Paris XIII university and Rennes I university).

Senegal – 60 qualified technicians

In Senegal, 60 technicians obtained their “IP data and voice enterprise customer call-out technician” professional diploma upon completion of an eighteen-month professional training course. Their professional training was provided by Global Knowledge – an external partner. Knowledge was then transferred to local trainers to enable them to train subsequent groups of aspiring technicians. Furthermore, in 2011, two groups of 15 employees completed the multi-service technician training course, which aims to optimise the efficiency of technical interventions by improving centralised supervision, multi-technical call-outs and the steering of centralised activities.

professional equality: a group priority

France Telecom-Orange has made gender equality a priority in its equal opportunities policy. With 36% of female employees and 64% of male employees, Orange stands out in an industry (technology) where historically women are poorly represented.

While gender parity has been achieved in customer relations, much remains to be done to challenge gender stereotypes linked to technical jobs: we receive fewer and fewer applications from female technicians and engineers, and young women are rejecting the ICT sector despite its numerous career opportunities. To address this, Orange is working in schools and launching initiatives such as Capital Filles, shadowing and Science Factor, where women working in the Group talk to young women about these growth sectors and encourage them to consider them as career options.

In addition to attracting women to scientific and technical careers, the Group has set itself a target of achieving 35% of women in its management bodies by 2015, compared to 23% today. This voluntary target is being monitored by the Executive Committee and affects the variable pay awards of directors.

To achieve this objective, the Group is implementing action plans in each country with three complementary focus areas:

- promoting access by women to positions of responsibility (through measures such as mentoring, analysing gender diversity in lists of applicants and succession plans);
- promoting gender parity in all roles and at all levels of the organisation;

- putting in place measures that facilitate work/life balance by ensuring that parenthood is not a source of discrimination for women or men.

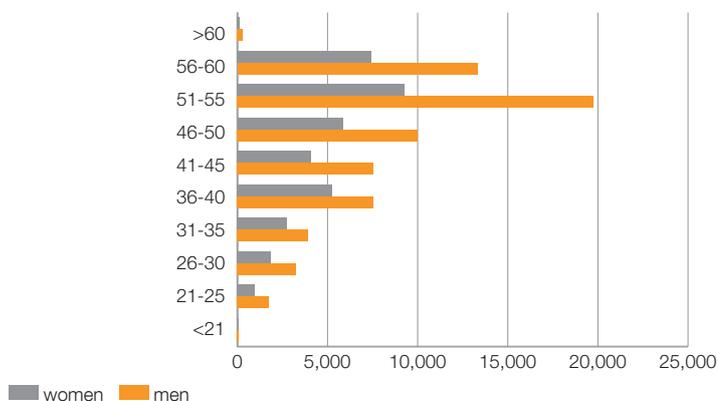
In 2011, following the appointment of two new female directors, the percentage of women in the Group’s Board of Directors has increased to 33% and the percentage of women in the Management Committee is close to 30%.

The Strategic Committee Gender Equality, formed in 2010 following a request from Stéphane Richard, Chairman and CEO of the Group, is responsible for steering the Group’s equal opportunities policy and is chaired by Delphine Ernotte Cunci, Executive Director of Orange France. This committee identifies progress levers and defines the Group’s policy and ensures that the commitments taken in the European Commission’s Code of Best Practices for Women in ICT (signed by the Group in 2010) are honoured.

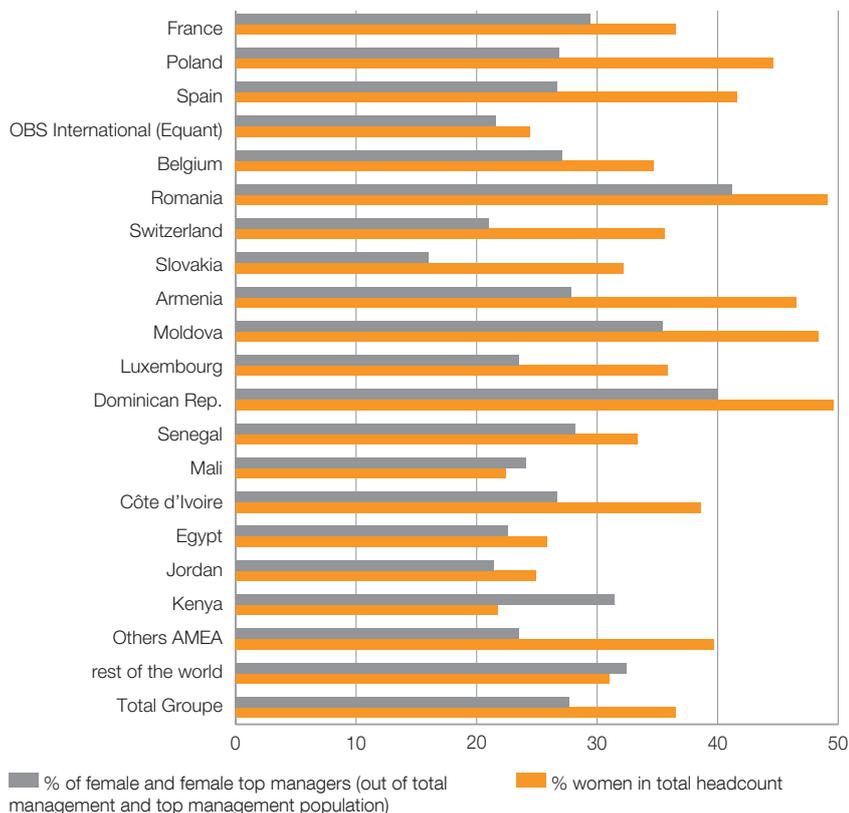
To increase the number of women in technical roles and to attract new talents, actions plans have been implemented in the main Group countries. A few examples:

- shadowing initiatives have been deployed in France, Spain, Belgium, Egypt, Italy, Singapore, Brazil and Canada: women students studying science or technology shadow a female engineer or technician working in the Group for one day to learn about her job and to have an idea of what a scientific/technical career entails. At Orange Business Services, 61 young women completed the shadowing programme in 2011. Their subsequent testimonies in their schools help raise awareness of the subject;

2010 breakdown of women-men by age (by step of 5 years), or the 104,148 Group open-ended employees contracts



percentage of females and female top managers in the Group



- the Capital Filles initiative in partnership with the Ministries of National Education, Further Education and Research and Work/Study programmes: around 100 female volunteer engineers and technicians working in the Group help female high school students from disadvantaged neighbourhoods to discover company life and technical career opportunities. These female mentors help give young women the confidence to consider applying to work/study programmes;
- The Science Factor competition, launched on Facebook in France, encourages teams of female high school students to come up with innovative initiatives that rely on science and technology.

France Telecom-Orange participates in various think tanks on gender equality such as:

- the Women's Forum for the Economy and Society, which brings together companies committed to the issue of equal opportunities;
- Women in Leadership (WIL), a European network bringing together eminent women from the corporate, academic and political fields;
- the European Professional Women's Network (EPWN), of which the Group is a platinum member with 120 participating female employees – this network is a think tank whose objective is to increase the number of women in positions of high responsibility;
- the Cercle InterElles was established in 2002 on the initiative of a number of female executives and company heads, including a former member France Telecom-Orange's Management Committee, to discuss and share the practices of companies that already have an active network of women working in a scientific or technological environment.

France Telecom-Orange also contributed to various inter-company initiatives on the subject such as the production of the Code of Best Practices for Women in ICT – drawn up under the aegis of the European Commission – and the parenthood and diversity guides published by ORSE (www.orse.org). The Group also sponsored the "Mutationnelles" study, the only analysis of female engineers in France.

a historic commitment to workers with disabilities

In France, the Group's Mission Insertion Handicap has been helping workers with disabilities to find employment for over ten years.

In 2010, Orange's Mission Insertion Handicap has been integrated into the new network of Global Business and Disability focal points established by the International Labour Organization.

Each year, events organised in the "Semaine de l'Handagement" (week dedicated to people with disabilities seeking work) and "Understating Disability" sessions help raise the awareness of employees in terms of how they view disability within the company. These initiatives also mobilise managers who play a key role in integrating and ensuring the well-being of employees with disabilities in the workplace.



focus

new agreement to promote equal opportunities in France

A new majority agreement to promote equal opportunities for men and women was signed in June 2011 with three union organisations to strengthen existing commitments and to initiate new measures to achieve gender parity at all levels of the company.

The agreement includes targets in terms of the structure of employment, female recruits, access to training and promotion opportunities. 100 women will benefit from professionalisation paths in network roles by 2014, compared with 8 in 2010. Measures to promote equal pay have also been clarified and strengthened.

a responsible employer

In France, the Group employs 3,400 employees with disabilities and each year spends close to 17 million euros on goods and services purchased from the disability sector. In 2011, a new three-year agreement was signed with three union organisations (a majority agreement). One of the major aims of the agreement is reach an overall employment rate of workers with disabilities of 5% by 2013 as well as a number of other key commitments:

- an ambitious recruitment programme for workers with disabilities with a minimum of 325 permanent employment contracts, 150 work/study places or traineeships, and a commitment to train at least 60 unqualified candidates who demonstrate potential;
- strengthening the network of actors and resources to support employees;
- continuing to adapt working tools;
- a vast programme to improve workplace access and safety;
- greater use of the workers with disabilities sector;
- accelerating awareness-raising programmes at all levels of the company;
- facilitating the final stages of employees' careers with the creation of part-time jobs for seniors with disabilities.

supporting the employment of young people from disadvantaged neighbourhoods

In addition to promoting the employment of young adults (see p. 77), France Telecom-Orange has adopted a voluntary policy to help young adults from disadvantaged backgrounds find employment through a variety of commitments taken with the voluntary sector. In 2011, almost 22% of work/study programmes went taken up by young adults from disadvantaged neighbourhoods.

In February 2008, in France, the Group was one of the first companies in France to sign up to the Plan Espoir Banlieues (plan to bring hope to underprivileged urban suburbs).



focus

a commitment to increasing equal opportunities

Orange is:

- one of the first French groups to have obtained the European Gender Equality label following an in-depth audit of its policy and actions to promote equal opportunities in France, Spain, Belgium and at Orange Business Services;
- the no. 1 CAC 40 company in terms of openness toward women employees (*Challenges* study 2011): has the highest rate of women in the Executive Committee;
- no. 2 company to actively promote equal opportunities with students in major engineering schools (Universum 2011 study);
- 2011 winner of the "Prix de l'Action entreprise et diversités" for its Capital Filles programme awarded by the Assemblée nationale with support from the Groupe Caisse des Dépôts;
- among the top 3 French companies to demonstrate real parity in terms of employment practices (Capitalcom 2011).

diversity charter in Poland

Orange Poland, France Telecom-Orange's Polish subsidiary, drafted the National Diversity Charter, which was officially signed on 14 February 2012 by a number of Polish companies in the presence of government and European Commission officials. Orange Poland also launched the EPWN network in Warsaw.

This initiative attests to Orange Poland's commitment to be a leader in terms of corporate social responsibility in Poland.

This programme supports a number of national initiatives in favour of equal opportunity, such as:

- "Nos quartiers ont des talents" ("there's talent in every community"), a project that aims to help young graduates from modest backgrounds find employment, and discover new talents outside traditional recruitment channels – 160 Orange mentors participated in this initiative in 2011 and many employees joined in the first national "Nos quartiers ont des talents" meetings to talk about their disciplines to students in partner Paris universities, to help them analyse job offers, build a career path and improve their image on the Internet;
- Passeport Avenir ("passport to the future"), an inter-company organisation that supports over 700 young people from modest backgrounds through their preparation for the competitive entrance exams to the prestigious *grandes écoles* and thereafter until they graduate – with impressive results: 92% of the students in the programme in 2011 were accepted into a *grande école*. Orange provides over 40% of the tutors in the organisation thanks to its highly committed personnel;
- the Entretiens de l'Excellence ("talks on excellence"), a Club du xx^e siècle initiative, carried out in partnership with the Institut d'études politiques de Paris, whose aim is to inform and advise middle school pupils, secondary school pupils and students from modest backgrounds about the existence and functioning of "excellence" courses.

In France, regional branches of the Group also run numerous events to promote equal opportunities alongside organisations such as FACE (Fondation Agir contre l'Exclusion, foundation acting against exclusion) and IMS-Entreprendre pour la Cité (IMS – "working on behalf of urban estates").

key dates relating the Group's diversity and equal opportunity policy

2002

- Participation in the establishment of the Cercle InterElles to promote gender diversity in the workplace.

2003

- Agreement between FT SA management and unions on the employment and integration of workers with disabilities.
- Establishment of Mission Insertion Handicap.

2004

- Signing of the company Diversity Charter.
- Collective agreement to promote gender equality.

2005

- Following an audit by AFNOR, Orange France was the first technology company to obtain the Gender Equality label awarded by the government.



focus

women in the Group in 2011

- 36% women work in the Group.
- 12% in technical network roles.
- 25% in IT and R&D.
- 50% in sales roles.
- 60% in support roles.
- 27,7% in executive roles and
- 23,8% in management bodies.
- 33% women working in the Board of Directors

2007

- Group agreement on gender equality (2008-2010).
- New company agreement in favour of employing people with disabilities.
- Creation of the Group Diversity Division.

2008

- Signing of the Charte de la parentalité en entreprise (“charter for parenthood in the workplace”).
- Signing of the Plan Espoir Banlieues (plan to bring hope to underprivileged inner city suburbs).

2009

- Signing of the Code of Best Practices for Women in ICT and launch of the shadowing initiative.
- Signing of a Group agreement on the employment of seniors and measures to improve the later years of employees’ careers.

2010

- Establishment of a Strategic Committee on Gender Equality.
- Signing the first Group agreement on worklife balance.

- Participation in the establishment of the Arborus fund for gender equality in the workplace in Europe.

2011

- Obtaining the European Gender Equality label.
- In France, signing of a new agreement on professional equality between men and women and a new agreement on employing people with disabilities.
- Launch of the Diversity Charter in Poland.

2011 review	deadline	achievements
<p>skills development</p> <p>Continued development of professional training courses and training courses leading to qualifications.</p>	2011	<ul style="list-style-type: none"> ■ 2,000 of the 10,000 managers who have been trained are from outside France, (25 different countries). ■ All levels of management are concerned: team managers (72%), managers of managers (22%) and talents, leaders and executives (6%). ■ 1,800 professional training courses were certified in 2011.
<p>diversity policy</p> <p>Strengthen the policy for equal opportunities for men and women in all the Group countries by implementing policy performance tools and initiatives (training, mentoring, shadowing, etc.).</p>	2011	<ul style="list-style-type: none"> ■ Strengthening international mentoring initiatives. ■ Developing inter-company mentoring. ■ European Gender Equality label awarded to the Group on 29 June 2011. ■ Opening an EPWN chapter in Warsaw. ■ Prize in the “tutoring” category awarded in France to Orange for its Capital Filles programme.
<p>Continue to monitor diversity indicators in the Group.</p>	2011	<ul style="list-style-type: none"> ■ Launch of the Group Strategic Committee on Gender Equality. ■ Designing a system to monitor diversity indicators in France: integration of the indicator showing the percentage of women in the management networks in the composite corporate social performance indicator.
<p>Continue to deploy actions in the second identified diversity pillar in Group countries in relation to local challenges, and strengthen the monitoring of action plans and results.</p>	2011-2012	<ul style="list-style-type: none"> ■ Launching Orange Campus training sessions on the issue of managers’ decision-making biases. ■ Strengthening the disability policy in France with the signing of a new agreement. ■ Implementing specific operations in certain countries to address local diversity challenges.

2012 roadmap	deadline
<ul style="list-style-type: none"> ■ After France, Poland and Spain set up an Orange Campus in the AMEA zone. ■ Deploy training actions to improve management quality. ■ Strengthen professional training and recognition of prior and experiential learning. ■ Monitor the GPEC France (forward planning employment and skills scheme) agreement signed in March 2011. 	2012-2013
<ul style="list-style-type: none"> ■ Strengthen gender equality opportunities initiatives at all stages of employees’ careers and in all the Group’s countries, and set up ad hoc monitoring and evaluation systems. ■ Increase the proportion of women in management bodies (objective: 35% by 2015). 	2012-2015
<ul style="list-style-type: none"> ■ Continue to implement diversity policies in Group countries in relation to local challenges, and strengthening the monitoring of action plans and results. 	2012

deserving our custom- er's trust

One of the objectives of the conquests 2015 project is to become the preferred operator in all our markets by 2015. How? By offering the best telecommunications experience and by providing personalised support to customers to help them navigate the digital world.

83 becoming the customers' choice

88 communicating with peace of mind

91 supporting young people towards safe and responsible usage

95 answering questions about radio waves

becoming the customers' choice

the Group's approach

To build confidence among its customers, the Group implements a programme of ongoing improvement in service quality and customer relations. This programme is based on:

- a system of service quality measurements across all markets;
- targeted improvement plans to optimise services all along the customer journey;
- trained, committed teams to meet the requirements of customers in different types of market;
- incorporation of customer perception prior to launch and at all stages in the lives of offerings;
- responsible marketing and communication principles.

a firm ambition in respect of customer experience quality

In July 2010, France Telecom-Orange launched the "customer experience 2015" programme, an integral part of its conquests 2015 project to make Orange the leader in customer experience in all markets by 2015. Achieving this goal means galvanising all the Group's business lines into action in respect of service quality, simplifying and segmenting our offerings, striving towards a more harmonious sales and after-sales customer relationship in all our channels, and providing excellent support for customers throughout their journey with Orange together with a fair reward for their loyalty.

a new culture of customer service

In 2010, the Group embarked on a collaborative process of defining the Orange customer experience culture with the involvement of a number of countries: France, Romania, Spain, Poland and Orange Business Services, then Austria, Switzerland, Luxembourg and Moldova. This work led to the formulation of a common culture summing up "how to be Orange" so that we can

become a "digital coach" to our customers, based on:

- listening very carefully to understand every customer's requirements and provide them with personalised assistance;
- a scrupulous analysis and the understanding of what our customers do with our services;
- dealing with customers' requests in a positive and committed manner, supporting them through to the resolution of their query.

A toolkit is being developed to spread this culture. It combines training, talent recruitment and internal communications, together with key actions to be taken by management and specific action plans for each country.

a service quality that is continually monitored

The quality of service offered by the Group to its customers as a whole (personal, professional or business customer) is continually measured in all markets.

Since 2008, the Group has used a tool for measuring and managing the customer experience: the Customer Experience Tracker (CET), which makes it possible to compare the quality of the customer's experience with both Orange and the

competition, throughout the customer journey. Every quarter, samples of customers of Orange and other operators are questioned about their customer journey. The customers give a score of 1 to 10 for each of a series of 65 questions grouped under four themes: offerings, quality, interaction with customers and emotions, each of which includes several measurement points. The final score reflects where Orange is positioned on a vital question: "On a scale of 0 to 10, how strongly would you recommend Orange to your friends and family?"

In 2011, in order to respond to new customer requirements on CSR-related issues, the CET was supplemented by new questions relating to honesty, rewards for customer loyalty, support quality, the responsible treatment of employees, and the protection of private data.

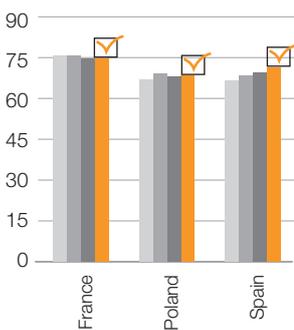
Incorporated since 2010 in the bonus calculation for top-level management, the CET is now being used in France, Spain, Poland, Belgium, Romania, Slovakia, the Dominican Republic, Moldova and Armenia.

The Africa, Middle East and Asia (AMEA) zone has a similar tool for its area: the Quality of Service barometer.

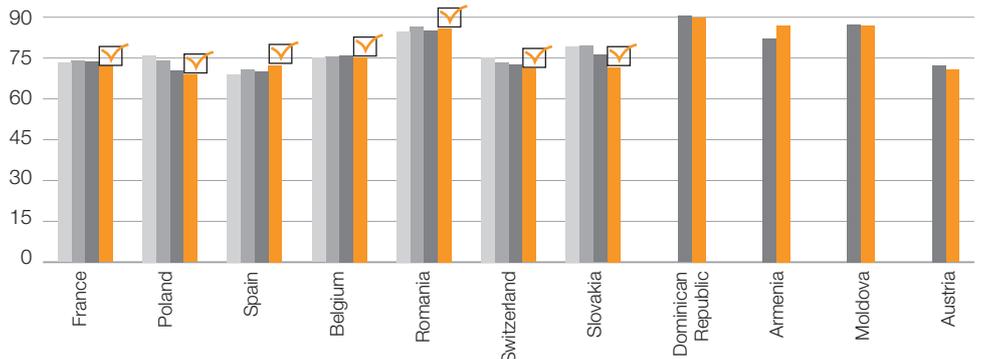
customer satisfaction

Intention to recommend – Customer Experience Tracker (average score out of 100)

broadband Internet



mobile services



■ 2008 ■ 2009 ■ 2010 ■ 2011

☑ element verified by Deloitte, moderate assurance

a word lived in trust

general public satisfaction Intention of recommendation – CET (average score out of 100)

notable changes in 2011.

- France is putting its plans to improve the customer experience into action by simplifying the Origami and Mobicarte mobile offerings and OPEN multiplay offering, and ensuring that customers receive the best bandwidth available on their type of access. The coverage and bandwidth offered by the mobile network continue to be highly appreciated by customers.
- Poland is continuing to overhaul its fixed line broadband offering. The aim: substantial simplification of the portfolio and increased competitiveness in terms of bandwidth and prices. Concerted action to generate loyalty among customers with mobile accounts (postpaid).
- Spain is implementing its plan to transform the customer experience to meet customer requirements in a highly competitive climate: simplification of offerings, quality offered to customers and mobilisation of teams in their service.
- In all the other European countries, the commitment of teams to making Orange the best in terms of customer experience in 2015 remains extremely positive. Following on from its success with prepaid offerings, Orange Romania is focusing on the journey of customers with post-paid accounts. Every country is investing equally strongly in the customer experience and generating loyalty in the area of mobile Internet.

a policy of excellence for business markets

Orange Business has for some years now been using a transformation programme named “Customer Excellence” to meet the requirements of business customers. The programme is subject to specific monitoring using dedicated indicators.

New actions have been launched as part of the conquests 2015 project to improve customer satisfaction and increase customer loyalty.

In view of their cross-cutting geographic and/or organisational nature, there are 10 projects common to France and international operations. For example:

- the “Customer Partnership Program” aims to put specific governance in place for 60 strategic customers, including five key accounts in France;
- the “e-care” programme launched in 2008 and supplemented by the “Customer Journey” programme in 2011, simplifies the customer journey and helps it to flow smoothly (particularly on the web).

In France, 32 improvement projects have been launched since the end of 2012 in the “Outstanding Customer Experience” initiative. Among the key actions are: the creation of a business sales training facility to improve team training, the simplification of customer and salesperson journeys from the design phase of the offering, improvements in the deployment of complex projects, invoice simplification, improved customer handling in after-sales service (one number and supported call transfer) etc.

Internationally, no less than 10 projects are currently under way, with local coordination in each main region.

Despite being highly diverse, these operational projects nevertheless have the same goal: to make the service rendered to the customer simpler, quicker and more efficient; performances recognised by different awards in 2011 (see insert).

analysis tools available to countries

To analyse end-to-end service quality, the Group has developed a methodology to analyse the customers’ perception of the quality of the networks, throughout the customer journey. This analysis is not limited to technical aspects, but also encompasses areas such as local competition, communications on offerings, customer services, etc.

Quality committees help to give impetus to specific actions in Orange countries. The committees enable customer experience managers and sponsors from subsidiaries to put forward their action plans and request assistance from the Group on the occasional strategic points that need in-depth analysis based on “Customer Journey” surveys.

The members of the Executive Committee undertake to provide their support and follow-up plans for the actions are put in place. In 2011, 17 quality committee meetings were held in respect of the action plans in Switzerland, Slovakia, France, Madagascar, Armenia, Romania, Spain, Kenya, Poland, Belgium, Jordan, Niger and Tunisia.



focus

Mobistar: happy customers

For Mobistar, 2011 was the year of the customer experience. Launched at the beginning of 2011, the “Happy Customer” transformation programme – the objective of which was to listen better to customers – very rapidly brought concrete improvements: better access to customer service, increase in service level, decrease in waiting time, proactive communication if there are network incidents, the sending of a text when customers reach their mobile Internet ceiling, initial bill corresponding to the value of the package chosen and not the billing cycle... Today, the recommendation rate (NPS) is one of the objectives set for all Mobistar employees.



focus

Orange Business Services renews its certifications

Since December 2008, Orange Business Services has held triple ISO 9001/20000/27001 certification recognising the quality of its management system and the effectiveness of its processes. In December 2011, the following certifications were renewed:

- ISO 9001, Quality Management: France, Switzerland, Germany and the customer support centres in Egypt and India;
- ISO 20000, Services Management: in the same countries, with certification also being extended to include the Flexible Computing Premium offering;
- ISO 27001, Information Security Management: the customer support centres in Egypt and India, and the service delivery centre in Cesson-Sevigné.

Orange Romania launches “Care Center”, a unique concept devoted to supporting customers

In November 2011, Orange Romania opened a centre in the heart of Bucharest devoted to resolving problems relating to mobile phones, and to selling a wide range of accessories and providing other support services to customers. The concept is based on an integrated approach including a repair centre, an Internet café and a sales outlet. One month after its opening, the centre was already a great success. It is part of a broader customer support policy introduced by Orange Romania to help users take full advantage of the opportunities offered by smartphones.

Another specific tool has been developed for customer relations departments: the service forecast.

This tool enables customer service to view incidents in progress within mobile services (voice and data coverage problems, service platform problems) using a tailored map. Meteo enables customers to be notified on their first call of the estimated time it will take for the service to return to normal. By the end of 2011, it had already been deployed in seven countries (France, Tunisia, Spain, Caribbean, Senegal, Kenya, Armenia).

competent, motivated teams

Orange customer services teams are the first point of responsibility for the quality of the service delivered to customers. To achieve the objectives of excellence set in this area, the Group has launched two initiatives to strengthen skills and increase the involvement of employees that come into direct contact with customers:

- the Orange certification programme offers customer services employees a two-level accreditation recognising their professional qualifications;
- the "Orange customer champions", a new international initiative launched in 2010 to reward the best customer services employees. The largest internal competition ever launched by the Group, these awards reflect the Group's ambitions in relation to service quality.

simplifying the telecommunications experience

Rather than technological complexity, the Group decided to focus instead on reliability and the simplicity of its offerings, and develop efficient support services to accompany its customers throughout their user journey.

customers at the heart of the offering design process

In 2011, the "Time to Market" (TTM) launch process for offerings brought the customer's eyes and voice into the design phase of new products and services.

For each new offering, a customer satisfaction manager is responsible for organising:

- pre-launch tests among potential customers;
- a qualitative study on customer moments as perceived by the customer and a post-launch survey to measure customer satisfaction on the spot, analyse the roll-out of the launch and if necessary embark immediately on a plan of improvement.

26 of the Group countries had implemented "Time to Market" by the end of 2011.



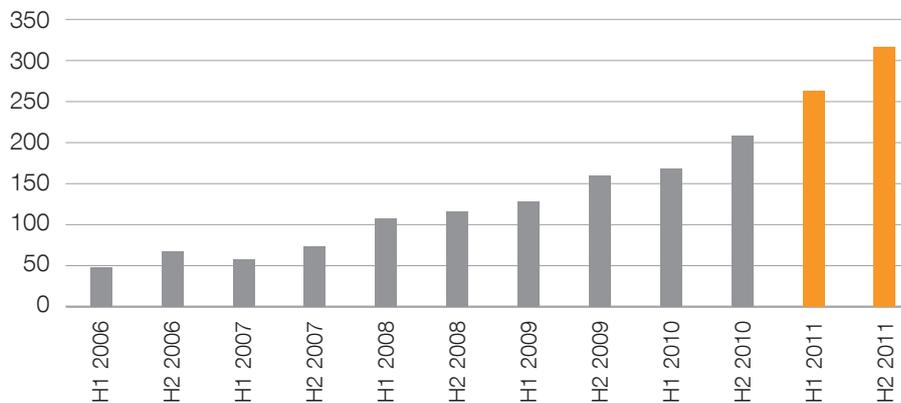
focus

service quality recognised by a number of awards

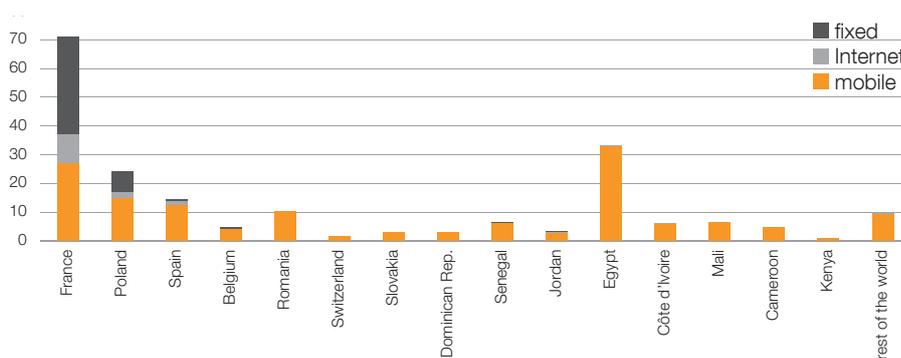
In 2011, the Group's commitment to service quality was once again recognised by a number of awards:

- at the 2011 World Communication Awards, Orange received three of the highest distinctions in the telecoms sector and was highly commended in two other categories. Orange received the "Best Mobile Operator" award. Orange Business Services received the "Best New Service" award for its Galerie VPN Business cloud service and the "New Frontiers" award for its collaboration with a number of Ministries of Foreign Affairs across the world. In addition, the performance of Orange Business Services was recognised in the "Project of the Year" category (for Flexible 4 Business, its partnership in the cloud with Cisco, EMC and VMware) and in the "Best Global Operator" category;
- Orange was named "Best Operator" at the Mobile Entertainment Awards in London. The award recognised Orange's in-depth understanding of its customers' requirements and the importance of delivering a customer experience that is exceptional from all points of view;
- in France, Orange was ranked first or equal first for 57 of the 61 criteria in the report on the service quality of 2G and 3G networks published in November 2011 by Arcep (the French regulatory authority for posts and electronic communications);
- the business services provided by Orange Business Services were ranked top by Gartner, the industry consultants and analysts;
- in India, at the beginning of 2012, Equant was awarded the "Ramakrishna Bajaj National Quality Certificate of Merit", a prestigious accolade recognising service excellence, equivalent to the EFQM in Europe.

progression of the number of customer tests in the Simplicity+ network from 2006 to 2011



splitting of number of clients in millions



a word lived in trust

Simplicity+: a network of testing centres to observe customers and identify problems

The Simplicity+ programme, launched in 2004, uses a network of customer testing centres that assess customers' perception of the level of simplicity of offerings at each stage:

- understanding of the offering by prospective customers;
- experience of users under day-to-day conditions (installation and uses);
- experience of customer journey when making contact (shops, customer service).

These assessments may then give rise to recommendations to enable offerings to be changed before their launch.

By the end of 2011, the Simplicity+ network consisted of 19 testing centres in 15 countries.

This wide geographic coverage enables the appreciation of cultural parameters that can influence local perception of the complexity of a product or service.

optimised customer journeys

The Group has introduced a methodological approach in countries that helps not only to improve communications with customers (shops, Web, customer service) but also to optimise organisational and operational processes.

This customer journey approach has enabled the launch of a set of constantly changing and corrective projects affecting customers directly in their interaction with Orange.

Since 2010, nearly 90 customer journeys have been optimised in this way in 23 countries. They resulted in the launch of more than 500 corrective actions. The objective is to limit the number of intermediaries dealing with customer calls, so that 80% of incoming calls from customers will eventually be able to be handled by the initial contact.

simplified catalogues

Technological innovations mean that new offerings are launched every year. This profusion of offerings sometimes leads to difficulties: a lack of legibility for customers, misunderstanding of offers by advisers, complexity of invoicing processes, etc. In order to make simplicity the essence of the customer experience, Orange has embarked on a programme to simplify its catalogues, with the ambitious aim of reducing its current offering by 40%. This wide scale simplification will benefit customers and enable advisers to get to know the Group's offerings better, and therefore guide customers more effectively.

In 2011, over 1,000 products were withdrawn from catalogues, e.g. in France: a narrowband Internet offering with 80,000 consumer customers and a fleet of mobiles used by 5,000 business, professional and key account customers, while in Romania, a prepaid mobile offering for 500,000 customers was discontinued.



focus

Business Continuity Plan: efficiency praised

In January 2011, with riots affecting our activities in Egypt, the Group made the choice to transfer the activity of its Major Service Centre (MSC) from Cairo to its other MSCs in New Delhi, Rio and Mauritius. This was the first time that a Business Continuity Plan (BCP) had been activated for this length of time: two weeks. With two priorities: to ensure the safety of employees and maintain contact with customers. The commitment of Orange's teams helped to manage the crisis with an efficiency that was praised by customers. This expertise in managing a crisis situation was also recognised by IDC, a major player in research and consulting in the information technology and telecommunications markets, which visited the MSC in Mauritius to assess the continuity of the Group's activities, and whose report praised the performance of the teams.

promoting a responsible relationship with our customers

France Telecom-Orange has defined responsible marketing and communication principles directly in line with the principles of conduct expressed in the Group's Code of Ethics:

- the responsible marketing guides produced in 2006 help to ensure that Orange's advertising campaigns comply with international codes of conduct and the Group's undertakings with regard to corporate social responsibility. These guides, which are factored into the "Time to Market" process governing the launch of new offerings, include requirements relating to security, the confidentiality of private data and the protection of children. France Telecom Orange also applies codes of conduct developed by the sector, such as that of the Mobile Marketing Association relating to marketing on mobile phones;
- the Group's Code of Responsible Communications, published in 2009, and now available on orange.com, has five main principles:
 - respect individuals;
 - be reliable and transparent;
 - behave responsibly;
 - take conservation of the environment into consideration;
 - encourage our partners to respect these principles.

In order to support the adoption of this code, the awareness-raising campaign among internal and external communication teams begun in 2010 was continued in 2011, both for Group functions and in countries. French and English versions of a half-day training module were developed. 120 people completed the module in 2011 (Group employees, country "ambassadors" and representatives of partner communication agencies). In 2011, the Group also formalised a responsible approach to events, which will be progressively rolled out for all events from 2012.

This approach, developed by the Image, Brand and Partnership function, will now help to minimise the environmental impact of events organised by the Group, enable the monitoring of the working conditions for the personnel involved in such events, and make it possible to seek better community involvement in the design, set-up and dismantling required for these events. The 13 commitments in the reference document and the indicators associated with them will enable the organisation and management of Group events to be transformed in line with a philosophy of ongoing improvement.

promoting safe and responsible uses

Besides information efforts made specifically in the area of child protection (see p. 91 to 93) and radio waves (see p. 95 to 97) Orange is scrupulous in promoting the responsible use of products and services among all its customers. With one basic principle: providing transparent information on the risks involved and the means of protecting against them.

In most countries, Orange portals provide a wide range of simple and pragmatic advice on how to protect one's own privacy and that of others, manage one's mobile phone budget, report illicit content, protect against mobile phone theft, extend the lifetime of equipment, together with reminders not to phone whilst driving and to avoid taking calls in a public place... so that use of the new technologies remains a pleasure for all.

key dates relating to the Group's ongoing policy of improving the customer experience

2004

- Launch of the Simplicity+ programme.

2006

- Publication of responsible marketing guides.

2008

- Signing in France of the responsible communications charter of the Union des annonceurs (advertisers' union – UDA).

2009

- Publication of the Responsible Communications code.
- Launch of Orange Care services.

2010

- Incorporation of CET (Customer Experience Tracking) in the bonuses of 1,000 leaders.
- Establishment of quality committees.
- Launch of a Group programme to improve the customer experience by 2015.
- Launch of a professional certification programme for customer service employees and of the internal "Orange customer champions" competition.

2011

- Definition of the new Orange customer relations culture.
- CSR criteria introduced into the CET.
- Establishment of a training course on responsible communication (120 people trained).
- Formalisation of a responsible approach to events.

