

2012

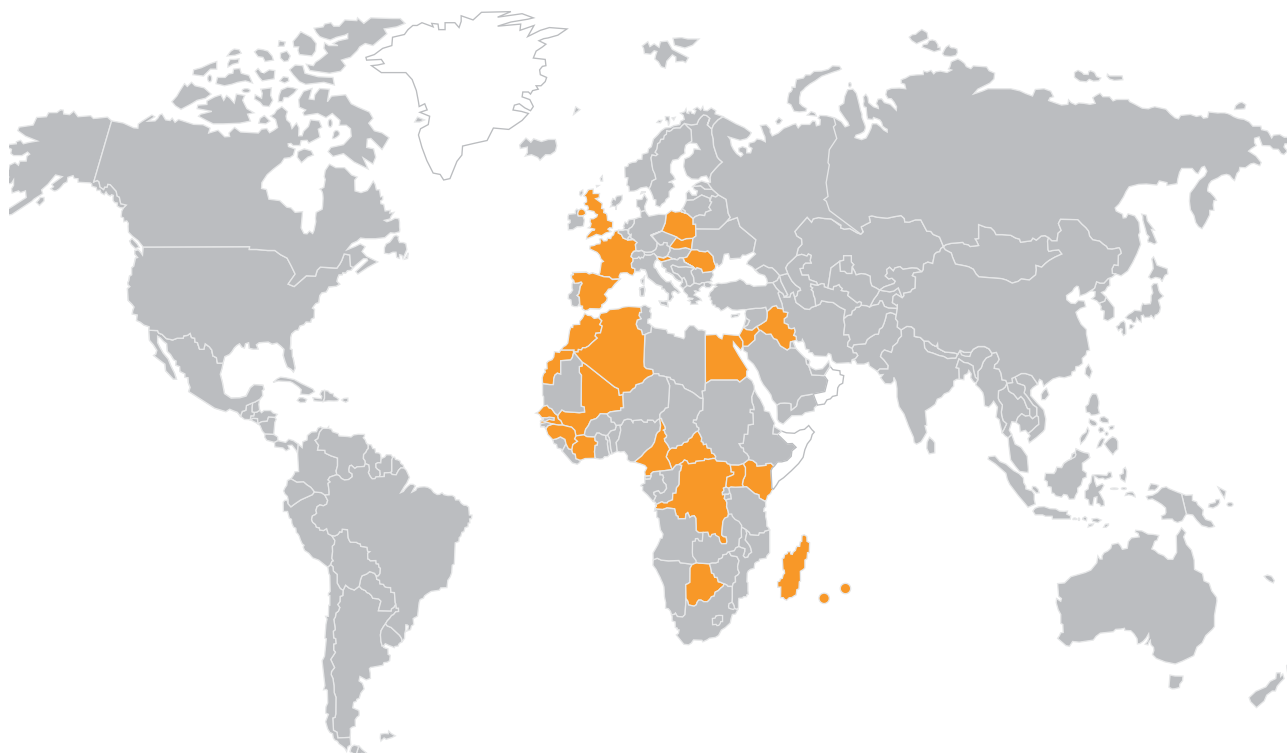
Corporate
Social
Responsibility

complete report

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our presence worldwide



enterprise business

220 countries and territories

consumer / enterprise business

32 countries

Armenia	Iraq	Poland
Belgium	Jordan	Central African Republic
Botswana	Kenya	Democratic Republic
Cameroon	Luxembourg	of Congo
Côte d'Ivoire	Madagascar	Dominican Republic
Egypt	Mali	UK
Spain	Morocco	Romania
France	Mauritius	Senegal
Guinea	Moldova	Slovakia
Guinea-Bissau	Niger	Tunisia
Equatorial Guinea	Uganda	Vanuatu



Stéphane Richard

Chairman and Chief Executive Officer

In a year marked by a deteriorating economic environment and heightened competition in all its markets, France Telecom-Orange maintained its commitments as a socially responsible company and retained its goal unchanged, namely to become the benchmark player in the telecommunications industry for Corporate Social Responsibility. Since signing the United Nations Global Compact in 2000, France Telecom-Orange has not deviated from its pledge. Our mobilisation efforts in 2012 in the area of human rights were illustrated notably by our contribution to defining shared guidelines to address the issues of freedom of expression and privacy rights, as a founding member of the Telecommunications Sector's initiative "Industry Dialogue". In addition, we set out our very practical commitments to protecting children online as part of our participation in the CEO Coalition "to make the Internet a better place for kids", launched by the European Commission.



"Corporate Social Responsibility contributes to what makes Orange different, more innovative and proactive"

Turning to networks, I am especially proud of our new data centre, which opened in Normandy in 2012. The centre obtained French High Environmental Quality (HQE) certification, with one of the highest energy-efficiency ratios in Europe. It provides the perfect example of the advances achieved in our vast IT and networks infrastructure modernisation project, which is a key element of our strategy to address the challenges of climate change. We were also rewarded for our efforts to mitigate climate change this year through our inclusion in the "Carbon Performance Leadership Index", illustrating the effectiveness of our actions to reduce our carbon footprint.

I am happy to report the most recent findings of our social barometer, providing a measure of the labour relations climate in the Company and confirming the consistent improvement in the past two years. One year after launching our Orange People Charter, several projects are under way globally to further anchor quality employee-employer relations at the heart of our daily operating procedures. We owe this success to the engagement of each and every one of our employees. We will continue our efforts to disseminate a managerial culture based on respect for the men and women in the Group and the goal of collective progress through individual development, thereby ensuring the social cohesion required to face the challenges ahead together.

We will achieve our ambition to become the preferred operator in our markets through motivated teams determined to offer the best service to our customers.

I am firm in my conviction that we have the strengths to succeed: a true culture of customer service, a passion for what we do, high quality networks, and the capacity for innovation that has always been our trademark. Continued innovation is the key to differentiation and the creation of value for the Group and for society as a whole. The participative innovation programmes launched by France Telecom-Orange in Africa show the way forward as regards the role we want to play in the economic and social development of the countries in which we operate. Let's not forget that new technologies are drivers of economic growth, and of social and environmental progress! Ensuring that technologies are for everybody and promoting new greener practices are goals that fit perfectly with our CSR policy.

Now more than ever, corporate social responsibility is fundamental to our corporate strategy and contributes to what makes Orange different, more innovative and proactive, resolutely focused on delivering customer satisfaction and creating value for all stakeholders.

2,300 solar energy sites

(+300 in one year) in 20 countries, including 15 in Africa and the Middle East, opening up isolated villages with no electricity supply to telecommunications.

More than **15,500 technical sites** in 15 countries have been equipped with an improved ventilation system, an innovation patented by Orange, which reduces energy consumption by up to 80%.

2,500
isolated
villages

in six
African
countries
now have a
community
phone

170,000
employees
in more
than 100
countries

231
million
customers

€16.8 million purchases
from France's sheltered employment sector in 2012

10 000

adults and children attended
a course run by Orange on
safe internet use in 2012

N°1

or top equal
on 192 of the 223
criteria examined

Orange top of its category in the ARCEP
(French telecoms regulator) voice and
mobile data service quality report for the
third consecutive year.

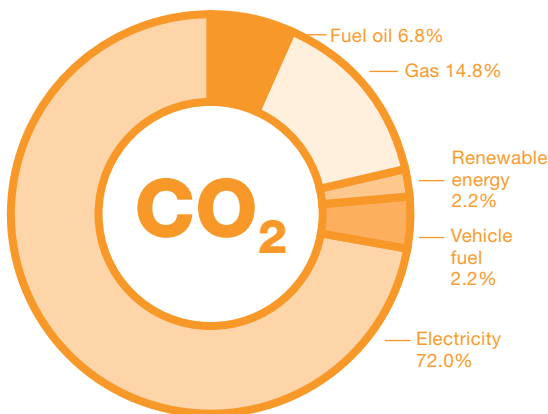
The four major commitments of the Group's Corporate Social Responsibility policy:

- **recognize** and **support** employees;
- ensure **transparency**, **quality** and **safety** for our customers;
- make the benefits of the digital world **available to as many as possible**;
- **find innovative solutions for a greener world**.

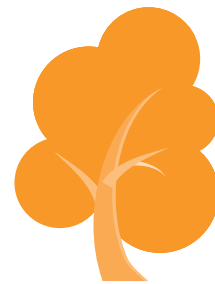


5.6 million in 13 countries

this is the number of new customers for Orange Money's mobile financial transactions service. Its roll-out continued in 2012 in Uganda, Jordan, Guinea and Mauritius.



6,000
employees involved in community actions in the Group



1.47 million
metric tons of CO₂ emissions in 2012.

5,935 GWh
energy consumed

in 2012

€812 million

invested in research and innovation in 2012.



to become the leading CSR player

As a global player and large-scale corporate citizen delivering services used in the daily lives of 230 million customers worldwide, we fully embrace our role and responsibilities to our individual and business customers, and to society as a whole in the communities we serve.

our vision of CSR

Corporate Social Responsibility (CSR) is an essential condition for the growth of the Company, driving innovation and providing the opportunity for differentiation in our competitive environment. Firm in this conviction, we have placed CSR at the heart of the Group's strategy, reaffirming our goal, namely to become the benchmark player in the telecommunications sector for Corporate Social Responsibility. Sustainable growth requires innovation and value creation for all stakeholders (employees, customers, suppliers, shareholders, local communities, government bodies, NGOs, and associations, amongst others). For us, this means building with them a secure, safe, green digital world on a human scale, with the broadest possible access.

a commitment founded on ethical principles

Our Group is founded on a set of core values that guide the principles of its actions with all stakeholders and reflected in a long-standing commitment to 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 join the United Nations Global Compact. Our Code of Ethics was adopted in 2003 and updated in 2012. Translated into eight languages, it sets out the Group's action principles and the individual behaviours it expects from each of its employees.