2011 review	deadline	achievements
<p>customer relations</p> <p>Intensification of action plans to improve the customer experience in the seven main European countries; extension of the field of application of the CET (12 countries); deployment of the CSR dimension in the CET.</p>	2011	<ul style="list-style-type: none"> ■ Launch of new action plans to improve the customer experience, translated in an improvement in the CET in a number of countries such as Spain, Romania and Poland. Improvement of CET in several countries such as Poland. ■ Introduction of the CSR dimension into the questionnaires of the main tool used to measure customer experience (CET) deployed in 12 countries.
<p>responsible communications</p> <p>Extension of the Responsible Communications Code introduced in France to other European countries. Deployment of training for communication teams.</p>	2011	<ul style="list-style-type: none"> ■ Raising awareness among internal and external communication teams (both corporate and country) at the highest level. ■ Finalisation of training modules with a length of almost four hours in French and English. Four training sessions in 2011: 120 people trained (corporate, country ambassadors and representatives of partner agencies). ■ Publication of the Responsible Communications Code on orange.com ■ Formalisation and first application of a responsible approach to events.

2012 roadmap	deadline
<p>customer relations</p> <ul style="list-style-type: none"> ■ As part of the aim of offering the best customer experience in 2015, strengthen the Group's action plans to: <ul style="list-style-type: none"> – mobilise all Group business lines to improve service quality; – simplify and segment our offerings; – facilitate the customer sales and after-sales relationship in all our channels; – provide the correct support for customers throughout their journey with Orange, together with a fair reward for their loyalty. ■ Analyse CET results with the new CSR components to identify any correlations between the CSR and customer satisfaction. ■ Define action plans for each country on the basis of the main points of progress identified. 	2012
<p>responsible communications</p> <ul style="list-style-type: none"> ■ Roll out responsible communications practices by holding training courses and appointing an "ambassador" in each country in which the Group is present. ■ Extend the "responsible approach to events" to all major internal and external events initiated by the Group's communications teams. 	2012

communicating with peace of mind

the Group's approach

Spam, phishing, computer viruses: as the Internet develops, so new risks emerge that need to be countered effectively. As part of its global security policy, the Group deals with different risks from the beginning of the offering design phase, and puts tools in place to ensure data security and privacy for its customers.

a global security policy

The Group's security activities are coordinated and run by the Group Security Department, which reports to Group General and Corporate Affairs. This department is responsible for implementing the global security policy, which has three focus areas, including information security (see p. 58).

The policy is reviewed every three years to take account of the emergence of new risks.

When the Group's global security policy was reviewed at the end of 2011, consideration was given to strengthening the organisation of security at Orange. As a result, 2012 will see the introduction of:

- a homogenous, unified organisation in the main Group entities;
- a methodological standard to be adopted by these entities so that they operate in coordination with the Group Security Department.

managing security risks

For over ten years, France Telecom-Orange has maintained a network security technology watch, enabling it to monitor the development of threats and design appropriate responses.

The Group applies a method for assessing major risks (High Level Risk Assessment – HLRA) to anticipate threats relating to security and data confidentiality and to factor them in from the design phase of new products and services.

Security teams regularly raise awareness among product marketing managers of the different risk factors, and provide security monitoring throughout development. In 2012, to enable security issues to be taken more effectively into account when designing offerings, the HLRA process will be incorporated into the "Time to Market" launch process for new offerings that is used by all marketing entities.

Half-yearly reporting is now in place in all Group entities as part of the security management system, in compliance with the guidelines for the ISO 27001 standards (see p. 58). Each country is therefore required to assess its risks, report all incidents and/or non-compliance, and implement the necessary security measures.

Internal audits are commissioned by the Group Security Department to verify the application of the policy.

Two training sessions on the ISO 27001 standard (one of which was for the African subsidiaries) were held in 2011 to enable employees holding security posts throughout the Group to obtain the "lead auditor" qualification for internal security auditors.

ensuring the confidentiality of personal data

Respect for privacy is an integral part of France Telecom-Orange's global security policy. Specifically, the Group complies with European Directive 95/46/CE on the protection of personal

data. Common action principles for a Group policy on the confidentiality of private data were defined at the end of 2011, and will be disseminated to all entities in 2012.

Rigorous measures are implemented in all countries:

- data protection requirements are incorporated in all employment contracts. A charter called the "Confidential Code", translated into eight languages, sets out the information security rules that must be applied by each and every employee. For more information, employees may consult the dedicated intranet site, "Security online", or contact a global security coordinator in a Group entity;
- the Group has introduced a restricted and clearly identified list of people authorised to access databases containing customers' personal data;
- user identities are checked using very strict authentication methods;
- the Group's responsible marketing guides ensure that personal data is never used for commercial purposes unless the customer has given their consent;
- all contracts with suppliers and partners include a specific clause on the protection of personal data.

solutions for customers

Besides internal measures implemented to protect the security and confidentiality of data, Orange offers its individual and business customers a comprehensive range of security solutions helping to facilitate electronic exchanges whilst providing end-to-end protection:

- securing workstations (PCs) and communication tools (mobiles, PDA-type personal assistants), secure management of company mobiles;
- securing network access (Internet, virtual private networks);
- protection of company resources from attempts to listen in or destroy information;
- detection and anticipation of attacks.



focus

achievements in 2011

Evernote: the guardian of personal data

At the end of 2011, Orange joined forces with Evernote to offer a solution that can store and recover all the data and content on a PC, mobile or tablet – in the blink of an eye. Evernote runs on almost all PCs, mobiles and other connected devices available on the market. The service will be offered free for one year to every customer who requests it between the first quarter of 2012 and the first quarter of 2013. At the end of this free one-year trial period, Orange customers will be able to subscribe to the Premium offering if they would like to or may simply continue to use the free version, both possibilities having been incorporated into Orange services. An offering to complement cloud services: "Mes Contenus" ("my content") and "Sauvegarde des données" ("data backup") now accessible to all.

Practical advice is regularly dispensed to customers to heighten their awareness of risks and promote safe, responsible uses that will help to protect their personal data.

Private individuals and business people may also consult the "Protecting yourself" section on the Orange Assistance website (<http://assistance.orange.fr/IHD/>).

For businesses, the Orange Business Services Security blog (<http://blogs.orange-business.com/securite/>) provides very comprehensive information on security issues and allows experts to discuss their experiences and best practice. A number of articles and videos have been posted too, to raise awareness among Internet users of safe use of social network sites. Orange security experts regularly speak at national symposia such as the Assises de la sécurité (see insert) and C&ESAR (Computer & Electronics Security Applications Rendez-vous) days, of which Orange Business Services is a major sponsor. The Group also participated in the introduction to the C&ESAR 2011 session devoted to the theme "Security and Mobility", providing a reminder of the new security issues connected with the explosion in the use of smartphones (the capabilities of devices are increasing, open ecosystems are not always very well protected, users themselves are neither prepared nor properly aware of the threat of theft of personal data, major fraud etc.). These security issues obviously impact the use of mobile phones and the behaviour of users.

a new business security unit for enterprises

The control of data relating to nomadic users and to mobile equipment, difficulties in managing and protecting data due to the exponential growth of social applications, the increasing requirement for visibility and checking compliance with guidelines, the increasing number of threats: these are all questions to which businesses want answers. To deal with these new issues, Orange Business Services has decided to concentrate part of its security expertise within a dedicated entity established in May 2011, based on a unique strategy, a comprehensive offering of business services (consulting, integration, audits) and a group of three families of services:

- securing infrastructure and data centres;
- securing user data and handsets, and exchanges between users;
- validation of the compliance of information systems with established standards, solutions proposed to be integrated, managed or on the Cloud.



focus

new internal campaign "Confidential Code: here, there and everywhere"

Two years after the launch of the first "Confidential Code" campaign, which introduced the main issues of information security, a new internal awareness-raising campaign called "Confidential Code: here, there and everywhere" focused on the increase in the dangers lying in wait for employees when they are travelling, and also within the company, not to mention public areas. Through a brochure directed at all employees and prefaced by the Secretary-General of the Group, the campaign provides a reminder that everyone is responsible for protecting any information they hold, have access to or exchange. The campaign revolves around a dedicated bilingual intranet site, which features an interview with the Secretary-General (in French and English), the brochure (available in a bilingual French/English version and two other single language versions: Spanish and Polish), downloadable posters and various information sheets. Special notification was sent to all Group leaders in their weekly newsletter (in French and English).

In total, nearly 10,000 French/English brochures and 700 posters were distributed within the Group. Each entity also had the option of downloading templates to print themselves.

the CEO of Orange Business Services at the 2011 Assises de la sécurité

The 11th annual French meeting on information systems security brought together over 820 managers and experts keen to find out about new technological trends, and this year gave the floor to three leading companies in the field, including Orange Business Services, represented by Vivek Badrinath.

The Executive Director of Orange Business Services presented the Group's vision and its philosophy of supporting business customers in all their current challenges, through a holistic approach to security. His address to an audience of several hundred was on the theme of "Changes in IT uses and their consequences on the management of the security of businesses".

main stages in the implementation of the security and private data protection policy

2007

- Publication of the Group's global security policy.
- Appointment of a private data protection manager.
- Establishment of a working group to assess risks relating to customers' personal data.
- Deployment of a security management system throughout the Group in compliance with the ISO 27001 standard.

2008

- Publication of the "Confidential Code", an internal charter on the protection of private data translated into eight languages, and the launch of a campaign to raise awareness among employees in 118 countries.

2009

- Introduction of security monitoring for all multi-country offerings developed by the Orange Technocentre.

2010

- Extension of security monitoring to mono-country offerings and certain Orange Business Services offerings.
- A global initiative to improve recognition of risks relating to the protection of customers' personal data.

2011

- Definition of Group guidelines on the confidentiality of private data.
- Production of an e-learning programme on the processing of private data in products and services.
- Definition of the policy on the responsible use of social networks and online release of a best practice guide for employees.

a word lived in trust

2011 review	deadline	achievements
data security		
New awareness-raising campaign (paper, intranet and/or e-mail) targeting Group managers and relating to protecting information whilst travelling: to be rolled out across activities in France, and resources to be provided for the other countries.	2011	<ul style="list-style-type: none"> ■ France: mounting of an awareness-raising campaign.
Define measures aimed at Group employees with a view to ensuring the security of company data on personal mobile handsets used in a business context.	2011	<ul style="list-style-type: none"> ■ Creating sites that are essential to ensure the security of the company's data.
Implement encryption measures for IT resources of Group entities in France that have expressed a need for same.	2011	<ul style="list-style-type: none"> ■ Continuing to deploy encryption solutions for IT resources within Group entities.
Publish a best practice policy and guide to the responsible use of social networks by Group employees with a view to a pilot awareness-raising campaign in the future.	2011	<ul style="list-style-type: none"> ■ Defining the policy on the responsible use of social networks and releasing a best practice guide online.
protection of privacy		
Finalise the Group policy and draw up an action plan for its local implementation in every European country.	2011	<ul style="list-style-type: none"> ■ Defining guidelines, action principles and governance.
Develop and deploy tools to enable all customers to improve the management of their data posted on Orange services.	2011	<ul style="list-style-type: none"> ■ Developing a dashboard enabling customers to view data relating to them held by the operator. ■ Collaborating with Evernote in launching a data-storing solution for the PC, mobile and tablet.
Increase the amount of information provided for our customers on the risks and correct use of mobile phones, in conjunction with partners.	2011-2012	<ul style="list-style-type: none"> ■ Introduced in 2012.
For marketing project ownerships in at least one of the Group's country divisions, drawing up and issue of a questionnaire to assess the processing of private data in new product and service concepts.	2011	<ul style="list-style-type: none"> ■ Releasing an online e-learning programme on the processing of private data in products and services.

2012 roadmap	deadline
security standards	
<ul style="list-style-type: none"> ■ Definition of a set of standard rules to be applied by each Group entity: organisation that mirrors corporate, rules of governance, suite of security policies. 	2012
data security	
<ul style="list-style-type: none"> ■ Publish and deploy a more robust data protection policy. ■ Accelerate the deployment of authentication and encryption techniques within the Group. 	2012 2012
protection of privacy	
<ul style="list-style-type: none"> ■ Roll out, communicate on and deploy the Group policy relating to the protection of privacy. ■ Increase the amount of information provided for our customers on the risks and correct use of mobile phones. ■ In addition to the personal Cloud, provide companies throughout the EU with secure access to high quality services from eco-designed data centres located in Europe; guarantee at all times to our customers the full ownership and easy, secure retrieval of their data (reversibility). ■ Provide Orange customers with the right to control, check and manage the personal information they provide on Orange platforms, for all services managed by Orange; provide them with a dashboard of their personal data by 2015. 	2012 2012 2012-2015

supporting young people towards safe and responsible usage

the Group's approach

To help parents support their children towards the safe and responsible use of new technologies, Orange applies a Group policy on digital protection based on three main action principles:

- actively promoting responsible usage by transparently relaying information from specialist institutions and organisations;
- raising awareness, supporting and training parents and educators in creating responsible reflexes in children through an original educational programme;
- continuing to develop content filtering and parental control tools, etc., in phase with developments in the digital world.

an international commitment

As part of its child protection policy, France Telecom Orange supports major international initiatives in the sector, such as the European Framework for Safer Mobile Use by Young Teenagers and Children and the Mobile Alliance Against Child Sexual Abuse Content, which aims to combat child pornography on the Internet.

In 2011, Orange supported two new child protection initiatives in Europe:

- in December 2011, the Group signed up to the CEO Coalition to make the Internet a better place for kids, which was launched by Neelie Kroes, Vice-President of the European Commission responsible for the Digital Agenda for Europe, to encourage action at European level;
- Orange was also involved in drawing up guidelines for the "ICT Coalition for a Safer Internet for Children and Young People", published on 19 January 2012 by 25 companies in the ITC sector.

promoting responsible usage

Orange's global awareness-raising process has become a relay for institutions, approved organisations and acknowledged experts. The Group promotes their messages and recommendations relating to safe and responsible usage in a manner that is transparent and suited to each public group, via a range of media: guides for use by parents, dedicated websites, awareness-raising campaigns, round-table discussions, etc.

These awareness-raising actions are focused on three main target groups:

- employees: 172,000 people across the world. They are mostly parents or future parents, directly concerned in protecting their children, and as such are the Group's best ambassadors to its customers;
- customers – all channels;
- the general public, with the support of partner organisations.

In the respect for the cultural specificities of our countries of presence, our various subsidiaries forms partnerships to to strengthen their local actions of raising awareness.

Orange France partners Internet sans crainte

(the French branch of the Europe-wide Safer Internet programme), e-enfance and the Union française des associations familiales (UNAF – the French association of family organisations), Kidprotect and Nobody's Children Foundation in Poland, Protégeles in Spain, Child Focus in Belgium, UNICEF and a network of psychologists in Slovakia, the Armenian Committee for a Safer Internet (www.safe.am), etc.

becoming a "digital coach" to parents

Safe surfing is learned first and foremost in the family. Orange's goal is to become the parents' digital companion: the one that gives them the keys to understanding and action, enabling them to confidently educate their children in the appropriate use of the multiple opportunities provided by the Internet.

Usage guides for parents provide simple, effective advice to enable children to use their mobile phone or the Internet in complete safety. These guides are available in seven languages and may be downloaded free of charge from the Group's European websites.

Moreover, the Group runs training activities for employees, customers and teachers, based on partnerships with specialists:

- In France, workshops on child protection solutions held between October 2010 and January 2011 helped to train 600 employees from 49 sites across the regions. In 2011, the Group also launched the "Vinz et Lou" events for Orange Mômes ("Orange kids"): children of employees spend one Wednesday per year at their parents' workplace taking part in fun educational activities for the 7-12 age group on the appropriate use of the Internet. These activities are supplemented by the use of an educational kit, "Atelier pour internautes fûtés" ("workshop for computer-savvy Internet users"), which reflects the content of the national Internet sans crainte programme. To date, over 300 children have learned about using the digital world safely and properly at 18 of the Group's sites in France. In March 2012, Orange will launch workshops to raise awareness among parents of the use of digital networks by teenagers, and will run courses in parental control.



focus

the digital protection of children, a priority requirement of stakeholders in Europe

The Group's CSR policy is based on listening to stakeholders and taking account of their requirements. Recent studies undertaken in France show that:

- the leading concern among the general public – particularly parents in the 35-49 age group – is protecting children against the risks inherent in the use of the Internet and mobile phones, and exposure to TV programmes that are inappropriate to their age;
- more than one in three Orange customers would like to have more information relating to parental control and mobiles.

Studies undertaken in other European countries reveal similar perceptions and requirements:

- in 2011, the American Life Project Family Online Safety Institute jointly financed with the Pew Research Center's Internet on parents perceptions linked to parental control;
- study by Orange Spain/Inteco. This carried out a thorough investigation into the use of mobile services by young people aged 10-16 and the perception by children and their parents of the risks involved (2010);
- study by Orange Poland/Nobody's Children Foundation on the Internet and child safety (2008).

a word lived in trust

■ In Spain, summer schools are provided for employees, and many awareness-raising activities are carried out in conjunction with the Protégeles Foundation: in 2011, over 1,700 children were trained with the help of 300 employees.

■ In Slovakia, since 2006, a team of 10 psychologists trained by Maria Tothova Simcakova, a well-known psychologist and manager of Orange Slovakia's project on education in the media and the protection of children against unsuitable content, trains teachers, parents and children in a fun, hands-on way (50 teachers, 1,000 parents and 4,500 children trained by the end of 2010). This network of psychologists uses various resources, educational activities, tools and games to arouse children's curiosity and encourage dialogue. It has also created an educational website and produced a guide for educators and parents.

■ In Armenia, Orange is partnering the Armenian Committee for a Safer Internet (www.safe.am) in training IT teachers in secondary schools.

■ In Moldova, Orange is partnering the NGO PRO Info in training 60 IT teachers and Orange employees in child safety on the Internet. These employees and teachers will in their turn lead training sessions in schools in 2012. A national competition for school pupils will also be launched for the best TV/radio programme, poster, and Internet user guide for parents and children.

■ In emerging countries in Africa, Asia and the Middle East, the Group is using projects developed by the Orange Foundation to provide IT equipment for schools and raise awareness among teachers, parents and children of the appropriate use of the Internet.

■ Finally, Orange has been part of the French-speaking network Educavox for two years. Its aim is to promote best practice and innovation in the ITC sector.

content control tools

To facilitate the protection of minors, Orange is developing tools to control access to certain content in the three spheres in which the Group is active (Internet, mobile, TV), and is also marketing offerings specifically for use by children and young people.

on the computers

Parental control, a free customisable programme that blocks access to sites not recommended for a young audience by filtering the content, is available in a number of European countries (France, Poland, Spain, Switzerland and Slovakia).

on mobiles

The parental control filter, which is free, enables the blocking of:

■ the access to adult content across the entire mobile Internet in France, Spain, Romania and Poland;

■ the access to adult content on the Orange portal only in Belgium and Slovakia;

■ special numbers (video and voice) not recommended for children in France, Spain, Slovakia and Poland;

■ the access to a selection of mobile TV channels between 10.30 pm and 5.00 am in France.

In France, call control and blocking options allow parents to secure their children's mobiles.

Safety on Orange TV

Adult and confidential codes and parental control are all tools enabling parents:

■ to protect children against access to programmes prohibited for under-18s;

■ to check VoD purchases and subscriptions to pay-TV bouquets directly from the TV;

■ to restrict access to programmes offered on VoD, according to the age of their child.

In parallel, Orange's youth TV bouquet offers parents six TV channels for all ages and a catalogue of programmes on demand (cartoons, films, children's series, etc.) that contain neither advertising nor violence. Poland and Slovakia also offer access control systems.

key dates relating to the Group's policy on the protection of children

2005

■ Publication by a number of European subsidiaries of guides for parents on the subject of children and mobile phones.

2006

■ Production of responsible marketing guides to ensure that the Group's advertising campaigns incorporate its commitments in respect of the protection of children.

■ Signing in France with the Ministry of the

Family of the charter on mobile multimedia to ensure the protection of children.

2007

■ Signing of the European Framework for Safer Mobile Use by Young Teenagers and Children.

■ Study by Orange Slovakia on the use of mobiles and the Internet by children, and launch of a campaign to raise awareness in schools with the help of specialist psychologists.

2008

■ Contribution within GSMA to the launch of the Mobile Alliance Against Child Sexual Abuse Content.

■ Launch of the Europe-wide Teach Today initiative, which aims to provide teachers with tools to raise pupils' awareness of Internet use, and of which France Telecom Orange is a founder member.

■ Study on the Internet and child safety by the Orange Poland Group (Polish subsidiary of France Telecom Orange) in partnership with Nobody's Children Foundation.

2009

■ Signature in Poland – on the initiative of the Orange Poland Group – of a national agreement on child safety on the Internet.

■ Signature of a partnership between Orange Spain and the Protégeles organisation to carry out joint actions to protect children and combat illicit content.

2010

■ Inventory of child protection actions in all Group subsidiaries and preparation of a Group policy.

■ Publication of the Orange Charter on Child Protection in France.

2011

■ Signed up to the CEO Coalition to make the Internet a better place for kids, an initiative sponsored by Neelie Kroes, European Commissioner responsible for the Digital Agenda for Europe.

■ Under the aegis of ETNO, GSMA and Digital Europe, active participation in the production of "key principles" common to the entire ICT industry in respect of child protection.



focus

an international study on the use of new technology by children

In late 2010-early 2011, Mobinil helped to undertake a Child Internet Safety survey as part of an international project initiated in 2009 by the GSMA to gain a better understanding of children's use of mobile phones. Egypt was one of the four countries surveyed in 2011, and Mobinil made a significant contribution to this new study. 1,385 pairs of parents and children were surveyed by questionnaire in four different regions. 1,014 replied, i.e. a rate of return of 73%. The survey, which represented 2,600 hours' work, required intense collaboration between the various players concerned: GSMA, operators, Egyptian Ministry of Telecommunications and local NGOs. The study shows that children's use of new technologies is particularly significant in Egypt: 14% of children in Egypt aged 8-18 have a smartphone (vs 11% in India and 9% in Japan), and 18% use tablets (6% in India, 2-3% in Japan).

The results of this study can be consulted on the GSMA website:

<http://www.gsma.com/understanding-usage-of-mobile-by-young-people/>



focus

large-scale involvement on the occasion of Safer Internet Day

For the past two years, Orange has supported the Safer Internet Day, an event organised by Europe's Insafe network to promote safer and more responsible use of technology and the Internet by children and young people throughout the world. On 7 February 2012, all Orange entities in Europe put their weight behind the event by organising numerous awareness-raising actions:

- in France, a live video chat was held on www.orange.com. Parents were able to talk directly to experts and find out how to help very young children benefit from the digital world. This day was an opportunity for Orange France to announce several staff awareness then customer initiatives with parent sessions in the major Orange stores across the country;
- in Spain, besides the awareness-raising programmes run in schools in conjunction with the Protégeles organisation, Orange sponsored a conference held by the Spanish awareness-raising centre on "young people on the Net". The meeting was attended by over 1,000 teenagers aged 11-17 from different Spanish provinces;
- in Poland, the Orange Foundation – the lead partner of the Safer Internet Day – held a conference on the event, with Nobody's Children Foundation and other NGOs. This conference was followed by an exhibition presenting various projects on the theme of child safety on the Internet;
- in Armenia, teachers trained by Orange in partnership with the Armenian Committee for a Safer Internet (www.safe.am) led seminars for parents, to increase their awareness of safety on the Internet;
- for the fifth consecutive year, Orange Romania supported the Safer Internet Day Awards, which are presented to the best digital projects conceived by pupils aged 5-18 with the help of their parents or teachers;
- in Slovakia, Orange presented the results of its programme through specially trained psychologists in primary schools, and almost 50 of these psychologists held information workshops on "a safer Internet" in primary schools in the country.

a new child protection tool in Spain

In Spain, Orange and the three other national operators have supported the introduction of an initiative helping to protect children on the Internet: by clicking on a single button, users are able to notify the Protégeles organisation anonymously of content that is harmful to children: child pornography, "grooming" situations (adults using the Internet to seduce minors), etc. In an initiative promoted by the European Commission, the organisation then relays the information to the relevant authorities. According to Protégeles, the number of complaints relating to content harmful to minors has decreased by 94% in four years. Already incorporated into the websites of Orange Spain (www.orange.es/especiales/protege-a-la-infancia/) and other national operators, this button will soon be accessible from smartphones.

Equivalent schemes already exist in France and Poland (Nobody's Children Foundation – www.helpline.org.pl).

a word lived in trust

2011 review	deadline	achievements
<p>safe and responsible use of our products and services</p> <p>Establishment of a structure linking the worlds of science and medicine in order to promote safe and responsible usage.</p>	2011	<ul style="list-style-type: none"> ■ Operation deferred to 2012.
<p>child protection</p> <p>Dissemination and roll-out of Group policy throughout Europe.</p> <p>Continuation of the extension of the parental control functionality to all countries.</p> <p>Continuation of targeted communication and awareness-raising campaigns (employees, customers, society in general).</p>	2011	<ul style="list-style-type: none"> ■ Dissemination of the Group policy to country correspondents (November 2011) supported by an international communication campaign. ■ Fixed line and/or mobile parental control available in most European countries. ■ Active participation in leading the ICT Coalition, uniting members of the sector around issues connected with the protection of childhood, under the aegis of EC Digital Europe, GSMAe and ETNO. ■ November 2011, signed up to the CEO Coalition initiative to make the Internet a better place for kids, supported by the European Commission. ■ France: launch of the “digital parenting” concept within the Orange solidarité numérique (Orange digital solidarity) programme, whereby employees voluntarily make their skills available to interested organisations. ■ Creation of a dedicated child protection toolkit and its specific use on a number of sites in France during Orange Mômes (“Orange kids”) days.

2012 roadmap	deadline
<p>safe and responsible usages</p> <ul style="list-style-type: none"> ■ Establish an international forum involving scientists and practitioners from various disciplines to monitor the impact of digital immersion on individual and collective behaviour. 	2012
<p>child protection</p> <ul style="list-style-type: none"> ■ Create a resource centre to train and help countries to strengthen their child protection and support activities in the face of the risks inherent in the digital sphere. ■ Contribute actively to the CEO Coalition to make the Internet a better place for kids. ■ Promote the use of offerings meeting parents’ requirements. 	2012-2013

answering questions about radio waves

the Group's approach

Faced with questions about the potential effects of radio waves emitted by mobile phone systems and new communication technologies, France Telecom-Orange has established a policy based on five main principles:

- total transparency in its communications with its various stakeholders regarding radio waves and communication technologies, using appropriate information materials and discussion channels;
- contributing to research into radio waves;
- ensuring compliance with local regulations (whenever such regulations exist) or international recommendations issued by the ICNIRP⁽¹⁾ and the IEEE⁽²⁾ on exposure thresholds;
- promote proper mobile use, as set out by public and other relevant authorities, in order to limit exposure to radio waves;
- implement a Group policy on radio waves in the workplace.

This policy is deployed via a network of radio waves correspondents within the Group and its subsidiaries.

total transparency in communications

The Group undertakes to:

- monitor the results of scientific studies around the world relating to radio waves;
- provide stakeholders with information concerning radio waves and answer their questions using appropriate means of communication (internet, extranet, seminars, leaflets, etc.);
- enter into open discussions with all stakeholders, local residents, consumer associations and local authorities on the topics of radio waves and communication technologies.

Not least, and independently of compliance with regulations, plans for new installations or upgrading relay antennae are being drawn up in consultation with the local authorities.

For example, the Group's subsidiaries in France and Spain have drawn up best practice guides with local and national authorities, in partnership with mobile operator associations.

contribute to research efforts

For over fifteen years now, Orange researchers have played an active role in technological research, developing methods and tools to measure and display radio wave intensity, and carrying out dosimetry and metrology studies. The Group contributes its knowledge of mobile telephone networks and its expertise in dosimetry. It takes part in numerous national and international research programmes, contributing

in particular to:

- dosimetry research carried out by the Agence nationale de la recherche (ANR – French national research agency) and the WHIST laboratory, in conjunction with the Institut Mines-Télécom;
- groups working on international standardisation (CENELEC, ITO, ETSI, etc.);
- research programmes financing.

In 2011, Orange France was heavily involved in research into radio waves, particularly with public and private epidemiological and biological research as part of the agenda of the World Health Organisation (WHO), the Scientific Committee on Emerging and New Identified Health Risks (SCENIRH) and the ANSES (French National Agency for Health Safety).

ensuring compliance with regulations

for relay antennae

In the absence of local regulations, all Group subsidiaries must comply with recommendations issued by the ICNIRP⁽¹⁾ and IEEE⁽²⁾ relating to thresholds for public exposure to antenna repeaters.

Subsidiaries carry out field measurements to check the compliance of installations. The results are made public on the national authority's website, whenever there is one.

Measurements carried out around the Group's antenna repeaters reveal exposure levels for local residents that are well below ICNIRP threshold values.

■ In France, over 500 measurements of exposure thresholds were carried out in 2011 and put online on the site of the Agence nationale des fréquences (ANFR – national frequencies agency), www.cartoradio.fr. All the results are below the legal threshold and 97% of the readings do not even reach 10% of the legal limit. The Government has also carried out a review in a number of municipalities, which concluded that the exposure of people in France to electromagnetic waves from base stations was very low.

■ In Egypt, over 1,100 sites were measured. The measurements showed that 100% of the sites comply with national and international regulatory limits.

■ In Tunisia, 100% of sites checked by the ANFR within the framework of its responsibilities comply with ICNIRP limits and the interdepartmental recommendation of 2008.

■ In Slovakia, Orange Slovakia measures the compliance of antenna repeaters on request by customers.

for mobiles

All mobile phones marketed by France Telecom Orange comply with ICNIRP standards and have an SAR (Specific Absorption Rate, indicating the maximum level of radio waves to which users can be exposed) of less than 2 W/kg.

A large number of countries communicate mobile SARs through a variety of media. For example, in France, the SAR of all mobile phones sold is indicated in shops, on websites and in sales brochures, sales outlets, Orange Guides and in the boxes.

promoting the correct use of mobile phones

To encourage its customers to adopt responsible use of their mobile phones, the Group:

- systematically offers an earpiece kit with each mobile purchased, either directly in the box, or available in the shop;

(1) International Commission on Non-Ionizing Radiation Protection: an international commission linked to the World Health Organisation (www.icnirp.de). This commission has defined exposure thresholds in order to protect individuals against the effects of radio-waves on health.

(2) Institute of Electrical and Electronics Engineers.

a word lived in trust

■ provides information to customers through appropriate channels on the correct use of mobile phones, as set out by public or other relevant authorities, in order to reduce their exposure to radio waves (use of a headset, phoning when reception is good, etc.).

a Group policy on radio waves in the workplace

The Group pursues its actions on policy on radio waves in the workplace which:

■ anticipates the implementation of European Council Directive 2004-40 concerning minimum provisions aimed at promoting an improvement in the level of health and safety protection for workers;

■ sets out the goals to be achieved, the principles to be complied with and the basic values to be adopted so that employees are informed about, and protected from, the potential effects of radio waves.

The policy continued to be deployed in 2011 to enable the subsidiaries to apply the instructions in a uniform manner across the board and two audits were carried out in Senegal and Tunisia, on this subject.



focus

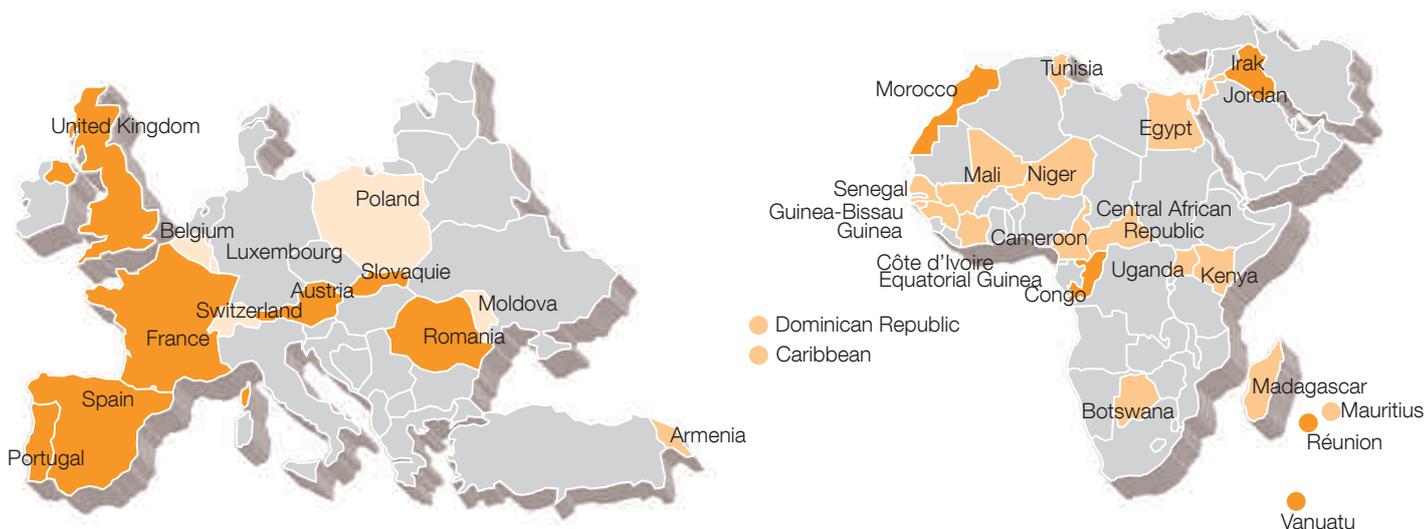
information on sanitary notices

The Group encourages the correct usage of mobiles as recommended by the international authorities to reduce personal exposure (e.g.: using a headphone, telephoning where reception is good, etc.) using suitable media, and systematically offering a headphone kit with every mobile purchase, either directly in the box, or in the shop. The Group communicates on the sanitary notices as the classification the International Agency for Research on Cancer (IARC) published in 2011. On the basis of results of various studies concerning in particular the use of mobile telephones, IARC, a WHO organisation, announced the classification of radiofrequency electromagnetic fields as “possibly carcinogenic to humans” (group 2B). The WHO confirms however in its “Reminder” of June 2011 on mobiles that “this day, it was never established that the mobile phone can be at the origin of a harmful effect for the health”. Some sanitary or public authorities promulgated various usage precautions intended to reduce the exposure to electromagnetic fields of mobile phones.

The WHO plans to carry out another formal risk assessment in 2012 of all health effects of exposure to radiofrequency fields. The European Commission’s Scientific Committee on Emerging and Newly Identified Health Risks (SCENIHR) has also received a mandate to update its opinion of 2009 on the potential health effects of exposure to electromagnetic fields.

all the subsidiaries follow the ICNIRP recommendations

- legislation applies ICNIRP recommendations
- Orange applies the international ICNIRP recommendations
- other local legislations followed by Orange



key dates relating to the Group's action in respect of radio waves

1994

- Development of a dosimetric technique for mobile telephony by France Telecom researchers (electromagnetic field measurement method).
- First Group colloquium on radio waves.

1998

- The ICNIRP, a body recognised by the WHO, issues recommendations concerning protective thresholds relating to exposure to electromagnetic fields. France Telecom Orange thinks ahead by applying these limits to its relay antenna installations in France before they are adopted in French regulations.

2002

- Orange France provides a hands-free kit for customers with all its mobile packs.

2005

- Orange France adopts AFSSET* recommendations and publishes a guide advising parents to encourage their children to moderate their use of mobile phones.

2006

- A Group strategy is launched to strengthen and harmonise communications on the impact of radio waves in all its subsidiaries.

2007

- Orange extends the inclusion of a hands-free kit in all its packs to subsidiaries using its mobile catalogue.

- Appointment of an officer responsible for radio waves at Group level and establishment of a network of radio waves correspondents in all entities.

- Formalisation of the Group's policy on radio waves.

2008

- An international watch unit is set up to monitor progress in research on radio waves and ensure the same level of information in all the Group's countries.

2009

- The Group takes part in the "Radio frequencies, health and environment" round table organised by the French public authorities in May 2009, and in the Operational Committee responsible for exposure modelling and experimentation, as well as the consultations set up after the round table.

2010

- Drawing up of a Group policy on radio waves in the workplace.

2011

- Participation of Orange France to the radio frequencies health environment Operational Committee organised by the government and to the Committee of Dialogue of ANSES (national agency of sanitary security) gathering all the stakeholders.

2011 review	deadline	achievements
radio waves		
Extend compliance audits to antennae.	2011-2012	■ Senegal and Tunisia: compliance audits undertaken.
Deploy an active communications policy on electromagnetic waves.	2011	<ul style="list-style-type: none"> ■ Deploying an active communications policy on electromagnetic waves. Strengthening of internal communication actions for all employees. ■ Launch in France of "Homo Mobilus", an awareness-raising operation in the form of an exhibition having for object " the place of the mobile networks in our life", a part of the exhibition concerning mobile services and electromagnetic waves.

2012 roadmap	deadline
■ Create a common resources centre to share good practices.	2012
■ Realise a seminar on the radio waves in the AMEA zone.	2012

providing digital access to all

Today, Internet and the mobile telephony are indispensable, in our professional life as in our daily exchanges. At Orange, we think that one of our first missions is to make information and communications technologies accessible, every day, to as many as possible.