We pay particular attention to ensuring respect for human rights. Directly in line with our membership of the Global Compact and with the 2006 Group-wide global agreement on basic social rights, we contribute to creating a shared dialogue on human rights in the framework of the Industry

Dialogue, a group of global telecommunications operators and manufacturers set up to advance freedom of expression and respect for privacy through telecommunications technology, both key challenges for our industry.

We have also introduced specific anti-corruption measures.

CSR at the centre of our decision-making and operating processes

Embraced at the highest level of the organisation and supported by all our teams, our CSR strategy informs decision-making and operating processes in the Group and constitutes a fundamental pillar of our Conquests 2015 strategic project. Our CSR policy is a collective and motivating approach, shared by all and included as a criterion for the calculation of bonuses for top management. Its progress is regularly monitored by the Board of Director's Governance and Corporate Social Responsibility Committee and regular reports are presented to the Group's Executive Committee.

The Group's CSR policy is managed by a dedicated Corporate Social Responsibility Department within the Quality and Corporate Social Responsibility Division. It reports to the Executive Committee and it is headed up by a member of the management team.

CSR sponsors, reporting to the highest organisational level, have been appointed in each Group function and entity operating across all our markets to monitor implementation of the strategic guidelines decided by the Group's Executive Committee. A network of CSR managers monitors the operational deployment of the CSR policy.

2012 highlight

In October 2012, Orange France ran its third consecutive biannual corporate social responsibility survey on a sample of 1,200 people representative of French society. This time the survey scope was changed to include nine mainland France regions and the French overseas territories in order to identify the different expectations of the public from one region to the next. This was followed by the eighth biannual survey of stakeholders in the Orange France business lines, which was also run nationwide in order to identify the different expectations of local players by region.

an approach informed by stakeholder dialogue

To build a CSR policy aligned with the needs of society, we established a structured process of dialogue with all our stakeholders. This process of listening to stakeholders positions us to anticipate emerging needs and ensures we are more innovative and forward-looking in creating products and services to meet new needs. Dialogue is implemented at Group, business line and country level, where entities are in direct contact with local actors and have immediate knowledge of local challenges.

Four new countries (the Dominican Republic, Uganda, Romania and Belgium) implemented a structured dialogue process in 2012 with their stakeholders, according to a methodology provided by the Group's CSR Department. Similarly, Orange Business Services launched stakeholder dialogue in Russia, together with dialogue focusing on its video-conferencing services. In all, 18 subsidiaries (nine of which are in Africa and the Middle East), accounting for 70% of Group revenue, were engaged in a process of dialogue.

responsibility extended to the supply chain

Since our responsibility extends beyond the enterprise edge, we have worked closely with our suppliers to introduce a responsible purchasing policy to strengthen management of ethical, social and environmental risks from end to end of the supply chain. Responsible purchasing is based on our sourcing and supply chain Code of Ethics, which sets out the ethical, social and environmental commitments we expect from our suppliers, as well as a structured assessment and monitoring process to better address the challenges of social responsibility along the entire supply chain. Supplier audits conducted in the framework of the Joint Audit Cooperation (JAC) are a key component of the system. France Telecom-Orange, together with Deutsche Telekom and Telecom Italia, is a founding member of this international initiative which now includes nine telecom operators. JAC members share resources for CSR audits of telecommunication suppliers according to a common methodology and objective: to develop long-term CSR implementation across all strata of the ICT supply chain internationally. At the end of November 2012, close to 60 JAC audits had been conducted of suppliers in China, Taiwan, India, Japan, South Korea, Eastern Europe and South America, covering 155,000 workers in total.

2012 highlight

In October 2011 we joined forces with Deutsche Telekom to create BuyIn, a Purchasing joint venture for terminals, mobile communications networks and a large portion of the fixed network equipment and service platforms. In 2012 we worked towards a common CSR approach with a view to identifying supplier demands shared by both companies. This collaboration, which involved representatives from the Purchasing, Legal and CSR Departments of both companies, culminated in the publication of BuyIn's CSR Code of Conduct in September 2012 and BuyIn's teams were targeted by a major internal communications initiative. Distribution of the Code to suppliers began in December 2012 and will continue in the first half of 2013.

a strategy structured around four commitments and eight priorities

Our CSR strategy is embodied in four fundamental commitments, in turn broken down into eight priorities, which are implemented in road maps updated every year as our objectives are achieved.

4 commitments	8 priorities	main achievements in 2012
recognise and support employees	place men and women at the heart of the Company by offering a new social model, supporting employees in their development and meet corporate and societal challenges, particularly in respect of equal opportunities	■ social barometer in France: the fifth and sixth half-yearly barometers confirm the improvement in the labour relations climate with better results across all areas since the barometer was launched in 2010; ■ globally: completion of the second annual social barometer measurement campaign (initiated in 2011 in the majority of the Group's countries); ■ roll-out and promotion of the Orange People Charter to all employees in 23 Group countries, and in countries in which Orange Business Services operates; ■ launch of the Group's new health and safety policy in July 2012; ■ creation of a new Occupational Health, Safety and Quality of Life Department; ■ inauguration of the first Asia Pacific Hub Orange Campus in India in November 2012; ■ more than 220,000 training hours were delivered by Orange Campus in 2012 and at end-2012 since it was launched, followed by Campus training for almost 73% of the Group's managers; ■ launch of a survey on the perception of gender equality in the workplace policy targeting 13,000 managers in entities certified with the Gender Equality European Standard (namely France, Spain, Belgium and Orange Business Services); ■ signature in France of the LGBT (lesbian, gay, bisexual and transgender) Charter, of which Orange is one of the founding members; ■ strengthened partnership and involvement as a member of the ILO (International Labour Organization) Global Business and Disability Network; ■ signature in France in December 2012 of a new Group agreement on the employment of seniors and measures to improve the later years of employees' careers.
ensure transparency, quality, security and safety for our customers	lead the way in terms of quality of service in all our markets promote and ensure safe and responsible use of products and services, particularly with regards to protecting children, respecting privacy and data security	■ roll-out of the programme to simplify the customer journey in 24 subsidiaries, with 100 or more simplified journeys; ■ opening of new customer test centres in Armenia, Belgium, Jordan and Mauritius (giving a total of 25 operational test centres at year-end 2012); ■ roll-out of the "Orange and me" app (already in use in France, Spain, the Dominican Republic and Romania) to three new countries: Slovakia, Poland and Belgium. ■ signature in January 2012 of the ICT Coalition for a Safer Internet for Children and Young People; ■ establishment of a Group-wide "Orange for child protection" Governance Committee; ■ review and distribution of the Group's policy for the protection of personal data.

4 commitments	8 priorities	main achievements in 2012
make the benefits of the digital world available to as many as possible	promote digital inclusion by developing offers and solutions for as many people as possible and reducing all forms of digital divide	■ LION2 and ACE high-speed submarine cables went live helping to open up digital services in Africa; ■ launch of the dedicated <i>Colourcall</i> and <i>Melovibe</i> applications for the deaf and hearing-impaired in France, Spain and Poland; ■ launch of the Maasma3 range in Egypt, offering a selection of handsets and/or price packages for the hearing-impaired, sight-impaired and the elderly.
	promote the economic and social development of countries in which the Group operates, through its services	■ launch of new ICT incubator projects in Niger and Tunisia, following the Dakar ICT incubator; ■ second annual Orange African Social Venture Prize, with more than 1,000 project entries assessed in two years; ■ launch of Djobi, a pilot mother-and-child project specifically targeting malaria; ■ extension of community phone to two new countries, Cameroon and Madagascar, i.e. a total of almost 2,500 villages in six countries; ■ roll-out of the "Labaroun Kassoua" offer in Niger, giving farmers in Niger access to price information for agricultural produce and livestock in more than 70 markets in the country; ■ launch of "Internet for all" by Orange Uganda to broaden Internet access in rural areas.
find innovative solutions for a greener world	bring eco-designed products and services to market, and help to reduce customers' environmental footprint through the Group's offerings	■ measures to improve the energy efficiency of our Liveboxes and TV decoders to be rolled out with the next software versions; ■ a pilot ecodesign project for the business market (VoIP offer); ■ eco-labelling launched in Armenia.
	take a bold stance on collecting and recycling mobile handsets	■ the mobile handset collection rate improved 50% to almost 10% at end-2012 (compared with 6.6% at end-2011).
	manage the Group's energy consumption to reduce its CO ₂ emissions by 20% by 2020	■ more than 500 technical sites in 16 countries equipped with smart meters to accurately measure energy consumption in real time; ■ continued optimisation of our fleet of vehicles with CO₂ criteria lowered further by segment; ■ new eco-driving and road-safety training available to all since September 2012 and 100 or so electric vehicles added to the fleet to facilitate car-sharing; ■ contribution to the work of the International Telecommunications Union (ITU) on methodologies for measuring energy consumption efficiencies in the ICT sector; ■ continuation of the Green ITN 2020 programme in France, Poland, Spain, Romania, Belgium, Moldova and Slovakia. Savings of more than 300 GWh of electricity were achieved in 2012, the equivalent of 110,000 metric tons of CO₂; ■ installation of 300 new solar sites in 2012, bringing the total to over 2,300 (including 1,743 radio sites). Taken together, these solar sites generate 15 GWh of electricity per year, equivalent to saving 28 million litres of fuel and 76,000 metric tons of CO₂.

recognise and support employees

our goal

30,000 people will retire from France Telecom-Orange between now and 2020, with the figure for France at one-third of the workforce. The Group therefore faces major social challenges, chief among them being how to attract new talent, protect jobs in an increasingly competitive sector, and plan ahead for the skills needed to meet the demands of new customer uses.