99 combating the geographic digital divide

103 supporting local development

107 ensuring accessibility by elderly and disabled people

111 meeting healthcare challenges

114 inventing new ways of accessing education and culture

116 Foundation, sponsorship: we all need to live together

combating the geographic digital divide

the Group's approach

To bring the benefits of the digital world further extend and provide greater bandwidth for all, France Telecom Orange has embarked on an ambitious action plan based specifically on:

- developing infrastructures to extend the coverage of fixed and mobile networks;
- deploying alternative innovative solutions for isolated areas;
- expanding the network of broadband optical fibre submarine cables to improve Internet connectivity in Africa, the Indian Ocean, the Middle East and the Indian sub-continent;
- an in-depth renovation of the networks and their equipment, and the deployment of new technologies (fibre, 4G) meeting requirements for increased bandwidth.

extending network coverage

■ In mature countries, where high levels of cover are already being achieved for both mobile and fixed line broadband, coverage is being improved by entering into pooling agreements with other operators and introducing alternative solutions for isolated areas, in partnership with the local authorities.

■ In emerging countries, the challenge is to establish – rapidly and at a controlled cost – coverage enabling the greatest possible number of potential customers to access the services available. Internet access increases mainly through the deployment of mobile 3G networks, which help to compensate for the low deployment of copper networks.

innovative solutions for isolated areas

To help open up isolated areas where ADSL technology cannot be deployed for technical or economic reasons, the Group offers alternative innovative solutions:

■ the satellite Internet offering developed in partnership with NordNet in Metropolitan France provides 100% broadband coverage of the country up to 4Mbit/s. In 2010, this solution received the Ministry for the Economy's "Broadband for All" label;

■ WiMax (Worldwide Interoperability for Microwave Access) technology enables broadband connections to be made by radio link. This technology has been deployed in Botswana, Cameroon and Mali;

■ the CDMA technology deployed by Orange in Senegal enables isolated areas not covered by ADSL to access the Internet using wireless technology. 100% of Senegalese villages with over 500 inhabitants now have access to the Internet thanks to this technology;

■ the Flybox enables inhabitants of regions without fixed ADSL coverage to gain WiFi or landline access to the Internet via a mobile broadband network. By the end of 2011, the Flybox had been introduced in eight countries (Romania, Slovakia, Egypt, Switzerland, Moldova, Armenia, Botswana and Tunisia);

■ in Africa, Orange deploys an original solution

enabling collective access to be brought to isolated villages: "Community Phones" (see p. 103). By the end of 2011, this solution had been deployed in more than 1,700 villages with over 500 inhabitants, in Mali, Niger, Côte d'Ivoire and the Central African Republic;

■ the deployment of solar stations also helps to develop access to communications in rural areas without access to the electricity network, whilst at the same time preserving the environment. By the end of 2011, 2,065 solar sites (including 1,416 solar mobile radio stations) had been installed in 14 African and Middle Eastern countries as well as the Dominican Republic, Vanuatu and Armenia, making it possible for isolated villages without electricity to access telecommunications. This programme received the Best Mobile Technology for Emerging Markets Award at the 2011 Global Mobile Awards.

cables to connect Africa

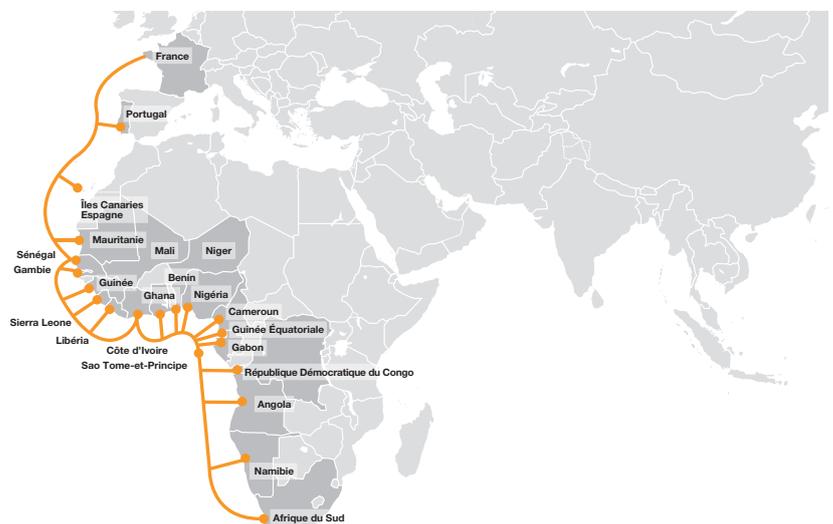
Africa continues to be one of the continents that is less well endowed when it comes to network infrastructures. Orange is making an active contribution

to major projects to lay submarine optical fibre broadband cables to improve the capacity and quality of Internet connectivity in Africa, the Indian Ocean, the Middle East and the Indian sub-continent. Following the EASSy (Eastern Africa Submarine System) and IMEWE (India Middle East Western Europe) cables, which came into service in 2010, the Group is participating in two other major projects:

■ LION2: through the construction agreement for the LION2 cable, signed in September 2010 by France Telecom-Orange and the other members of the consortium, the LION cable was brought into service in April 2012, to bring the broadband in Mayotte, by connecting the island with the rest of the world via Kenya on one hand, La Réunion on the other one.

■ ACE (Africa Coast to Europe): in June 2010, France Telecom Orange signed the construction agreement for the ACE cable. The 17,000-km cable will extend from France to South Africa and will be partially operational in 2012. It will connect around 20 countries, either directly for coastal countries or via terrestrial links for landlocked countries such as Mali and Niger.

the ACE cable



an accessible world

increased bandwidth for all

The new “digital ecosystem” is marked by a tremendous growth in the volume of data being exchanged. Mature markets are needing increasingly broad bandwidths as a result of the explosion of uses and new consumer requirements. To deal with this increase in demand, the Group is investing not only in solutions that facilitate the development of new services but also in super-fast broadband (optical fibre for fixed line, 3G+ and 4G for mobiles) to provide users with access to all multimedia uses in optimum conditions.

a proactive investment plan

Developing networks is one of the priorities of the conquests 2015 strategic project.

To do so, we are investing in all fields, networks, information systems, Livebox, networks of fixed and mobile access, etc. In 2011, these investments represented 12.7% of sales. We anticipate accelerating our investment in networks during the 2011-2013 period. Almost 17 billion euros will be allocated to this programme, including 2 billion euros to the fibre programme in France and 500 million euros to modernise our 3G networks in Europe.

These efforts will deliver super-fast broadband networks that are increasingly efficient, convergent and pooled, and that respond to the strong growth in the volume of data being exchanged.

pooling agreements

To accelerate the deployment of infrastructures – particularly in isolated areas – we favour sharing network infrastructure with our competitors, a win-win solution that will help to increase geographic coverage whilst at the same time minimising our environmental footprint and helping to control costs.

the pooling of mobile network infrastructures

Besides the sharing of “passive” equipment (buildings, pylons, masts), which we have been doing for a number of years, we are seeking to develop “active” sharing (known as “RAN sharing”), which also involves the means of transmission: this is the most effective approach in terms of savings, but also the most complex to implement. In 2007, for example, we signed a RAN sharing agreement in Spain with Vodafone, the implementation of which extends over five years. The objective: to deploy 3G network cover together for towns of 1,000 to 25,000 inhabitants, i.e. a total of some 13 million inhabitants. Eventually, around 5,000 sites will be shared. Another recent example is that of the joint venture with the mobile subsidiary of Deutsche Telekom in Poland to pool the mobile network across the entire country.

the pooling of optical fibre access network infrastructures

In France, we signed pooling agreements in



focus

2011, a decisive year for the deployment of fibre in France

Following the success of the deployment of the “Broadband for all” plan, with ADSL coverage of 98.8% throughout the country at the lowest prices in the world, the France Telecom Orange Group has embarked on the roll-out of super-fast broadband with the aim of bringing optical fibre to all cities and medium-sized towns by 2015, with a coverage of 10 million households by 2015 and 15 million by 2020, i.e. almost 60% of French households.

The Group has undertaken that the 40% of households not directly concerned will receive a set of solutions as soon as possible to bring their existing connections closer to the speed of super-fast broadband, depending on their situation. These could be public initiative networks designed to complement existing networks and accelerate deployment in less densely populated areas: the Group could, case by case, support local authorities in projects aimed at maximising regional coverage. Orange will also work with local authorities to combine all the available technologies: fibre to the home, fibre to the kerb (moving towards super-fast broadband speeds), radio and satellite technologies, etc., whilst taking account of economic conditions and the specific features and requirements of each region. Lastly, in compliance with regulations, Orange was the first operator to provide an offering of access to its optical fibre network in less-densely populated areas, and including the possibility of co-financing. This helps to prevent a fragmentation of the investment and finally to reduce the risk of the digital divide.

This offering is the result of agreements entered into in 2011 with Free and SFR, and early in 2012 with Bouygues Telecom. This offering and these agreements mark a decisive stage in the deployment of super-fast broadband in France.

2011 with Free and SFR, and early in 2012 with Bouygues, to accelerate the deployment of optical fibre.

increased bandwidth of mobile networks

The Group is pursuing the deployment of third generation mobile networks (3G/3G+) in all its countries that support broadband data services.

■ In most European countries, the entire 3G network is now 3G+ with a considerably broader bandwidth and higher capacity than the earlier generations.

■ 3G is also being deployed in a number of emerging countries. Orange has already deployed 3G in 13 African countries (Botswana, Egypt, Guinea, Jordan, Kenya, Madagascar, Mali, Morocco, Mauritius, Niger, Uganda, Senegal and Tunisia). In Egypt and Senegal, deployment in high traffic zones in major cities has leapfrogged directly to 3G+.

■ In France, the official ARCEP report on “the quality of voice and data services of mobile networks (2G and 3G) in Metropolitan France” dated 4 November 2011 confirms that Orange offers the best mobile network in the country, specifically with the best network coverage, the fastest mobile bandwidth, and the best voice communication and mobile data service quality.

The fourth generation of mobile networks: LTE (Long Term Evolution), also known as 4G, is designed to provide the best performance, greater capacities and lower costs in an environment where data exchange and creation are growing strongly. Orange has carried out a series of technical tests on an experimental network in France in order to gain an in-depth and

detailed understanding of this new technology and to ensure it has fully mastered it before any commercial launch. In France, the deployment of the 4G network will begin in Marseilles in June 2012. The first commercial offerings are scheduled to come to market in France in 2013. In addition, the purchase of new frequencies and the development of innovative projects will enable Orange to provide a better quality of service to its customers. Orange plans to provide 4G offerings in all the European countries in which it is present by 2015.

super-fast broadband over optical fibre

Optical fibre broadband, up to 10 times faster than ADSL and capable of reaching over 100 Mbit/s, will encourage the emergence of new Internet and multimedia uses in the home, businesses and public services. This is not only a major issue in regional competitiveness but also in the day-to-day life of all citizens, and France Telecom Orange has made proactive commitments in this respect.

■ In France, the “La Fibre” programme is continuing with its ambitious objectives: 2 billion euros investment to ensure coverage of 10 million households by 2015, and 15 million (i.e. 60% of households) by 2020, in 3,600 municipalities (see insert).

■ Super-fast optical fibre broadband is also available in Slovakia.

■ Pilot networks have been launched in Spain and Poland.

■ In Poland, VDSL technology has been deployed and 40 Mbit/s and 80 Mbit/s offerings have been marketed since mid-2011.

main stages in the Group's geographic accessibility policy

2003

- Signature in France of the national agreement on the coverage of "white zones".

2005

- Launch of phase 2 of the "white zones" programme, fully financed by the operators.

2007

- Launch of the programme to construct solar base stations to develop access in rural areas of African countries (35 solar stations in Senegal).
- Signing in Spain of a 3G infrastructure sharing agreement with Vodafone.
- Launch in France of the "NRA-Zones d'Ombres" technology providing broadband access in areas not covered by ADSL.
- Launch of fibre in France and Slovakia.
- Launch of the "Internet Republic" project in Poland to increase Internet usage in rural areas.
- Launch of the Flybox in Romania.
- Launch of the "botikas" network in Madagascar: franchised shops distributing Orange solutions in isolated areas.

2008

- Deployment of the Flybox in Slovakia, Egypt and Switzerland.
- Launch of a satellite Internet access solution in partnership with NordNet.

2009

- Commissioning of the LION submarine cable (Indian Ocean).
- Introduction of the first "Community Phones" in Mali.

2010

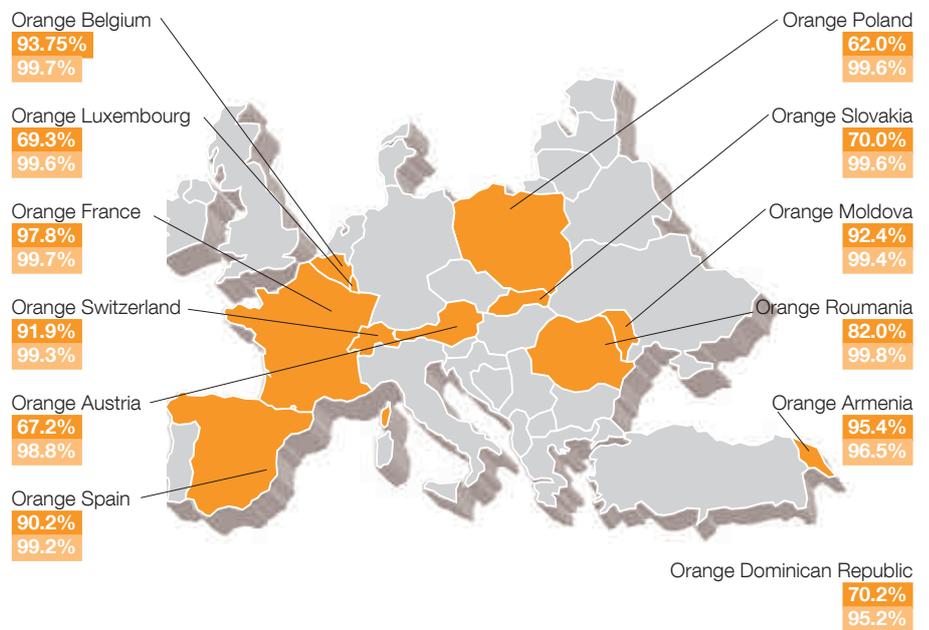
- Commissioning of the EASSy (Eastern Africa) and IMEWE (India and Middle East) submarine cables.
- Signing of the construction agreement for the new ACE (Africa Coast to Europe) cable and the construction agreement for the LION2 (Indian Ocean) cable.

2011

- Launch of the wholesale fibre offering, in compliance with the principles set by ARCEP, enabling the pooling of FTTH networks outside very densely populated areas.
- Signature of FTTH network sharing agreements with Free and SFR.

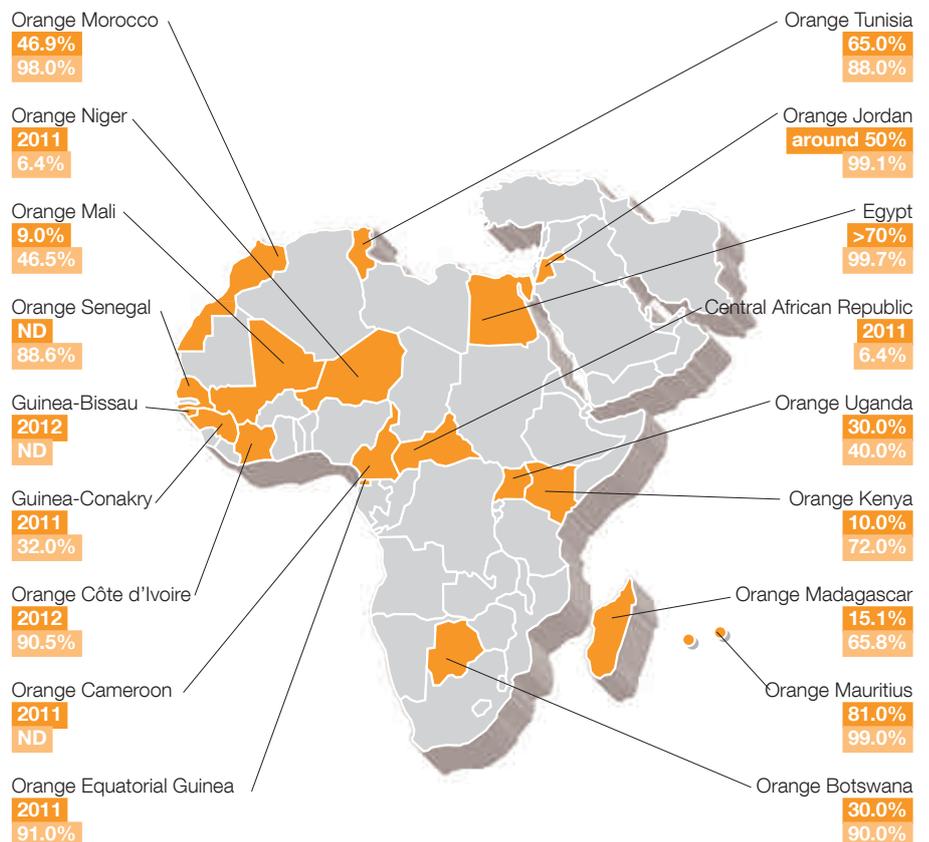
3G population – 2G population Europe

■ 3G Voice Outdoor population coverage
■ 2G Voice Outdoor population coverage



3G population – 2G population Africa

■ 3G population coverage
■ 2G population coverage





focus

Orange accelerates its plan for investment and innovation in the Spanish networks

Orange confirms its commitment to develop the information society in Spain: in September 2011, the Group announced new investment in fixed and mobile networks. In 2010, Orange announced an investment of 500 million euros over two years to modernise its network and make it more flexible, robust and convergent (fixed and mobile), and therefore ready to offer LTE (4G) technology. By the end of this year, Orange will have about 5,000 stations able to use the latest multi-network technologies: 2G, EDGE, 3G or in 1800 and 900, fully IP, and ready to offer LTE technology. Today, Orange customers in Saragossa, Valencia, Alicante, Murcia, the Canaries, Galicia and Vizcaya are already benefiting from increased coverage and network quality. In addition to its investment in the mobile, the Group will open about 100 new exchanges across the country between 2011 and 2012 in order to enable the largest possible number of users to enjoy the benefits of Orange's ADSL network and boost the growth of the fibre market. By the end of this programme, Orange Spain will reach 70% of the Spanish population. Furthermore, the purchase of new frequencies in 2011 and the development of innovative projects will enable the company to deliver a better quality of services to its customers.

2011 review	deadline	achievements
<p>reducing the geographic digital divide</p> <p>Continued deployment in Africa of mobile relay stations that are fully powered by solar energy, thereby enabling services to be provided in even the most isolated regions with no electricity supply.</p> <p>Continued improvement in international connectivity in Africa through new submarine cables.</p>	<p>2011-2012</p> <p>2011-2012</p>	<ul style="list-style-type: none"> ■ Continued deployment of ORYX stations: more than 1,400 solar stations by the end of the 2011 financial year. ■ The new ACE submarine cable – which will link France with South Africa and serve 23 countries – will be brought ashore at Penmarc'h (Finistère, France). ■ Continuation of operations to extend LION1 to Mayotte and Mombasa.

2012 roadmap	deadline
<ul style="list-style-type: none"> ■ Continue the sustained deployment in Africa of mobile relay stations that are fully powered by renewable energy, thereby enabling services to be provided in even the most isolated regions with no electricity supply. 	2012-2015
<ul style="list-style-type: none"> ■ Bring into service the LION2 cable, which has a potential of 1.28 Tbit/s. ■ Bring the ACE cable into service by the end of 2012. ■ Use these submarine cables to open up landlocked areas and countries. 	2012
<ul style="list-style-type: none"> ■ Launch initiatives to facilitate access to energy to power mobile phones in Africa. 	2012-2013
<ul style="list-style-type: none"> ■ Superfast mobile broadband: deploy 4G/LTE in European countries where Orange operates by 2015. 	2015
<ul style="list-style-type: none"> ■ Deploy 3G in Orange countries in the Africa-Middle East zone by 2015 and provide mobile coverage for 80% of the population. 	2015

supporting local development

the Group's approach

The Group supports the social and economic development of the countries in which it is present through three complementary approaches:

- increasing access to information and communication technologies in emerging countries and mature markets alike by providing offerings suitable for people with low incomes;
- developing value-added products and services suited to the economic and social context of each country in which it is established, according to the principle of co-construction with local players;
- promoting the development of an ecosystem based on new technologies, which supports the creation of businesses and fosters the emergence of products, services and contents suited to local markets.

increasing access to information and communication technologies

Orange is committed to encouraging access to the new technologies by the largest possible number of people in all countries, and, as a result, has created specific offerings for people with low incomes.

social offerings in developed countries

In Metropolitan France, since May 2009, all recipients of income support (revenu de solidarité active or RSA) may subscribe to the special RSA prepaid package available for 10 euros per month.

Similar offerings exist in other European countries. A few examples:

- in Poland, the Plan Orange Poland przyjazny (Friendly Plan) targets people with financial difficulties that receive long-term help in social assistance centres. Monthly reduced rate tariff (18.45 zł, or 4.7 euros) including 30 minutes local and long-distance calls. To qualify, people must provide social assistance documents. Orange proposes additional services such as number blocking and voicemail at no cost;
- in Romania, Oferta Senior targets retirees that have a pension. A document must be provided to sign up to the offer, specially designed for intuitive use and very practical for older people. Under this offer, the GSM ZTE-G S302 handset used is supplied at 1 euro;
- in Slovakia, Orange provides special discounts – that may be as much as 99% of the monthly bill – for people in difficulty or suffering from long-term disabilities. A tailor-made proposal is made after studying each customer case individually.

To better meet the requirements of people with low incomes, the Group's CSR Division produced a benchmark for social offerings in Europe at the end of 2011. In France, Orange also took part in deliberations on concessionary prices for mobiles and the Internet that were committed to in 2011 on the initiative of the government.

Since February 2012, Orange France has also been marketing a social Internet+VOIP offering for recipients of basic income support, meeting the government specifications: accessibility on the sole condition of the line's suitability for ADSL, i.e. over 98% of lines, no time commitment, deposit or activation fee (except for charges that might be made for the installation of a new telephone line) and at a monthly rate of 20 euros including VAT.

The Group's social offerings have met with little success as there is apparently too much of a stigma attached to them. As a result, the Group has decided to reorient its thinking from a philosophy of specific social offerings to a responsible marketing process favouring measures to improve accessibility for people with low incomes and has launched experiments in 2012 focusing on marketing these services that will help customers to manage their consumption better.

second-hand phones: an economical and eco-friendly solution!

Second-hand mobile phones have been available for the past two years from Orange shops in Metropolitan France. A wide range of simple and up-market mobiles consisting of three categories of handsets, is on sale at attractive prices for pay-as-you-go offerings or to accompany Orange's special RSA prepaid package. All these reconditioned handsets are delivered with a charger, battery and hands-free kit, and carry a six-month guarantee. In 2010, Orange France extended this initiative by offering a range of second-hand smartphones in its online shop. In several countries, buyback options also give customers production coupons or a gift voucher in exchange for their old telephone. A solution that benefits both customers and the environment.

innovative concepts in developing countries

Orange's first focus area for innovation in Africa and the Middle East is facilitating access to all essential telephone services (voice and SMS) by finding solutions to overcome the barriers of poverty, illiteracy and exclusion.

- Orange has launched a range of very low-priced handsets together with services that allow reverse charge calls (Call Me Back, Pay For Me), or offers attractive prices depending on the level of traffic on the network (Bonus Zone). The Emergency Credit solution allows customers to have additional minutes if they have an imperative need to contact someone when their balance is exhausted.
- The Group is developing community solutions with highly attractive rates, such as the "Community Phone" concept, which has already helped to bring collective access to mobile telephony to more than 1,700 villages with over 500 inhabitants, in Mali, Niger, Côte d'Ivoire and The Central African Republic. This project received the AfricaCom 2010 Award for the best rural solution. In addition to access to communication at the lowest possible cost, these community phones encourage the development of micro-enterprises: a person with an aerial, a mobile phone and a solar battery charger can in effect become the operator for an entire village. A "Community Internet" solution developed by Orange is currently being tested in Uganda.
- Orange also offers an e-top-up system whereby a prepaid account can be topped up electronically from a mobile. A less expensive, more secure and more eco-friendly solution than scratchcards, already available in 16 African countries.
- For illiterate people, Orange has launched Voice SMS, which allows users to leave a short voice message for the price of an SMS.

an accessible world

■ To increase access to Internet content, Orange has developed Magic Portal and Voice Portal, which allow users to access basic information from any mobile connected to a standard GSM network. In the same way, the Popmail solution enables users to receive and send e-mails from any type of mobile phone without being connected to the Internet.

For further information on offerings suited to emerging countries: consult the “Africa and the Middle East, lands of innovation for Orange” folder on orange.com.

developing innovative products and services meeting local priorities

Orange relies on innovation to provide new products and services meeting the requirements of local populations in the fields of digital finance, agriculture, health, education and administration. These new value-added services can be developed or simply distributed by Orange within the framework of revenue-sharing partnerships with third parties. These partnerships involve adapted pricing, special connections, the equipping of schools and general educational establishments, and/or the transmission by SMS of various data useful for the activity, such as the market prices of agricultural products or other interactive information services useful for the socio-economic development of countries.

some examples:

■ In Africa, to offset the lack of banking infrastructure, the Group launched Orange Money in 2008: a simple, secure solution enabling users to open a payment account linked to a mobile number, which also provides a means for companies or small businesses to simplify payment for trade services and even wages.

This service, offered in partnership with a major bank, has a high level of security to avoid the risk of theft or fraud. By the end of 2011, it was already available in seven countries (Senegal, Madagascar, Mali, Niger, Kenya, Botswana, Cameroon) and had 3 million users.

■ In Niger, in partnership with the network of Chambers of Commerce and Agriculture, Orange developed the “Pocket Agricultural Feed” service, enabling market prices of agricultural products to be transmitted by SMS to farmers, who can then sell their harvest to the highest bidder. By the end of 2011, this system was live in 18 markets, with over 3,000 viewings to date. The second phase of the project will consist of supplying meteorological data and personalised advice to subscribers. This concept will soon be deployed in Mali.

■ The Group also launched a number of innovative solutions in the field of healthcare (see p. 111 to 113).

stimulating the creation of businesses

To support local development, France Telecom-Orange favours the path of open innovation to enable it to work with local players to create solutions that are best suited to the requirements of the area.

In this regard, the Group is particularly dependent on its 15 Orange Labs, which make up the Group’s global innovation network, with 3,500 employees (researchers, developers, marketers, ergonomists, designers, sociologists, etc.) spread across four continents.

Particularly in emerging countries, the Group is contributing to the development of an ecosystem based on new technologies to boost innovation and encourage the emergence of products, services and content for local markets. Developing such a diversity of tools

requires the creation of specific incubation mechanisms (open technical platforms, young enterprise incubators, investment funds). Partnerships with specialist players help to create key skills and limit risks. Orange also builds up partnerships with local universities and specialist schools to encourage training and the identification and integration of local talent into the company:

■ in Dakar, Senegal, Orange supported the establishment of a business incubator for the new technologies sector. Its aim: to contribute to the development of the new information and communication technologies industry by supporting small and medium enterprises in promoting local content. This programme, supported by the World Bank, consists initially of supporting 30 companies for three years, in collaboration with the public authorities. Sonatel will



focus

Orange for Development: a specific initiative contributing to the economic and social development of emerging countries

The Orange Group is present in a large number of countries in Africa and the Middle East, and has great ambitions for growth in this zone. The Group is having a strong impact in this region (direct and indirect jobs, tax contributions, balance of payments) and as a result is contributing to local development based on the principle of corporate social responsibility (CSR) – which is not the same as mere philanthropy. To make socio-economic development a genuine driver of its growth strategy in Africa and the Middle East, France Telecom Orange embarked in 2011 on an initiative intended to clearly identify the issues and priorities for action by the Group in respect of its contribution to local development. The studies undertaken and the discussions held with all stakeholders showed that only a global, balanced approach would lead to the realisation of the Group’s aim. This initiative, named “Orange for Development”, is based on a three-pronged approach:

- access extended to all through better network coverage and controlled-cost connectivity services, in phase with the low incomes of local populations;
- the introduction of high value-added services meeting the specific needs and requirements of local populations (health, education, agriculture, etc.) through jointly developed programmes and partnerships formed in the field;
- support for the local ICT market and the development of ecosystems, by establishing various initiatives (enterprise zones and finance for new businesses, open platforms for innovation, higher technical education, etc.).

The Group has defined three basic principles that will enable it to succeed in this initiative:

- identifying and giving priority to projects taking account of local needs and requirements, through partnerships with local communities and with local members of other sectors;
- conducting experiments according to an open-ended method in such a way as to reproduce and deploy effective initiatives whilst at the same time refining and testing new economic models;
- setting up sustainable projects and initiatives based on the complementary nature of the partners involved, to create a collaboration that will be economically viable in the long term.

This initiative is implemented through a dedicated committee coordinated by the Group’s CSR function, with representatives of the various departments and countries concerned. Meeting every two months for an update on existing initiatives and country news, with a collaborative method of operating inspired by social networks, it enables the federation of existing initiatives by creating a cross-disciplinary dynamic.

supply the servers and Internet connection, and will also contribute to a skills transfer;

■ for the past two years, Orange has been supporting the Ideas for Enterprises competition in Moldova organised by the Academy of Economic Studies (ASEM) to enable students and graduates to transform their ideas into genuine businesses. Orange is a partner in the support structure for the projects selected. This support in terms of hosting, support, advice, training and equipment is all valuable in the initial stages of the life of a company. Orange hopes to support the most innovative projects through this partnership, with the aim of contributing to the development of entrepreneurship among the young people of Moldova who will be assets to the economy of tomorrow and will play a role in the country's development;

■ late in 2010, Orange Tunisia launched its "Developers Programme" to encourage the creation of 100% Tunisian mobile applications through partnerships with a number of engineering colleges throughout the country, and particularly in disadvantaged areas. The objective: to promote Tunisian know-how in the field and enable the emergence of a genuine ecosystem, the preliminary to a sustainable, profitable mobile content industry with strong potential for innovation and jobs for young Tunisians. By the end of 2011, the results already spoke for themselves: over 800 people introduced to the topic, 600 trained as part of a university course, and 30 applications produced. Orange Tunisia is planning to further boost and animate this network of nearly 2,000 young developers by introducing regular, more targeted activities, and connecting them with stakeholders, particularly "business angels";

■ for the past ten years, Orange has been supporting the "Banespyme" project (www.banespyme-orange.org) in Spain, the aim of which is to encourage the creation of innovative enterprises based on new technologies through an annual competition. Since it began, this programme has helped to support the creation of over 70 technological enterprises that have received over 6 million euros in finance. More than 160 teams of entrepreneurs have received training, with particular attention being paid to drawing up and implementing business projects, and their growth;

■ in June 2011, Orange launched the African Social Venture Prize to support entrepreneurs and start-ups using ICTs to meet the requirements of local populations. The call for projects, which ran from June to September 2011, attracted over 600 applications on a range of topics such as health, agriculture, education, financial services and commerce, reflecting the real entrepreneurial dynamic and potential for telecommunications on the African continent. The three winners of this first competition were announced at the AfricaCom Awards ceremony in Cape Town on 10 November 2011: a remote irrigation project in Niger, Agasha Business Network (a Ugandan start-up using the Internet to help small and medium African enterprises to develop) and Kachile, a Côte d'Ivoire start-up selling handicrafts online. In addition to receiving financial grants of up to 25,000 euros, these projects will be supported for six months by specialists from our local subsidiaries with strategic contributions by the capital risk company, Innovacom.

key dates relating to the Group's economic inclusion policy

2000

■ Launch of the Banespymes project in Spain to support the creation of innovative SMEs based on new technologies.

2004

■ Launch of Plan ZAE to bring broadband to 2,000 areas of economic activity in France.

2005

■ Launch of "Plan 3 x 10" in France to provide innovative solutions for communities.

■ Establishment of the first Visio Points in France.

2006

■ Launch in Poland of the "Internet Republic" project under the aegis of the United Nations Development Programme, with strong involvement by Orange Poland.

2008

■ Launch of Call Me Back in Cameroon.

■ Launch of Orange Money pilot in Côte d'Ivoire.

■ Launch of the NetPC offering by Orange Mauritius.

2009

■ Launch in France of the RSA mobile offering for recipients of income support.

■ Launch of a range of second-hand mobiles in Orange France shops.

■ Launch of Pay For Me in Cameroon (reverse charges mobile offering).

■ Launch of OFA offering in Senegal (community offering).

■ Launch of Bonus Zone in Botswana.

■ Launch of Orange Money.

2010

■ Launch of community phone programme in Mali (200 villages equipped).

■ Deployment of Orange Money in five new countries in Africa.

■ New range of second-hand smartphones available from the orange.fr online shop.

2011

■ Deployment of community phones in over 1,700 villages in four countries (Mali, Niger, Côte d'Ivoire and the Central African Republic).

■ Over 3 million users of Orange Money in eight African countries.

■ Inauguration of the ICT incubator in Dakar.

■ Creation of the African Social Venture Prize.

■ Launch of the "Orange for Development" initiative to establish guidelines for the Group's approach to contributing to the economic and social development of countries in the Africa, Middle East, Asia zone.

an accessible world

2011 review	deadline	achievements
<p>combating the geographic digital divide</p> <p>social offerings in Europe Development of mobile offerings for the lowest income groups. Development of second-hand mobile offerings. Development of offerings for the poorest sectors of the population (fixed, voicemail, virtual safe deposit box).</p>	2011-2012	<ul style="list-style-type: none"> ■ In France, given the stagnation of social subscriptions to classic telephony, consideration is currently being given, and an agreement being signed, to meet new demands in respect of social offerings, coupling unlimited telephony and Internet.
<p>socio-economic development of territories in emerging markets</p> <p>establishment of a framework to encourage innovation in the AMEA zone Launching of an award for social entrepreneurship in AMEA. Creation and institution of an innovation laboratory for rural development. Support for social entrepreneurship and local innovation through the setting-up of incubators and an investment fund (African countries).</p>	2011-2012	<ul style="list-style-type: none"> ■ Organising the first African Social Venture Prize (over 600 applications received) and the awards ceremony. ■ Launch of a scoping study project carried out in the field in Mali with the Grameen Foundation, to prepare for the creation of a rural innovation initiative (rural labs). ■ Inauguration of an incubator in Dakar in March 2011. ■ Production and publication, in partnership with a components manufacturer, a financing agency and an NGO, of a benchmark study on economic models for the development of BoP (base of pyramid) offerings.
<p>continue to develop offering Provide solutions contributing to rural development through offerings in the fields of agriculture, health and education. Continuation of the deployment of Orange Money.</p>	2011-2012	<ul style="list-style-type: none"> ■ Launch in Kenya of the service to check the authenticity of medication via mobile, Pedigree. ■ Roll-out of Orange Money in eight countries (over 3 million customers).
<p>combating the digital divide in emerging countries</p> <p>Extension of the deployment of "Community Phones" in Africa. Commitment on country numbers (four in 2011, six in 2012).</p>	2011-2012	<ul style="list-style-type: none"> ■ Continued deployment of Village Phone: end 2011, more than 1000 villages equipped in Mali, 200 in Côte d'Ivoire, 150 in Niger, 30 in the Central African Republic.
<p>Development of offerings enabling Internet access by people who are hesitant about using computers. Development of offerings suited to illiteracy and multilingualism (voice SMS). Launch of Voice Portal.</p>	2011-2012	<ul style="list-style-type: none"> ■ Launch of Flash Voice (Voice SMS) service in Niger in June. ■ Launch of Voice Portal (vocally-commanded browser) in Senegal and Mali.

2012 roadmap	deadline
<ul style="list-style-type: none"> ■ Continue the deployment of Village Phone in at least two new countries. ■ Launch the pilot "Internet for all" project (village Internet) in Uganda. 	2012
<ul style="list-style-type: none"> ■ Develop mobile Internet offerings for the most disadvantaged, improve classification of requirements of low revenue customers and carry out experiments to meet their requirements under optimum conditions. 	2012
<ul style="list-style-type: none"> ■ Structure the Group's actions in respect of contributing to economic and social development by establishing a reference framework (Orange for Development) and the relevant governance. ■ Promote local entrepreneurship through the use of incubators, and hold the African Social Venture Prize for the second consecutive year. ■ Contribute to the financing of young businesses in Africa through contributions to investment funds. ■ Establish external partnerships with the aim of better meeting country needs and requirements in respect of rural, healthcare and education development. ■ Launch a project to develop and distribute services for rural people using a network of local agents. 	2012
<ul style="list-style-type: none"> ■ Provide solutions contributing to rural development through offerings in the fields of agriculture, healthcare and/or education that take account of the magnitude of the social and economic benefits. ■ Continue to roll out Orange Money in four new countries. 	2012
<ul style="list-style-type: none"> ■ Establish the "Digital world for all in emerging countries" programme. 	2012

ensuring accessibility by elderly and disabled people

the Group's approach

Developments in communication technology are opening up new horizons for everyone, but most particularly for elderly and disabled people. This is why Orange has for many years been committed to breaking down the physical and cognitive barriers that can restrict access to the benefits of the new technologies. The Group's Accessibility Department ensures that accessibility is factored in from the design phase of Orange products and services right the way through to after-sales service, and focuses on four areas:

- adapting all products and services offered by the Group and designing specific products, the Autonomy offerings;
- establishing a tailored distribution network;
- incorporating the notion of accessibility in all processes, from design through to marketing, in all markets;
- interacting with national and international institutions, organisations and customers to better identify their requirements and develop partnerships.

a design strategy for all

To enable everyone – and particularly disabled or elderly people with some type of impairment – to access communications and the best technologies, Orange has adopted a “design for all” strategy.

Managed by the Group's Accessibility Department, this strategy ensures that specific features relating to disabilities are factored in way before the launch of any offering, thus enabling innovation, simplicity and ergonomics to be combined to cater for any type of disability (hearing, vision, mobility, grip, speaking, cognition). This strategy is based on usage feedback from impaired elderly and disabled customers. The R&D “accessibility” project explores mechanisms for integrating disabled or dependent people with difficulties using traditional communication tools into various population groups. The goal is to design methods of interaction and new interfaces that use their sensory and perceptual skills. 20 technical projects, studies and experiments are currently under way.

dedicated offerings

A dedicated range, “autonomy offerings, a solution for everyone”, provides a response to every type of impairment (hearing, vision, speaking, mobility, grip and cognition).

These fixed and mobile, Internet and convergent telephone offerings are presented twice a year in a catalogue available in a paper version, electronic version and audio CD (for the sight-impaired).

These offerings are currently being deployed in the main European countries. In 2011, strategic meetings and workshops were held in the eight main European countries with marketing directors, with the aim of bringing out new products and preparing the next set of catalogues.

In addition to an extension to the range of mobile products (for example: the Doro 610 mobile, a new version of the voice assistant,

launch of the voice assistant on Reunion Island and by Orange Caraïbes), a new integration accessibility process in the selection of offers is deployed by France and a Group-level validation of a selection of mobile handsets for older people and the disabled after tests in the Orange mobile accessibility expertise centre has been in place since 2011.

Services are also proposed: voice and character zooming software installed free of charge for all blind or partially-sighted customers, adapted electronic bill...

Orange Spain already has a catalogue of Autonomy offerings on its website, accesibilidad. orange.es. Poland's is in the process of being finalised.

a tailored distribution network

In France, Autonomy offerings are distributed through a specifically tailored distribution network:

- over 6,000 salespeople and 750 qualified advisers, all trained in the Autonomy offerings and in dealing with disabled people;
- 231 approved “Autonomy” shops and four dedicated Rainbow areas;
- a dedicated customer centre for disabled people available by phone (freefone number 0 800 11 22 33), e-mail (offres.autonomie@orange.com) or fax (0 800 24 69 96);
- a remote sales service accessible to the deaf and hard-of-hearing with speech difficulties every Tuesday and Thursday since



focus

simplified telephones for use by the elderly

Following France and Slovakia, three of the Group's European subsidiaries launched mobile handsets in 2010 specially designed to meet the needs of the elderly.

All these phones have simplified ergonomics with large buttons, magnified characters, a list of pre-recorded numbers, higher volume and an easily accessible “SOS” button enabling an emergency number to be recorded, to which a call or SMS can be sent by merely pressing the button.

■ In May 2010, Orange Romania launched the ZTE S302, accessible from 1 euro per month as part of a senior package. A senior tariff reserved for pensioners, consisting of 500 minutes of free calls on the Orange network and all the fixed national networks, is also available from 6 euros per month.

■ In September 2010, Orange was the first mobile telephone operator in Switzerland to launch the new Doro PhoneEasy® 410gsm phone.

■ In December 2010, Orange Spain launched a range of products “Esencial de Orange”, a new category of products that has been created to provide answers to the needs of the elderly. The Doro 610 and Alcatel OT282 handsets are currently part this category available online (<http://movil.orange.es/catalogo-de-moviles/esencialdeorange/>; <http://tiendaonline.orange.es> and in sales outlets. These handsets were chosen for their simplicity and exclusive and intuitive functions. In addition, they are fitted with an emergency button that alerts the old person's immediate environment or the emergency services, informing them that an emergency situation has occurred.

an accessible world

November 2009: it enables customers to interact directly with a specially trained adviser, either in French sign language (videoconference via a webcam with the possibility of subtitles) or in text mode in real time;

- personalised support for the easy Internet option is available from Monday to Saturday (excluding public holidays, from 8 am to 8 pm on 0800 185 149.

In the shop, on the website or in the catalogue, specific signage system using pictograms helps to identify the best solutions for each disability.

In 2011, vision-impaired tactile paving it was installed to make access for the visually impaired easier in the main brand stores. Very large stores inaugurated since 2011 such as Lille, Reims and Marseilles... have this improved accessibility.

open to every idea

To constantly improve its offerings and respond to the new requirements of disabled people, France Telecom Orange applies an active policy of meetings and partnerships with specialist professionals, institutions and organisations.

Specifically, the Group participates in:

- the work of the Club accessibilité des grandes entreprises (large corporations' accessibility club);

- international working groups on accessibility within the European Commission, the UIT and AFNOR;

- meetings relating to the transposition of the European Directive of 25 November 2011 in conjunction with the Comité interministeriel du handicap (inter-ministry disability committee), ARCEP and the Observatoire de l'accessibilité (accessibility research institute);

- all the major exhibitions and conferences relating to disability and dependency such as the U-Enabling Mobile Summit organised by the Gi3CT, a Conference at Warsaw university; key major disability and dependency exhibitions (e.g.: Handicalyon, Autonomic (Rennes, Nice)), local events with disability players (associations, elected representatives, general assemblies of associations and the Group...) providing user feedback on products and services and helping to stay in contact with innovation.



focus

2 major events in Warsaw in favour of accessibility in 2011

- 1 April: "Orange Poland Accessibility Day": first event dedicated to accessibility Orange PL: an "Accessibility" day with themed conferences jointly hosted by Orange Poland and the Group Accessibility Department aimed at setting out the range of different themes (context, regulatory aspects, offers (seniors, the elderly and the disabled), communication, public telephones, research). After these interventions, demonstrations of products and innovations provided an opportunity to show the Group's and Orange Poland's commitment to people. This was the first event organised by the Polish operator in co-operation with the Group Accessibility Department for staff.
- From 29 June to 3 July: third communication and education for all conference. The France Telecom-Orange Accessibility Department and Orange Poland, the Group's Polish subsidiary, helped the Warsaw university organise an international conference on the opportunities provided by new technologies in respect of accessibility by disabled people to information and education. The conference provided an opportunity to present the Group's accessibility policy and the B-Link program developed by Orange Poland, which enables browsing on websites and the use of applications such as WordPad, MS Word and MS Outlook using a mouse or keyboard, both controlled by eye movement. This application – available in French, English and Polish – was awarded a gold medal at the Geneva 2010 International Exhibition of Inventions.

involving employees

In France, nine regional accessibility representatives – regional relays for the Group's Accessibility Department – coordinate the local fabric, support approved "Autonomy" shops, feed back needs expressed by disabled customers, manage communications and lobby prescribers (organisations, regional authorities and business people from the sector).

Presentations on accessibility are regularly delivered to Group teams.

In 2011, a variety of campaigns promoting the sharing of best communication practices well run to encourage the use of common Group tools such as for example autonomy merchandising (vision-impaired tactile paving being deployed, signposting with five pictograms, over-labels...) particularly in Spain, Poland and Slovakia.

Two e-learning modules have been developed to train sales forces (more than 6,000 sales staff trained) and marketing and Technocentre teams (new module deployed in 2011).

ensuring website accessibility

Since 2005, the Group has been involved in a vast project to make its internal and external websites accessible, in line with the international Web Accessibility Initiative (WAI) standards.

By the end of 2011, the training of the webmasters has been continued and, on average, the Group's main websites met 70% of the requirements for WAI AA classification, but had no critical issues.

Several accessibility functions are already available, particularly on the homepages of orange.fr, orange.com, the Orange Foundation blog, the customer space on orange.fr and the narrow-band version of the customer space.

Also, in partnership with Urbilog, France Telecom Orange has developed OCAWA: a tool that automatically assesses the degree of accessibility of websites and checks various levels of rules, such as the international WCAG (Web Content Accessibility Guidelines) and French RGAA (Référentiel général d'accessibilité pour les administrations – "general guidelines on accessibility for administrations"). A free restricted version has been made available on the Internet: www.ocawa.com

Since 2010, Orange and Urbilog have been carrying out accessibility audits of websites of some of the Group's customers and partners.

In 2011, the audit of the main Group websites with a view to their accessibility was carried out.

main stages in the Group's accessibility policy

1993

■ Opening in Paris of the first Rainbow area specially organised to accommodate customers with disabilities.

2002

■ First edition of the "Solutions Handicap" catalogue.

2003

■ Establishment of the Mission pour les clients handicapés du Groupe ("service for the Group's disabled customers").

2004

■ Launch of a solution to make access to mobile telephony easier for blind and partially-sighted people.

■ Establishment of a customer service dedicated to solutions for disabled people that can be reached by phone (freefone number 0 800 11 22 33) or e-mail (agence.vad@francetelecom.com).

2005

■ In partnership with Urbilog, Orange Lab launched OCAWA (a tool to assess the accessibility of websites).

2006

■ The Mission pour les clients handicapés du Groupe becomes the Group Accessibility Department.

■ Launch of e-billing for partially-sighted people.
■ Launch of Voice Assistant, a service enabling mobile phone functions to be vocalised.

2007

■ First experiments with customer service accessible to deaf and hard-of-hearing customers through direct contact over the Internet using French sign language or text in real time.

2008

■ Launch of an Autonomy offerings catalogue in Spain.

■ The Group received the APAJH "Citizen Company" trophy awarded to companies with over 5,000 employees who practise a global, company-wide policy in favour of people with disabilities.

2009

■ General roll-out of customer service accessible over the Internet every Tuesday in French sign language or text in real time.

2010

■ The Group received the gold medal at the Geneva 2010 International Exhibition of Inventions for its B-Link project, an application developed by Orange Labs Poland enabling users to control their computer by blinking their eyes.

2011

■ Launch of a seniors offer to assist them in the digital revolution.

■ 9 June 2011 (France): launch of the French Telecommunications Federation Charter in favour of access to electronic communications for the disabled with the signature of operators SFR, Bouygues and Orange in the presence of Mrs Marie-Anne Montchamp, Junior Minister for Solidarities and representatives of the FFT and the ARCEP.

■ Launch of the Mélovibe service (differentiated vibrating melodies for the deaf and hard of hearing).

■ Project Reach 112 (reachability of the emergency services): piloting of a European pilot project in France with the launch in May 2011 of the pilot phase involving 20 partners supporting "Total Conversation" enabling people to communicate with voice, French sign language and in real time with more than 1,500 people requested for test in France including 20 Orange-France disabled staff.



focus

Internet easy

Orange France launched an "easy Internet" option to discover the Internet in a simple way in August 2011 for seniors that did not want to miss the digital revolution. With an intuitive interface on a USB key, the senior can use his or her computer easily to send e-mails, surf the Internet or manage photographs. Dedicated advisers are also available to answer any questions (a free call from a landline on 0 800 18 51 49). Specific communication campaigns (leaflet, film, rolling demo, participation in senior exhibitions and events) and training promote this option.



focus

the Group's digital accessibility standardisation and commitment

■ 7 April 2011: "digital accessibility to ITC" standardisation agreement.

AFNOR and it is "Digital accessibility standardisation" commission presided by Orange officially launched the agreement with members of the AFNOR commission and many players in the disability sector (associations, businesses, university lecturers and researchers). The main themes covered are: major principles and prejudices, equipment, software, access to content and online products and services.

■ February and August 2011: Orange took part in ISO/SC35 workshops on accessibility. The Group's Accessibility Department (DAG) led the French delegation for these international workshops on accessibility and particularly contributed to the work of the ISO group on accessibility. The August seminar (50 experts and 20 countries) was organised at the Orange Poland headquarters with the support of the Orange Labs team.

■ In cooperation with the standardisation teams and experts from Orange Labs, the Group Accessibility Department promised to elaborate and encourage the adoption of standards on accessibility. Beyond the ISO/SC35 group, Orange is involved in the work of other standardisation groups such as the IUT, Gi3CT and ETSI-CENELEC "Human Factors" always with a view to innovating and integrating accessibility functions very early in a multi-device world (mobile handsets, fixed handsets, tablets, TVs...).

an accessible world

2011 review	deadline	achievements
<p>accessibility for the elderly or disabled</p> <p>In the eight main European countries and at least in two developing countries, continue the deployment of a range of offers suited and dedicated to commercial communication tools.</p>	2010-2012	<ul style="list-style-type: none"> ■ Orange France: a range of “Autonomy offerings” (two catalogues per year landline, mobile, Internet; paper and electronic version, audio CD and voice accessible version for vision solutions with renewal and extension of the range of products (for example, the Doro 610 handset in the mobile range) and launch of the easy Internet option on PC, new version of the Voice Assistant, the Mélovibe application and two new Motamo/Motamo Max Price offerings for hearing deficient people. Deployment of a new accessibility test process in the selection of handsets, training (6,000 people trained and the development of new accessibility training tools (e-learning). Communication campaigns (conferences/ local or national exhibitions such as Autonomic Rennes, Nice, Handicalyon, information on sites, relationships with associations and creation of multiple supports) . ■ Orange Reunion and Orange Caraïbes: Voice Assistant launched. ■ Orange Romania: ZTE mobile handset launched with a price plan for seniors. ■ Orange Spain: a catalogue of accessible solutions launched. ■ Orange Poland: various events such as the Accessibility Day, university conferences, standardisation workshop.
<p>Launch a Web accessibility policy in these countries.</p>	2010-2012	<ul style="list-style-type: none"> ■ Vast audit programme of site accessibility (50 audits carried out in a number of countries); in the eight countries (FR+EME): portal, e-care, online store; for each site, a sample page test concerning compliance with WCAG 1.0 rule specifications; training in the different countries with the support of the Group Accessibility and Ergonomy centre of expertise to develop Web accessibility skills on the Group’s footprint. <p>At the end of 2011, the Group’s main websites met on average 70% of the requirements of the WAI AA label with no blocking points.</p>
<p>Put in place suitable physical and remote distribution channels in these countries.</p>	2010-2012	<ul style="list-style-type: none"> ■ Orange France: 231 branded stores, a dedicated orange.fr website and autonomy page, a freephone number accessible to the deaf, hearing impaired and those with speaking difficulties via the Internet in real time (T140; choice of written dialogue mode, video, sign language). ■ Egypt (Mobinil): specific pricing for the deaf and the hearing impaired for commercialisation. ■ Orange Spain: commercialisation in 18 stores in the own network of the first catalogue. These offers will be available on its site. ■ In other countries, channels are being put in place in relation to the emergence of offers and are being adapted according to the social and regulatory context and strategic maintenance decisions to withdraw or develop the Group’s presence in these countries.

2012 roadmap	deadline
<p>Continue, in the eight main European countries and at least in two developing countries, the deployment of a range of offers suited and dedicated to commercial communication tools:</p> <ul style="list-style-type: none"> ■ continue to select a range of handsets and expand the range (50 suitable products that changed twice a year and tests by the CDC for selection (France); ■ offers for the elderly or disabled in Egypt; ■ at least four senior or disabled-approved mobile handsets in the range for each country in Europe; ■ paper catalogue offers (Spain), conferences/exhibitions (Poland), transfer of commercial and autonomy merchandising communication tools; ■ continue the process of integrating accessibility into offers being developed for the Group and the development of new products that respond to the needs of senior users such as assistance solutions for multi-device users using interfaces adapted to seniors with a view to easy Internet personalised support and suitable applications as well as interfaces simplified for seniors. 	2012
<p>Launch a Web accessibility policy in these countries:</p> <ul style="list-style-type: none"> ■ continued improvement in website accessibility with one audit per year of the main websites in Europe with recommendations and support for local teams. 	2012
<p>Put in place suitable physical and remote distribution channels in these countries:</p> <ul style="list-style-type: none"> ■ in France, develop a suitable distribution network (branded stores, freephone number and an autonomy page on the orange.fr website. Supplement the system by developing a 1014 customer relay for seniors particularly and support for the easy Internet; ■ develop access to offers in European countries through channels coupled to offers related to these countries. 	2012

meeting healthcare challenges

the Group's approach

For more than ten years, France Telecom-Orange has been developing dedicated solutions to meet challenges in the area of healthcare:

- better coordinated care and improved comfort for the ill;
- helping elderly and dependent persons to continue to live at home;
- remote monitoring of patients suffering from chronic illnesses;
- offerings meeting the specific issues of emerging countries in respect of health;
- services to improve day-to-day preventive healthcare among local populations.

Since 2007, these offerings have been deployed by a dedicated e-Health division: Orange Healthcare.

moving towards a connected healthcare system

Communication solutions make it possible to meet the major challenges of the health ecosystem: the ageing population, explosion of costs linked to the treatment of chronic illnesses and the imperative need for cost reduction. Communication solutions place patients at the heart of the healthcare system by giving them innovative solutions at each stage of their treatment.

better coordinated care, increased comfort for patients

Remote consultation solutions developed particularly for nursing homes give healthcare professionals simple, secure methods of collaborating and exchanging information, even in rural or isolated practices.

In major healthcare establishments, Connected Hospital simultaneously improves patient comfort and care quality. Using the multimedia handsets provided, patients can access entertainment services and medical personnel through a secure system for the exchanging and consultation of medical data. This interactive solution is being adopted in an increasing number of hospitals in France and is also being used in Poland and Mauritius. Connected Hospital has recently been supplemented with new services to improve patient care and comfort: a new multimedia handset developed by Philips and a WiFi trackability system that helps to locate medical equipment and monitor biomedical products.

improving care for elderly and dependent persons

Orange Healthcare has introduced a global offering of home help services aimed at the dependent elderly, home care professionals and institutions. The offering has three aims:

- to maintain social links and encourage communication;
- to make elderly people feel safe and reassure their loved ones;
- to facilitate the work of care workers.

For example, Solution Résidence Seniors is a comprehensive service offering for care homes housing dependent people. It helps to improve the comfort and peace of mind of both residents and care workers through a wide range of communicating equipment:

- bracelets with a location system that is triggered when a resident enters a non-authorized area;
- fall-prevention pendants with a push-button that enable residents in the home to call for help;
- security systems in rooms that enable residents to contact the care workers, who can then talk to the resident in question to find out the purpose of the call;
- a lone worker protection system enabling care workers equipped with a phone or pager to trigger a request for assistance at any time (call button on the handset or automatic alarm).

supporting the remote monitoring of patients suffering from chronic illnesses

Orange has developed innovative solutions to remotely monitor patients suffering from chronic illnesses (cardio-vascular disease, diabetes, kidney failure, etc.):

- for people suffering from heart rhythm problems and those with implanted heart defibrillators, a remote monitoring offering has been being developed since 2009 in partnership with Sorin Group, the leader in the treatment of cardio-vascular disease;
- for people suffering from diabetes, a strategic agreement has been signed in Spain with Sanofi (see insert);
- for people suffering from kidney failure, Orange has developed a remote monitoring system in partnership with Grenoble university hospital and the Caly dial and Agduc community dialysis centres (Grenoble). Digital touchpads suitable for elderly people are installed in patients' homes, enabling them to answer precise questionnaires on their state of health and to receive appropriate medical advice. Illness and its development are monitored from day to day. The aim is to prevent a deterioration in the patient's state of health in order to reduce the number of compli-

cations and thereby delay their entry into dialysis.

For further information: consult the e-Health brochure on www.orange.com/healthcare



focus

a new home emergency service in Madagascar

Orange Madagascar has joined forces with Assistance Plus, Madagascar's leading provider of support services, to create Medical 315, a service dealing with medical emergencies in the home, and available 24/7. It is available to the population of Antananarivo and its surroundings, and will shortly be extended to the province. To use Medical 315, Orange customers just call 315, and customers of other operators, 032 32 32 315. Calls are handled as quickly as possible by Assistance Plus, which will send an emergency doctor and medical vehicle to the patient's home in under thirty minutes. Medical 315 is the first medical assistance offering to incorporate payment by mobile via a subscription. To subscribe to the service, one needs to be an Orange Money customer. Subscribers to the service receive a preferential rate for the medical treatment. This is part of Orange Madagascar's initiative to support economic development and healthcare in the country.

an accessible world

contributing to the development and growth of remote medicine in emerging countries

Emerging countries often still lack hospital infrastructures and care offerings.

Orange Healthcare has launched offerings in a number of African countries using information and communication technologies to:

- promote the better functioning of healthcare centres;
- foster access to care by developing remote medical services;
- improve prevention and patient well-being.

■ In Senegal, Sonatel launched a remote medical consultation solution in the hospital in Thiès, 92 km from Dakar, in November 2011. Healthpresence enables high-quality interaction between patients at the clinic at Tivaouane and their doctor in Thiès. If necessary, this doctor can consult a specialist in Dakar. The solution provides doctors with a wide range of medical data on patients: blood pressure, pulse rate, blood sugar level, etc., and enables the remote prescription of medication.

■ In Kenya, Orange and mPedigree (an NGO) launched a medication authentication service in October 2011 that is entirely free to users. In this country – where as many as 50% of sales can be counterfeit –, patients and medical personnel can verify the authenticity of their boxes of medication by sending an SMS containing a code hidden under a scratch sticker. The answer tells them if the medication is authentic or counterfeit, and provides them with a telephone number by which they can contact the laboratory to report any counterfeits. Through this service, Orange is supporting Kenya's public health policy in its aim of fighting organised crime.

■ In Madagascar, Orange is collaborating with the Akbaraly Foundation on a remote oncology project supported by the Ministry for Public Health to increase prevention and improve the accessibility and quality of treatment of gynaecological cancers. Practically speaking, it enables slides of specimens to be analysed remotely, instead of having to send them by mail. This service is already operational on one site and will eventually be used in three screening centres connected with specialist institutes in Europe. It will improve patient care and treatment quality, and will also be used to train doctors in the most remote areas of the island. Orange also provides AMADIA (Madagascar diabetes association) with a high-definition videoconferencing service that enables Swiss and French specialists in diabetes to share their experience with Madagascan medical teams, a great help in improving the treatment of diabetes on the island. Soon four

hospitals will be able to connect to these quarterly exchanges.

■ In Côte d'Ivoire, Orange launched an interactive SMS service in 2011 (available also by voice) enabling residents of Abidjan, Bouaké, Yamoussoukro and other Côte d'Ivoire towns to locate the nearest emergency chemist. They dial 712, follow the instructions and receive the required answer by SMS. The service also provides information on the list of health insurance companies accepted by the chemist.

■ In Mali, Mobile santé ("mobile health") is an application for transmitting medical and health data launched in November 2011 within a partnership with Mali's Agence nationale de télésanté et d'informatique médicale ("national agency for remote healthcare and medical information technology"). Orange Mali provides the access for this service. By enabling the health of mothers and infants to be monitored, this project is contributing towards the achievement of the Millennium Goals.

main stages in the Group's action in respect of healthcare and dependency

2005

■ Launch of the Hostonautes project enabling children in hospital to remain in contact with their schools and families.

2006

■ Launch of the Columba bracelet enabling better monitoring of patients suffering from Alzheimer's.

2007

■ Establishment of Orange Healthcare, the Group's healthcare division.

■ Launch of the Connected Hospital offering.

■ Launch of the electronic inoculation record.

2008

■ Experiments with the university clinic of Navarre on the use of mobiles to monitor people with chronic illnesses.

2009

■ The service to help people remain in their homes – designed by Orange and tested in the Cantal region – received the "Territoria d'Or" award from the Observatoire national de l'innovation publique (France's public innovation research institute) in the "service to people" category.

■ Signing of a collaboration agreement with Sorin Group to develop a remote monitoring solution for patients with implanted heart defibrillators.

■ Launch of the third party payment service.

2010

■ Orange Healthcare joins the mHealth Alliance.

■ Signing of a partnership with AMADIA (Association malgache contre le diabète – the Madagascar diabetes association) to facilitate the work of doctors through remote diagnosis.

■ Orange Healthcare receives the Frost & Sullivan Product Differentiation Excellence Award.

■ Launch of Mobile and Badge, a service to enable the tracking of work carried out in the homes of elderly people and providing invoicing and management services.

■ Orange is the first telecommunications operator to be approved as a personal health data host by the Ministry of Health and Sport.

■ Launch of the "Region Without Film" project, medical imagery shared in the Paris region.

2011

■ Signing of an agreement between Orange Spain and Sanofi to develop a remote monitoring solution for patients with diabetes.

■ Launch of Healthpresence in Senegal.

■ Launch in Madagascar with Assistance Plus of Medical 315, a home emergency medical service incorporating payment by mobile phone.

■ Launch with mPedigree of a medication authentication system in Kenya.

■ The "Region Without Film" shared medical imagery solution received the 2011 Digital Green Growth Award and the Grand Jury Award in the first Cloud Computing Awards.



focus

Orange receives an award for its shared medical imagery project

The shared medical imagery solution developed by Orange is a highly secure pooled hosting platform for medical imagery and radiology information systems. It enables the virtualisation of physical X-rays (films) and slice imagery (scanner, MRI) whilst retaining access to the images, reports and history of the examinations carried out, and enables them to be exchanged securely between health professionals. This solution received the 2011 Digital Green Growth Award and the Grand Jury Award in the first Cloud Computing Awards. To date, Orange is the only telecommunications operator to meet the regulatory demands of the confidentiality decree, and to be approved to host personal health data by the French Ministry of Health and Sport.

The healthcare cooperation group for the development of pooled health information systems in Île-de-France region (GCS D-SISIF) has chosen shared medical imagery for its "Region Without Film". Financed as part of the "Hôpital 2012" plan in Île-de-France region, the aim of the service is to support 30 establishments by the end of 2012. Almost 3 million radiological examinations are performed every year in Île-de-France region, a figure that is constantly on the rise.



focus

Spain: new strategic partnership to monitor diabetic patients

In 2011, Orange Spain and Sanofi signed a strategic agreement to establish a remote monitoring system for patients with diabetes. This innovative solution, named "DiabeTIC", is a genuine advance not only in the quality of life of patients but also in facilitating the work of healthcare professionals through the use of bi-directional communication tools available both in the home (on a PC) and on the move. Patients and care workers can exchange medical data, communicate by instant messaging, access documentary resources, raise alerts or use callbacks, etc. – all on a daily basis. Patients are monitored regularly and receive appropriate treatment, without having to go to the hospital each time. This solution is based on a platform developed three years ago by Orange Spain to improve the remote monitoring of patients suffering from chronic illnesses.

inventing new ways of accessing education and culture

the Group's approach

To enable the greatest number possible to access online resources for training, information and exposure to culture, France Telecom Orange is endeavouring to:

- help educational and cultural institutions to acquire digital equipment through preferential offers;
- develop innovative solutions and new uses in the fields of education and culture;
- encourage the adoption of digital technology by fostering the discovery of new uses, particularly by people with learning difficulties.

The Group's involvement in these areas is also illustrated in a philanthropic sense by actions undertaken by the Orange Foundation (see p. 116 to 119).

innovative tools at the service of education

A great number of ICT-based applications have already been absorbed into the daily lives of parents, pupils and the educational community. Besides developing access and technical solutions, Orange endeavours to help schools to find out about new uses available to them by raising awareness of safe and responsible uses among teachers, pupils and their families (see p. 91 to 93).

■ Since 2007, Espaces numériques de travail (ENT – “digital workspaces”), created with the Group, have helped to provide the same opportunities to all, in complete safety, and have brought parents, teachers and pupils together. Digital workspaces are online service platforms that facilitate communications between teachers, administrative staff, school heads, parents and pupils. Orange's digital workspace provides benefits for all. It facilitates exchanges and encourages collaborative work between teaching establishments. It helps to ease increasingly voluminous and complex technical and administrative tasks such as managing and planning school life. It links parents more closely with their children's school life by providing immediate information on homework, grades, meetings with teachers and absences. It uses information and communication technologies (ICT) to help support education and the pupil.

■ In France, the Group launched a specific “Rural digital schools” offering in 2009 to support the government's programme to provide 5,000 rural schools with digital equipment. As well as technical equipment and software, the solution offered by Orange includes high added-value solutions:

- training suited to teachers' requirements – both e-learning and “live”, with a trainer in the classroom;
- close support provided by the Group's local support and maintenance units;
- easy-to-use digital tools;
- high performance, secure digital equipment suited to the existing network.

■ In Poland, the “Education with Orange Poland Internet” programme initially introduced in 2004 continues to help in equipping schools with digital resources. The programme provides Internet access at special rates to over 14,500 schools and 4.5 million pupils. Orange Poland has also provided Internet access to 3,200 municipal libraries.

■ In Slovakia, Orange created an educational portal devoted to the school environment (www.oskole.sk) with the intention of supporting the development and growth of digital uses in teaching. Orange has also undertaken a number of operations in schools with the assistance of specialist psychologists (see p. 92).



focus

digital tablets, a new resource in the service of education

Tablets have a number of innovative uses in education. More fun and easier to use than a PC, they also help to lighten the weight a pupil has to carry. That is why Orange has launched a number of tests on the use of tablets in education:

- in 2011, in partnership with the regional centre for educational documentation of the Académie de Paris, Orange provided its Read and Go service – the first French language digital multi-content reading service (newspapers, magazines and books) on digital tablets, in classes at the Gustave-Ferrié and François-Villon secondary schools (10th and 14th *arrondissements* respectively).
- another project is under way in middle schools in partnership with county councils of *départements* 80, 78 and 95. Two middle schools per council are involved, and two classes per school (one in a densely populated area and one in a sparsely populated area);
- Orange is also taking part in an experiment on the use of tablets in primary schools in the city of Puy-en-Velay.

videoconferencing in schools

The town council of Hoenheim, in Alsace, has provided a primary school with a broadband link for videoconferencing between the schools in the commune and twinned schools in Germany and Belgium. Videoconferencing means that the school in Hoenheim and those in Germany and Belgium can be constantly linked. These communications help to make pupils aware of life in Europe and the variety and differences in their lessons, and make it easier for them to forget difficulties of language, distance, borders.

■ In Jordan, Orange launched an ambitious new strategy in 2010 to increase accessibility by the population to ICTs, with a specific section on supporting education. The Orange Broadband Fund aims to increase the penetration of the Internet in regions outside the capital and is looking to achieve three outcomes: raising awareness among the population as to the importance of the Internet for learning and productivity, improving access to the Internet, and helping it to become a training resource. Specifically, the fund will supply an Orange ADSL connection and the necessary infrastructure and equipment to 500 schools across the country.

new ways of accessing culture

Digital technology can also contribute a great deal to public mediation and social links. France Telecom Orange has formed a number of partnerships with prestigious institutions to develop joint projects such as “VersaillesLab”, the “Communauté Louvre” (a collaborative Web platform based on the riches of the Louvre) and the Louvre’s “Galerie Tactile”. In 2009, the Group also signed a new six-year partnership with the Louvre-Lens, whose opening is scheduled for the end of 2012. Orange will help to integrate new technologies into the Louvre-Lens in order to enrich access to, and discovery of, the museum by visitors.

In Poland, the concept of the “virtual museum” as envisaged by the Orange Foundation has brought together a number of specialists, historians and IT engineers with one aim: to create a virtual exhibition on the Warsaw Uprising for Internet visitors across the planet. An initiative aimed particularly at children, the “virtual museum” is an excellent educational tool for teaching yesterday’s history using modern methods. The Orange Foundation is also behind the “Orange Academy” programme, which aims to promote innovative activities to provide education in culture for children and teenagers.



focus

Versailles “live” in the classroom!

Since the summer of 2011, pupils in 170 classes at schools in Yvelines, Oise, Nord-Pas-de-Calais and Marne départements have been testing a new interactive system enabling them to “visit” the gardens and palace of Versailles.

By connecting to a collaborative online platform from their classroom, pupils and their teachers are able to follow (via an interactive digital image or video projector) a live visit to the palace led by a lecturer from the national museums.

Webcams film the session, and the lecturer and class communicate with each other in a varied programme (the construction of the palace, the gardens, the King’s day etc.).

The lecturer, who operates cameras installed in the main areas of the Versailles estate, can also enrich and supplement the presentation with video and/or music extracts.

Initiated by Versailles with the support of the Ministry of Culture, this novel technological innovation is possible thanks to a video conferencing system developed by Anotherworld and installed by Orange. Undertaken in collaboration with partner education authorities, this experiment is an educational first for a cultural establishment. It opens up perspectives in a number of fields – tourism, culture, medicine, etc. – and also in the search for solutions to facilitate access to culture and heritage by people with reduced mobility and those far away from museums.

main stages of the Group’s action to integrate ICTs into education and culture

2003

■ Launch of the Jordan Education Initiative.

2004

■ Launch in Poland of the “Education with Orange Poland Internet” programme to increase the use of ICTs in primary and secondary schools and colleges.

2007

■ Introduction of virtual visits to certain parts of the Palace of Versailles that are closed to the public, using a robot with a camera that can be remotely controlled by Internet spaces.

■ Introduction of digital workspaces.

Digital workspaces are online service platforms that facilitate communications between teachers, administrative staff, school heads, parents and pupils.

Digital workspaces provide a single secure entry point to the various populations of communities and colleges, and parents and pupils.

2008

■ Inauguration of the virtual museum on the Warsaw Uprising.

■ Introduction of webcams to enable virtual visits to the gardens of Versailles and the royal chapel.

2009

■ Launch in France of the “Rural digital schools” offering.

■ Signing of a partnership with the Louvre-Lens.

■ Launch of the “VersaillesLab” project to enable an interactive visit to the gardens of Versailles.

2010

■ Launch of the Orange Academy in Poland.

■ Launch of the “Wontanara” programme in Guinea.

■ Launch of the Louvre Community.

2011

■ Launch of experiments on the use of digital tablets in primary, middle and secondary schools.

Foundation, sponsorship: we all need to live together

the Group's approach

The Foundation is the core component of the France Telecom Group sponsorship policy, which is one aspect of its extended corporate social responsibility policy.

The Orange Foundation is active in four fields: health (with a historic commitment to the cause of autism), education, and assisting people to enter the job market and access culture.

We believe that digital technology helps to create social links and in many countries, this cohesion comes through improving the situation of women.

The Orange Foundation and the Group's employees are active in over 30 countries to create more interdependence and help people to communicate better.

transparent operation

Conscious of the need to set an example and ensure that its decisions are fully transparent, the Foundation has set up expert committees for each of its focus areas. These committees meet two to four times a year to assess the projects submitted. The committees consist of individuals selected for their skills in the field concerned. A total of over 25 people work alongside the Foundation's team. All projects selected for sponsorship are subject to an agreement, monitoring and an appraisal. Equivalent structures exist on the international front – the operator either chooses to undertake local sponsorship actions or sets up a local foundation.

sponsorship by a global operator

Since 2005, the Orange Foundation has been providing sponsorship in Africa, Europe, the Middle East and Asia. It supports projects in 30 countries in which the France Telecom-Orange Group is present. Internationally, sponsorship is divided into four areas of action: health and disability, education, and helping people to enter the job market and access culture, and is tailored to suit the economic and social situation of the country.

- In Africa, the Middle East and Asia, the main areas of action are healthcare and education, more specifically providing schools and helping girls to remain at school.
- In Europe, the Foundation works to improve life for people suffering from autism and people with sensory disabilities. The Foundation also works to foster social inclusion through projects in healthcare, education and access to culture, particularly collective vocal music.

The Orange Foundation also participates in solidarity projects in emergency situations. In 2011 in Kenya, Telkom Kenya and the Orange Foundation collaborated for the second consecutive year in combating food insecurity. Over 350 tonnes of food were distributed.