This is why we place the Group's men and women at the centre of our growth strategy. We have set the bar high with our goal of being recognised as one of the preferred employers in our main countries of operation.

our priorities

1. establishing bonds between social performance and economic performance

Our primary objective is to anchor the quality of employer-employee relations at the heart of the daily running of the business, which is the aim of our Orange People Charter, launched by Stéphane Richard at the end of 2011. Based on six commitments, it embodies our goal of becoming the preferred employer in the main countries in which we operate. At year-end 2012, the Charter was rolled out in 23 countries in Europe, Africa, the Middle East, Asia and in Orange Business Services. In France, the Charter's intent is expressed through the Social Contract.

Improving the day-to-day quality of life and work organisation are two of the challenges of the Social Contract and involve enhancing the comfort of employees' working environment, simplifying IT tools, ensuring work-life balance, etc.

We are also especially vigilant about preventing occupational risks. The Group's new health and safety policy (adopted in 2012) and the creation of the new Occupational Health, Safety and Quality of Life Department will enhance coordination of our efforts to improve health and safety, prevent occupational illnesses and reduce psychosocial risks.

Our new social model is also founded on renewed dialogue with all our employees. In addition to the informal communication channels open to all in the Group (chats, team meetings, etc.), we are stepping up dialogue with personnel representative bodies through the work of the Global Group Committee and the European Works Council.

Establishing bonds between social performance and economic performance also means recognising and valuing individual contributions to the success of the Group as a whole. In addition to the inclusion of the composite social performance indicator in determining the bonuses paid to the Group's senior management, almost 40% of our added value was redistributed to our employees in 2012 according to our value-sharing model.

Naturally, there is more to be done. Yet the findings of the most recent half-yearly social barometer survey illustrate that we are on the right track. Both 2012 surveys confirm the improvement in the labour relations climate since 2010, with significant progress reported across all areas.

2012 highlight

On 31 December 2012 we signed a new agreement governing the employment of seniors and measures in favour of the later years of employee's careers with the main trade unions. The seniors agreement, covering the period 2013 to 2015, reaffirms the company's commitment to maintaining jobs for each of our employees, encouraging the employment of seniors and offering secure career paths.

Sonatel, our Senegalese subsidiary, has introduced a major initiative to meet the health needs of employees and their families. Three free consultation centres have been set up in Dakar and at the different sites. Sonatel has also negotiated a health insurance scheme to finance the care of an employee in a hospital in the Maghreb or on the French mainland if their condition should require them to leave the country.

2012 highlight

In Romania we have opened a Sales Academy to train our 2,270 sales personnel. Objectives: to develop Orange's brand image on the market and position ourselves as a benchmark employer. After a combined total of 4,000 training days in 2012, 82% of the workforce has now been trained. Employees who have successfully completed the course receive certification.

In Botswana, as part of an *enjeu collectif* (collective challenge) project, our subsidiary decided to set up a skills reference framework for all its managers. With the help of the Orange Campus teams, it designed a workshop-based customisable training programme. It also introduced a quarterly meeting at which the subsidiary shares its strategy and development challenges. Botswana is the pilot country for this Orange Campus programme in Africa before it is rolled out to other countries in the Africa, Middle East and Asia zone (AMEA).

2. address the skills issue through a stronger managerial culture

Managers play a vital role in making Orange the preferred employer. We support managers in their roles and responsibilities by providing them with the resources and independence they need to successfully manage their teams. Orange Campus was established in 2011 to ensure manager buy-in of our corporate managerial culture and sharing of best practices across the Group. Some 73% of our managers (20% of whom were attached to our international subsidiaries) had completed one of the 60 management skills programmes offered by Orange Campus by the end of the 2012 financial year.

Skills management is of particular strategic importance in our sector, where technologies and practices change at a rapid pace. The challenge facing the Group is thrown into even sharper relief when one considers that almost one-third of the workforce in France is due to retire by 2020.

Our Strategic Workforce Planning agreement (*Gestion Prévisionnelle des Emplois et des Compétences* - GPEC) sets out to meet a dual challenge: to identify future skill demands in line with changes in our business, while providing employees with visibility on developments in their jobs and their required skill sets to help them to plan their career path and training requirements.

Our dynamic employment policy also anticipates demographic change: we have committed to recruiting 4,000 new hires on permanent contracts in France over a three-year period, as well as 5,000 people in work-based learning programmes. In addition we are introducing measures to facilitate knowledge and skills transfer and to enable seniors to continue in employment.

3. encourage and value diversity

We believe that difference and our wealth of skills and talent make Orange a more attractive and more innovative company with more resources to efficiently serve our customers and identify society's future needs. This conviction lies at the root of our long track record of initiatives in favour of diversity and equal opportunity at all career stages.

Our diversity policy is articulated around a theme common to all Group entities, gender equality in the workplace. The Group has set itself the target of raising the percentage of women in senior management to 35% by 2015. Accordingly, we are implementing proactive programmes in countries where we have a presence: women's networks, shadowing initiatives, providing students with the opportunity to learn about careers in our sector by shadowing female engineers or technicians, identifying and supporting female talent to empower them with positions of responsibility, actions to promote work-life balance, etc. Our commitment to gender equality earned us recognition as one of the first companies to be awarded the European "Gender Equality European Standard" designation for our actions in France, Spain, Belgium and Orange Business Services.

We are also engaged in promoting a route to work for groups encountering particular difficulty in accessing employment, such as young people from disadvantaged areas and the disabled.

2012 highlight

To help women assert their skills in a multi-cultural environment, Orange Business Services has developed the Women intercultural leadership development programme: a six-month collective development programme for 15 women from different cultures who work in different areas of the company.

In 2012, Orange Business Services launched a language mentoring programme whereby English-speaking employees help French students from disadvantaged backgrounds practice their English at weekly conversation classes, to give them access to international careers.

ensure transparency, quality, security and safety for our customers

our goal

Our objective is to become the benchmark telecommunications operator for customer service in all our markets by 2015. To achieve this, we seek to offer the best telecommunications experience and provide personalised support to customers to help them navigate the digital world. The Group must also provide clear and appropriate solutions to growing concerns in the areas of data privacy, child protection and protecting from radio waves to enable all to access the benefits of the digital world safely.

our priorities

1. to aim for excellence in customer experience

Today's customers expect very high quality services, keen pricing and personalised support to discover the new services and uses ushered in by new information and communication technologies. It is not enough to offer the best technology. At Orange, we believe that the experience we offer our customers each time they interface with our services and our company makes the vital difference. Excellence means promoting the "Orange customer relations culture", training the advisers in our call centres and stores, simplifying customer journeys and incorporating the customer's perspective from the design stage.

We keep a close eye on our progress through the Customer Experience Tracker (CET), the quarterly survey measuring customers' perception of the quality of their experience with Orange and the competition in our different markets. Incorporated in the bonus calculation for top-level management, the CET includes a CSR component since 2011.

2012 highlight

Our customer testing centres allow us to evaluate customer experience in real usage situations before we launch a product or service. With four new centres opened in 2012 (Armenia, Belgium, Jordan and Mauritius), we now have 25 test centres in the countries where the Time To Market process has been deployed.

In Poland, the project "MyOrange" aims to move forward employees' communications with customers. 5,000 employees have been trained in the emotional aspect of customer relations and feedback was very positive. 20 processes that could generate customer contact were

reworked to take these emotional aspects into account. All managers and support staff have received the appropriate training. France, Spain, Moldova, Slovakia, Belgium, Côte d'Ivoire and Orange Business Services have committed to a similar initiative.

In Egypt, following a rigorous audit process, our subsidiary Mobinil's 110 and 250 call centres obtained COPC (Customer Operations Performance Center) certification in 2012. This benchmark standard in the call centre sector also recognises Mobinil's commitment to excellent customer service.

2. protect personal data

Data privacy is a growing concern for our customers and is an area in which we want our policy to be irreproachable. In the framework of its global safety policy, the Group monitors and controls a range of risks that may be increased by the growth

in Internet uses across all stages from the design of offers to the introduction of tools to ensure data security and respect for its customers' privacy.

In 2007, we were one of the very few companies in the sector to appoint a data privacy and freedom of information correspondent responsible for protecting customers' and employees' personal data. Reporting to the Group's Chief Legal Officer, he is the key point of contact for the French data privacy authority, the *Commission Nationale de l'Informatique et des Libertés* (CNIL). Outside of France, the officer works with a network of correspondents throughout the international subsidiaries to help enforce data protection guidelines via Group-wide projects. He participates in events, seminars and work to promote sharing of best practices, and is careful to balance all the challenges inherent in the globalisation of the digital exchange of personal information.

In 2012, our data protection policy was provided to security experts in all countries. We have also upgraded our overall security policy to step up personal data protection requirements.

Besides internal measures implemented to protect the security and confidentiality of data, we offer our individual and business customers a comprehensive range of security solutions to facilitate and enhance the security of electronic exchanges.

2012 highlight

In 2012, to ensure the issue of personal data protection is debated in the highest echelons of the company, we set up a governance committee run by members of the Executive Committee. Its role is to steer the Group's key initiatives to ensure the protection of personal data receives the attention and guarantee it merits. The first meeting is due to be held in March 2013.