The Orange Foundation works in close collaboration with the Group's subsidiaries in each country and in partnership with non-governmental and other organisations to secure a successful outcome to projects. With the launch of a new Foundation in Armenia in April 2011, the Group now has a network of 13 foundations including France, Spain, Mali, Côte d'Ivoire, Cameroon, Slovakia, Poland, the Republic of Moldova, the Dominican Republic, Madagascar and Niger.

healthcare and disability projects

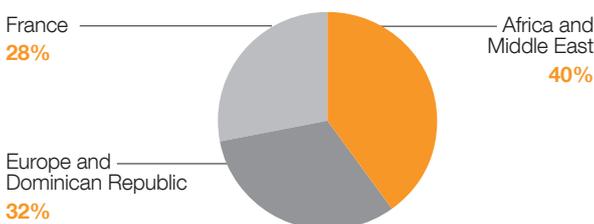
The cause of autism has been the historic focus of the Foundation's support for over twenty years. But it also provides assistance for other sensory disabilities: deafness and blindness. In some parts of the world and particularly in Africa, it is also financing programmes to enable people to access basic healthcare.

historic support for autism

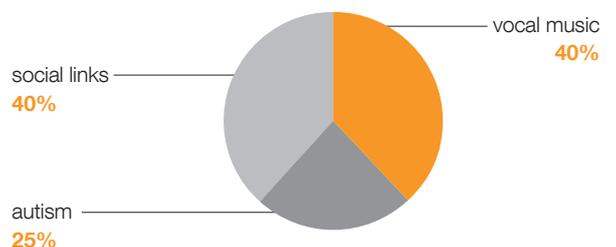
The Orange Foundation has been working with parent associations since 1991 to put different players in touch with one another, encourage the recognition of this disability by the public authorities, and raise awareness among the general public. In twenty years, the Foundation has contributed financially to over 1,700 projects helping to improve the lives of autistic people and their families. In 2011, four new calls for projects were launched, each on a specific theme: structures – help for caregivers – research – leisure. Of the 226 applications received, 99 were selected and were financed out of a total budget of 1.3 million euros.

The Orange Foundation also extends its involvement to the development of digital resources for autistic families, for example the "Participate!" information and communication platform for families in Belgium, and educational IT tools in Spain.

breakdown of sponsorship expenditure throughout the world



in France by area of operation



The Foundation is also stepping up its recruitment of volunteers to provide personalised back-up support to families through the organisation Volontaires pour les personnes avec autisme (“volunteers for people with autism”). Established in 1992 as part of a sponsorship drive by France Telecom and the Foundation to support people with autism and their families, this organisation now has over 80 volunteers.

For more information:

see the Orange Foundation blog (www.blogfondation.orange.com)

digital projects for sensory disabilities

In 2011, in parallel with the calls for solidarity-type projects from employees that may relate to sensory disabilities, the Foundation chose to take action on two causes at national level:

■ audio-description in cinemas

Having supported operas and theatres in putting on shows with audio-description for several years running, the Foundation decided to promote the development of audio-description at the cinema, which will impact a larger audience, the cinema being a favourite cultural venue for all. Do achieve this, the Foundation is supporting the activities of the Valentin Haüy Association (AVH) to help develop audio-description in France. In 2011, the Foundation provided a sum of 75,000 euros to finance the audio-description of 15 films. Also, given the difficulties signalled by AVH in penetrating the world of cinema and obtaining the agreement of producers and directors, the Foundation linked up with Studio 37 so that films co-produced or co-financed by Studio 37 could be audio-described by AVH as far upstream of the mastering process as possible.

■ developing the talking book in France

For the visually-impaired, talking or audio-books provide valued access to written texts. At the moment, only 1.5% of written literature is published in an audio version and the Daisy, Braille or audio-book offering remains limited.

Always anxious to encourage access to culture by the greatest number possible, the Orange Foundation is supporting the development of talking books through a number of actions. In 2011, for the third year running, the Foundation financed the awards ceremony of the “Lire dans le noir” (“reading in the dark”) Prize for talking books, and the production by AVH of Daisy audio versions of the six finalists’ books in the running for the Orange Book Prize.

The Foundation also produced an online portal devoted to talking books and their distribution, which is fully accessible to visually-impaired people, with audio browsing and a user-friendly service. The site aims to be a true platform of information and news, gathering together organisations and publishers involved in extending the reach of French-language talking books.

healthcare programme in Africa

In many countries in Africa, the Orange Foundation is involved in programmes to improve access to healthcare for local populations and improve mother and child healthcare.

a few examples

■ for the third consecutive year in Côte d’Ivoire, the Orange Côte d’Ivoire Telecom Foundation is supporting free ophthalmological screening days for over 8,000 people. In parallel, 28 maternity hospitals and health centres have been renovated and equipped in the past four years;

■ in Mali, the Foundation is helping to eradicate obstetric fistula, and financed 50 surgical kits in 2010;

■ in Senegal, thousands of impregnated mosquito nets have been distributed in the most vulnerable areas.

educational projects encouraging social and professional integration

Enabling everyone to communicate better is enabling access to everything that integrates people into society. It also involves understanding the issues involved and helping to change them. The Orange Foundation sees access to education, culture and the discovery of the digital world as priorities in terms of social integration.

education for girls

More than 77 million children around the world are deprived of the right to education. In developing countries particularly, for economic and cultural reasons, girls usually have to overcome greater obstacles than boys to go to school and complete their education.

The Foundation actively contributes to educating girls from the very beginning of their school careers and to helping girls to stay at school beyond Year 4 through long-term projects run by various organisations.

helping people to enter the job market

The Orange Foundation is currently providing financial support to training programmes for female micro-entrepreneurs in Africa.

The aim of the “Microfinance and Women” programme in Cameroon, Egypt and the Central African Republic is to increase the social and economic power of women by encouraging their entrepreneurial spirit.

The “Microfinance, Craft and Fair Trade” programme in Madagascar and Morocco has been set up to improve the socio-economic situation of women and self-employed craftsmen by establishing a network for marketing their products.

a few examples

education for girls

■ In Egypt, 320 women aged 15 to 45 received primary level education.

■ In India, 70 disadvantaged young girls aged between 15 and 22 (including 30 who suffer from autism) received professional training in arts and crafts at the Shankara Special School.

■ In Kenya, the Telkom Kenya subsidiary has embarked on a five-year programme to provide schooling for girls of nomadic Pokot populations.

■ In Guinea-Conakry, the “School, a friend to girls” project is improving the quality of teaching in rural areas and increasing attendance rates in 50 schools.

access to digital technology

■ In Moldova, the Orange Foundation finances IT rooms for disabled children.

■ In Slovakia, a call for “Green for Seniors” projects is helping elderly people to integrate into the digital society.

■ In the Dominican Republic, IT rooms have been installed in a large number of orphanages.



focus

To celebrate its twenty years of support for the cause of autism in France, the Orange Foundation ran a large-scale advertising campaign with a TV and cinema film, a poster and media campaign and action outside the media such as a travelling exhibition at symposia and conferences: the access to culture and to the heritage holdings for people with reduced mobility and remote from museums.

an accessible world

access to culture

A world accessible to all, also means access to culture by people who are excluded from it. The Foundation gives priority to the creation of sensory routes in museums and historic monuments, the production of works suited to a hearing- or visually-impaired audience and equipping theatres or opera houses with audio-description equipment.

a few examples

- In Africa (Mali, Niger, Côte d'Ivoire, Senegal), works have been produced in Braille or raised letters to make them accessible to the visually-impaired.
- The Orange Foundation partners a number of socio-educational projects such as the Festival de Clairvaux (writing workshops and musical creation with offenders), Music'O Senior (concerts for elderly people in retirement homes) and Concerts de Poche (concerts in difficult-to-access suburbs and rural areas). The Orange Foundation has joined forces with the Paris and Lille Operas to popularise operatic art by rebroadcasting it live in cinemas and outdoor venues.
- One of the aims of the Orange Foundation in Moldova is to facilitate access to culture for children. Together with the Moldovan National Opera and the Vatra Association, the Foundation has launched a strategic partnership to promote the company's cultural and artistic values. This programme is supported by the Ministry for Culture of the Republic of Moldova.
- In Spain, the Orange Foundation promotes access to culture for people with visual or hearing impairments using the sign-guide service and technical adaptations in 20 museums in Spain. The "Accessible Museums" programme also offers tactile visits to the Sephardic Museum in Toledo for visually-impaired people.

involved employees

Employees of the France Telecom-Orange Group are core to the company's sponsorship effort, undertaking voluntary work, sponsoring projects and joint activities for humanitarian causes, and carrying out skills mentoring.

Orange digital solidarity

These days, it is vital for both our social and business lives to know how to operate digital tools, in the same way as it is vital to be able to read, write, or drive. Launched in 2010, the Orange digital solidarity programme aims to reduce the digital divide by supporting people excluded from the digital world towards increased autonomy in the use of these communication tools and in understanding what they can contribute to everyday life. The programme consists of two sections: a call for projects to help the Foundation's partner organisations in their digital projects, and introductory and beginners' workshops for people who are excluded from those projects, tapping into the skills of a large number of Orange employees in this field. One year after its introduction, this programme has already enabled the holding of over 500 workshops at 30 sites in France thanks to the involvement of over 2,000 volunteer employees. The workshops primarily benefited two organisations: Force Femmes (almost 200 workshops) and the Secours populaire (144 workshops). Following the most recent call for projects, 66 have received financial and physical support.

sponsorship and calls for internal solidarity-type projects

Since 2005, employees have been able to link their personal commitment with that of the company by proposing to the Foundation projects run by an organisation in which they are involved on a voluntary basis.

As an extension to this sponsorship scheme, the Orange Foundation launched an exclusively internal call for solidarity-type projects in September 2010, enabling employees and pensioners of the Group in France to submit proposals for solidarity-type projects in the fields of social inclusion or access to culture. After the first call for projects launched in 2010, two others were launched in 2011, with great success: 519 employees submitted projects, and almost 200 projects have been supported.

skills sponsorship

A long-term skills sponsorship policy has been set up as part of the seniors plan proposed in France. Employees of the company are made available to organisations to which they contribute skills acquired during their career. By the end of 2011, over 80 French employees with a wide variety of profiles had carried out long missions (from one to three years) for organisations they had chosen. The Red Cross, the Valentin Haüy Association, Secours Populaire (help the poor), Habitat et Humanisme (housing environment and humanism), and other more local organisations have all benefited from this scheme.

employee involvement in skills sponsorship

Volunteer employees of the Group step up to the mark to help in a wide range of circumstances, both in France and abroad.

a few examples

■ In Armenia, for the 12th consecutive year, Orange partnered the Fonds Arménien de France in its Phonethon campaign, which ran from 17 to 20 November. Funds raised by the Phonethon help to finance projects to improve agricultural production in the Tavush region and bring potable water to the villages of Karabagh. Orange provided the Fonds Arménien de France with 600 volunteers in four of its call centres (Cachan, Lyon, Marseilles and Toulouse) to contact over 50,000 families and businesses in France. These centres are equipped with the communications and IT resources necessary to support the phone campaign of the Fonds Arménien de France with the assistance of Orange technical experts.

■ In Côte d'Ivoire, employees sponsor rural schools and distribute school supplies.

■ In Egypt, volunteer employees give personal development courses to university students in their own time.

■ In Poland, volunteer employees are active in children's hospitals, where they organise and run reading corners.

key dates relating to the Group's sponsorship policy

1987

■ Establishment of the France Telecom Foundation with two focus areas: vocal music and gymnastics.

1990

■ Sponsorship "Oscar" (Admical).

■ First "Night of the Voice" at the Théâtre des Champs-Élysées, attended by 1,200 people.

1991

■ Commitment to helping people suffering from autism and their families.

■ Creation of the organisation volontaires pour les personnes avec autisme ("volunteers for people with autism"), made up of volunteer employees from the Group.

1995

■ Community "Oscar" (Admical).

2001

■ First Autism Days organised in partnership with parent associations.

2002

■ Phoenix Award from the UDA (French advertisers' association).

2005

■ Four new areas of commitment: healthcare, visual and hearing impairment, education, combating illiteracy and education for girls in developing countries.

■ Introduction of international sponsorship.

2007

■ Twenty years of commitment... The France Telecom Foundation becomes the Orange Foundation.

2010

■ Launch of the Orange solidarité numérique (Orange digital solidarity) programme.

2011

■ Twenty years supporting the cause of autism. Launch of two new calls for solidarity-type projects 2012.



focus

In collaboration with the Orange Foundation and NGO

Aide et Action, Orange Niger

is running a vast sponsorship

programme named "Girls at school".

This project helps to combat poverty

by promoting education for girls.

The results are encouraging:

enrolment of girls in schools rose

from 46 in 2007-2008 to nearly

450 following the establishment

of the project.

a better control of our impacts

In a world with limited natural resources, companies will only be able to ensure their long-term success by controlling their energy consumption and reducing the environmental impact of the life cycle of their products and services.

For Orange, it is obvious – long-term success is only possible if we better control our impact on the environment.

[121](#) an ambitious environmental policy

[124](#) reducing the Group's carbon footprint

[131](#) preserving biodiversity

[134](#) optimising waste management

[138](#) reducing impacts linked to products and services

[141](#) contributing to the growth of the eco-citizenship

an ambitious environmental policy

the Group's approach

France Telecom-Orange has adopted a proactive approach to managing risks and their potential impact, helping to preserve the environment and maintaining the trust of its stakeholders.

For the period 2006-2020, the Group has set ambitious objectives:

- reducing CO₂ emissions by 20% by 2020 (as against 2006);
- reducing energy consumption by 15% by 2020 (as against 2006);
- providing 25% of energy from solar sources for new mobile stations in the Africa, Middle East and Asia zone by 2015;
- raising the awareness of all employees of environmental issues by carrying out “green gesture” campaigns in the different countries;
- ensuring that the entire Group complies with the RoHS Directive on substances of concern⁽¹⁾ by 2015.

a structured approach

An environmental roadmap updated annually formalises action plans to be carried out by each country to achieve the Group's environmental objectives.

This roadmap ensures compliance with international standards and voluntary telecommunications sector initiatives. It also includes adherence to the commitments made by the Group in the context of:

- the UN Global Compact and Caring for Climate;
- and international groups such as the GeSI (Global e-Sustainability Initiative) and ETNO (the European Telecommunications Network Operators Association).

The environmental policy is managed by a dedicated organisation:

- the Group Environment function, reporting to the Group CSR function, which coordinates and manages the action programme and provides technical and methodological expertise to countries in respect of important issues such as waste, EMS, energy and raising employee awareness with the “green gestures” scheme;
- a network of environment correspondents in the countries in which the Group is established;
- relays in the various functional and operating departments.

(1) Including in non-European Union countries that are not concerned by these directives.

an environmental management system helping to reduce environmental impact

In order to reduce environmental risks and impact, the Group is progressively introducing Environment Management Systems (EMS) in its main countries in accordance with the ISO 14001 reference document. This internationally recognised standard describes the manner in which companies must be organised to manage the impact of their activities on the environment.

a Group reference framework

To facilitate the deployment of the EMS and assess its performance, the Group has developed a reference framework and provides methodological support to the project managers responsible for its implementation in each country. This reference framework consists of:

- a phased implementation methodology specifically designed to manage this type of project;
- Group processes and tools for key areas such as risk and impact assessment or the management of regulatory compliance;
- guides and checklists that enable detailed auditing of the EMS or its key components.

Two new countries (Mali and Moldova) committed to the ISO 14001 process in 2011. 16 Group entities, accounting for 93% of the Group's



focus

increased vigilance in respect of chemical substances

Compliance with environmental regulations is a fundamental requirement of France Telecom-Orange's waste management policy. The Group is particularly careful to comply with two European directives relating to the regulation and restriction of chemical substances.

- The RoHS (Restriction of Hazardous Substances) Directive
All products brought to market in Europe must comply with the RoHS Directive. A plan of action has been defined to extend Group compliance with RoHS to 2016, including outside the European Union.
- The European REACH (Registration, Evaluation, Authorization and restriction of Chemicals) Regulation

The Group is putting the relevant processes in place to provide information to its customers on the compliance of its products and services across Europe. A structured process was implemented in 2009 among the handset and network equipment suppliers concerned to enable the Group to inform its customers whether or not the products it markets contain one of the 15 substances defined as being “of concern” in a concentration of over 0.1%. In 2011, France Telecom-Orange coordinated joint action undertaken with the other operators within the French telecoms federation to notify the various professional federations of equipment suppliers of demands concerning the clear and accessible communication of information on the possible presence of substances “of concern” in equipment marketed by the Group.

towards a greener world

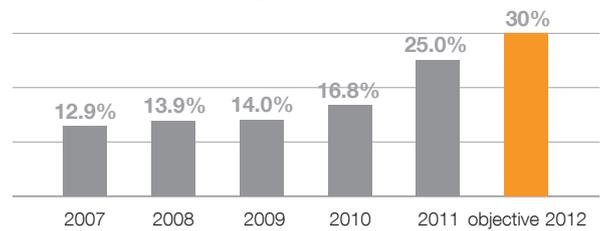
turnover, have now begun to establish an EMS aligned with the ISO 14001 standard.

Objectives are set every year to ensure that the subsidiaries progressively factor in more key requirements of the ISO 14001 standard (see roadmap).

25% of the Group's operation is ISO 14001-certified

A key performance indicator, "proportion of EMS with ISO 14001 certification", indicates the relative size of the certified scope compared with the Group total. This figure has doubled in four years and has now reached 25% of the overall Group figure.

ISO 14001 certified perimeter



performance KPI

In 2011, Orange Mali and Orange Moldova embarked on the process of establishing an EMS according to the ISO 14001 standard, substantially increasing the percentage of the Group with certification (+47% as against 2010). An increase that is all the more remarkable as the scope of the Group was extended with the acquisition of new subsidiaries (Iraq, Democratic Republic of Congo). The Group embarked on proactive action plans to continue to increase the proportion of its activities holding ISO 14001 certification, with an objective of 30% in 2012 and 60% in 2015 (see roadmap).

Entities having obtained ISO 14001 certification by the end of 2011

Subsidiary

Orange France
Orange Spain
Orange Poland
Orange Business Services
Orange Slovakia
Mobinil (Egypt)
FT Marine
Orange Cameroon
Orange Mali
Orange Moldova

Scope

Five key processes and six priority sites
All mobile and real-estate activities
Mobile activities
Cesson-Sévigné site
All activities
All installations
Head Office + 1 of the 3 regional directorates
Head Office, technical sites and 100% of shops
All activities

Besides the entities appearing in the picture, Romania and Senegal fixed objectives of ISO certification 14001 for their main activities (certification waited for 2012).

main stages in the Group's environmental policy

1993

- Creation of an Environment Committee.
- Agreement between the Minister for Posts and Telecommunications and the Minister for the Environment in respect of a concerted policy on burying telephone lines (France).

1996

- Signing of the ETNO Environmental Charter.

1998

- Establishment of the Group's Environment Office.

1999

- Signing in France of the Mobile Telephony Charter to manage the deployment of mobile telephony networks so as to cause minimal disruption to lifestyle and heritage.
- Environmental commitment approved by the Group's Executive Committee.

2000

- Signing of the United Nations Global Compact.

2001

- Launch of the EMS (environment management system) deployment programme based on the ISO 14001 standard within the operating entities of France Telecom.

- First ISO 14001 certifications for FT Marine and Mobinil (Egypt).

2002

- Signing of a framework agreement with ADEME (France).

- Establishment of a reporting tool on environmental factors.

- Publication of the Group's first environment report.

2006

- First campaign to raise awareness among employees of "green gestures" in France.

2008

- Campaign to raise awareness among employees of "green gestures" in eight countries (France, Spain, Slovakia, Romania, Switzerland, Jordan, Egypt, Côte d'Ivoire) and in Orange Business Services.

2009

- Questionnaire on the implementation of the REACH Directive distributed to all handset and network equipment suppliers concerned.

2010

- ISO 14001 certification of Orange France (four key processes and four priority sites) and the Orange Business Services' site at Cesson-Sévigné.

2011

- ISO 14001 certification of Orange Mali and Orange Moldova.

- Increase in number of Orange France activities with certification (two new priority sites and one key process).

2011 review	deadline	achievements
<p>REACH regulations on chemical substances</p> <p>Implement procedures across Europe to provide adequate information for our customers (particularly businesses) in collaboration with our suppliers, in order to satisfy our obligations in terms of REACH.</p>	2011	<ul style="list-style-type: none"> ■ In 2011, the Group piloted an initiative by the French telecoms federation to request suppliers of equipment marketed by operators to provide clear and accessible information on the presence of any substances “of concern” in terms of the REACH Directive.
<p>environmental management</p> <p>Continued deployment of ISO 14000 EMS in the main countries and organisations of the Group (Orange France, Orange Business Services, Spain, Poland, Slovakia, Romania, Egypt, Belgium, Senegal, Côte d'Ivoire, Cameroon, Jordan, Mauritius, FT Marine)⁽¹⁾.</p> <p>Development of the EMS performance assessment: organisation of managerial reviews to assess performance (reviews of departments as per ISO 14001) in at least two-third of the organisations mentioned above.</p> <p>Organisational: in our 2011 commitments, this has been replaced by FT Marine.</p>	2011	<ul style="list-style-type: none"> ■ Extension of the ISO 14001 process to two new countries (Mali and Moldova) in 2011. The countries that have, or are working towards, ISO 14001 certification account for 93% of the Group's turnover. ■ Realisation of environmental management reviews to assess the effectiveness of the EMS in 11 of the 16 organisations involved in the process (Orange France, FT Marine, Orange Business Services, Spain, Poland for its mobile activities, Slovakia, Egypt, Senegal, Mauritius, Moldova and Mali).
<p>Continue the deployment of ISO 14001 certification on sites with significant environmental impact. Maintain existing certification in Spain, Poland, Slovakia and Egypt, and for FT Marine. Extend certification in France (Orange France and Orange Business Services). Obtain ISO 14001 certification for three other major Orange Business Services websites (one in France, two outside France). Obtain initial ISO 14001 certification in new countries: Romania (March 2012) and Senegal (February 2012).</p>	2011-2012	<ul style="list-style-type: none"> ■ A rise from 17% to 25% in the main indicator “Extent of operations with ISO 14001 certification”. ■ Renewal of ISO 14001 certification for Orange Business Services, Orange Spain, Centertel (mobile activities in Poland), Mobinil (Egypt), Orange Slovakia and FT Marine. Orange France: certification of two new sites and one new core business process (production of environmental equipment), bringing the number of sites with certification to six, and the number of key processes to five. ■ Orange Mali: obtaining of ISO 14001 certification for its head office, its technical sites and all its shops. ■ ISO 14001 certification for Orange Moldova for all its activities.

(1) The United Kingdom left our organisation at the end of 2009.

2012 roadmap	deadline
<p>continued deployment of ISO 14000 EMS in the main countries and organisations of the Group</p> <ul style="list-style-type: none"> ■ Present new countries involved in the EMS process for ISO 14001 certification and extend the scope of the countries that are already certified. ■ Initiate an ISO 14001 process for the new building that will accommodate the Group's head office in 2012. 	2012-2013
<p>continue the deployment of ISO 14001 certification on sites with significant environmental impact</p> <ul style="list-style-type: none"> ■ Drive action plans in the period 2012-2015 to increase the rate of ISO 14001 certification to meet the following milestones: end 2012: 30%; end 2013: 40%; end 2014: 50%; end 2015: 60%. ■ In 2012, undertake the following actions: <ul style="list-style-type: none"> – continue to extend certification of Orange France sites to cover new processes and major sites; – present Orange Business Service's main Paris site and its Egyptian site in Cairo for ISO 14001 certification; – roll out Orange Spain's ISO 14001 certification to fixed line activities to achieve total certification by the end of 2012; – present Orange Senegal's technical function for certification in spring 2012; – present the Orange Romania's technical function for certification in autumn 2012. 	2012-2015

reducing the Group's carbon footprint

the Group's approach

Faced with the issue of climate change, France Telecom-Orange has made a proactive commitment: to reduce its greenhouse gas emissions by 20% and its energy consumption by 15% against 2006 levels, both by 2020: a real challenge given the current growth in uses and the continuing increase in data traffic.

To meet this challenge, the Group is implementing "energy" actions in every entity, focused on three complementary levers:

- reducing the energy consumption of networks and buildings;
- deploying solutions using sources of renewable energy to achieve its target of 25% solar-generated energy for the new technical base stations in the Africa zone by 2015;
- reducing emissions caused by vehicles and employees' business trips.

To continue achieving these objectives, the Group has put in place key performance indicators that are monitored quarterly by the Executive Committee.

The Group is also developing innovative solutions to enable its customers to measure and reduce their own carbon footprint (see p. 141-142).

lower energy consumption by networks

The networks and information systems, including data processing centres, account for over 66% of the Group's total energy consumption. Since 2009, France Telecom-Orange has been operating a vast energy action plan called "Green ITN 2020" prioritising:

- optimising air-conditioning;
- optimising data processing centres;
- increasing the use of renewable energy;
- improving monitoring of energy consumption.

By the end of 2011, this plan had been deployed in 24 countries, which account for over 95% of the energy consumed by technology within the Group. In three years, this network transformation programme has already helped to save over 370 GWh (including 225 GWh of electricity saved in 2011, i.e. over 87,000 tonnes of CO₂ avoided, including 22,000 linked to green energy purchases in Belgium).

In 2011, a dedicated department was set up to manage actions to reduce the energy consumption of network infrastructures in every country: the EER (Energy & CO₂ Emission Reduction) Programme function. It reports quarterly to the Group's Executive Committee. Its prime missions:

- to give a detailed forecast of the Group's energy consumption and CO₂ emissions by 2020;
- to draw up a corrective action programme for all members of the Group in order to achieve the 2020 objectives;
- to accelerate – with the assistance of strategic suppliers – the changeover from "energy guzzling" equipment to equipment that is better adapted to these new challenges.

optimised ventilation: 3,000 more sites

Optimising air-conditioning is the most effective lever for reducing energy consumption by networks. Optimised ventilation also helps to reduce the energy consumption of the air-conditioning system by up to 80% compared with a classic system whilst at the same time eliminating refrigerants, which are harmful to the environment. In 2007, this technology was awarded the Trophy for clean and economic technologies by ADEME and the magazine *Industrie et Technologies*. By the end of 2011, it had been rolled out across 14,500 technical sites in 18 countries.

more efficient data centres

Data centres (computer centres housing IT servers) account for 20% of the total energy consumption of the Group's networks and information system. The "Green data centres" project in progress since 2007 helps to reduce the energy consumption of data centres by four types of action:

- improving the technical environment (choice of more efficient air-conditioning and electricity supplies, optimisation of air circulation);
- replacing the oldest servers with servers that have up to four times the processing capacity, which will enable us to reduce their number;
- rationalising information systems by limiting the number of applications in use to a minimum and measuring the power consumed for each of them by each user;
- consolidating and virtualising servers, carried out as part of the Ecocenter programme, that enables several applications to be concentrated on one physical server.

By 2011, over 16,000 virtualised servers were deployed in the Group. This means that since 2007 nearly 65 GWh of electricity had been saved, thereby avoiding almost 4,800 tonnes of CO₂ emissions.

The replacement of network equipment is also a source of substantial savings: in 2011, about 10,000 items of mobile network equipment were replaced by new generation, lower energy consumption equipment, saving a grand total of 22 GWh of energy⁽¹⁾.



focus

2011: a year rich in achievements for Orange Dominicana

The Group's subsidiary in the Dominican Republic has been particularly active this year with regard to the plan to combat climate change:

- 95 solar sites installed, producing 611 MWh of electricity, i.e. one million of litres of fuel saved and 2,726 tonnes of CO₂ avoided;
- a new head office, Orange Torre, following best environmental practice: 96 solar panels installed on the roof (an estimated saving of 100 kWh/day and 50 tonnes of CO₂ avoided per year), LED lighting, latest generation air conditioning, etc. In 2012, another phase of the project will see 140 "sun screen" panels installed on the facade of the building;
- the experiment with a hybrid wind/solar system to power a radio site, a real technical challenge. This experiment is the fruit of a number of trials carried out upstream at Oranges Labs in Lannion and in the France Telecom network.



focus

a new Bilan Carbone® (carbon inventory) in Spain

France Telecom-Orange was the first telecoms operator to undertake an assessment of the direct and indirect greenhouse gas emissions of its activities on an international scale, over the entire lifecycle of its products and services, using the Bilan Carbone® methodology developed by ADEME. Following on from France and Belgium in 2010, a new Bilan Carbone® was carried out in 2011 at Orange Spain with the assistance of Carbone 4, a specialist consulting firm. In addition to direct emissions (from energy for its buildings, fuel for its vehicles, electricity for the network), which have been reported annually for several years now, this method helps to identify other related sources of greenhouse gas emissions both upstream and downstream of the Group's direct footprint. The first results of the carbon inventory carried out in Spain confirms the facts observed in France: a large proportion of the Group's CO₂ emissions are connected with equipment bought from suppliers. The operation of networks is the second largest source of emissions. In addition to efforts made to reduce its direct carbon footprint, France Telecom-Orange therefore embarked on discussions with its main equipment suppliers to improve the environmental performance of their products, and incorporated these demands in its purchase contracts. The Group also favours sharing its infrastructures with other operators, a solution that helps to significantly reduce the overall carbon footprint.



focus

Orange Business Services participates in the United Kingdom's energy efficiency programme

In the United Kingdom, the CRC Energy Efficiency Scheme is an obligatory regime imposed on large public and private organisations that consume over 6,000 MWh of electricity per year. Its aim is to encourage action to improve energy efficiency and reduce greenhouse gas emissions to help achieve national objectives (80% reduction in greenhouse gas emissions by 2050 as against 1990). The organisations concerned must provide a report on their greenhouse gas emissions and, from 2012, will be required to buy emission permits from the government. Orange Business Services United Kingdom has already successfully met the obligations of the first registration phase by installing electricity meters to measure electricity consumption in its buildings. An annual report on gas emissions was instituted in July 2011. This initiative will soon be extended to other countries in which Orange Business Services operates in order to better identify energy consumption, analyse it in detail and take the necessary measures to achieve the objective of reducing the Group's energy footprint by 15% by 2020 (as against 2006).

over 2,000 solar stations installed

For over thirty years, France Telecom-Orange has been involved in research into the use of renewable energies in its business. The first photovoltaic facility was set up in New Caledonia in 1975.

Today, the Group is focusing particularly on powering base stations (antenna repeaters) with solar energy in Africa and southern European countries.

By the end of 2011, more than 2,000 solar stations had been installed (including 1,416 on mobile radio stations already in service) in 14 African and Middle Eastern countries, together with the Dominican Republic, Vanuatu, France and Armenia. These solar sites represent an annual production of 13 GWh of solar energy, which enables the Group to avoid emissions of 67,000 tonnes⁽²⁾ of CO₂ per year.

Indeed, the quantity of unconsumed fuel per site is estimated at 13,000 litres every year.

In the Dominican Republic, an experiment is also under way in powering a radio site using a hybrid wind/solar generator.

improved monitoring of energy consumption

In order to manage its energy action plans effectively, the Group has defined 12 key energy performance indicators that are checked quarterly throughout the Group.

Beginning in 2009, "smart" electricity meters have been progressively installed at the large technical sites in France, Spain and Poland to improve the reliability of energy consumption

measurements. By the end of 2011, 91 technical sites had been equipped with these meters. A dedicated project called "Electra" was launched at the end of 2011 to roll this system out more widely and progressively equip every country in three to five years.

moving towards a standard methodology for calculating the energy footprint of telecommunications

For two years now, Orange has led the work of Study Group 5 of the ITU (International Telecommunications Union), the main group studying the environment and climate change. In September 2011, this group published 12 recommendations including one establishing a standardised methodology for assessing the direct and indirect environmental impact of information and communication technologies. Another important recommendation standardises the requirements with which an organisation must comply when it assesses its energy consumption and greenhouse gas emissions. This recommendation will enable organisations in the ICT sector to assess their energy consumption and greenhouse gas emissions according to a common methodology based on the ISO 14064-1 standard and the Greenhouse Gas Protocol⁽³⁾. It will also enable organisations outside the ICT sector to assess the impact of their ICT-related activities on a precise and reliable basis. A decisive step to encourage businesses to "go green" by modelling the environmental savings achieved through the use of new technologies.

improving the energy efficiency of buildings

In 2011, buildings accounted for almost 29% of the total energy consumption of France Telecom-Orange.

The Group Buildings function has in charge in 2011 to manage actions relating to the energy efficiency of buildings. Every quarter, there is a meeting of property managers of Group entities in France, Spain, Poland, Orange Business Services, Equant, and two representatives of countries in the EME (Europe and Middle East) and AMEA (Africa, Middle East and Asia) zones.

An action plan was launched in France in 2010 to save energy in tertiary sector buildings, and in 2011, five pilot countries (France, Poland, Spain, Egypt and Belgium) committed to action plans aimed at reducing the energy consumption of their office buildings. These five countries account for 84% of the Group's total energy consumption.

(1) The CO₂ emission factor used is based on the electricity CO₂ emission.

(2) The CO₂ emission factor used is based on the fuel CO₂ emission.

(3) The GreenHouse Gas Protocol initiative, currently called the "GHG Protocol", is an internationally recognised method used for carbon accounting. Initiated in 1998 by the World Resource Institute (WRI) and the World Business Council for Sustainable Development (WBCSD), it was developed in partnership with businesses, NGOs and governments. It provides a set of resources, tools and data for calculating carbon footprints.



focus

SAVE: a full-scale test of the use of electric vehicles

Orange is taking part in an electric vehicle test carried out in the *Yvelines département* since April 2011 as part of the SAVE (Seine Aval Véhicules Électriques) project. It is supported by the ADEME (French environment and energy saving agency) with a budget of 6 million euros and is a real full-scale test across an area that covers Les Mureaux and Mantes-la-Jolie. With in the long-term about 100 electric vehicles and 150 charging points, SAVE is the largest test in France of entirely electric mobility. Carried out with the help of Renault and Nissan (that provided 100 vehicles) and also Schneider Electric, EDF and Total, it aims to test the electric vehicle's ecosystem on a large scale. An unexpected test as it is the first time that a charging infrastructure has been deployed on the public highway, in service stations and in private and public car parks. Some 200 charging points are planned across the SAVE area. Orange is one of the voluntary partner companies to test the capacities of the electric car provided on a daily basis and for several months.

GlobeCast introduces an inter-company car-pooling service

In 2011, GlobeCast, a Group subsidiary specialising in content management and broadcasting solutions, introduced a home-work car-pooling service at its Issy-les-Moulineaux site. Employees are able to access a site free of charge through their intranet and view an interactive map (using a geolocation system) that displays people making similar journeys. This service covers the employees of six companies located in the business park. Employees of Orange (Les Oliviers site) and R&D working in the area can also take advantage of the scheme. Two months after the service was launched, almost 170 employees from all six companies were registered. A good way to familiarise themselves with new, greener and more cooperative travelling habits!

Since 2009, maintenance contracts for tertiary sector buildings in France of over 2,000 m² with more than 200 people have incorporated energy performance objectives in conjunction with a "bonus/malus" system to provide an incentive for service providers to save energy. Energy savings – reflected in the energy bill – are shared, with one third being allocated to the service provider, one third to the Group and one third being reinvested in the performance of the building.

meters in buildings

To encourage energy savings in its tertiary sector buildings, the Property Division began in 2010 to equip its largest buildings in France with intelligent meters enabling close monitoring of consumption per type of use (heating, electricity, air conditioning, etc.). By the end of 2011, five pilot sites were operational in France and 41 were in the course of being finalised.

This tool is linked to performance contracts with incentives for suppliers in respect of energy savings, a dynamic process of improvement. The Group expects to sign nine such performance contracts with its heating, ventilation and air conditioning suppliers in 2012.

In Spain, 100% of office buildings were equipped with meters in 2011.

Best practice identified on the sites equipped with meters will serve as a basis for improvement actions across the Group's buildings.

buildings of high environmental quality

For its new buildings, the Group is focusing on "high environmental quality"-type programmes. In 2011, new certifications were awarded within the Group, the culmination of its projects to improve the environmental performance of its properties:

- in France, four sites obtained HQE® Construction certification (the Orange Stadium in Saint-Denis, Orange Village in Arcueil, Lumine & Sens in Bordeaux, Orange Campus in Montrouge). The Arcueil, Paris-Olivier de Serre and Saint-Denis sites also obtained HQE® Exploitation certification, which recognises excellent environmental performance in the operation of buildings. The Apollo site in Montpellier obtained BREEAM certification.