3. support young people to ensure safe and responsible usage

Our process of dialogue with stakeholders shows that the main concern amongst customers and the public in general in the majority of European countries is the protection of children against the risk of unsafe Internet use.

The commitment of France Telecom-Orange to increase online security for children and adolescents was strengthened considerably at end-2011/early-2012 with our participation in two major international initiatives. The Group was a founding member of the "ICT Coalition" alongside 25 other companies in the ICT sector, and it signed up to the "CEO - Coalition to make the Internet a better place for kids", launched in 2011 by Neelie Kroes, Vice-President of the European Commission responsible for the Digital Agenda for Europe.

2012 highlight

In Spain we introduced a new family portal called *Navega Seguro* at the end of 2012. Its objective was to provide parents and educational institutions with a reference framework for safe internet use by children and adolescents. We were also involved in the launch of a new mobile application for smartphones and tablets - Protect Children - which is an easy way for customers to notify us anonymously of child pornography websites.

In France, Orange organised courses for parents: practical courses on how to protect children online were offered in the Orange shops in France. More than 130 workshops were run in 19 French towns and cities to teach parents how to configure the parental control software and how to support their children's use of social network sites.

We continued to roll out action plans in all our European subsidiaries based on three key priorities:

- actively and transparently promote responsible use by passing on clear messages and information issued by approved associations and recognised experts;
- train and support parents and educators to promote a cautious and responsible attitude to safe Internet use;
- heighten the visibility and effectiveness of parental controls.

4. answer questions about radio waves

We are determined to deal transparently with questions on the potential effects of radio waves emitted by cell phones and new communication technologies. Our subsidiaries provide customers and the general public with the appropriate information tools, by relaying recommendations issued by government bodies and the competent authorities on safe usage to limit exposure to radio waves. We are active participants in research on the subject by developing tools to measure and visualise the intensity of radio waves and conducting research on dosimetry and metrology. In the absence of local regulations, all our subsidiaries apply ICNIRP* standards relating to cell phone antennae and all our mobile phones 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. We have also put measures in place to reinforce employee protection in the context of our policy on radio waves at work.

* International Commission on Non-Ionizing Radiation Protection, WHO international commission (www.icnirp.de)

make the benefits of the digital world available to as many as possible

our goal

One of our primary missions and major responsibilities is to make the benefits of information and communication technologies available to as many as possible. We are firmly committed to tackling the digital divide in all its forms and to placing our technologies at the service of economic and social development, especially in emerging economies where ICTs play a major role in employment creation, and the provision of innovative solutions to the needs of the local populations in essential areas, including health, education and access to banking services.

our priorities

1. continue to develop the networks

Combating all forms of digital exclusion naturally means reducing the geographical divide to broaden access to the benefits of the digital world to include even the most isolated areas. The first step is investment in technology and high-quality networks in both mature and emerging countries.

Network development is one of the priorities of our Conquests 2015 strategic project. This priority was reaffirmed to the European Commission in March 2012 in the presentation of our ten commitments in response to the challenges of the digital agenda in Europe, three of which relate specifically to digital inclusion:

- deploy 4G/LTE in all European countries in which Orange operates by 2015;
- offer FTTH (Fiber to the Home) to 15 million French homes and 80% of companies by 2020 and participate in rolling out high-capacity broadband in our European markets;
- deploy 3G in Orange countries in the Africa-Middle East zone by 2015 and provide mobile coverage for 80% of the population.

2012 highlight

Europe:

In France, Orange 4G is now available in Marseille, Lyon, Lille, Nantes and, since early 2013, in the Opéra neighbourhood in Paris. 15 more cities will be covered by April 2013.

In Moldova, we launched its first commercial 4G mobile services in the capital city of Chişinău on 20 November 2012.

In Romania, a first 4G specially for tablets was launched in Bucharest on 12 December 2012.

In Luxembourg, 4G applications for professionals have been available in the country's capital since November 2012.

In the Dominican Republic, 4G service has been available in the capital, Santo Domingo, since December 2012.

4G was also deployed on a technical level in Belgium and Spain in 2012.

In terms of very high speed fixed fiber optic broadband, we continued to roll this out in France in 2012 with almost 60 new urban agglomerations covered in 2012, i.e. a total of more than 200 communities, equating to almost five million households receiving the service by the end of 2012. In Spain in June 2012, we announced a €300 million investment plan for the next four years to bring fiber optic broadband to 1.5 million households in major cities.

2012 highlight**Africa:**

In April 2012, LION2 cable broadband brought cable broadband to Mayotte for the very first time, while improving connectivity in Kenya.

In December 2012, ACE (*Africa Coast to Europe*) cable broadband came into service in the first 13 countries (France, Portugal, Mauritania, Senegal, Gambia, Guinea, Sierra Leone, Liberia, Côte d'Ivoire, Ghana, Equatorial Guinea, Gabon and Sao Tomé & Príncipe). Mali and Niger, two landlocked countries, will receive the service via a land-based extension. Nigeria will also be connected to this cable in 2013.

In 2012, 300 new solar power sites were also commissioned, bringing the total to over 2,300 in 20 Group countries, 15 of these in Africa and the Middle East,

meaning remote villages with no electricity had access to telecommunications for the very first time.

2,500 remote villages have now been equipped with our communal telecommunications solution, community phone.

Our Orange Money service, which offers secure banking services from a mobile phone, achieved the 5.6 million customer mark in December 2012, testimony to its commercial success. With its launch in four new countries (Morocco, Jordan, Mauritius and Guinea) in 2012, Orange Money is now available in 11 countries in the Africa and Middle East region.

2. support economic and social development in emerging countries

With a reach extending to 21 countries in Africa and the Middle East, we have clear development goals in these markets. Aware of the major role new information and communication technologies could play in the economic and social development of these countries, the Group launched the "Orange for development" initiative in 2011 to boost economic and social innovation, focusing on three priorities:

1. develop infrastructures and connectivity by improving network coverage and extending access to all, especially those living in rural areas;
2. deliver value-added services to meet a range of needs in areas as diverse as health, education, agriculture, financial services and administration;
3. promote the ecosystems and initiatives to develop local markets for new technologies, with business incubation and start-up funding projects, open innovation platforms and research cooperation with universities or local technical institutes.

3. ensure accessibility by elderly and disabled people

To broaden access to technology for all, including people made vulnerable by age, disability or illness, Orange has adopted a "design for all" strategy to ensure that difficulties with access are taken into account for our products and services at every stage from design to after-sales service. Special fixed-line telephone handsets, applications facilitating use of mobile phones by the deaf, hearing-impaired and visually-impaired, sign-language customer service and accessible websites are some of the products and services we have developed to ensure easier access to new technologies by the elderly and disabled. Our "autonomy offerings" range in France includes 60 products and services, providing an appropriate response to all types of impairment.

2012 highlight

To help the deaf and hard of hearing, we have developed two alternatives to the traditional ringtone to help them identify callers and senders of incoming texts: *Melovibe*, which they can use to link their contacts to a preset vibrating tune or to create their own vibrating tune using three notes, and *Colourcall* which allows users to select a colour they wish to be displayed on the screen and/or a flashing light when they receive a call or text message. These products were launched in France, Spain and Poland in November 2012.

find innovative solutions for a greener world

our goal

In a world of limited natural resources, we believe that reducing our environmental impacts across the entire life cycle of our products and services is essential for the long-term success and competitiveness of the Company.

This is why we have made ambitious commitments to reduce the footprint of our activities, improve the environmental performance of our products and services, and offer our customers innovative solutions that help them to reduce their own environmental impact. Only by acting on all three fronts simultaneously can we effectively contribute to addressing the major challenges of our industry, *i.e.* climate change and recycling of end-of-life electronic equipment.

our priorities

1. contribute to combating climate change

As a telecom operator, we 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 the explosion in uses without increasing our networks' energy consumption is demanding indeed. However, we have adopted goals to meet the challenge: France Telecom-Orange has committed to reducing greenhouse gas emissions by 20% and energy consumption by 15% by 2020 (compared with 2006 levels).

These objectives are an integral component of the Conquests 2015 business plan and are monitored quarterly by the Group's Executive Committee, on the basis of specific indicators.

To reduce our energy and carbon footprint, we are continuing to roll out action plans in three areas: networks, buildings and transport.

We are also deploying solutions using renewable energy sources, and have set the target of 25% of energy from solar power by 2015 for new mobile sites suitable for solar power in Africa, the Middle East and Asia. At year-end 2012, we have deployed more than 2,300 solar sites, representing 15 GWh of carbon-free energy, equivalent to annual savings of 28 million litres of fuel and 76,000 metric tons of CO₂.

Above and beyond reducing our internal impacts, we must also offer more energy-efficient products to our customers. Our teams at Orange Labs are developing ecodesign methodologies to reduce the environmental impact of our products and services throughout their life cycle. 2012 also saw us work on improving the energy efficiency of the upcoming Livebox and TV decoder versions, some of which will be available in 2013.

We also provide individuals and businesses alike with a range of innovative solutions to meet the challenges of climate change and encourage a greener lifestyle, including electronic billing, video conferencing, virtualisation of IT infrastructures, remote monitoring solutions, etc.

2012 highlight

By the end of 2012, 34% of the Group's environmental systems had achieved ISO 14001 certification, exceeding its target. The Group's ISO 14001 certification rate has doubled in two years.

Our Green ITN 2020 programme aims to reduce the energy consumption of our networks and IT systems. Deployed in 22 countries, mostly in Europe (France, Poland, Spain, Romania, Belgium, Moldova and Slovakia), it achieved savings of more than 300 GWh of electricity and 28 million litres of fuel, mainly in the AMEA zone, in 2012.

In July 2012 we launched the new Normandy data centre in France: a new generation, French High Environmental Quality certified, data centre that is much more energy efficient thanks to its innovative design and the use, wherever possible, of natural air conditioning (cooled directly by the external air). The energy savings equate to the total annual electricity consumption of a city of 15,000 inhabitants.

To help us control our energy consumption, we also require accurate, reliable metering. To this end, we have launched a programme which aims to gradually equip our technical sites with networked meters. By the end of 2012, over 500 additional sites in 16 countries in Europe and the AMEA zone were equipped with these meters which allow us to monitor their consumption closely in real time.

The third Orange Green Fleet Forum took place in September 2012. This is an annual event dedicated to innovation in the field of sustainable mobility which provides the perfect opportunity for the group to present new market trends and its own sustainable mobility developments. Orange was the first company to take delivery of Renault Twizys in April 2012 and around 100 orders for this new electrical two-seater vehicle were placed in 2012.

2. encourage recycling of end-of-life electronic equipment

Waste electronic and electrical equipment (WEEE) is a fast growing waste stream that is increasing in line with new telecommunications uses. Promoting re-use of electronic equipment meets a triple environmental, economic and social objective:

- increase recovery of the rare or dwindling resources in these handsets (copper, nickel, tin, gold and silver);
- make sure sensitive materials are processed correctly (lead, palladium, lithium in batteries, amongst others);
- broaden access to mobile telephony for people with limited resources, especially in emerging countries, by offering low-cost reconditioned handsets.

We are working on several fronts in this respect:

- we prolong the life cycle of equipment by encouraging customers to keep their mobile phones for longer, or by developing second-hand mobile phone offers;
- we organise advertising campaigns to encourage our customers to drop off their used mobiles and other electronic equipment for recycling;

- working in partnership with the international solidarity movement, Emmaüs International, we support the collection of waste electronic equipment in Africa for processing in approved centres in Europe.

2012 highlight

In 2012, our European companies collected near on 1.5 million used mobile phones from their customers, i.e. around 10% of the mobiles distributed on these markets. The collection rate was up 50% on 2011, which is in line with our objectives. We achieved this result thanks to the eco-citizen collection campaigns run by our subsidiaries in Spain, Poland, Slovakia and Moldova and in France, where we also tested a prototype of a smart used mobile collection system, Mobo.

On 26 June 2012, we signed a new strategic partnership with the WWF in Armenia aimed at raising awareness of environmental issues in this country where ecological awareness is fairly limited. We also saw the first concrete result of this partnership: the launch of ecological labelling for mobile phones. After France, Spain and Romania, Armenia is the fourth country to introduce this initiative which informs customers about the ecological performance of the different mobile and landline phones on sale in our shops and online.

next in 2013

Please see our detailed road maps in the 2012 CSR Report or on www.orange.com for information on all our objectives.

our cross-sector challenges

respect for human rights

- bring Group reporting in line with the GRI human rights reporting recommendations;
- formally set out Orange's action to advance respect for freedom of expression as part of the Industry Dialogue;
- collaborate with the Global Network Initiative to leverage its recognised expertise in this area.

ethics

- increase employees' awareness of conflicts of interest;
- develop ethical behaviour in service relations;
- set out the Group's corruption-prevention methodologies by country and implement the compliance aspect.

stakeholder dialogue

- organise dialogue in Guinea, Guinea-Bissau, Kenya, Egypt, Democratic Republic of Congo and Slovakia;
- implement stakeholder dialogue at Orange Group level.

responsible purchasing

- apply the QREDIC performance improvement programme for Group suppliers in Poland and the three new AMEA countries;
- encourage buy-in of the Inter-company Relations Charter by major suppliers in France to guarantee respect of CSR principles from end to end of the subcontracting chain;
- strengthen the audit process initiated in the framework of the Joint Audit Cooperation.

a responsible employer

social performance

- continue the Group's commitments to social dialogue through locally appropriate means and regular meetings of *ad hoc* committees (the Global Group Committee and the European Works Council, etc.);
- continue to analyse the quality of social relations by periodically escalating the findings of barometers and composite national/international indicators and by incorporating these criteria in determining the bonuses paid to the Group's 1,200 top managers.

occupational health and safety

- implement the Group's health and safety policy, especially by establishing dedicated steering committees.

managerial culture and skills development

- establish an Orange Campus in Dakar;
- extend the Group's managerial reference system to all managers and team leaders, in France and worldwide;
- continue to monitor the strategic skills management agreement (GPEC) in France.

diversity

- strengthen gender equality 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);
- increase support to the Group's countries and divisions to help bolster local diversity policies, especially in the area of disability.

a world lived in trust

service quality

- boost the Group's action plans aimed at improving the customer experience.

data protection

- define a set of Group rules based on its security policy for the protection of personal data;
- define Group policy for protecting privacy, communicate and apply it;
- increase the amount of information provided for our customers on mobile phone risks and correct use.

child protection

- continue training and aid to countries to strengthen their child protection and support activities in view of digital risks;
- roll out the components of the CEO - Coalition for making the Internet a better place for kids at Orange.

radio waves

- launch a dedicated Group website;
- conduct an audit (with risk assessment) in AMEA countries.

an accessible world

geographical coverage

- continue to extend solar power according to local contexts;
- launch initiatives to facilitate access to energy to power mobile phones in Africa.

local development

- launch the third social venture prize;
- launch a crowdfunding pilot for African SMEs;
- launch new incubators in African countries where the Group has a presence.

accessibility for the elderly or disabled

- make Orange's main mobile apps available for Android and iOS;
- create a Web catalogue of accessible solutions in Spain and Poland;
- start a large-scale programme aimed at providing access for seniors to smartphone or tablet data connectivity and including forecast future use patterns by seniors;
- continue dialogue on Orange branded stores in Spain and Poland.

a greener world

environmental management system

- with the aim of raising the rate of ISO 14001 certification to 60% by the end of 2015, continue implementing the action programmes undertaken in 2012 in the period 2013-2015.

reducing our energy and carbon footprint

- continue introducing systems for measuring the energy consumption of networks and ISs;
- expand the installation of tools to measure energy consumption in buildings from France and Belgium to other countries;
- draw lessons from the 2012 carbon audit (Bilan Carbone®) adapted for Poland and monitor the action plans arising from the carbon audits conducted in France and Spain.

recycling of end-of-life electronic equipment

- broaden the expert assignments on the processing of waste to other countries in the AMEA zone (Mali, Jordan and Côte d'Ivoire);
- continue the Group's active participation in working groups (ILO, UN, STEP) dedicated to the problem of waste electronic equipment to support local African initiatives for collection and recycling;
- roll out new methods for the collection and recycling of WEEE from businesses and gradually broaden them to include other European countries where Orange Business Services operates;
- raise the collection rate of mobiles distributed through our controlled distribution channels to 15%, i.e. an increase of 50% versus 2012.

1.1. CSR, at the heart of the Group's strategy

Corporate Social Responsibility (CSR) is vital for the Group's on-going 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 approach, central to the Group's Conquests 2015 strategic project, is embodied in practical action plans articulated around four fundamental commitments and eight strategic priorities involving all Group entities.

1.1.1. reaffirming our goal

The Group's corporate social responsibility strategy is based on a clear vision: to achieve sustainable growth, our company must constantly innovate and create value for all its stakeholders. Working together with stakeholders, we want to build a safe and secure digital world accessible to as many as possible, while addressing the challenges of limited resources and the fragile balance of our planet.

Firm in this deeply rooted conviction, France Telecom-Orange's strategy is an ambitious one, aimed at becoming the benchmark player in the telecommunications industry for corporate social responsibility.

clearly defined strategic priorities

Enshrined at the heart of the Conquests 2015 strategic project, the Group's CSR policy is embodied in four major commitments:

- recognise and support employees;
- ensure transparency, quality, security and safety for our customers;
- make the benefits of the digital world available to as many as possible;
- find innovative solutions for a greener world.

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

- analysing stakeholders' requirements (see Section 1.2);
- identifying the risks and opportunities related to sustainable development and assessing their impact on the Company's growth.

Priorities are updated at least once a year to keep abreast of changes in the field. In the period 2010-2012, some of the **eight strategic priorities** defined in 2009 were amended slightly and renewed for 2013:

- place men and women at the heart of the Company by offering a new social model, supporting employees in their development and meet corporate and societal challenges, particularly in respect of equal opportunities;
- lead the way in terms of quality of service in all our markets*;
- promote and ensure safe and responsible use of our products and services, particularly with regards to protecting children, respecting privacy and data security;
- promote digital inclusion by developing offers and solutions for as many people as possible and reducing all forms of digital divide**;
- promote the economic and social development of countries in which the Group operates, through its services;
- bring eco-designed products and services to market, and help to reduce customers' environmental footprint through the Group's offerings
- take a bold stance on collecting and recycling mobile handsets;
- manage the Group's energy consumption to reduce its CO₂ emissions by 20% by 2020.

Each of these priorities is broken down into precise objectives accompanied by key performance indicators.

* Priority reviewed in 2012, expanding its scope.

** Priority reviewed in 2011, as the former description was overly limiting.

a policy shared by all

Embraced at the highest level of the organisation, France Telecom-Orange's CSR policy motivates all employees in every entity and country in which the Group operates on a daily basis.