Lastly, two sites (Caen Venoix and Paris-Olivier de Serre) obtained HQE® Rénovation certification, a new assessment protocol for tertiary sector building renovation projects;

- in Egypt, the Cairo site was awarded LEED Gold certification (the highest level of environmental performance in the LEED assessment system);

- in Poland, the future head office of the Orange Poland in Warsaw (construction of which began in 2011) was designed in accordance with the BREEAM standard.

reducing the impact of transport

France Telecom-Orange's fleet of vehicles and its employees' business trips account for about 4,5% of the Group's total energy consumption, and nearly 9% of its total greenhouse gas emissions. If we include business travel (train, air), this "transport" item represents 13% of the Group's CO₂ emissions.

a more eco-friendly fleet of vehicles

The Group has a fleet of over 31,000 company vehicles worldwide, which produce nearly 9.3% of the Group's CO₂ emissions.

There are two levers that can help to reduce the CO₂ emissions of the company's fleet of vehicles:

- more rapid replacement of the fleet (100% managed under long-term lease contracts) by more recent vehicles, which will therefore be both safer and more eco-friendly: in 2011, 6,675 new vehicles were ordered and 3,267 old vehicles removed from the fleet, with a saving of 1.6 million litres of fuel compared with 2010 as well, corresponding to more than 4,000 tonnes of CO₂;

- the progressive reduction of the number of vehicles: since 2006, the fleet of vehicles has been reduced by over 8% (over 16% for the fleet in France).

Since 2007, the CO₂ emission level is one of the criteria for selecting vehicles, with the maximum threshold being progressively decreased. By the end of 2011, the Group's average emission level was 130 g of CO₂ per km per vehicle. In France, the vehicles brought into service since 2010 have average emissions of 126 g of CO₂ per km. The Group's "clean vehicles" list includes electric and hybrid vehicles, vehicles equipped with a stop-start system and small-engined cars emitting less than 100 g of CO₂ per km and delivering a combined consumption of almost 3 litres per 100 km. In France, the Group is a member of a bulk-buying organisation for electric vehicles established following the Grenelle de l'Environnement to encourage growth in this sector. In 2011, a full-scale experiment in the use of electric vehicles was carried out in the Seine Aval region project SAVE. Another test is being carried out in Strasbourg with the Toyota Prius Plug-In (rechargeable).

In 2012, 100 Renault Twizy electric vehicles were added to the Group's own vehicle fleet to increase car-sharing. The first Twizys will be used by employees for urban inter-site travel, beginning with the Île-de-France region.

raising awareness among employees

Since 2008, the Group's travel policy has encouraged employees:

- to choose the least polluting modes of transport;
- to use videoconferencing or teleconferencing as much as possible to reduce their travel.

A number of entities have introduced schemes to limit the use of individual cars. Since 2008 for example, employees at the Orange Village site in Arcueil have been able to use OTOMobile (optimised transport occupation), a dedicated resource to enable occasional or regular car-pooling. Since 2010, a car-pooling service has also been offered to customers through the Orange mobile portal.

Company travel plans have been deployed in 15 cities in France and at the Equant head office in Geneva. In Belgium, Mobistar has introduced a very comprehensive system with a car-pooling site, cycle parks, showers and cloakrooms for employees who ride to work, and there is a voluntary CO₂ offset scheme for travel that cannot be reduced. In India, Equant has introduced a collective taxi scheme for its employees as part of its new company travel plan.

The Group is also developing eco-driving training courses to raise awareness among employees of the benefits of smooth driving, which contributes to road safety and reduces fuel consumption and CO₂ emissions. In 2011, 6,000 employees received eco-driving training in France and Poland.

At Orange Poland, an eco-driving competition was held for all employees; the prizes will be awarded in 2012.

France Telecom-Orange uses its expertise in remote working to limit travelling by its employees. By the end of 2011, 40 telepresence rooms and almost 200 videoconferencing rooms were available to employees in a majority of countries to enable them to take part in meetings without having to travel. The Group has almost reached its objectives in terms of equipment and its efforts are now concentrated on raising staff awareness in order to encourage more widespread use of these tools

Carbon calculators enable them to assess the CO₂ emissions of various modes of transport and the savings achieved through remote working solutions.

key dates relating to the Group's fight against climate change

1999

- Launch of a tool (Coop'Net) that enables teams on different sites to share working documents and hold teleconferences (France, Switzerland).

2004

- Development of a method to assess the environmental impact of solutions, enabling the incorporation of environmental performance in products and services during the design phase.

2007

- Launch of a project to build solar base stations in Africa.

- Launch of the server virtualisation programme.

- Orange obtained the Trophy for clean and economic technologies awarded by ADEME and the magazine *Industrie et Technologies* for its patented optimised ventilation solution.

- Mobistar nominated in the Europe Fleet Awards "Best technological innovation" category.

2008

- Signing of the United Nations Caring for Climate programme.

- Definition of the energy action plan for networks.

- Launch of the European OPERA-Net (Optimising Energy Consumption of Mobile Radio Access Network) research programme under the leadership of France Telecom-Orange.

- Launch of the EE IOCG (Energy Efficiency Inter-Operator Collaboration Group) initiative, of which France Telecom-Orange is a founder member.

- Orange Spain receives the "Best awareness-raising campaign" award in the European Energy Trophy+ competition.

- Introduction of eco-driving courses.

2009

- Launch of the first Bilan Carbone® (carbon inventory) in France.

- Installation of energy meters on the large technical sites in France, Spain and Poland.

- Launch of the Energy Action Plan (EAP) for networks equipment and information systems in Morocco, Moldova and in Uganda, which brings to 24 the number of countries having implemented this plan.

2010

- Bilans Carbone® carried out in France and Belgium.

- Orange receives a 2010 Global Telecoms Business Award in the "Green power innovation" category for its programme of solar base stations.

2011

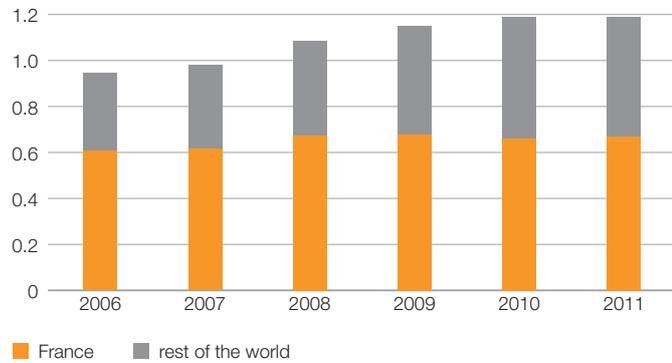
- Bilan Carbone® (carbon inventory) launched in Spain.

- Creation of the EER (Energy & CO₂ Emission Reduction) Programme function and launch of the green ITN 2020 programme.

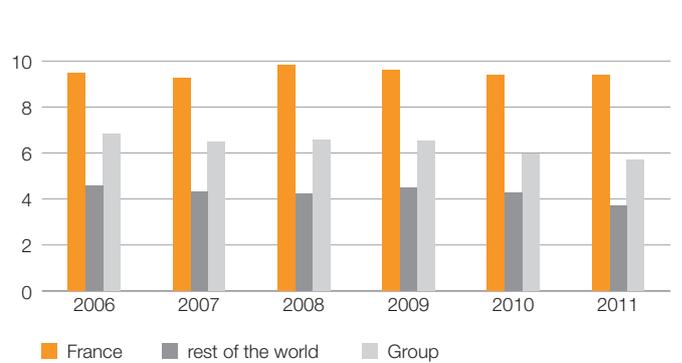
- Extension of the energy action plan to tertiary sector buildings in five pilot countries (France, Poland, Spain, Egypt and Belgium).

towards a greener world

energy consumption of the Group
in million toe

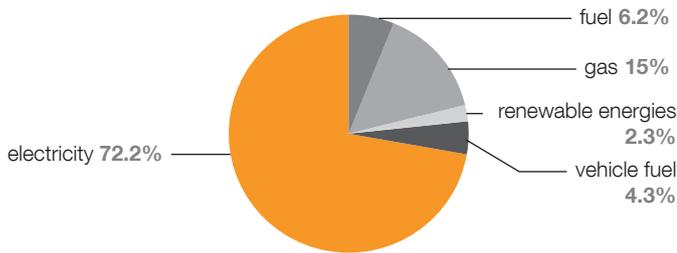


Group energy consumption: toe/1,000 customers
(excluding Orange Business Services Internal and United Kingdom)



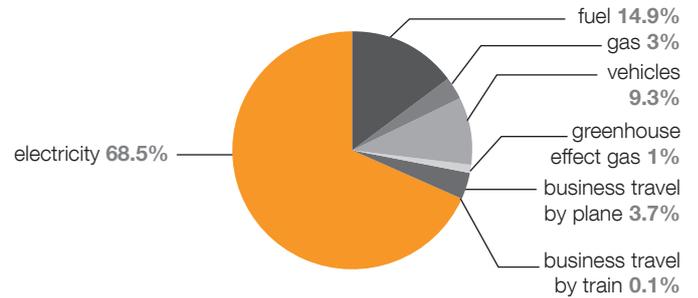
The action plans deployed are beginning to bear fruit, not least of all with energy savings totalling 222 GWh in 2011 in the networks, resulting in stable gross energy consumption and a reorientation of the energy consumption returned to the number of customer.

energy consumption
by type of energy



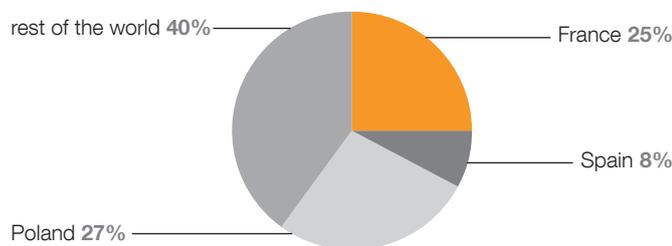
CO₂ emissions

1.42 million tons of CO₂, distribution by type

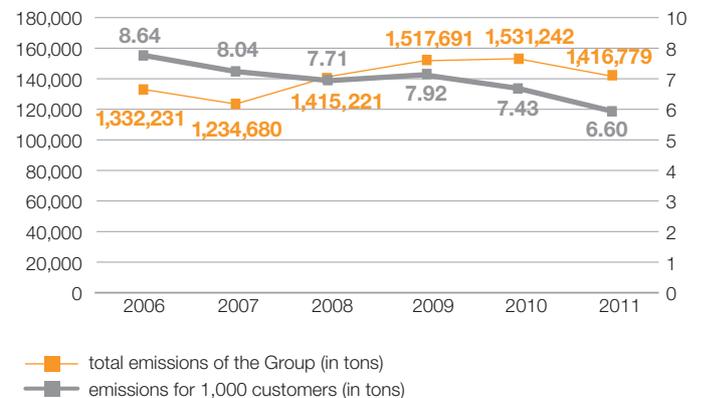


CO₂ emissions

1.42 million tons of CO₂, distribution by country



CO₂ emissions and emission per Group customer



CO₂ emission trends reflect the progress made in terms of energy savings, with a stabilisation of gross emissions and a light reduction of emissions returned to the number of customer.

2011 review	deadline	achievements
<p>roll-out the deployment of the energy action plan in all 25 countries</p> <p>Improve methodologies for measuring and monitoring trends. Develop consumption simulation and modelling tools to suit different scenarios (traffic, customer base, replacement of equipment, energy price, proportion of renewable energy in the AMEA zone). Launch new initiatives to reduce unit consumption.</p>	2011	<ul style="list-style-type: none"> ■ Deployment in late 2011 of the EAP for network equipment and information systems in 24 countries, which account for over 95% of the energy consumed by technology within the Group (introduction of Moldova, Uganda and Morocco). ■ Implementation of the following actions: <ul style="list-style-type: none"> – installation of ventilation on our technical sites, replacing or supplementing air conditioning: nearly 3,000 sites equipped, representing a total of over 14,500 sites ventilated in 18 Group countries; – 425 mobile sites shared with another operator in 2011 to reduce energy consumption; – replacement of about 10,000 items of mobile network equipment with more energy-efficient equipment; – continued widening of climate range in 158 new technical rooms in France; – by the end of 2011, over 2,000 solar stations were in service (including 1,416 on mobile radio stations) in 14 African and Middle Eastern countries, together with the Dominican Republic, Vanuatu, France and Armenia. ■ In 2011, extension of the EAP initiative to office buildings (about 29% of the Group's energy consumption) in five pilot countries (France, Poland, Spain, Egypt and Belgium) that account for 84% of the Group's energy consumption.
<p>Apply the results of the building consumption measurement tool to all buildings in France.</p>	2011-2012	<ul style="list-style-type: none"> ■ France: increase from four sites equipped at the end of 2010 to 41 sites equipped by the end of 2011. ■ Launch of a call for tenders for wide-scale deployment over three to five years.
<p>continue to undertake Bilans Carbone® (carbon inventories) of activities within the Group to reduce its carbon footprint and optimise its strategic choices</p> <p>Deploy the programme in at least two new countries. Increase internal expertise in Bilans Carbone® by creating and using a training course.</p>	2011	<ul style="list-style-type: none"> ■ Spain: Bilan Carbone® undertaken in 2011. ■ Preparatory work in Poland for an inventory in 2012. ■ Inclusion of a carbon inventory module in the Bilan Carbone® training course for the Group's network architects.
<p>continue action to promote sustainable mobility</p> <p>Continue to improve fleet performance by replacing 6,000 vehicles. Enhance the fleet management information system to optimise the management and monitoring of consumption and CO₂ emissions. Launch an electric mobility experiment in an operational situation in a core business activity. Establish a sustainable mobility department. Promote eco-driving skills among Group employees.</p>	2011	<ul style="list-style-type: none"> ■ Continuation of the renewal of the fleet in 2011 with 6,675 new vehicles ordered and 3,267 old vehicles withdrawn. ■ Coordinate with the fleet managers to upgrade the fleet management systems ; to optimise the management and monitoring of consumption and CO₂ emissions. ■ Full-scale experiment on the use of electric vehicles by our employees in the Seine Aval region (project SAVE undertaken in partnership). ■ Reinforcement in France, and progressive extension internationally, of a vehicle purchasing policy oriented towards environmental performance, with: <ul style="list-style-type: none"> – selection based on CO₂ emissions; – introduction to the catalogue of hybrid and electric vehicles including the Renault Kangoo; – experiments with innovative electric vehicles such as the Renault Twizy. ■ Establishment of a Sustainable Mobility investment fund with the SNCF, Peugeot Citroen and Total. ■ Creation of a specific Group Business Travel function, which will contribute to the aim of reducing consumption by regrouping employee transport and vehicle fleets, and using videoconferencing. ■ Eco-driving: 6,000 people in France and Poland received eco-driving training. Launch of a competition open to all employees of Orange Poland with prizes being awarded in 2012.

towards a greener world

2012 roadmap	deadline
<ul style="list-style-type: none">■ Lead in-depth targeted work with France, Poland, Spain, Slovakia, Côte d'Ivoire and Egypt – which account for 86% of the Group's energy consumption – to select and prioritise methods of reducing energy consumption.■ Progressively introduce systems for measuring the energy consumption of networks and ISs.■ Continue to innovate in the fields of renewable energy, effectiveness of technical buildings, etc.■ Model energy paths for 2012-2015.	2012-2015
<ul style="list-style-type: none">■ Continue the installation of energy measurement tools in buildings in France.■ Consolidate the policy of reducing consumption within the main European countries.■ Finalise the Bilan Carbone® in Spain.	2012
<ul style="list-style-type: none">■ Undertake a carbon inventory relevant to the climate in Poland.■ Draw lessons from the Bilan Carbone® in France and Spain. Use them as the basis for action plans and introduce this issue into the strategic thinking of the Group.■ Continue training courses for network architects and introduce an eco-design course.	2012

preserving biodiversity

the Group's approach

As most businesses, France Telecom-Orange is highly dependent on services provided by the ecosystems. Beyond its commitment as an eco-citizen, the Group is conscious that preserving biodiversity is an essential condition for the long-term sustainability of its business.

This is why France Telecom-Orange has engaged an approach aiming to:

- assess the impact of its activities on the ecosystem by identifying business processes with the greatest impact and the geographic areas involved;
- identify levers that enable these impacts to be reduced;
- implement deliberate action in favour of biodiversity.

a limited impact

Compared to industrial businesses, its activities mean that the France Telecom-Orange Group has a limited impact on biodiversity. However, in compliance with its environmental policy, the Group has engaged several initiatives aimed at reducing internal impacts and developing initiatives to protect biodiversity in partnership with NGOs such as the Bird Protection League (BPL) or the WWF.

In 2011, the Group initiated an approach aimed at better understanding its impact on biodiversity by identifying more precisely the business processes with a potentially significant impact and biomes (number of ecosystems characteristic of a bio-geographic area) impacted in a country where the Group operates.

The main sources of impact on the fauna and flora are wired aerials and networks.

A specific study was carried out on rare resources contained in the composition of electronic equipment distributed by Orange. A resources map will be issued in 2012 to assess the Group's dependency in this regard.

determined initiatives

In recent years, Orange has started several determined campaigns in favour of preserving biodiversity. Here are some examples.

the protection of cave birds

In France, Orange has been part of regional agreements for several years with the Bird Protection League to place stoppers on its metal telephone poles and protect cave species. In 2011, 198,000 stoppers were positioned in France and 11 agreements with the Bird Protection League were signed in the following regions: Alsace, Lorraine, Aquitaine, Auvergne, Bourgogne, Franche-Comté, Bretagne, Centre/Val de Loire (Loiret Département), Champagne-Ardenne, Midi-Pyrénées, Nord-Pas-de-Calais, Normandie and Pays de Loire.

reprocessing wooden poles treated with creosote

In 2010, France Telecom entered into a voluntary undertaking with the Ministry responsible for Ecology in France relating to the reuse and elimination of wooden poles and crosspieces treated with creosote or copper-chrome-arsenic

(CCA) salts. These chemical substances, traditionally used to extend the usage period of wood, are highly toxic to the environment and humans, and poles that have reached the end of their useful life therefore need to be processed through the appropriate channels. In terms of this agreement, the Group undertakes to maintain its policy of sending all its treated wood to thermal processing channels providing every guarantee for health and the environment.

preserving forests

To preserve forest resources, which are real cradles of biodiversity, France Telecom-Orange has for a number of years been taking action to reduce its own consumption of paper and enable its customers to reduce theirs.

Electronic billing is the best example of this. In 2011, this paper-free solution helped to save over 1,750 tonnes of paper. In France, the partnership with the WWF (see insert) enables the Group to pay back 1 euro for each paper-free bill. The sums collected in this way are used to replant trees in the Bordeaux region.

For internal consumption, the Group also encourages the use of recycled or PEFC- or FSC-certified paper (both labels are a guarantee of sustainable forest management).

In Belgium, Mobinil is partnering Total in a carbon-neutral programme to offset emissions from vehicle fleets through reforestation in depopulated areas. Consideration is currently being given to launching more ambitious offset programmes. The Group also envisages becoming involved in action to pump water in Africa with the aim of promoting the establishment of plantations and preventing desertification via the solar plant programme and establishing water pumps in villages in partnership with United Nations programmes.



focus

A renewed partnership with the WWF

Since March 2008, Orange France and the WWF France have been committed to a large-scale partnership based on practical action such as assessing the environmental performance of products marketed by Orange, the eco-design of its shops and products, the recycling of equipment, education about "green gestures" undertaken among consumers and employees, and the responsible use of paper (consuming less and better). The renewal of this partnership in 2011 will help to intensify and extend the cooperation initiated in 2005 to increase the use of e-billing.

Orange also sponsors the WWF France, particularly by supporting action taken in the context of the organisation's mission to preserve biodiversity overseas. Orange has become a major partner in WWF France programmes connected with the eco-regions of New Caledonia and Guyana.

towards a greener world

burying networks

Electricity and telephone lines are dangerous to birds with large wingspans. In order to protect them, France Telecom-Orange has for several years been carrying out programmes to bury fixed telephone lines, particularly in France and Poland.

Partnerships have been set up to improve efficiency. In France, the French association of mayors (AMF) and the national federation of state licensing authorities (FNCCR) have established a system to coordinate work to bury electricity and electronic communications networks. In 2011, the sum of 1.4 million euros was allocated to burying 387 km of fixed line network cables in France.

key dates in the Group's commitment to promoting biodiversity

2005

■ Launch of e-billing and first activities in partnership with the WWF to raise awareness among customers in France.

2007

■ Signature of the first regional agreements with the BPL to seal telephone poles.

2008

■ Signature of a three-year partnership agreement by Orange France and the WWF.

2011

■ Renewal of the partnership agreement with the WWF.
■ Definition of the Group's approach to biodiversity.



focus

let it bee: a sanctuary for bees

The major role of bees in preserving biodiversity is indisputable. For a number of years though, bee colonies have been decreasing dramatically throughout the world. There are a number of factors contributing to their high mortality rate: pesticides used in intensive agriculture, pollution of ecosystems, scarcity of plant species, appearance of invasive species such as the Asian hornet and global warming are all threats to the survival of bees, and the impact of which on biodiversity could be dramatic. To combat the decline in bee colonies, Orange has decided to launch a project in France called "let it bee", which consists of introducing beehives on sites belonging to the Group. The concept came into being through the enthusiasm of employees keen to help preserve bees, who met through a dedicated community on Piazza, the Group's internal social network. In June 2011, an agreement was signed with the national beekeepers' association, which is helping to install and manage the hives. A call for applications was launched among employees and 20 projects are now under way across the country. A small gesture for biodiversity, that is also helping to create social interaction and friendly links within the Group.



focus

protecting whales against the risk of collision

Collisions with seagoing vessels are one of the main causes of unnatural mortality in large cetaceans. In line with its commitment to protect the environment and biodiversity, France Telecom Marine decided to install the operational version of the REPCET system in its cable ship, the *Raymond Croze*. REPCET (a system that enables cetaceans to be located in real time) is a collaborative IT tool developed by the organisation Souffleurs d'écume (working to protect cetaceans in the Mediterranean) for use in commercial shipping, which enables the known positions of whales on navigation routes to be shared in real time through satellite communications. Other activities to protect whales are undertaken by Orange as part of its support for the Biome fund, a non-profit-making foundation established in June 2010 within the WWF France with the aim of financing projects to preserve and develop natural heritage in all France's overseas territories.

2011 review	deadline	achievements
<p>paper consumption</p> <p>overall objective: to preserve forests and reduce the quantity of waste connected with the use of paper in the office</p> <p>Increase the use of recycled or FSC-certified (or equivalent) paper. Have 100% of sales documentation on recycled or FSC- or PEFC-certified paper in the Group's main countries.</p> <p>Reduce internal paper consumption by raising awareness among staff in respect of saving paper and by configuring printers to print on both sides of the paper.</p>	2011	<ul style="list-style-type: none"> ■ Print 93.8% of Orange France's sales documentation on FSC- or PEFC-certified paper. ■ Awareness-raising campaign carried out among employees.
<p>objectives for France:</p> <p>Paper consumption for sales documentation: -8%. Consumption for sales billing: -18%. Consumption of office paper (internal): -9 %.</p>	2011	<ul style="list-style-type: none"> ■ 11% drop in paper consumption for Orange France sales documentation in 2011 (above the objective of 8%). ■ 7% drop in paper consumption for sales billing (below the objective of 8%). ■ Large drop in consumption of office paper (internal use) in Orange France; -22% as against the objective of 9%.
<p>objective for Spain:</p> <p>Internal paper consumption: -10% (achieved in 2010 as against 2009: -5%).</p>	2011-2012	<p>Printing of sales documentation for external customers on recycled or FSC- or PEFC-certified paper:</p> <ul style="list-style-type: none"> ■ achieved 2011: almost 100%. <p>Printing of marketing documentation on recycled or certified paper (greatest weight):</p> <ul style="list-style-type: none"> ■ achieved 2011: 80%. <p>Internal printing on recycled or FSC- or PEFC-certified paper:</p> <ul style="list-style-type: none"> ■ achieved 2011: 90%. <p>For 2011 as a whole: 94.5% of paper consume is certified.</p>

2012 roadmap	deadline
<p>paper consumption</p> <p>overall objective: to preserve forests and reduce the quantity of waste connected with the use of paper in the office</p> <ul style="list-style-type: none"> ■ Increase the use of recycled and certified paper with the aim of Orange France's achieving 100% of sales documentation printed on recycled or certified paper. ■ Increase the use of FSC-certified or recycled paper in the office (internal). For Orange Spain: use 100% of certified or recycled paper by 2015 for both internal consumption and customer or sales documentation. ■ Reduce the Group's overall paper consumption through various measures, raising awareness internally, e-billing, etc. 	2012-2013
<p>rare resources</p> <ul style="list-style-type: none"> ■ Map the Group's dependence on rare resources. 	2012

optimising waste management

the Group's approach

Optimising waste management is one of the priorities of the France Telecom-Orange environmental policy.

The Group is focusing on two complementary areas to:

- optimise the management of waste generated internally by introducing processing channels suited to each category of waste and ensuring their end-to-end traceability;
- help to manage waste generated by products and services sold, with particular attention being paid to the collection and recycling of mobile handsets and other electric and electronic equipment.

a processing channel for each type of waste

Behavioural guidelines defined in 2007 structure the introduction in each country of industries suited to the various types of waste according to three main principles:

1. measuring the quantity of waste generated by our activities by carrying out inventories in each country according to the classification decided at Group level;
2. organising the processing of this waste in the appropriate sectors whilst at the same time taking the local context into account;
3. assuring traceability of this waste in the future by producing maps of the processing channels in each country.

In 2011, the Group continued its efforts to increase the traceability of waste electric and electronic equipment (WEEE) in the various processing channels. The Group's CSR Department commissioned new audits of the WEEE channels (including network equipment, IT hardware and customers' equipment) in three European countries: Spain, Poland and Slovakia. These missions of assessment, sharing best practice, carried out by teams of the Group Procurement and Purchasing function, showed a good level of compliance with the demands of the WEEE Directive. They helped to reveal areas where progress can be made, particularly in terms of formalising regulatory demands in contracts with equipment suppliers, and of communication between the various internal departments involved.

increasing collection and recycling of electronic devices

To help to limit the quantity of electronic waste connected with the development of digital uses, the France Telecom-Orange Group makes every effort to give a second life to this equipment or ensure that its disassembly and recycling respects the environment.

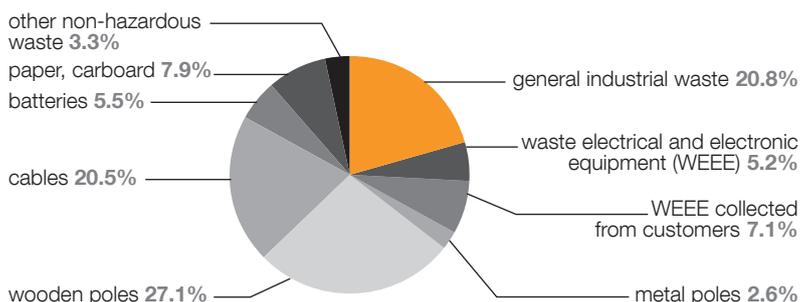
■ In Europe, in accordance with the demands of the European WEEE Directive on waste electric and electronic equipment, schemes to take mobile phones and other electronic equipment back from customers have been in place for a number of years. The equipment collected is then passed on to eco-organisations or specialist partners who recondition the equipment to return it to working condition or recycle the components through the approved channels. Besides its obligations under the WEEE Directive, France Telecom is committed to a proactive policy to increase the rate of collection of mobile phones: regular campaigns to raise customer awareness, buy-back schemes for used mobile phones in seven of the Group's European entities, and sales of second-hand phones (since 2009 in France, and under consideration in other European countries). Thanks to these efforts, the Group's European subsidiaries collected over one million mobile phones in 2011, an increase of 100% in one year.

■ Orange is testing an innovative eco-system mobile phone collection system. This "intelligent" collector called Mobo interacts with the user (donor) by displaying its face on animations such as a smile, a wink... and remotely on a dedicated website. In addition to its basic functions, geolocation and real-time transmission of the fill factor, Mobo offers a playful and gratifying dimension particularly with the possibility for the user to animate the Mobo of his or her choice

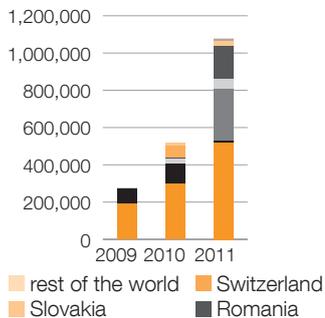
remotely, send these animations to friends and to track what becomes of the donation (traceability).

■ In emerging countries, the Group is helping to set up structured processing channels for electronic equipment at the end of its life. Orange participates actively in international initiatives to manage electronic waste in Africa, particularly those undertaken by the United Nations Industrial Development Organisation (UNIDO), the United Nations Environment Programme (UNEP), the GeSI and the STEP (Solving the e-Waste Problem) initiative in order to foster local collection and processing solutions that are appropriate to the requirements of the subsidiaries. Orange has also joined forces with Emmaüs International to open workshops to collect and reprocess waste from mobiles in Africa. Following the opening of an initial workshop in Burkina Faso in 2010, two other workshops were created in 2011 in Benin and Madagascar, and a fourth will open in Niger in 2012. The waste collected is returned to France by boat. Received at the Ateliers du Bocage, a partner in the social solidarity employment sector connected with the Emmaüs movement, the waste is then classified and sent to recycling plants in Europe. By the end of 2011, over 31 tonnes of waste (the equivalent of 210,000 mobiles) had already been collected and 18 jobs had been created in Burkina Faso, Benin and Madagascar.

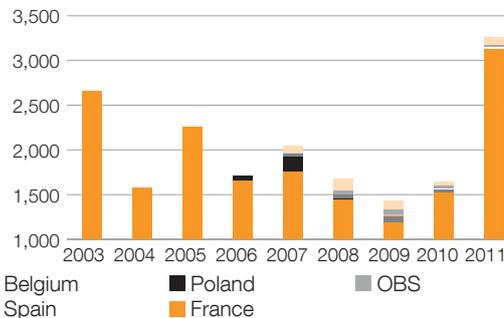
waste generated by the Group by type



the increase in the number of mobiles collected



evolution of the quantity (tons) of customers' WEEE



item reviewed by Deloitte: moderate level of assurance

The increase in the number of mobiles collected (100% between 2010 and 2011) shows the effectiveness of action plans deployed in European countries to encourage customers to return their old mobile telephones and particularly buyback mechanisms, that for example in Romania reached a 14% collection rate in one year. The increase in quantities collected is particularly linked to increased collection initiatives by all WEEE categories carried out in France. Efforts will continue in 2012 to increase WEEE collection in other European countries.

key dates relating to the Group's waste management policy

2002

- Introduction of "Foneback", a system to collect customers' mobile phones in the United Kingdom, and first pilot operations in France.

2006

- Mapping of waste processing channels in France.

2007

- Definition of guidelines on waste applicable to all Group countries.

2008

- Introduction of a system to collect business WEEE (routers) from Orange Business Services customers.

2009

- Audits of WEEE collection and processing channels in France, the United Kingdom, Spain and Poland showing a good level of compliance with the requirements of the WEEE Directive.

- Questionnaire on the implementation of the REACH Directive distributed to all handset and network equipment suppliers concerned.

- Launch of buy-back schemes for old mobile phones in France, the United Kingdom, Switzerland and Romania.

- Introduction of a new processing channel for old phone sets, cables and batteries in Senegal, with the waste being sent to a processing centre in Europe.

2010

- Participation in work undertaken by the United Nations Industrial Development Organisation (UNIDO) to optimise the management of electronic waste.

- Establishment of two mobile phone collection and recycling channels in Burkina Faso and Benin in partnership with Emmaüs International and Ateliers du Bocage.

- Launch of buy-back schemes for mobile phones in a further two countries (Slovakia and Spain).

- Signing of a voluntary charter of commitment on the reuse and elimination of wooden poles treated with creosote or copper-chrome-arsenic (CCA) salts.

2011

- Establishment of new workshops to collect and recycle mobile phones in Benin and Madagascar.

- Pilot deployment in France and Slovakia of Mobo, a prototype intelligent mobile phone collector.



focus

Orange Islands: less waste, more recovery

In 2010, Orange Islands in Cesson-Sévigné was the first Orange Business Services site to obtain ISO 14001 certification for its environment management system.

The renewal of the certification in December 2011 confirmed OBS's continuing desire to improve its eco-responsibility with regard to its customers and employees. As part of this ongoing progress initiative, optimum waste management was introduced to reduce the quantity of waste produced and improve sorting with the aim of achieving a maximum recycling rate. To do this, a waste sorting area was built on the site. Paper, cardboard and packaging, and waste electrical and electronic equipment (WEEE) are therefore sorted separately for recycling. A total of 59% of the waste produced by the site was recycled in 2011 (56% of which was common waste and 71%, hazardous). In addition, efforts to reduce waste at source helped to decrease the quantity of waste produced by 8% between 2010 and 2011.

Orange Poland brings the reconditioning of electronic equipment in-house (in 2011, 284 tons have been treated)

In 2007, Orange Poland (the Polish subsidiary of the France Telecom-Orange Group) introduced a scheme for taking back and reconditioning electronic equipment from its customers (decoders, modems, Liveboxes, etc.), enabling them to put equipment in working order back into circulation and thereby increase its length of life. In 2010, to improve quality control across the process, Orange Poland launched a project to recondition equipment in-house – this had previously been outsourced to a specialist company. The in-house reconditioning centre, located in the Orange Poland's main depot in Oltarzew, has been operational since 2011. Besides improving quality control of the reconditioning, allowing 100% of components to be recycled, bringing the process in-house helps to reduce transport because everything is processed on site. Over 700,000 broadband devices (particularly Livebox 2.0s) have been reconditioned in-house in this way since March 2011. With a processing capacity of 600 units per day, the centre offers significant prospects for progress, and Orange Poland is planning to make its expertise available to external companies.

2011 review	deadline	achievements
<p>waste management</p> <p>development of new processing channels in African countries</p> <p>Deployment of new WEEE collection and processing initiatives in the AMEA zone in partnership with local commercial and industrial enterprises and specialist international organizations (UNIDO, UNEP, STEP). Target countries: Côte d'Ivoire, Senegal, Egypt. Increased participation in working groups from these organisations dealing with waste processing in emerging countries.</p>	<p>2011</p>	<ul style="list-style-type: none"> ■ Active participation in the working group coordinated by the GeSI (Global e-Sustainability Initiative) and the United Nations Environment Programme (UNEP) to develop collaborative local solutions for the processing of electronic waste in emerging countries. ■ Launch of a number of initiatives in various Orange countries in Africa: <ul style="list-style-type: none"> – launch by Orange Tunisia of its environmental initiative; – launch by Mobinil (Egypt) of an initiative for collecting mobiles among employees. ■ Continuation of the partnership between Orange and Emmaüs International to establish workshops in various African countries to process electronic waste (mobiles, PCs): project under consideration in Côte d'Ivoire in cooperation with the local subsidiary.
<p>WEEE Directive</p> <p>Strengthen initiatives to collect and process commercial WEEE (routers, PABX, LAN equipment) from our business customers in France, by incorporating approval from one or more eco-organisations focusing on commercial WEEE. Promote the reuse of the equipment collected whenever possible. Step up joint multi-operator actions in respect of audits for common suppliers outside Europe to ensure an equivalent level of environmental performance. Assess WEEE processing channels (household, business, internal and networks) in our European subsidiaries (particularly Slovakia, Romania, Spain and Poland) in order to ensure a high level of transparency and traceability.</p>	<p>2011</p>	<ul style="list-style-type: none"> ■ In response to new regulatory requirements on the processing of business WEEE in France, the Group launched a process to study optimising the collection, reuse and elimination of equipment sold, rented or provided by Orange. ■ Two experts carried out assignments in 2011 in Slovakia and Spain 2011 on electronic and other hazardous waste in order to: <ul style="list-style-type: none"> – increase the Group's expertise in waste management; – ensure a high level of compliance by subsidiaries with regulatory requirements; – deploy innovative solutions for collection and processing.
<p>tertiary waste</p> <p>Extend the programme to improve tertiary waste management initiated by OBS in Egypt in 2010 to other emerging countries by signing contracts with partners.</p>	<p>2011</p>	<ul style="list-style-type: none"> ■ Support to subsidiaries in emerging countries in establishing their waste management process (Côte d'Ivoire, Mali, etc.).
<p>collection and recycling of mobile phones</p> <p>Increase collection and recycling of mobile handsets. Achieve a collection rate of 10% in the second half of 2011. Extend commercial buyback offerings in the seven main European countries. Together with our partners, deploy an intelligent collection system for used mobiles and ambitious eco-citizen collection actions in a number of European countries (France, Spain, Austria, Slovakia, etc.). Deploy collection offerings for the business market. Develop the second-hand mobile market in AMEA and Europe. Develop collection and recycling programmes in Africa.</p>	<p>2011</p>	<ul style="list-style-type: none"> ■ In 2011, one million mobile phones were collected across Europe, an increase of 100% in one year corresponding to an overall rate of 6.4%. ■ Deployment of commercial buy-back offerings in the seven main European countries, with significant results in some countries (a collection rate of 14% in Romania). ■ Deployment in pilot phase, in France and Slovakia, of Mobo, the intelligent collector (unveiled at the "hello demain" show in June 2011). ■ Incorporation of collection offers in tenders for key accounts in the business market. ■ Continuation of the sale of second-hand mobiles in France, particularly on the orange.fr website. ■ Studies on the sale of second-hand mobiles in other European countries and several countries in the AMEA zone. ■ Continuation of the first pilot collection operations in three African countries.