A dedicated CSR organisation involves every level in the Company:

- the **Governance and Corporate Social Responsibility Committee**: formed by the Board of Directors, it ratifies strategic CSR policy and monitors application of the Code of Ethics;
- the **CSR Department**: led by a member of the senior management team, the department ensures that policy is deployed throughout the Company's operations by providing technical and methodological support to subsidiaries and reporting on projects to the Group Executive Committee;
- **CSR sponsors**: appointed in each Group function and entity operating in all its markets and reporting to the highest level in the organisation, CSR sponsors meet in the CSR Sponsors Committee or interact directly with the Group CSR Department. They ensure implementation of the strategic guidelines defined by the Executive Committee;
- the **network of CSR managers**: covering all Group entities and business lines, the network contributes to the operational deployment of policy and meets six times a year.

To help incorporate CSR issues in subsidiaries' decision-making processes, **CSR Committees** were formed in several countries (including Senegal, Poland and Spain).

In addition to this dedicated organisation, the Group regularly organises Group-wide and national **campaigns to raise awareness of CSR issues** and encourage the active and on-going engagement of employees.

strengthened integration

2012 marked a new phase in the integration of corporate social responsibility by all Group functions and business lines, with significant buy-in of the approach to these challenges at all stages of daily decision-making and operating processes. An increasing proportion of CSR projects are now managed independently by the relevant entities or are steered jointly with the CSR Department, which is responsible for launching projects on emerging issues. Major work was carried out in 2012 with the marketing teams to further anchor CSR in the design of the Group's new offers, with particular emphasis on child protection, energy efficiency and data privacy.

a rigorous and audited process

France Telecom-Orange's CSR policy applies **the principles of inclusiveness, materiality and responsiveness**, as defined in **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 **ISO 26000 standard** on Corporate Social Responsibility.

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 appendices).

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.

The Group amended its reporting procedures in 2012 to incorporate the new requirements of the French environmental law, Grenelle 2, and comply with Decree 225 of that law (despite its late publication), following the substantial commitment of the CSR Department and CSR teams worldwide. The certification of attendance and fairness required by the decree was provided by one of our Statutory Auditors.

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.

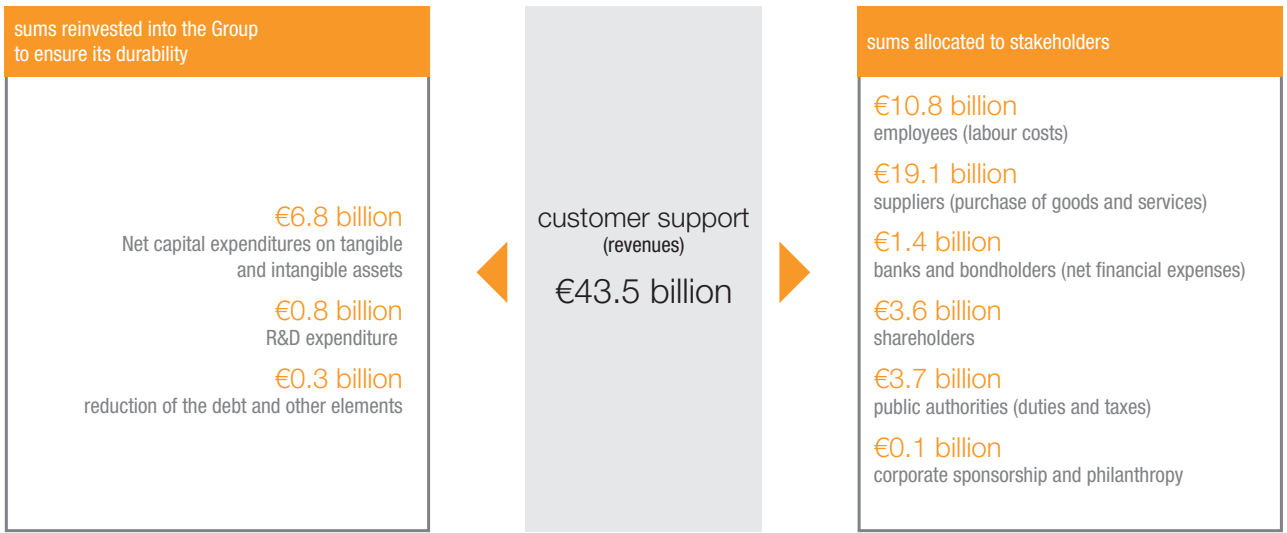
The Group has been included in the FTSE4Good index (since 2002), the Aspi Eurozone® index, as well as the VIGEO World 120, VIGEO Europe 120 and VIGEO France 20 indices, managed by ratings agency VIGEO.

The Group's commitment to corporate social responsibility was also rewarded by numerous awards and rankings in 2012:

- France Telecom-Orange was included in the Carbon Disclosure Project's Carbon Performance Leadership Index of 33 FTSE Global 500 companies (the 500 largest companies by revenue) whose strategies demonstrate the strongest commitment to tackling climate change and reducing carbon emissions;
- the Group is placed 42nd in the world ranking (and eighth in the telecommunications sector) in the Newsweek Green Ranking, a classification that assesses the environmental management performance and transparency of disclosures by the 500 largest companies in the United States and in the Global 500, by revenue, market capitalisation and workforce;
- the Group's 2011 CSR Report was ranked first of the CAC 40 by the French *Conseil de l'Ordre des Experts Comptables* (council of the association of chartered accountants), according to an assessment based on three criteria: relevance (30%), transparency-comparability (35%) and reliability (35%);
- France Telecom-Orange was in the Top 3 of the Capitalcom – Women ranking, which singles out companies for their inclusion of diversity as an indicator of performance;
- the Group garnered five prizes in the 2012 AfricaCom Awards: "Most innovative service prize" for Deezer (Mauritius and Côte d'Ivoire), "Best network improvement" for the "Internet for all" programme in Uganda, "Best quality user Experience" for Voice service in Mali (a services platform using voice recognition to get around the problems posed by illiteracy and offering access to all types of content), "Best smart device for Africa" for Internet on TV in Jordan (feature-rich decoder), and "Changing life awards" for Birth declaration in Senegal (a mobile application for official registrations of births for village elders, eliminating the need to travel to registration centres);
- Orange Business Services won three World Communication Awards: Best Global Operator, Best Cloud Service for its "Business Together as a Service" and "Users' Choice", demonstrating the excellence of its customer service. Orange Business Services was also included in Gartner's Leaders' Quadrant for global and pan-European network service providers.

► **a fair value sharing model**

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



1.1.2. responsible governance

To ensure the implementation of our CSR policy and to control day-to-day risks, we have put in place rigorous internal control and governance systems based on clear governance principles.

clear structure 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.

In addition to the Executive Committee, governance of France Telecom is managed by the Board of Directors and its specialist committees, the Audit Committee, Governance and Corporate Social Responsibility Committee and the Strategy Committee.

The Governance and Corporate Social Responsibility Committee met six times in 2012 to monitor application of the Group's CSR strategy and to examine specific projects, such as the corruption-prevention programme, the Group's contribution to economic and social development in Africa and the Middle East, its environmental impact, and its gender equality policies.

For more information, see Section 16 of the 2012 Registration Document.

a founding document: the Group's Code of Ethics

Our Code of Ethics was adopted in 2003 by the Board of Directors and sets out the Group's principles for actions and relations with customers, shareholders, employees, suppliers and competitors, as well as the guidelines for environmental stewardship and its actions in countries in which it 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 aligned with the fundamental principles 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. A new, simpler and more appealing version was published in 2012 and disseminated globally.

The Group's Ethics Committee oversees consistent application of the Code of Ethics and monitors ethical practices in the Group. It advises entities on implementation of the Code. The Committee's role is specified in the Code of Ethics.

The network of ethics correspondents helped to deploy awareness-raising and training campaigns in all countries in 2012, according to local contexts:

- in France, 13 business line ethics guides and 12 quizzes are available on the Intranet for employees to consult. All Orange France employees were included in a push mail ethics quiz from March to June 2012 to assess their knowledge of business line ethics rules;
- in Poland, 99% of Orange employees completed the second ethics e-learning module;
- in Spain, an ethics newsletter was sent to all employees in 2012, and articles on our ethics policies are included in the weekly newsletter on a regular basis. A new ethics training programme was adopted for managers. As part of the Group's drive to prevent corruption, a specific communications campaign was launched in December 2012 recapping on the Group's policy on corporate gifts;
- in Moldova, each new hire receives ethics training during their first day on the job. Employees were invited to consult the new version of the Group's Ethics Charter on the Intranet and to complete the Orange Ethics e-learning module;
- in Mali, each employee receives a copy of the Code of Ethics when they are hired, and the induction seminar for new hires includes a presentation on ethics. An awareness campaign took place in September 2012, which will be renewed over the coming years;
- in Niger, all employees signed an undertaking to comply with the Code of Ethics during an official ceremony, and several measures have been established to strengthen ethics policies: creation of an Ethics Committee and a network of ethics correspondents, inclusion of an ethics section on the Intranet, preparation of an ethics quiz and a special email address for information or questions on ethical issues.

CSR policy

CSR, at the heart of the Group's strategy

rigorous risk management

Continuously improving internal controls within the Group relies on an organisation, procedures and checks and balances implemented by the General Management and all personnel under the responsibility of the Board of Directors. The Group's Internal Control Department steers the system. The Group Audit and Risk Control Department and the Group Fraud and Revenue Assurance Department evaluate this system.

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). 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.

For more information, see Section 16.5 Risk management and internal control in the 2012 Registration Document.

focus

anti-corruption: recognised for our transparency

France Telecom-Orange was number eight in the Transparency in Corporate Reporting classification published in July 2012 by Transparency International, an internationally-recognised anti-corruption organisation. This ranking evaluates the transparency of the anti-corruption programmes of the 105 largest listed companies. The Group ranks top in the telecommunications sector with a score of 6.6/10.

proactive prevention of fraud and corruption

In addition to the principles set out in the Group's Code of Ethics, several years ago France Telecom-Orange drew up a proactive strategy to prevent the risks of fraud and reduce any possible consequences thereof. This 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 Group's anti-fraud strategy includes a specific section relating to anti-corruption, which has been deployed in the Group's main entities, responsible for almost all of the Group's revenue. An alert system allows employees to voice their concerns and report any breaches in complete confidentiality.

At the end of 2012, the Group decided to consolidate its anti-corruption strategy by formalising an anti-corruption policy aimed at integrating the principle of zero tolerance into daily practices. This policy is available on www.orange.com in the governance/documentation section. The anti-corruption programme has been strengthened and will be implemented in Q1 2013.

The Group has also reinforced its organisation by creating a new compliance function, responsible for implementing an integrated compliance programme to ensure reinforced protection against regulatory, financial and reputational risks. A Group Chief Compliance Officer was appointed in December 2012 under the direct authority of the Chairman and CEO in order to put in place an organisation guaranteeing compliance with standards and deployment of the corresponding programmes.

increased commitment with respect to human rights

France Telecom-Orange was one of the first companies to sign the United Nations Global Compact in 2000, thus asserting its commitment to respecting and promoting basic human rights in its activities and sphere of influence. This commitment is explicitly included in the Group's Code of Ethics. In 2006, France Telecom-Orange confirmed its commitment to respecting human rights both internally and in its relationships with its suppliers and subcontractors by signing a global agreement with the UNI Global Union on basic social rights within the Group.

The Group also takes part in the "Industry Dialogue", which is a union of operators and manufacturers in the telecommunications sector with the aim of establishing a common dialogue with stakeholders with respect to human rights. More specifically, the Group focuses on two key challenges for the telecommunications sector: freedom of expression and protection of privacy. It is primarily based on the international framework of the UN: "Protect, Respect & Remedy". In 2012, participating companies developed shared action principles aimed at developing a common frame of reference. The Group has also signed a two year partnership with the Global Network Initiative (www.globalnetworkinitiative.org) for collective reflection and to exchange good practices with regard to the challenges posed by the freedom of expression and protection of privacy within the telecommunications sector.

Orange is also involved in a working group on the broader human rights programme established by the Global e-Sustainability Initiative (GeSI), a sector NGO which aims to share best practices in this area.

focus

The Industry Dialogue action principles

In March 2013, the eight Industry Dialogue companies (Alcatel-Lucent, France Telecom-Orange, Nokia Siemens Networks, Millicom, Telefonica, Telenor, Telia Sonera, and Vodafone) signed a memorandum of agreement setting out the foundations of their joint action on freedom of expression and confidentiality of private data in telecommunications. Common action principles were published in seven languages (English, Arabic, Chinese, Spanish, French, Russian and Turkish) following on from the 2012 collaboration with various stakeholders including representatives from civil society, NGOs and also government representatives. The principles, signed in March 2013, set out a common framework that will provide a basis for the Group's processes and policies on freedom of expression and privacy in the ICT sector. More specifically, they relate to the interactions and boundaries between a Government's duty to protect human rights and the responsibility of telecommunications companies to respect these rights. They can be viewed at www.orange.com/en/responsibility/strategy/dossier-droits-humains/freedom-of-expression-and-user-privacy-rights.

The Industry Dialogue companies also took part in the European Commission's public consultation aimed at drawing up sector guidelines for privacy and freedom of expression.

key dates

1996

- signing of the ETNO Environmental Charter*.

2000

- signing of the UN Global Compact.

2003

- formalisation of the Group Code of Ethics.

2006

- signing of Group agreement with the UNI Global Union.

2007

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

2008

- signing of the UN Global Compact Caring for Climate initiative.

2009

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

2011

- signing of the ICT Coalition for a Safer Internet for Children and Young People.

2012

- publication of Orange's 10 commitments for contributing to the implementation of the Digital Agenda for Europe launched by the European Commission.

* European Telecommunications Network Operators.

1.2. a process fuelled by dialogue

Listening to stakeholders and taking on board their expectations forms the basis of France Telecom-Orange's CSR policy. This structured and 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 stakeholders;
- identifying and prioritising the risks and opportunities linked to community issues and the needs in countries in which the Group operates;
- identifying opportunities for innovation opening up new prospects of growth for Orange whilst supporting the social and economic development of the countries concerned.

1.2.1. a structured methodology

Several years ago, France Telecom-Orange implemented a method for structured dialogue with its stakeholders based on the three principles of the AA1000 standard:

- **inclusivity:** in the main countries in which it operates and in an increasing number of countries, Orange identifies the stakeholders that make up the Company's ecosystem and then surveys a large representative sample. This identification work is performed collegially by the Company's different departments, under the responsibility of the CSR manager and with the validation of the Management Committee;
- **materiality:** this principle reflects the effective and real importance of a Company's different responsibility issues, which vary depending on the field of activity, location in which it operates and the time at which it acts. In order to dialogue with stakeholders, Orange identifies, on a country by country basis, the most material topics both for the Company and its ecosystem. A study conducted in 2009 by the Group's CSR Department, with the help of internal and external experts, identified six areas and 23 primary responsibility issues. These areas and issues serve as the basis for surveys used by the subsidiaries to question stakeholders on their primary concerns and expectations, adapting them to the local context. The importance of CSR issues for the stakeholders and the Company's business at any given time is represented in a materiality matrix;
- **responsiveness:** after having identified the stakeholders and their expectations with regard to Orange, the Company designs and implements action plans to meet these expectations by providing specific responses.

This approach is implemented both at Group and business line level, to ensure the coherence of global policies, and at country level, which is the most in touch with local issues and players.

1.2.2. enriched dialogue in the main countries

In France, Spain and Poland, dialogue with stakeholders is well established and thus requires advanced programmes to enrich the analysis of CSR challenges year after year:

- in 2012, Orange Poland launched a highly developed process for responding to stakeholders. Based on consultations organised in 2011, and in response to questions and requests at this time, Orange Poland organised three public meetings in different regions of the country, bringing together more than 80 representatives of external stakeholders. During these meetings Orange Poland presented its existing CSR actions, what was not done and why and what Orange Poland plans to do in the future. These meetings were followed by the publication of a very comprehensive report, detailing Orange Poland's achievements and commitments;
- Orange Spain is also innovative in terms of responding to stakeholders; in July 2012 it published a very detailed consultation report, which includes all the results from the 2011 consultation and presents the Company's areas for CSR action;
- during the second half of 2012, Orange France relaunched its biannual survey of all stakeholders on their perception and expectations in terms of the Company's social responsibility:
 - a brainstorming day was organised with Internet, telecoms and CSR opinion leaders, to detect new trends and any weak signs that would not yet be detected by listening to so-called "traditional" stakeholders,
 - a public survey questioned 1,200 people in mainland France and in the overseas territories on three topics: the perception of Orange and its assessment as a responsible company; the evaluation and priorities of the relationship with Orange and expectations of Orange in terms of CSR,

- Orange France then conducted a survey among “business line” stakeholders in the 11 regional operations departments. Between 25 and 30 stakeholders were consulted in each department, representing players from the world of politics, the Company’s business partners and media type civil society players, etc.

Finally, Orange France completed its stakeholder dialogue system by launching six-monthly plenary meetings with child protection associations, parent associations and other associations specialising in digital and child protection, based on the model for meetings organised with consumer associations.

1.2.3. a policy deployed in an increasing number of countries

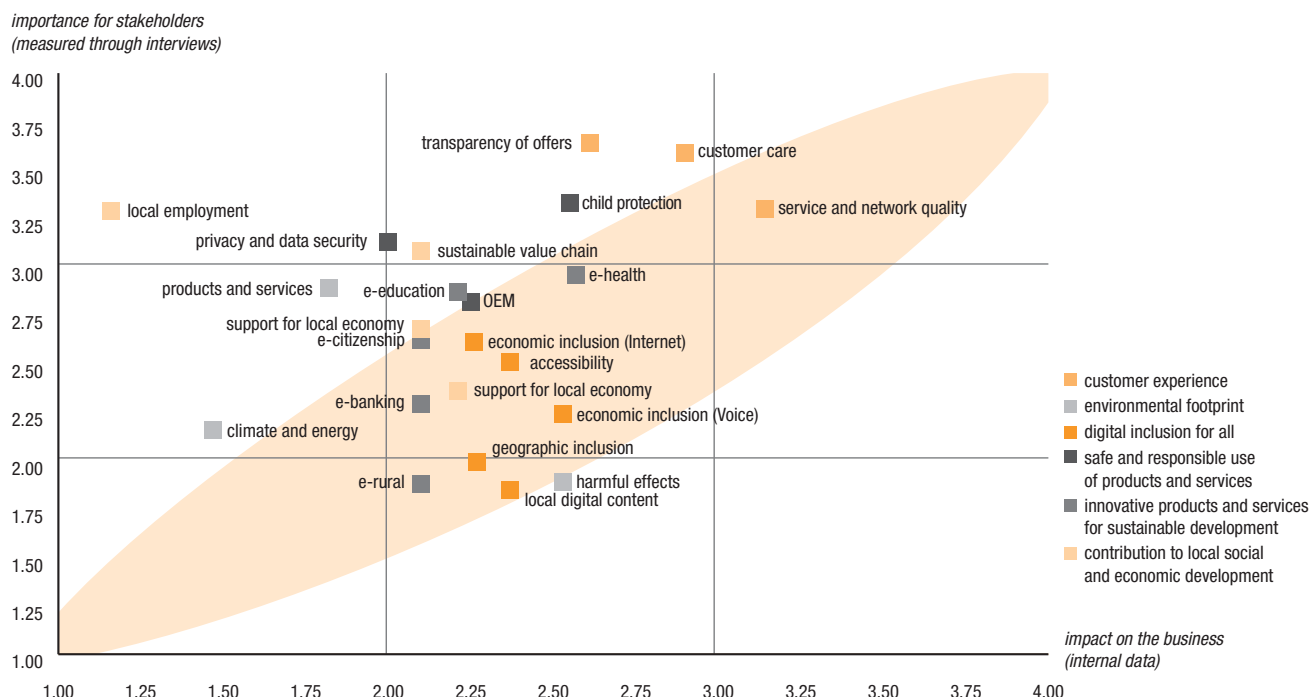
To support the deployment of stakeholder dialogue in subsidiaries that do not currently have such a system in place, the CSR Department has drawn up a structured methodology for countries in the form of a “CSR Dialogue Toolkit”. Based on internal reflection workshops and external interviews with

stakeholder representatives, this method confronts internal and external opinions on the Subsidiary’s CSR issues. An action plan is then created which is tailored to the expectations and concerns of the local stakeholders and in line with the Group’s CSR priorities.