2012 roadmap

deadline

waste management

development of new processing channels in African countries

- Play a pioneering role in developing subsidiaries and solutions enabling African countries to collect and recycle their waste efficiently and effectively.
- Contribute to the various reflections launched on this topic (e-waste academy, etc.).
- Mobilise Orange subsidiaries in these countries and support local initiatives with all the players concerned, particularly in Egypt, Tunisia and Côte d'Ivoire.

2012-2015

WEEE Directive

- Launch new initiatives for business WEEE and institute improved channels to collect, process and reuse this equipment, satisfy changes in regulations and improve our response to customers' demands.
- Continue Group initiatives to enable European subsidiaries to increase the collection of WEEE and other waste, and optimise the processing of this waste whilst taking into account the latest changes in the WEEE Directive.

2012

collection and recycling of mobile phones

give a new dimension to the mobile recycling policy to continue to increase the rate of collection by over 50% per year

- Deploy Mobo (the smart collector) and its ecosystem in pilot phase in France and other European countries.
- Launch second-hand mobile offerings in a number of European countries.
- Extend the collection of mobiles to the business market as part of the replacement of fleets of handsets.
- Launch civic collection actions in European countries.
- Study the feasibility of large-scale collection and recycling schemes in Africa.

2012

reducing impacts linked to products and services

the Group's approach

As well as limiting its direct impacts, France Telecom-Orange is working hard to reduce the environmental impact of products and services offered to customers over their entire life cycle.

To that end, the Group is working on two core areas:

- continuous improvement in the environmental performance of its products and services, by way of eco-design initiatives;
- encouraging customers to adopt environmentally responsible usages, with a pioneering eco-labelling initiative for its products, and by providing carbon calculators and organising awareness campaigns.

developing eco-design initiatives

As early as 2007, as part of a strategic partnership with Sagem, Orange launched an eco-design initiative for the Livebox and decoders distributed under its brand.

Life-cycle analyses (LCA) guided work on reducing environmental impact in priority areas: energy consumption, reparability and “recyclability”, and packaging.

The Livebox 2 launched at the end of 2009 on the French and Spanish markets benefited from the results of these LCAs, which had revealed that energy consumption during use was the dominant element in the overall environmental assessment. The new version included a Wi-Fi switch enabling the user to turn off the Wi-Fi signal at their convenience, while still benefiting from the Livebox's other services. This Wi-Fi button, together with the on/off switch, enables our customers to reduce a box's electricity consumption by up to 30% (the savings made by switching the box off when it is not in use). The next version of the Livebox, due for release in 2012, will offer even better environmental performance.

To pursue the roll-out of this initiative and achieve general integration of eco-design in its product development process, Orange is using:

- a team of eco-design experts;
- ongoing training in eco-design for all actors in the product innovation chain, using a dedicated training module created in 2010: seven training sessions took place in 2011 in France and the UK;
- the “Eco-Design Guide”: a popularisation and awareness manual distributed to Technocentre project managers;
- an LCA library steadily built up to provide assessments of products' environmental impact and identify areas of improvement at the design phase.

In 2011, the France Telecom Group worked in particular on the eco-design of the next generation Livebox, which is due for launch in 2012. The Group is also pursuing its experimental project in eco-designing services: several pilot schemes were launched in 2011, including one for a Cloud Computing offering.

The Group has also contributed to work by the GSMA and ITU to design a joint solution for a universal mobile phone charger, which would avoid the need to change charger every time you change phones, and could free the way for terminals and chargers to be sold separately. A standard for this solution was officially adopted by the European Commission in 2011, and will lead to a reduction across the entire sector of up to 51,000 tonnes of electronic waste, made up of stockpiles of different chargers, as well as improving service to the customer. In 2011, Orange implemented the micro-USB interface across the board, meaning this charger can be used with the majority of smartphones distributed.

Orange is testing an innovative ecosystem mobile phone collection system

As mentioned previously, this “smart” collector called “Mobo” interacts with the user (donor) by displaying its face on animations such as a smile, a wink... and remotely on a dedicated website. In addition to its basic functions, geolocation and real-time transmission of the fill factor, Mobo offers a playful and gratifying dimension particularly with the possibility for the user to animate the Mobo of his or her choice remotely, send these animations to friends and to track what becomes of the donation (traceability). Mobo is the result of a joint creation process with consumers (design, functional specification) and the collaboration of French SMEs (IT solutions, production).

promoting environmentally friendly usage

As well as eco-design for its products and services, Orange encourages its customers to contribute, through their personal and professional usage behaviours, to protecting the environment. To that end, the Group has set up transparent information tools presenting the environmental performance of products and services offered.

a pioneering environmental labelling initiative

Orange was the first European operator to implement, as early as 2008 in France, evaluation and public labelling of environmental performance for the telephone terminals it distributes.

This innovative initiative, developed in partnership with an LCA consultancy and the WWF, meets a dual objective:

- building customer awareness of the environmental impact of the terminal bought, with guidance, if desired, towards the greenest model in the range selected;
- encouraging manufacturers to produce more environmentally friendly terminals.

Orange's environmental labelling assesses environmental impact using three criteria scored between 1 and 5:

1. “CO₂ reduction” measures the amount of greenhouse gas emitted in the key stages of the product's life-cycle: manufacture, distribution, use, recycling;
2. “Natural resource protection” measures the quantities of non renewable materials (gold, silver and tin) used in the product;
3. “Eco-design” rates other initiatives to improve the product's environmental performance, like the minimal use of hazardous substances, the traceability of sensitive resources (gold, silver, tin, tantalum), the reparability of the product and the amount of recycled material used.

Overall score: the 3 indicators are combined to produce an overall score labelled: eco-rating. The higher the eco-rating, the better the terminal is for the environment.

Almost all suppliers of Orange's mobile and fixed terminals have now signed up to this initiative. By the end of 2011 environmental labelling had been deployed in France, Spain and Romania, as well as across the Business market. Roll-out will continue in 2012 in the other European countries.

This pioneering project earned Orange selection to lead the national environmental labelling experiment launched by the French state in 2011, following its Grenelle de l'Environnement roundtable.

Orange is also working with other GSMA operators and the European Union to create an international standard for eco-labelling terminals.

carbon calculators for business

Orange Business Services is developing very accurate calculation tools to evaluate potential greenhouse gas emission savings derived from remote working solutions, helping businesses include carbon impacts into their investment decisions more easily.

Orange Business Services carries out LCA with assistance from specialist external consultancies to measure the true impact of solutions. They have already delivered very detailed results for the Business Everywhere, Telepresence videoconferencing, Computing package (Forfait informatique), Flexible Computing and Business VPN solutions. In 2011, a study was launched into the "Flexible Computing Express" Cloud service, the results of which will be communicated externally once the critical review required to comply with the standard has been carried out.

In 2011, following analysis, a new carbon calculator enabling customers to evaluate CO₂ emission savings deriving from the "Cloud computing infrastructure as a service" solution went live on the Orange Business Services website. This makes it the third calculator provided, alongside the ones for the Telepresence and Business Everywhere solutions.

long-term awareness for customers

The majority of the countries regularly organise awareness campaigns to encourage their customers to adopt environmentally responsible behaviours: opting for electronic billing, not leaving equipment on standby, returning used equipment for recycling or simply keeping it longer; these are all simple actions that can help protect the environment.

In France, Orange set up a dedicated information site to encourage its customers to adopt six "green reflexes": www.agir-reflexesverts.orange.fr The Orange environmental channel <http://actu.orange.fr/environnement/> also broadcasts all the latest environmental news, with practical tips for action in everyday life.

In several European countries, specific mechanisms have been implemented to encourage customers to return their old mobile phones (see p. 134-135).

key dates in the Group's eco-design and environmental labelling initiative

2004

- Evaluation method developed to assess the environmental impact of solutions, so environmental performance could be integrated into products and services from the design phase.

2007

- Signature of a strategic partnership with Sagem to develop eco-design for Liveboxes.

2008

- Launch of the first eco-labelling system for mobile phones in partnership with the WWF.
- Launch of the Livebox 1.2 with a weight reduction of 35%, energy consumption when in use reduced by 26% and CO₂ emissions over the entire life-cycle reduced by 19%.
- Creation of an eco-design guide for Techno-centre product managers.
- Launch of the Orange CO₂ saving tool, the first carbon calculator for customers.

2009

- Launch of the eco-designed Livebox 2 on the French market.
- Eco-labelling deployed on Orange France's fixed and mobile terminals, on the French business range of terminals and on Orange Spain's mobile terminals.
- LCA carried out on the DSL, FTTH and 3G networks, as well as on three services from Orange Business Services: Telepresence videoconferencing, Business Everywhere and Computing package (Forfait informatique).

2010

- Eco-labelling launched in Romania.
- Two new online calculators go live, showing the potential gains from installing the Telepresence and Business Everywhere solutions.
- New service LCAs carried out (videoconferencing and digitising music).

2011

- New online carbon calculator goes live for the "Cloud computing infrastructure as a service" offering.
- Participation in France in the national experiment in eco-labelling.

towards a greener world

2011 review	deadline	achievements
<p>environmental performance of products and services</p> <p>Continue with the roll-out of eco-design initiatives. Eco-design products for the domestic network. Implement service eco-design. Pursue creation of an LCA library. Generalise training for the marketing division.</p>	2011-2012	<ul style="list-style-type: none"> ■ Eco-design for new Liveboxes (out in 2012) at the Technocentre. ■ Finalising the new “eco-design” action plan, gradually integrating eco-design for services. ■ Continuing with training (seven sessions in 2011 in France and the UK).
<p>Define policies and methods for rolling out the universal charger as soon as it is available.</p>	2011-2012	<ul style="list-style-type: none"> ■ General application of the micro-USB interface for the majority of smartphones acquired by Orange.
<p>environmental labelling</p> <p>Roll-out eco-labelling in more European countries: Poland, Slovakia, Switzerland, Belgium, Armenia. Promote eco-labelling with international bodies.</p>	2011-2012	<ul style="list-style-type: none"> ■ Roll out in France, Spain and Romania, as well as in the business market. ■ Orange selected to lead the national eco-labelling experiment launched by the French state.
<p>promoting eco-behaviours</p> <p>Pursue roll-out programmes for e-billing in Europe, with a 2012 target of 80% penetration for the Internet, 50% for mobile telephony and 30% for fixed telephony. Promote longer technical and commercial life and usage of mobile terminals.</p>	2011-2012	<ul style="list-style-type: none"> ■ Electronic billing: see figures p. 141. ■ Launch of “SIM-only” offerings in France (Sosh). ■ Ongoing sale of discounted mobile terminals in France. ■ Ongoing sale of mobile phones to wholesalers with a view to remarketing reusable returned terminals.

2012 roadmap	deadline
<p>environmental performance of products and services</p> <ul style="list-style-type: none"> ■ Regain the lead in eco-design for the domestic network with the launch of new Liveboxes and set top boxes. ■ Develop eco-design for services. ■ Introduce eco-design tools and methods across the board for training and processes around innovation and product launch. 	2012
<ul style="list-style-type: none"> ■ Prepare to market mobile terminals and chargers separately, to derive all possible benefit from the recent introduction of a standard for a universal charger. 	2012
<p>environmental labelling</p> <ul style="list-style-type: none"> ■ Continue with the international roll-out of eco-labelling for mobile terminals and contributions to setting an international standard (GSMA, European Union). 	2012
<p>promote eco-behaviours</p> <ul style="list-style-type: none"> ■ Pursue roll-out programmes for e-billing in Europe, with a 2012 target of 80% penetration for the internet, 50% for mobile telephony and 30% for fixed telephony. ■ Promote longer technical and commercial life and usage of mobile terminals. 	2012

contributing to the growth of the eco-citizenship

the Group's approach

In the face of environmental challenges, information and communication technologies present a unique opportunity for progress.

This is why France Telecom-Orange is constantly innovating to develop technological solutions that give everyone the means to live and act as eco-citizens:

- new ways of working in business (remote working, collaborative working, digitised processes, etc.);
- new mobility (vehicle sharing, geo-location, etc.);
- new ways to approach city-life and the lived environment (home automation, digital communities, etc.).

digitising exchanges

France Telecom-Orange offers its customers a number of solutions for digitising their exchanges: e-billing, HubEDI, WebEDI and Contact Everyone, Public Video Points (Points Visio Public), etc.

There are multiple environmental and economic benefits:

- ink and paper savings;
- energy savings;
- waste reduction;
- preservation of forests, which play an important "carbon sink" role;
- lower greenhouse gas emissions from reductions in travel.

1,770 tonnes of paper were saved in 2011 through e-billing to mass-market customers (fixed and mobile).

In medicine, the shared medical imaging solution is innovative in its connected approach to medicine and the reductions in environmental impact achieved by digitising results from X-rays, scans, MRIs, etc., while ensuring they can be shared and exchanged. Chemical consumption associated with developing films and scans is

reduced and less travel is involved in transporting results. Results are archived in storage facilities that have achieved "Eco-center" certification. This solution won Orange the "Eco-committed digital company" prize at the 2011 Digital Green Growth Awards (Prix de la croissance verte numérique). The prize rewards creativity, invention and digital technology working towards sustainable development.

optimising IT infrastructures

To optimise energy efficiency in IT infrastructures, the Group has developed true expertise in the field of virtualisation.

- Server virtualisation consists of having a single server run all applications that traditionally would each run on their own server. These solutions can lead to a significant reduction in server numbers and optimum usage levels of existing hardware. For some customers, the solutions installed have led to reductions of over 80% in server numbers, over 90% in energy consumption and over 50% in total cost of ownership.

- Workstation virtualisation consists of creating a user environment (desktop) on a server rather than on each workstation. This means that no data or application is stored at the workstation. They are handled remotely and at no time leave the secure environment of the data centre. Once again, there are significant environmental benefits. A workstation running virtually:

- lasts longer than an ordinary PC (five years instead of three);
- uses around 10 times less electricity when in use;
- is far more easily shared by several users;
- has fewer electronic components and so is easier to recycle.

As well as its standard offers, the Group makes its expertise available to customers through Orange Consulting, providing support for sustainable development initiatives. In 2011, Orange Business Services linked up with JouleX to offer the first global energy audit service for IT infrastructures in France, to help businesses achieve energy savings and reductions in CO₂ emissions.

meeting the challenges of sustainable mobility

less business travel

Orange Business Services offers companies and professionals several remote collaborative working solutions that can reduce greenhouse gas emissions and save on travel costs while improving individual and collective productivity:

- Business Everywhere gives access to the user's working environment (desktop) while away from the office, using any available network. Over 1.4 million people around the world are already using it;

- Business Together combines the best in Web, voice and videoconferencing technology to facilitate collaborative work;

- videoconferencing and telepresence solutions like Open Videopresence, available in 106 countries, mean meetings can be organised in France and internationally, whether internally or between different companies. In 2011, Orange Business Services secured major partnerships with BT, Tata Communications and Telefónica to guarantee equipment and network compatibility, providing intercompany Telepresence capacity.

Orange Business Services also facilitates remote exchanges with its customers' customers, for example with the Visio Contact solution where customers with a webcam can establish a direct videoconference link with a company by clicking on its website. The solution is intended for companies with one or more websites who wish to provide their customers with a human, secure and easily accessible remote service.

As well as solutions for business, the Group also offers solutions like the Public Video Point (Point Visio Public), enabling the public to make contact with their local authority services without having to travel.

optimising vehicle fleet management

The Fleet Performance solution developed by Orange Business Services enables many business sectors (transport, public works, maintenance and repair technicians, sales reps, local organisations, etc.) to optimise the movements of thousands of vehicles in real-time, also improving ongoing maintenance. Distance travelled is reduced and engines that are well-maintained generate less pollution.



focus

Orange is investing in sustainable mobility

In November 2011 Orange linked up with SNCF, PSA Peugeot Citroën and Total to found Ecomobilité Ventures, Europe's first investment company dedicated to sustainable mobility. Ecomobilité Ventures will have a capital of 30 million euros to invest in young, innovative companies. Through this project Orange and its partners plan to contribute to the emergence of a new mobility ecosystem that breaks the traditional sector barriers.

towards a greener world

There is a double benefit: increased productivity, reduced CO₂ emissions.

In 2011, Orange Business Services launched their "Fleet Performance fleet management" (Fleet Performance gestion de parc) offering which tracks time in use and kilometres travelled without feeding back geolocation data. It can help companies make significant reductions in vehicle fleet operation costs. DEF for instance, a fire safety specialist, reduced its fuel costs by 50,000 euros and CO₂ emissions by 62 tonnes by equipping over 140 vehicles.

In 2012, an eco-driving offer will be launched to help companies encourage environmentally responsible driving and CO₂ reduction for their vehicle fleets.

developing remote monitoring services

Orange has developed innovative remote monitoring solutions based on M2M⁽¹⁾ connectivity, which can carry out a number of remote tasks:

- remote meter readings (gas, water, etc.);
- remote stock management (ATMs, vending machines, printing systems, etc.);
- supply chain automation;
- remote checks and maintenance for industrial machinery;
- remote management of public infrastructure (lighting).

All these solutions contribute to optimising risk and energy management as well as reducing logistical and maintenance costs (movement of technicians) while limiting CO₂ emissions and simply making life easier.

For example, as part of its "Smart Cities" strategic programme for smart urban sustainability, Orange Business Services linked up with Veolia Eau in 2011 to create m2o city, an operator specialising in remote reading of smart water meters and environmental data collection. m2o city offers local authorities and organisations a service that uses an ultra-low energy radio network to collect information from both water meters and environmental sensors (to monitor sound or pollution levels, for instance).

making public transport more attractive

Orange Business Services offers services to help improve the passenger experience on public transport: information on timetables, traffic conditions and combined transport, as well as Wi-Fi connections for Internet access and online games and videos, etc. With our solutions transport operators can:

- improve timetable adherence with vehicle geolocation facilitating real-time reaction to incidents and traffic;
- improve transport network security with video and audio alerts in real time from cameras and recorders installed on board and at the roadside;
- manage maintenance costs thanks to remote detection and resolution of technical problems in real time.

building the "sustainable city" of the future

Projects for "sustainable cities" and "zero CO₂ quarters" rely chiefly on information and communication technology.

Orange Business Services, a member of the New Cities Foundation, has been designing, installing and operating communication solutions for smart cities since 2006. As part of its "Smart Cities" programme (one of the Group's six strategic programmes), several major projects have been delivered in this field.

The smart sustainable city concept, developed by Orange Labs in partnership with local authorities, is a multi-network solution (radio, GPRS, Internet) providing the municipality with a wide range of data contributing to optimising its management: environmental monitoring, and management for street lighting, waste containers, municipal irrigation, traffic, etc. The concept has been piloted since 2007 in the south of France town Cagnes-sur-Mer, and since the end of 2010 in the urban community of Nice Côte d'Azur. Having developed this expertise, the Group has signed consultancy contracts for smart city projects in the Middle East, and is running other pilot projects with key actors in the world of transport and smart networks.

For example, at the end of 2010, Orange Business Services and European waste management leader Plastic Omnium Environnement combined their know-how to offer local authorities an all-in service that aims to optimise waste collection. The service is based on an integrated and very secure M2M solution. With it the two partners can help local authorities implement the incentivised pricing structure launched by the Grenelle de l'Environnement roundtable. The M2M tracking capability means the local authority has access to a wealth of data (vehicle activity, collection circuits carried out, service take-up by users, quantity of waste collected, etc.) with which to analyse the efficiency of its collection service and optimise its collection routes, reducing kilometres covered and associated CO₂ emissions.

develop the applications of the future

Intelligent management of electric networks ("smart grids"), vehicles, buildings and individual houses... Orange is already working to develop applications that will help optimise energy management, program electric vehicle recharging during off-peak hours or to continue developing multi-modal transport in the near future. These are all solutions that are making a contribution to the fight against climate change.



focus

Orange selected for the third time in the Verdantix Leaders' Quadrant

Orange Business Services confirms its sustainable development leadership in the telecommunications market according to the 2011 report published by Verdantix, a firm of independent analysts specialised in questions of climate change, sustainable development and energy. For the third consecutive year, Orange features in the leading position in the Green Quadrant Sustainable Telecoms Europe ranking, confirming its strong commitment to sustainable development both in terms of the solutions proposed to its customers and its corporate social responsibility for the Group as a whole.

(1) Machine to Machine (M2M) technology enables machines, technical equipment and other objects to exchange data with other machines, people or information systems, remotely and in real time.

appendices

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about this report

This report is intended to provide a fair and balanced view of the global performance of the France Telecom-Orange Group over the 2011 calendar year.

It endeavours to meet the main requirements for information expressed by the Group's stakeholders (customers, shareholders, rankings agencies, employees, suppliers, public authorities and local communities).

period and frequency of report

Every year since 2002, the Group has published an annual report on sustainable development and corporate social responsibility. This report covers the period from 1 January to 31 December 2011. It also includes a number of qualitative items from early 2011 (outstanding achievements).

scope and methodology of report

The content of the report has been produced on the basis of indicators selected in such a way as to give an account of the main economic, social, societal and environmental impact of the Group's activities. The choice of these indicators has been partly determined by the recommendations of international benchmark bodies such as the Global Reporting Initiative (GRI), the UN Global Pact, the guiding principles of the OECD and the new ISO 26000 standard on the social responsibility of organisations.

The indicators have been collected, calculated and consolidated with the support of dedicated IT tools. Unless otherwise stated, the data presented covers all the Group's activities and the countries in which it operates. For environmental data, the scope of the report covers an average of 98% of the Group's sales. The rate of coverage, estimated as a percentage of the sales of the entities included in the reporting scope, is given for each environmental indicator in the table of data on pages 152 to 154.

For social data, the rate of coverage estimated as a percentage of the Group's workforce is given in the table on pages 150 to 151.

verification of the report

As in previous years, France Telecom-Orange requested one of its auditors to review a selection of achievements described in tables in the 2011 report and verify a selection of 16 key performance indicators and the application of the AA1000 APS (2008) principles. The items summarised for these 16 indicators have been externally verified and are identified by the symbol . The conclusions of this work appear on pages 148-149.

application of AA1000 principles

In all significant aspects, the process of drawing up the 2010 corporate social responsibility report adheres to the three principles (completeness, materiality and responsiveness) of the AA1000APS (2008) standard, a benchmark in the matter of corporate social responsibility focusing the recognition of stakeholders' requirements (www.accountability21.net).

completeness

The identification of our stakeholders' requirements is a key element in our process of identifying sustainable development issues. The list of the Group's main stakeholders appears on page 56.

materiality

The selection of the most significant sustainable development issues connected with the Group's activities takes account of requirements expressed by stakeholders and an internal prioritisation of risks, which is regularly reassessed (see p. 53-54 and 60-61).

responsiveness

Action plans covering sustainable development issues significant to the activities of France Telecom-Orange are reassessed annually, and new issues are identified at the same time – these issues and plans are set out at the end of each chapter of this report.

The report is an essential element of the Group's response to the requirements expressed by its stakeholders. Published annually, it enables us to recognise the impact of, and progress with, undertakings made to these stakeholders. France Telecom-Orange takes account of suggestions for improvement transmitted by its readers, as well as conclusions drawn from the verification work undertaken to improve the quality of its reporting.

compliance with GRI guidelines

This report has been drawn up with reference to the Global Reporting Initiative (GRI) guidelines version G3. In line with the method of assessment recommended in the guide to the GRI G3 application levels, the self-assessment of this report has been undertaken using application level A+. For more details, please consult the GRI – Global Pact correspondence table available on the orange.com website, in the "Responsibility" section).

correspondence with the Global Pact

France Telecom-Orange signed up to the United Nations Global Pact in July 2000. The manner in which the Group incorporates the principles of the Global Pact in its activities is presented in the table page opposite.

correspondence with the ISO 26000 standard

The international ISO 26000 standard published in November 2010 provides guidelines on the social responsibility of organisations.

This standard was drawn up following a multi-stakeholder approach with the participation of experts in various aspects of social responsibility from over 90 countries and 40 organisations that are either international or have an extended regional base. France Telecom-Orange contributed as an expert to the preparatory work carried out by the French ISO 26000 Commission. The ISO 26000 standard revolves around seven central issues covering various areas of action connected with the social responsibility of organisations (see GRI-ISO 26000 correspondence table on the orange.com website, in the "Responsibility" section).

principles of the Global Pact

page

human rights

- > principle 1: support and respect the protection of internationally proclaimed human rights through our sphere of influence 57-58 and 62 to 64
- > principle 2: make sure that our own company is not complicit in human rights abuses

labour

- > principle 3: uphold the freedom of association and recognise the right to collective bargaining 57, 69, 70, 73
- > principle 4: eliminate all forms of forced and compulsory labour 57
- > principle 5: abolish child labour 57
- > principle 6: eliminate all forms of discrimination 57, 78 to 81

environment

- > principle 7: adopt a preventive approach to environmental challenges 120 to 140
- > principle 8: undertake initiatives to promote greater environmental responsibility 120 to 140
- > principle 9: encourage the development and diffusion of environmentally friendly technologies 141-142

anti-corruption

- > principle 10: combat corruption in all its forms 57, 58

note on methodology

background

The method of calculating CO₂ emissions related to the consumption of electricity in France was altered in 2011 to incorporate the Ademe emission factor. Historical data has also been recalculated in order to calculate Group emissions.

Local purchase indicators were reprocessed in 2011 to include new purchase categories and consolidated purchase volumes.

social data

The social reporting in this document is based on HR-Info, an information system that differs from that used for the annual report and reference document (Magnitude) because only HR-Info allows distinctions to be made by gender and grade (upper management, management and non-management). HR-Info was not able to collect the detailed data for 4 girls Companies of the Group (Cityvox, Saint Pierre et Miquelon, and two small Belgian companies) where from the difference of 59 persons (56 permanent contract, and 3 fixed-term contracts), that is 0.03 % of the employees of the Group.

male-female management split (permanent contracts at end of period)

The rule for calculating the “management personnel” indicator is based on the active workforce on permanent contracts.

The “management personnel” indicator corresponds to upper management.

Entities outside France use a correspondence table to determine which employees to include as “management personnel”.

percentage of women in the “Leaders” network

The “Leaders” network is a management network that consisted of 1,143 members of management at the end of 2011. These members of management hold positions with very high responsibility issues within the France Telecom Group.

number of leavers

The “number of resignations”, “number of redundancies/dismissals” and “number of leavers per gender” only include departures of active employees on permanent contracts. Departures of “inactive” employees (those on long-term sick leave, leave for business creation, early retirement, etc.) are not included in the report.

Health and safety indicators

The definitions of health and safety indicators

were redefined in 2011, as was the scope of the report. The scope does not include all Group entities due to the organisation of the report. At Group level, the health and safety report covers 83% of active employees. In France, health and safety indicators only cover FTSA (88% of active employees). In Poland, they only cover TPSA (62% of active employees).

The report on accidents in the workplace with stoppages includes accidents recognised as accidents in the workplace and those awaiting recognition. As for the fatal accidents reported, these are only accidents recognised by the competent local authorities.

environmental data

The environment report for this document is based on an information system named Indicia. Only countries consolidated in the Annual report were included in the RSE report. Equatorial Guinea and Mauritius were therefore excluded from the environment report. No new countries were added to the report in 2011.

energy

The energy consumption of data centres and networks shared with other operators are accounted for either partly or totally. The consumption of mixed equipment (network and mobile) in France is allocated in its entirety to the indicator covering the consumption of networks outside the mobile activity.

The energy consumption of premises, particularly shops, for which the France Telecom Group does not pay an invoice directly, is not reported. The consumption of energy from urban heating plants is not accounted for due to the difficulty of estimating the related CO₂ emissions.

Polish consumption is calculated from a statistical sample of invoices received during the financial year. In the same way, the consumptions of electricity of Orange Spain and France networks are based on a part of estimation.

“Fuel consumption (all buildings, all usage)” groups together the consumption (excluding vehicles) of domestic heating oil, diesel and petrol together with the consumption of heavy fuel oil and diesel by vessels of the FT Marine subsidiary.

transport

The data relating to train and air travel derives mostly from Carlson Wagon Lits, which is responsible for more than 80% of the distance covered by employees. Distances covered during train and air journeys are estimated using the great circle route method (the shortest distance between two points on the Earth’s surface). The

CO₂ emission factor for short-haul air transport in the GHG Protocol (180g CO₂/km per passenger) has been used for all flights (short-, medium- and long-haul). The CO₂ emission factor for train transport is taken from the “Bilan Carbone™” method when available for the corresponding country.

In the other countries, a standard factor of 100 g CO₂/ km per passenger is used.

Besides Carlson Wagon Lits, local travel agencies that have provided a report are also included, as are journeys made by families of expatriate employees.

CO₂ emissions

All the emissions factors are taken from the GHG Protocol, with the results (2008) of its most recent update (2011), with the exception of the electricity emissions factor in France, which is taken from Ademe. The emissions factor for Orange Business Services International entities throughout the world corresponds with the “world” factor of the GHG Protocol 2005.

The coefficients used for the other kinds of fuel (gas, fuel oil, coal, petrol, diesel and LPG) are also taken from the GHG (2007).

Ademe’s coefficient for France has been applied within the framework of the Grenelle 2 Act, article 75 (methodology consultable on: http://www.developpement-durable.gouv.fr/IMG/pdf/110912_Art-75_Methodologie_generale_vfinale.pdf).

■ The carbon base gives the average emissions factor for France: 78 g CO₂/kWh (average over three years, 2008-2010) (emissions factor uncertainty 10%).

■ Prior to 2008, the IEA’s emissions factor for the period 2006-2008 was: 86 g CO₂/kWh (emissions factor uncertainty 10%).

These figures have been used to update the historic CO₂ emissions for France, and therefore the Group.

electronic waste (e-waste) collected from customers

WEEE collected from “private” customers consists of WEEE (mobile, landline and multimedia terminals) returned to sales outlets, by mail or collected by service providers on behalf of Orange.

This indicator includes the mobile phones of Group employees. It includes batteries and accumulators that are part of equipment when it is returned by a customer, and other types of batteries and accumulators collected separately at various collection points.

In France, WEEE from “business” customers (OBS France) is not included in this indicator but rather in the internal WEEE indicator (network).

waste produced and processed

In France, only waste handled by a service provider having signed a framework contract with the France Telecom Group is listed in the report as office waste and non-customer network WEEE, with the exception of cables and other hazardous waste (including bilge water and sludges) from FT Marine and a limited quantity of waste from FTR&D and FT Marine.

Different dedicated service providers are used, depending on the type of waste concerned (copper cables, paper, network equipment, batteries, wooden poles, etc.). Particular attention is paid to wooden poles, in order to prevent their reuse and to ensure they are properly eliminated. For all sites on lease, household and similar waste is not reported, as they are managed by the landlord.

In the rest of the world, the quantities of waste reported include only waste disposed of through identified channels.

Given the lack of identified channels for some types of waste in a number of countries, more particularly in the AMEA zone, the quantities of waste reported may well be non-exhaustive.

environmental management system

The “Number of ISO 14001-certified sites or activities” indicator reflects electricity consumption covered by ISO 14001 certification as a proportion of total electricity consumption.

For FTSA, this indicator is calculated by taking the number of employees covered by the certification as a proportion of the total number of employees.

CET (Customer Experience Tracker)

The indicator published corresponds to the average score given by Orange customers for the following question : “[...] Would you recommend Orange mobile/broadband Internet to your friends and family?”

Those questioned awarded a score on a scale of 0 to 10. The scores were averaged out and multiplied by 10 to give a score out of 100.

local purchases

For each country, the percentage of local purchases corresponds to the relationship between the total CAPEX and OPEX directed to local suppliers and the total CAPEX and OPEX. The phrase “total CAPEX and OPEX directed to local suppliers” means the partial or total sum of a certain number of CAPEX and OPEX categories considered to be local purchases. These percentages are common to all countries. The categories selected are as follows:

CAPEX:

- civil engineering works;
- set-up fees and access to the local loop;
- land, buildings and improvements: network);
- land, buildings and improvements: stores;
- other land, building and improvements: non network).

OPEX:

- network: outsourcing site maintenance (Network: subcontr. on site maintenance interventions);
- network: energy;
- property: shop rent;
- property : other property rent;
- public occupancy charges;
- property: operating and maintenance;
- vehicles: Operating and maintenance;
- advertising: media buying;
- marketing/communication, direct marketing;
- distribution – points of sale marketing;
- sponsoring;
- patronage;
- press relations;
- travel and living;
- temporary staff;
- postage and courier;
- training;
- operators: landline;
- operators;
- property: rents, network sites;
- selling fees.

The 2010 and 2011 data was updated on 15 March 2012 in order to take into account:

- new categories of purchases added in 2011 (in red) and more local purchases (100% for training, 80% for the others);
- amounts for consolidated purchases: extractions made in mid-December or at the end of December do not include “complete year” values but do include budget values that do not reflect reality; the new extraction (on 16 February 2012) includes reliable non-reviewable data for 2010 and 2011.

Orange Business Services International

OBS International reporting is based in 133 sites in 11 countries where OBS operates. These countries represent 72.6% of staff and 60% of building areas (m²) occupied. The countries are Australia, Brazil, Switzerland, Egypt, Germany, India, Mauritius, Russia, Singapore, United States and United Kingdom.

report of one of the statutory auditors on the corporate responsibility reporting process

year ended 31 December 2011

(This is a free translation into English of the original report issued in the French language and is provided solely for the convenience of English speaking readers)

For the attention of France Telecom Executive Management.

At your request and in our capacity as one of the statutory auditors of France Telecom, we have conducted procedures on the following items:

- (1) the description given by France Telecom on page 59 of the 2011 Group Corporate Responsibility Report ("the Report") on the compliance with AA1000 APS (2008) principles of inclusivity, materiality and responsiveness in the report's preparation process ("the Principles");
- (2) the description made by the Group on pages 66, 74, 81, 87, 90, 94, 97, 102, 106, 110, 123, 129, 133, 136, 140 of the report on the state of progress of the objectives set in the report's roadmaps and of the validity of their presentation ("Main achievements");
- (3) a selection of corporate responsibility key performance indicators selected by France Telecom that are identified by the symbol  or  among the information published on pages 65, 83, 135, 150, 151 and 154 of the Report ("the selected key performance indicators");
- (4) France Telecom's self-assessment of the report based on GRI G3 guidelines ("the GRI self-assessment"), available for download on the Web page: http://www.orange.com/fr_FR/responsabilite/notre_approche/documentation/

These items were prepared under the responsibility of Group management in accordance with the following reporting criteria:

- (1) for the principles, AA1000 APS (2008);
- (2) for the Main achievements, the corporate responsibility policies and guidelines prepared by the France Telecom Group and described in the 2011 roadmaps;
- (3) for the selected key performance indicators, all the procedures relating to the reporting of environmental, social, and societal indicators, available for consultation at the quality and corporate social responsibility department, that are summarized on pages 146-147 of the report;
- (4) for the GRI Self-Assessment, the GRI G3 sustainable development reporting guidelines.

It is our responsibility to express a conclusion on these items based on the work we performed. Our work covers only these items and not the entire report.

nature and scope of our work

We performed our procedures in accordance with applicable professional guidelines and ISAE 3000 and AA1000 AS (2008) standards. Our procedures satisfy the requirements of a Type 2 verification in accordance with AA1000 AS (2008) standard.

The Professional Code of Conduct governing the statutory auditor profession, to which we are bound, guarantees our independence with regard to the criteria required by AA1000 AS (2008).

We implemented the following procedures, in order to obtain:

- a reasonable assurance that the description of the principles (1) (defined above), the description of the main achievements (2), and the selected indicators (3) identified by the symbol  are true and fair in all material respects.
- a moderate assurance that the selected indicators (3) identified by the symbol  and the GRI self-assessment does not contain any material misstatements (4). A higher level of assurance would have required more extensive work.

(1) work on the description of the principles

■ We met the people responsible for corporate responsibility at the France Telecom headquarters (Executive committee, corporate social responsibility department and Human resources department), OBS (Equant) and a sample of entities and divisions in the following countries: Armenia (Orange Armenia), Belgium (Mobistar), Côte d'Ivoire (OCI and CIT), Egypt (ECMS), Spain (France Telecom España), Jordan (Orange Jordan), Mali (Orange Mali), Poland (TP SA and PTK Centertel) and Romania (Orange Romania) representing 92% of France Telecom's revenue, in order to assess the implementation of the report's preparation process as defined by France Telecom and the identification of significant events in 2011.

- We conducted tests at corporate level and for the above-mentioned entities on the implementation of the procedure relating to:
 - identification of the stakeholders and their expectations;
 - identification of material corporate responsibility issues;
 - implementation of corporate responsibility policies and guidelines.

■ We compared the material issues described by France Telecom in its report with those presented by the main telecommunications sector companies in their corporate responsibility reports and those arising from our review of the sector's press in 2011.

(2) work on the main achievements

■ We assessed France Telecom's description of the state of progress of the objectives set in the report's roadmaps and of the validity of the presentation of the main achievements by conducting interviews and collecting substantive evidence from the relevant entities.

(3) work on the selected performance indicators

Moderate assurance

- For the indicators identified by the symbol , we assessed each reporting criteria used to elaborate the selected indicators with regard to their relevance, reliability, neutrality, understandability and completeness.
- We met the people responsible for the application of the reporting criteria at the France Telecom headquarters (Executive committee, corporate social responsibility department and Human resources department), OBS (Equant in the United States and in Russia) and a sample of entities and divisions in the following countries: Armenia (Orange Armenia), Belgium (Mobistar), Côte d'Ivoire (OCI and CIT), Egypt (ECMS), Spain (France Telecom España), France (FTSA, Orange France SA), Jordan (Orange Jordan), Mali (Orange Mali), Poland (TP SA and PTK Centertel) and Romania (Orange Romania) representing 93% of France Telecom's headcount and 89% of the energy consumed (excluding transport), 87% of the CO₂ emissions and 95% of the internal waste produced and treated published by the Group.
- We performed validation tests on the selected indicators at corporate level and for the sample of entities and divisions defined above.

Reasonable assurance

■ For the indicators identified by the symbol , the level of measurement accuracy and the conduct of more extensive procedures than those described previously, particularly concerning the number of samples, enabled us to express a reasonable assurance.

(4) work on the GRI self-assessment

■ Based on the GRI cross-reference table shown in the report's appendix and on the corporate responsibility and sustainable development's Internet site, we satisfied ourselves that for each indicator contributing to the A+ application level, a disclosure was provided in the report or in another document referred to in the table and published by the Group.

In order to assist us in conducting our work, we referred to the specific competencies of our firm's multidisciplinary team of social and environmental responsibility experts, managed by Éric Dugelay.

conclusion

Reasonable assurance

(1) description of the principles

In our opinion, France Telecom's description on page 59 of the Report on compliance with AA1000 APS (2008) principles of inclusivity, materiality and responsiveness in the report's preparation process is true and fair in all material respects.

(2) main achievements

In our opinion, the description of the state of progress of the objectives set in the report's guidelines and of the validity of the presentation of the main achievements on pages 66, 74, 81, 87, 90, 94, 97, 102, 106, 110, 123, 129, 133, 136, 140 of the report is true and fair in all material respects.

(3) selected key performance indicators

In our opinion, the data identified by the symbol  were prepared, in all material respects, in accordance with the above-mentioned reporting criteria.

Moderate assurance

(3) selected key performance indicators

Based on the work we performed, we did not identify any material anomalies likely to call into question the fact that the data identified by the symbol  were prepared, in all material respects, in accordance with the above-mentioned reporting criteria.

Without calling into question the conclusions of our work mentioned above, may we draw your attention on the fact that, considering the absence of identified fields in many countries, notably in the AMEA zone, the quantities of waste reported in the indicators "internal waste produced and treated" hold a risk of non-exhaustiveness.

(4) GRI self-assessment

Based on the work we performed, we did not identify any material anomalies likely to call into question France Telecom's self-assessment of the report based on the GRI G3 guidelines that contributed to the A+ application level.

Neuilly-sur-Seine, 16 May 2012.

One of the statutory auditors,
Deloitte & Associés
Frédéric Moulin.

(1) <http://www.accountability21.net/aa1000series>

(2) <http://www.globalreporting.org/GRIReports/Application-Levels/>. The report can be given an A GRI application level if the company (i) has reported information for all the indicators required by this standard, (ii) has explained for each indicator category the managerial approach adopted and (iii) has provided information on all of the key indicators required by the standard. It can be given an A+ application level if the existence of this information has given rise to an external verification.

(3) <http://www.accountability.org/standards/index.html>

social data

indicators	GRI	scope (in % of the overall Group's headcount)	France	Europe							
			France	Poland	Spain	Belgium	Romania	Switzerland	Slovakia	Armenia	
in the Group (end of the year)											
Number of male employees	LA13	100%	67,281	13,041	1,860	1,156	1,450	805	927	212	
Number of female employees	LA13	100%	38,600	10,519	1,327	615	1,396	445	441	184	
Total number of employees	LA1	100%	105,881	23,560	3,187	1,771	2,846	1,250	1,368	396	
Percentage of women among the employees	LA13	100%	36.5%	44.6%	41.6%	34.7%	49.1%	35.6%	32.2%	46.5%	
Total number of employees CDI (permanent contracts)	LA1	100%	104,148	22,488	3,146	1,763	2,607	1,193	1,242	389	
Total number of employees CDD (temporary contracts)	LA1	100%	1,733	1,072	41	8	239	57	126	7	
Total number of employees (full time)	LA1	100%	100,696	23,286	3,095	1,723	2,793	1,190	1,367	395	
Total number of employees of the previous year	LA1	100%	102,552	25,080	3,181	1,635	2,708	1,219	1,331	357	
Number of men (CDI) in management positions	LA13	100%	20,090	2,632	310	459	426	383	472	39	
Number of women (CDI) in management positions	LA13	100%	8,367	962	113	171	299	102	90	15	
Number of employees (CDI) in management positions	LA13	100%	28,457	3,594	423	630	725	485	562	54	
Percentage of women (CDI) in management positions	LA13	100%	29.4%	26.8%	26.7%	27.1%	41.2%	21.0%	16.0%	27.8%	
Percentage of women in the "leaders" network	LA13	100%	Global figure (concerning 1,143 leaders end 2011)								
Average age of the workforce	LA1	100%	46.8	39.6	38.2	37.2	31.1	34.0	34.0	28.7	
Total number of permanent employees (CDI) in 2010	LA1	100%	100,726	24,136	3,172	1,628	2,562	1,143	1,252	348	
Number of redundancies	LA2	100%	93	809	86	77	–	51	43	–	
% of redundancies per country (compared to 2010 permanent employees)	LA2	100%	0.1%	3.4%	2.7%	4.7%	0.0%	4.5%	3.4%	0.0%	
Number of external recruitments	LA2	100%	3 783	1 498	151	342	362	234	106	77	
% of external recruitments (compared to 2010 permanent employees)	LA2	100%	3.8%	6.2%	4.8%	21.0%	14.1%	20.5%	8.5%	22.1%	
Number of resignations	LA2	100%	572	1 185	56	105	308	124	60	31	
% of voluntary departures (compared to 2010 permanent employees)	LA2	100%	0.6%	4.9%	1.8%	6.4%	12.0%	10.8%	4.8%	8.9%	
Total number of employee departures (male)	LA2	100%	984	2,032	83	153	160	115	53	16	
Total number of employee departures (female)	LA2	100%	743	1,023	62	35	148	64	50	15	
Total number of employee departures < 30 years	LA2	100%	397	681	12	82	195	72	32	24	
Total number of employee departures 30-50 years	LA2	100%	557	1,676	130	101	111	97	70	7	
Total number of employee departures > 50 years	LA2	100%	773	698	3	5	2	10	1	–	
Nb. of employees covered by collective bargaining agreements	LA4	85%	105,556	18,054	2,745	–	–	–	–	–	
Percentage of employees covered by collective bargaining agreements (compared to 2011 employees)	LA4	85%	99.7%	76.6%	86.1%	0.0%	0.0%	0.0%	0.0%	0.0%	
Total number of trained workers	LA10	92%	90,398	22,951	3,106	1,692	1,637	746	1,457	–	
Total number of hours devoted to training	LA10	92%	3,427,545	597,190	181,368	60,261	36,246	15,496	60,059	–	
Average number of hours of training per year and per employee	LA10	92%	32.4	25.3	56.9	34.0	12.7	12.4	43.9	–	
% of employees who had a performance appraisal (2) & (6)	LA12		83.0%	99.3%	97.7%		81.2%				
The 4 indicators below are temporary values on a restricted scope of reporting (2), (3) & (4)											
Number of fatal accidents	LA7	83%	3	0	0	0	0	–	0	0	
Number of related work accidents (2) & (3)	LA7	83%	687	45	6	6	0	–	1	1	
Number of days lost due to non-fatal work accidents	LA7	83%	47,712	2,419	608	194	0	–	15	1	
Total number of days lost due to illness	LA7	83%	1,511,153	133,923	11,676	13,076	9,234	–	9,242	904	

(1) OBS International takes into account : Equant (which number of employees through 160 countries including France, represents 93,5% of the overall number), 11 Etrali subsidiaries (2,1%), 7 Globecast subsidiaries (2,9%) & 7 Silicomp subsidiaries (1,5%).

(2) The given figure for France concerns only the FTSA employees.

(3) The number of accidents have been reported on nine countries: USA, UK, Brazil, India, Singapore, Australia, Germany, Belgium, Egypt and Mauricius, or 7,475 employees (61% of OBS Intl); missing reporting countries: Russia and Switzerland.

(4) For Poland, collected reporting on only TPSA (62% of employees).

– : not available na: not applicable nc: not collected

☑☑ item reviewed by Deloitte: reasonable level of assurance ☑ item reviewed by Deloitte: moderate level of assurance

Europe			AMEA							other countries / world organisations	Orange Business Services International (1)	Group total 2011 (7)	Group total 2010 (6)	Group total 2009 (without UK)
Moldova	Luxembourg	Dominican Republic	Senegal	Mali	Côte d'Ivoire	Egypt	Jordan	Kenya	others countries AMEA					
480	102	627	1,248	329	836	3,544	1,825	1,341	1,588	1,347	9,176	109,175	107,112	108,212
449	57	616	622	95	525	1,233	605	371	1,045	605	2,965	62,715	61,287	62,195
929	159	1,243	1,870	424	1,361	4,777	2,430	1,712	2,633	1,952	12,141	☑☑ 171,890	168,399	170,407
48.3%	35.8%	49.6%	33.3%	22.4%	38.6%	25.8%	24.9%	21.7%	39.7%	31.0%	24.4%	☑☑ 36.5%	36.4%	36.5%
928	149	1,243	1,870	382	1,351	4,777	2,156	1,712	2,228	1,826	12,050	167,648	164,406	166,439
1	10	–	–	42	10	–	274	–	405	126	91	4,242	3,993	3,968
929	157	1,241	1,870	424	1,361	4,777	2,430	1,712	2,633	1,938	12,136	166,153	163,607	167,057
878	139	1,256	1,854	415	1,585	3,503	2,494	2,075	2,434	1,758	11,902	168,356	168,107	171,811
84	13	33	222	60	107	369	147	131	289	643	5,648	32,557	31,206	29,484
46	4	22	87	19	39	108	40	60	89	308	1,557	12,498	11,833	11,084
130	17	55	309	79	146	477	187	191	378	951	7,205	45,055	43,039	40,568
35.4%	23.5%	40.0%	28.2%	24.1%	26.7%	22.6%	21.4%	31.4%	23.5%	32.4%	21.6%	☑ 27.7%	27.5%	27.3%
difficult to split between the different countries, because of transverse-corporate activities											☑☑ 23.80%	23.15%	na	
30.0	32.6	30.7	40.7	34.0	39.0	30.8	35.4	40.7	32.9	35.2	38.0	42.6	42.8	42.4
878	132	1,256	1,854	331	1,539	3,503	2,201	2,074	2,064	1,719	11,847	164,365	164,372	166,882
–	1	110	–	–	6	33	3	394	40	41	263	☑ 2,050	3,311	3,770
0.0%	0.8%	8.8%	0.0%	0.0%	0.4%	0.9%	0.1%	19.0%	1.9%	2.4%	2.2%	1.2%	2.0%	2.3%
130	26	163	85	64	13	368	111	126	413	411	1,700	☑ 10,163	10,090	7,168
14.8%	19.7%	13.0%	4.6%	19.3%	0.8%	10.5%	5.0%	6.1%	20.0%	23.9%	14.3%	6.2%	6.1%	4.3%
49	8	53	14	–	5	264	100	71	140	241	1,196	☑ 4,582	4,052	3,845
5.6%	6.1%	4.2%	0.8%	0.0%	0.3%	7.5%	4.5%	3.4%	6.8%	14.0%	10.1%	2.8%	2.5%	2.3%
22	12	77	96	10	155	225	91	380	125	250	1 130	6,169	5,718	6,150
28	4	86	23	3	40	83	30	108	99	121	397	3,162	3,143	3,529
39	6	97	3	1	–	208	56	44	106	147	635	2,837	2,840	2,738
11	10	64	19	12	69	93	57	407	113	209	790	4,603	4,107	4,630
–	–	2	97	–	126	7	8	37	5	15	102	1,891	1,914	2,311
–	–	–	1,870	–	780	–	–	–	1,332	90	1,652	132,079	130,393	131,372
0.0%	0.0%	0.0%	100.0%	0.0%	57.3%	0.0%	0.0%	0.0%	50.6%	4.6%	13.6%	76.8%	77.4%	77.1%
615	–	1,033	–	265	739	2,795	1,963	–	1,069	284	8,683	139,433	139,139	137,337
31,653	–	40,918	–	13,302	26,208	69,156	52,488	–	44,401	4,847	206,898	4,868,034	4,755,346	4,818,308
34.1	–	32.9	–	31.4	19.3	14.5	21.6	–	16.9	2.5	17.0	28.3	28.2	28.3
77.8%		90.9%									71.9%	na	na	na
0	–	0	0	0	0	1	0	0	0	nc	0	☑ 4	na	nc
2	–	5	2	0	14	18	40	16	5	nc	4	☑ 852	na	nc
142	–	76	128	0	213	346	1,369	362	288	nc	nc	53,873	nc	nc
5,712	–	3,485	6,568	911	4,549	8,654	8,425	684	3,118	nc	2,329	na	na	nc

(5) Corrected 2010 Group Total (taken out of the HR data of Mauritius –1,726 employees and Equatorial Guinea –491 employees, unconsolidated entities in 2010).

(6) The given percentage refer to the mid year performance employees appraisal campaign. For France & OBS, it concerns performance appraisal of senior managers (level E, F, G); for the other countries, when values are available, it concerns the complete population of employees.

(7) A difference of 59 employees (56 CDI & 3 CDD), or 0.03 % of the total number of employees, exists between the registration document and the CSR report. This is due to the impossibility to collect on time the appropriate data from four small entities.

environmental data

indicators	units	GRI	scope, (% Group's turnover)	France	Europe					
				France ⁽¹⁾	Poland	Spain	Belgium	Romania	Switzerland	Slovakia
facilities presenting a risk										
fuel tanks	units		98.2%	2,338	1,504	274	0	316	0	20
energy consumption										
scope 1										
facilities presenting a risk	m ³	EN3	98.7%	14,502	2,851	3,569	464	101	119	29
fuel tanks	m ³	EN3	99.4%	16,538,741	4,085,454	0	144,729	0	22,236	507,607
energy consumption	tons	EN3	100.0%	na	87	na	na	na	na	na
gasoline + GPL for company's vehicles	liters	EN3	98.2%	72,904	1,265,165	78,196	0	240,929	26,321	204,466
diesel gasoline for company's vehicles	liters	EN3	98.2%	29,325,544	4,804,306	580,983	1,888,664	846,872	154,509	423,758
total energy scope 1	GWh	EN3	99.0%	636	136	48	26	12	3	12
CO ₂ emissions – fuel-gas-coal	tons CO ₂	EN4	99.0%	73,751	15,745	9,565	1,523	270	361	1,056
CO ₂ emissions (vehicles)	tons CO ₂	EN5	98.2%	80,819	16,223	1,784	5,194	2,902	488	1,652
scope 1 CO ₂ emissions (energy only)	tons CO ₂	EN3	99.5%	154,569	31,968	11,349	6,717	3,172	848	2,708
CO ₂ emissions from green house gas	tons CO ₂	EN19	13.0%	0	5,960	0	0	474	0	0
scope 1 CO₂ emissions	tons CO ₂	EN16	98.0%	154,569	37,928	11,349	6,717	3,646	848	2,708
scope 2										
electricity		EN4	99.2%	2,194	535	287	108	100	58	75
of which green energy	GWh	EN6	100.0%	0	0	0	108	0	0	0
scope 2 CO₂ emissions	GWh	EN16	99.2%	171,159	349,349	93,376	0	41,491	1,588	16,331
scope 1 + scope 2 CO₂	tons CO ₂	EN16	98.5%	325,729	387,276	104,724	6,717	45,137	2,436	19,039
scope 3										
flight distances for business trips	km	EN29	98.0%	180,103,765	7,150,034	8,459,905	1,253,189	4,130,417	1,008,987	1,453,592
train distances for business trips	km	EN29	98.0%	101,103,691	5,552,982	2,688,110	866,188	7,813	1,259,840	0
scope 3 CO₂ emissions	tons CO ₂	EN16		33,379	1,842	1,661	267	744	186	262
total emitted CO₂ (scope 1 + 2 + 3)	tons CO ₂	EN16	98.0%	359,108	389,119	106,385	6,984	45,881	2,622	19,300
KPI: total energy consumption/customer	kWh/customer		99.2%	30.86	22.01	19.91	22.90	9.68	35.73	25.18
KPI: CO ₂ emitted (all energies)/customer	kg/customer		99.2%	2.41	14.38	6.49	0.00	4.04	0.98	5.47
KPI: total energy consumption (scopes 1 + 2) /1,000 customers	toe/1,000 customers		99.0%	9.4	6.6	4.7	5.9	2.3	8.2	7.2
KPI: total energy consumption (scopes 1 + 2) /customers	kWh/customer		99.0%	39.8	27.6	23.2	28.4	10.8	37.8	29.1
KPI : CO ₂ emitted (all energies)/ (scopes 1 + 2 + 3) /customer	kg/customer		99.0%	5.1	16.0	7.4	1.5	4.5	1.6	6.5
consumed water (m³)	m ³	EN8	97.1%	1,245,513	782,261	27,181	11,061	40,160	8,658	30,751
paper and cardboard: internal (offices) and external (marketing, invoicing, directories, packaging...)	tons	EN1	97.1%	13,231	1,933	6,457	0	637	0	721
treated internal waste										
common industrial waste (general waste)	tons	EN22	98.2%	7,434	nc	nc	102	nc	51	129
internal (network and tertiary) WEEE	tons	EN22	98.2%	1,419	284	19	0.56	34	26	77
metal poles	tons	EN22	98.2%	995	nc	na	na	8	na	na
wooden poles	tons	EN22	98.2%	11,879	24	na	0	na	na	na
cables	tons	EN22	98.2%	8,369	325	na	na	0	na	na
batteries	tons	EN22	98.2%	1,582	21	3	14	156	80	40
fluorescent tubes	tons	EN22	98.2%	0.37	0.00	0.00	0	0	0	0
paper and cardboard	tons	EN22	98.2%	2,582	237	149	27	157	32	135
printer cartridges	tons	EN22	98.2%	38	0.09	4	0	3	1	0
other hazardous waste (PCB included)	tons	EN22	98.2%	289	0.13	0	0.31	0	0	11
other non-hazardous waste	tons	EN22	98.2%	0	619	0	0.0	0	105	220
total treated internal waste	tons	EN22	98.2%	34,586.8	1,510.21	175.20	143.64	357.75	295.01	612.25
KPI: tons of waste treated / M€ of turnover	tons/M€ of turnover		98.2%	1.3	0.42	0.04	0.09	0.40	0.30	0.84
WEEE collected from customers (including batteries)	tons	EN22	98.2%	2,981	0.17	0	11	11.27	2	1
KPI: WEEE collected from customers	kg/1 000 customers		98.2%	41.93	0.01	0.00	2.28	1.10	1.24	0.46
EMS										
KPI EMS : importance of ISO 14001 certified scope	%		92.5%	10.7%	30.0%	96.9%	0,0%	0,0%	0,0%	100.0%

– : not available na: not applicable nc: not collected

	Europe			AMEA							Orange Business Services International ⁽²⁾
	Moldova	Armenia	Dominican Republic	Senegal	Mali	Côte d'Ivoire	Egypt	Jordan	Kenya	others countries AMEA	
	0	0	397	0	0	372	165	239	0	0	42
	1	19	2,612	1,471	4,499	1,944	29,550	509	3,765	11,677	117
	20,155	0	0	0	0	0	0	0	0	0	343,565
	na	na	na	na	na	na	na	na	na	na	na
	290,332	150,610	819,600	38,696	0	529,042	935,218	304,110	184,853	163,765	581,227
	137,889	55,150	66,505	697,033	342,555	569,128	0	895,199	287,425	310,560	1,347,792
	4	2	38	24	56	33	351	18	48	140	24
	43	51	6,999	3,941	12,058	5,211	79,193	1,364	10,089	31,295	976
	1,070	510	2,134	2,009	942	2,824	2,226	3,186	1,230	1,244	5,089
	1,113	561	9,133	5,950	13,000	8,035	81,419	4,550	11,320	32,539	6,065
	0	154	0	0	0	0	0	0	0	0	948
	1,113	715	9,133	5,950	13,000	8,035	81,419	4,550	11,320	32,539	7,013
	22	13	27	53	14	41	208	52	33	51	115
	0	0	1	3	2	1	0	0	1	3	5
	10,225	2,062	16,619	28,053	5,976	17,932	95,838	30,863	10,589	23,724	54,916
	11,338	2,777	25,752	34,003	18,976	25,967	177,257	35,413	21,909	56,262	61,928
	2,021,257	1,644,217	4,279,786	3,116,902	311,524	173,072	2,805,267	1,983,388	2,856,817	1,297,010	66,335,942
	944	0	0	0	0	0	0	0	0	0	1,685,067
	364	296	770	561	56	31	505	357	514	233	12,109
	11,702	3,073	26,523	34,564	19,032	25,998	177,762	35,770	22,423	56,496	74,037
	11.88	21.62	8.72	8.14	2.10	6.62	6.28	15.68	29.69	4.37	na
	5.56	3.56	5.35	4.34	0.93	2.89	2.89	9.23	9.50	2.04	na
	3.0	5.2	3.0	2.1	1.2	2.0	2.3	4.0	10.2	2.0	na
	14.2	25.3	21.1	11.9	10.7	11.9	16.9	20.9	72.9	16.4	na
	6.4	5.3	8.5	5.4	2.9	4.2	5.4	10.7	20.1	4.9	na
	12,152	70	40	123,612	33,264	81,493	1,288,374	42,689	0	24,034	73,909
	0	0	16	0	0	111	0	64	0	0	44
	456	nc	65	nc	nc	nc	51	nc	nc	nc	826.18
	nc	nc	96	nc	256	3	34	nc	nc	nc	24
	0	0	na	0	na	0.32	150	nc	0	na	na
	0	0	na	0	na	0	na	nc	0	na	na
	0	0	na	58	na	2.34	80	nc	134	na	0.65
	22	0	80	30	44.00	6.35	274	13	0	23	14
	0	0	0	0	0	0	0	nc	0	0	0
	34	8	0	0	0	0	40	nc	0	0	81.06
	0	0	0	0	0.20	0.54	0	nc	0	25	3.40
	0	0	0	0	0	0	0	nc	0	1	0
	0	0	0	0	0	0	47	nc	0	15	45.87
	512.35	8.18	241.17	88.06	300.00	12.61	676.75	12.85	133.80	63.85	995
	3.72	0.33	0.58	0.15	1.18	0.03	0.55	0.03	1.86	0.08	0.49
	0	0	80	3	0	0	0	nc	0	0	32
	0.00	0.00	25.63	0.40	0.00	0.00	0.00	na	0.00	0.00	na
	100.0%	0.0%	0.0%	0.0%	100.0%	0.0%	100.0%	0.0%	0.0%	11.0%	0.0%

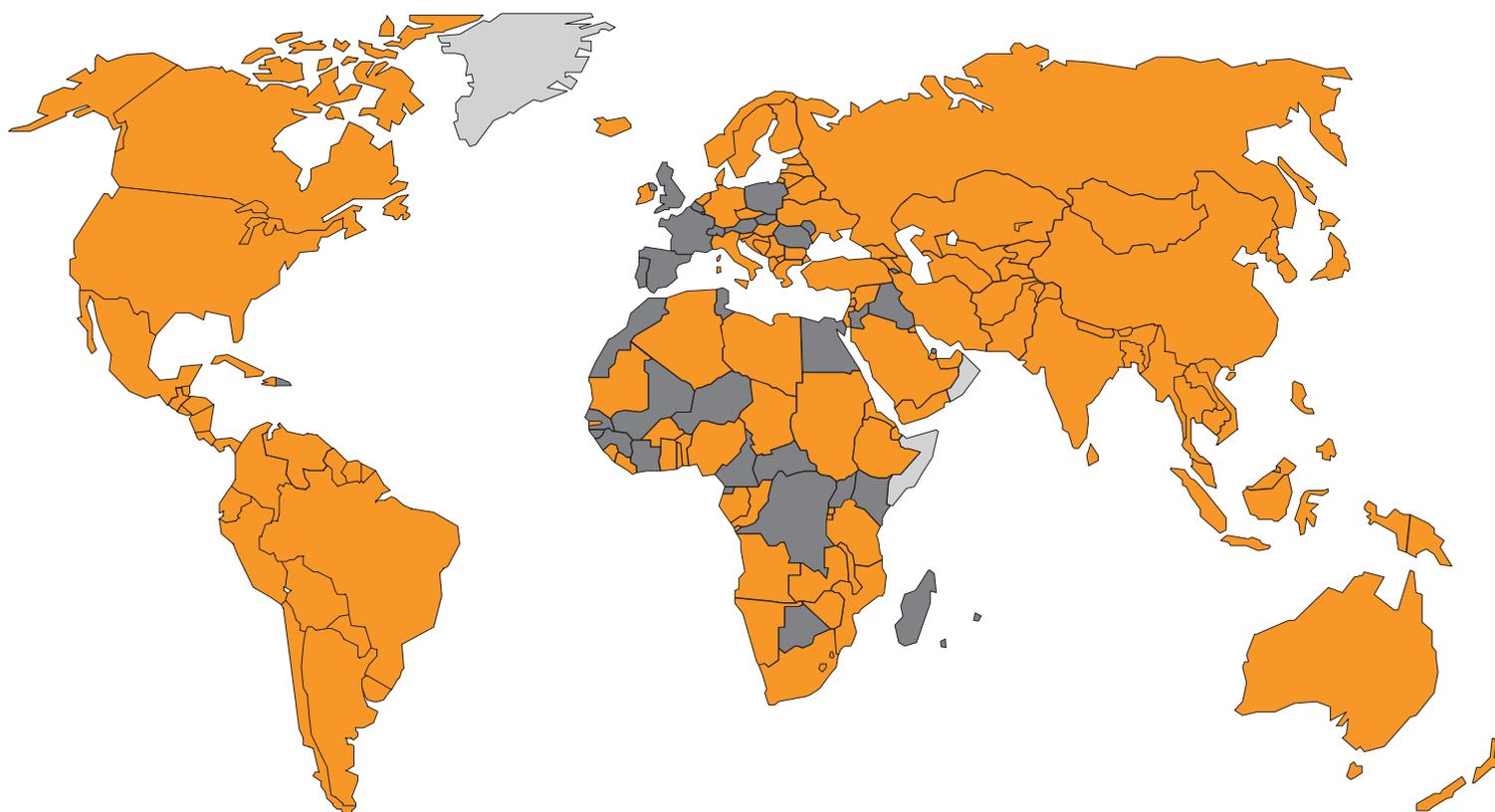
environmental data

indicators	units	Group 2011: validated values	estimated non reported information	Group 2011: Validated Values + estimated information	Group validated values (updated without United Kingdom, for years 2006 to 2009)				
					recall 2010	recall 2009	recall 2008	recall 2007	recall 2006
facilities presenting a risk									
fuel tanks	units	5,666	nc	5,666	5,992	5,996	6,445	5,601	3,916
energy consumption									
scope 1									
facilities presenting a risk	m ³	77,798	5,050	82,848	71,087	80,750	49,480	44,872	51,117
fuel tanks	m ³	21,662,486	147,242	21,809,728	23,836,444	23,867,165	24,729,068	25,285,598	27,988,080
energy consumption	tons	87	na	87	119	197	271	284	213
gasoline + GPL for company's vehicles	liters	5,885,434	400,000	6,285,434	6,867,479	9,518,387	10,442,078	13,513,958	12,970,338
diesel gasoline for company's vehicles	liters	42,733,872	900,000	43,633,872	45,091,672	44,358,123	46,326,910	42,299,296	42,084,210
total energy scope 1	GWh	1,610	73	1,683	1,587	1,716	1,391	1,331	1,424
CO ₂ emissions – fuel-gas-coal	tons CO ₂	253,491	13,818	267,309	239,159	264,565	181,010	165,924	336,475
CO ₂ emissions (vehicles)	tons CO ₂	131,524	3,427	134,951	140,344	144,637	152,138	150,410	146,599
scope 1 CO ₂ emissions (energy only)	tons CO ₂	385,015	17,245	402,260	379,503	409,203	333,147	316,334	483,075
CO ₂ emissions from green house gas	tons CO ₂	7,536	5,406	12,942	15,881	14,105	24,309	15,185	
scope 1 CO₂ emissions	tons CO ₂	392,551	22,652	415,203	395,384	423,308	357,456	331,519	483,075
scope 2									
electricity		3,984	59	4,043	4,039	3,916	3,700	3,123	3,346
of which green energy	GWh	123	–	123	8,37	9,74	9,77	12	77
scope 2 CO₂ emissions	GWh	970,090	29,689	999,779	1,098,629	1,054,319	1,007,145	867,683	812,404
scope 1 + scope 2 CO₂	tons CO ₂	1,362,641	52,341	1,414,982	1,494,013	1,477,627	1,364,601	1,199,202	1,295,478
scope 3									
flight distances for business trips	km	290,385,071	10,000,000	300,385,071	284,772,951	215,613,397	254,818,910	242,680,598	184,211,947
train distances for business trips	km	113,164,635	4,000,000	117,164,635	105,266,548	86,939,923	96,283,916	62,030,773	59,901,669
scope 3 CO₂ emissions	tons CO ₂	54,139	2,200	56,339	53,110	40,063	50,620	35,479	36,752
total emitted CO₂ (scope 1 + 2 + 3)	tons CO ₂	1,416,780	54,541	1,471,321	1,531,242	1,517,691	1,415,221	1,234,680	1,332,231
KPI: total energy consumption/customer	kWh/customer	19.03	na	19.08	20.17	21.23	21.21	20.57	21.97
KPI: CO ₂ emitted (all energies)/customer	kg/customer	4.50	na	4.53	5.37	5.46	5.50	5.70	5.00
KPI: total energy consumption (scopes 1 + 2)/1,000 customers	toe/1,000 customers	5.7	na	5.7	6.21	6.55	6.57	6.50	6.83
KPI: total energy consumption (scopes 1 + 2) /customers	kWh/customer	27.5	na	27.9	28.16	30.82	29.46	29.20	32.07
KPI : CO ₂ emitted (all energies)/ (scopes 1 + 2 + 3) /customer	kg/customer	6.6	na	6.7	7.43	7.92	7.71	8.04	8.64
consumed water (m³)	m ³	3,825,222		3,825,222	3,835,075	3,267,350	3,180,810	2,858,518	3,921,562
paper & carboard: internal (offices) and external (marketing, invoicing, directories, packaging...)	tons	23,215		23,215	25,278	23,615	32,238	25,890	34,733
treated internal waste									
common industrial waste (general waste)	tons	9,113		9,113	7,406	11,243	8,091	9,146	4,811
internal (network and tertiary) WEEE	tons	2,273		2,273	2,125	2,517	2,433	1,787	1,990
metal poles	tons	1,153		1,153	950	722	547	1,625	415
wooden poles	tons	11,903		11,903	11,740	9,360	11,868	10,861	11,830
cables	tons	8,968		8,968	8,214	5,698	5,698	7,106	4,663
batteries	tons	2,402		2,402	2,664	1,546	1,863	2,455	2,188
fluorescent tubes	tons	1		1	10	12	4	17	0
paper and carboard	tons	3,482		3,482	2,957	3,057	2,520	2,216	746
printer cardridges	tons	77		77	48	55	54	57	262
other hazardous waste (PCB included)	tons	301		301	533	593	173	235	8
other non-hazardous waste	tons	1,052		1,052	644	904	793	937	2,376
total treated internal waste	tons	40,725		40,725	37,292	35,707	34,045	36,441	29,289
KPI: tons of waste treated / M€ of turnover	tons/M€ of turnover	0.90		0.90	0.82	0.78	0.71	0.78	0.58
WEEE collected from customers (including batteries)	tons	3,121		3,121	1,607	1,357	1,586	1,913	1,632
KPI: WEEE collected from customers	kg/1,000 customers	15.35		15.35	8,219	8	10	13	12
EMS									
KPI EMS: importance of ISO 14001 certified scope	%	25.0%		25.0%	16.8%	14.0%	13.9%	12.9%	na

item reviewed by Deloitte: reasonable level of assurance item reviewed by Deloitte: moderate level of assurance

global presence

at 31 December 2011



■ enterprise business

local presence in 160 countries and territories and seamless network in 220 countries and territories

■ consumer / enterprise business

Armenia – Austria – Bahrain – Belgium – Botswana – Cameroon – Central African Republic – Côte d'Ivoire – Democratic Republic of Congo – Dominican Republic – Egypt – Equatorial Guinea – France – Guinea – Guinea Bissau – Iraq – Jordan – Kenya – Liechtenstein – Luxembourg – Madagascar – Mali – Mauritius – Moldova – Morocco – Niger – Poland – Portugal – Romania – Senegal – Slovakia – Spain – Switzerland – Tunisia – Uganda – United Kingdom

appendices

for more information

France Telecom Group websites

France Telecom Group
www.orange.com

main entities

Orange Business Services
www.orange-business.com

Orange France
www.orange.fr

Orange United Kingdom
www.orange.co.uk

Orange Spain
www.orange.es

Orange Poland
www.orange.pl

Europe

Orange Austria
www.orange.at

Mobistar (Belgium)
www.mobistar.be

Orange Moldova
www.orange.md

Orange Romania
www.orange.ro

Orange Slovakia
www.orange.sk

Orange Switzerland
www.orange.ch

Africa, Middle East

Orange Armenia
www.orangearmenia.am

Orange Botswana
www.orange.co.bw

Orange Côte d'Ivoire
www.orange.ci

Orange Cameroon
www.orange.cm

Mobinil (Egypt)
www.mobinil.com

Orange Guinea
www.orange-guinee.com

Orange Equatorial Guinea
www.orange.gq

Orange Jordan
www.orange.jo

Orange Kenya
www.orange.co.ke

Orange Mali
www.orangemali.com

Orange Madagascar
www.orange.mg

Mauritius
www.mauritiustelecom.com
www.orange.mu

Orange Niger
www.orange.ne

Orange Réunion
www.orange.re

Orange Central African Republic
www.orange.cf

Orange Senegal
www.orange.sn

Orange Uganda
www.orange.ug

Caribbean

Orange Caribbean
www.orangecaraibe.com

Orange Dominican Republic
www.orange.com.do

other websites

AA1000
www.accountability21.net

Afom
www.afom.fr

ANFR
www.anfr.fr

Business for Social Responsibility
www.bsr.org

Caring for Climate
www.unglobalcompact.org/Issues/Environment/Climate_Change

European Commission
www.europa.eu.int

CSR Europe
www.csreurope.org

ETNO
www.etno.be

GeSI
www.gesi.org

Global Compact
www.unglobalcompact.org

GRI (Global Reporting Initiative)
www.globalreporting.org

GSM Association
www.gsmworld.com

GSM Europe
www.gsmworld.com/gsm europe

Mobile Phone Partnership Initiative (MPPI)
www.basel.int/industry/mppi

OCDE
www.oecd.org

WHO
www.who.int/fr

UNEP
www.unep.ch

contacts

For any questions or comments on this report, please contact:
France Telecom
Office for corporate responsibility and sustainable development
6, place d'Alleray – 75505 Paris Cedex 15
e-mail: contact.csr@orange.com

www.orange.com

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France Telecom-Orange
6, place d'Alleray – 75505 Paris Cedex 15 – France
Tel.: 33 (0)1 44 44 22 22

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