In 2012, this policy was deployed in new countries such the Dominican Republic, Côte d’Ivoire, Uganda, Romania and Belgium.

In Belgium for example, the dialogue organised in December 2012, involving 18 representative stakeholders, identified, using gap analysis (measurement of the gap between employees’ perception of external stakeholders’ expectations and the latter’s actual expectations), that problems linked to the development of the local economy were underestimated by the Mobistar teams and are now highly placed in stakeholders’ expectations of the Company. The question of transparency has also become omnipresent among Belgian players: transparency in offers, transparency on the potential risks linked with telecoms and transparency in communication, for example.

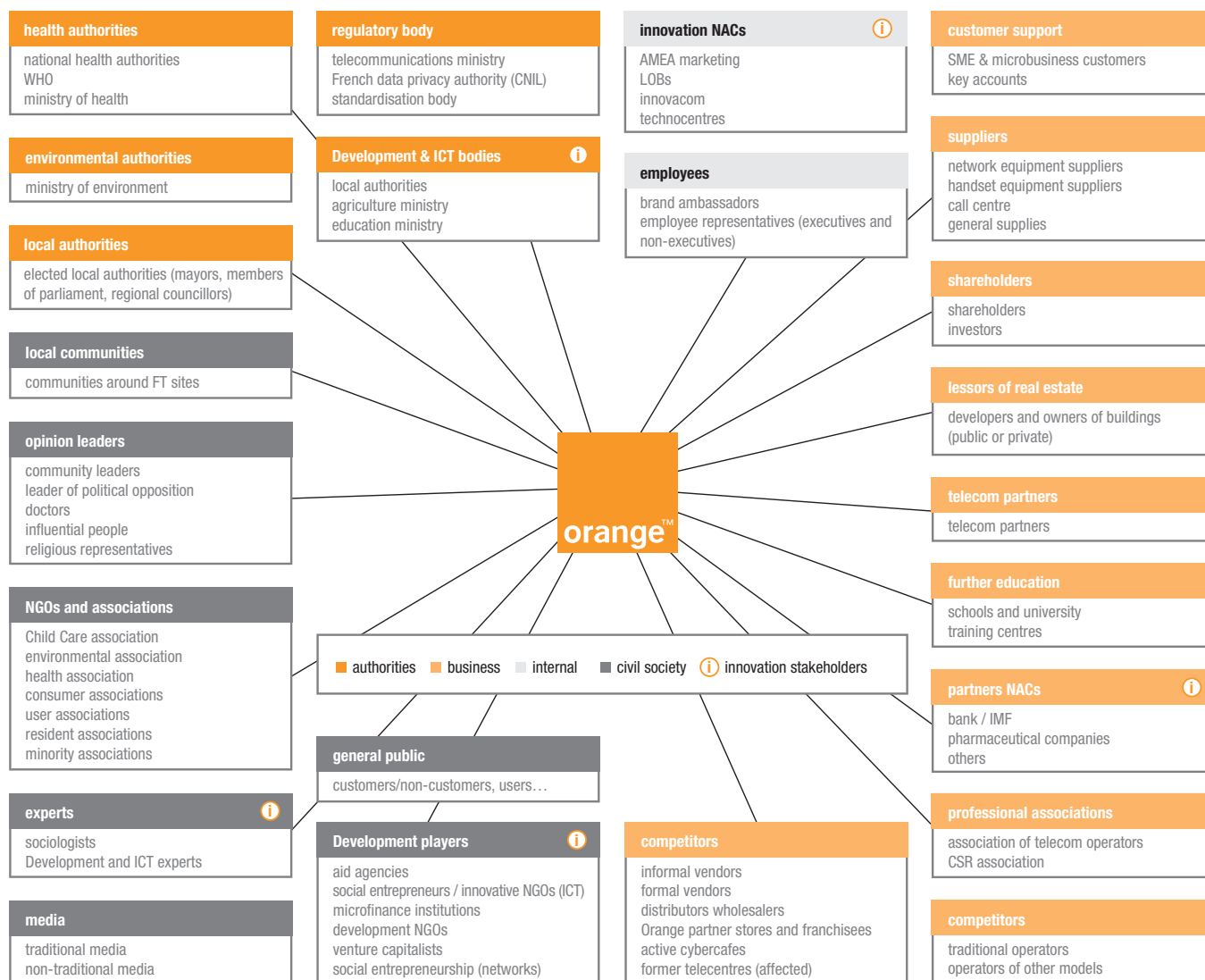
› gap analysis conducted in Belgium (internal and external vision)



CSR policy

a process fuelled by dialogue

› generic list of stakeholders of an Orange subsidiary in the AMEA zone



1.2.4. new applications of stakeholder dialogue

Having seen the benefits of the stakeholder dialogue method in the subsidiaries, in 2012 Orange undertook a study to develop this methodology, using it to focus on a specific issue within a country or to identify the bases for innovation in a specific area.

a specific example: e-agriculture in Africa

Following its initial implementation in Mali in 2011, specific dialogue on the potential offered by information and communication technologies for the development of agriculture in the Côte d'Ivoire was organised in 2012.

This dialogue was an opportunity to identify and then meet and exchange with the main stakeholders in the agricultural economy (cooperatives, agri-food companies, landlords). The main agricultural challenges and issues, as well as the potential offered by communications were identified with the stakeholders. The dialogue process then identified specific projects and local partners to help with these. At the end of this year, Orange decided to create an e-agriculture action plan focused on three short and medium-term projects with local partners. A new information system for product prices on the agricultural markets will also be introduced in Africa in 2013.

a participative innovation programme at Orange Business Services

A specific dialogue on future videoconferencing services was implemented at Orange Business Services. The goal was to identify future challenges, the biggest trends and barriers in terms of usage of image in the communications services. The internal vision of these challenges and biggest trends was compared with that of our external stakeholders (clients, key market players, authorities, civil society). Analysis of these interviews will allow the business unit to update its offering strategy.

In addition to the identification of projects and action plans, this type of themed dialogue brings CSR in line with the Company's strategy, showing that a policy of consulting stakeholders on a specific issue not only allows the Company to act more responsibly but also to identify areas for development that would not have been detected without this eco-systematic approach.

key dates

2006

- completion, with the help of a specialist agency, of a Group study of stakeholders' expectations in mobile telephony and the Internet.

2008

- first structured dialogue processes with stakeholders in France, Spain and Poland.

2009

- preparation by the CSR Department of the "CSR dialogue toolkit", a structured methodology for dialogue with stakeholders available to the Group's subsidiaries;
- test in two countries: Madagascar and Côte d'Ivoire.

2010

- deployment of a stakeholder dialogue process in four new African countries.

2012

- launch of specific dialogue processes for e-agriculture in Africa and at Orange Business Services.

1.3. responsible purchasing principles

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.

1.3.1 control risks linked to the supply chain

France Telecom-Orange selects suppliers using a structured seven-step process, including an evaluation of suppliers at the moment of the selection or listing, as well as throughout the term of the purchase contract. In addition to assessing quality, lead times and costs, supplier evaluation and selection takes into account: strict compliance with the applicable laws and regulations as well as the environmental, social and societal criteria adapted to the purchasing typology.

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

All contracts with the Group's approved suppliers include a responsible purchasing clause entitled "Ethical practices - corporate social responsibility". This clause is supplemented by the UNI Group agreement (global union) on basic social rights signed in 2006, which includes a section on suppliers and subcontractors. This document ensures that all France Telecom suppliers and service providers are committed to:

- efforts against all forms of compulsory or forced labour;
- prohibition of child labour;
- non-discrimination.

Moreover, in a bid to explain the Group's CSR commitments and expectations to its suppliers more clearly, and allow the latter to transmit these to their own subcontractors, France Telecom-Orange has drawn up a Sourcing and supply chain Code of conduct, detailing its ethical, social and environmental requirements. The goal: to ensure that the working conditions along France Telecom-Orange's subcontractor chain are safe, that workers are treated with respect and dignity and that manufacturing and delivery processes are environmentally friendly.

requirements being introduced at BuyIn

All of the above principles have also been introduced into the framework for the joint venture created with Deutsche Telekom in 2011, BuyIn, to pool the purchasing activities of the two groups in certain areas (handsets, mobile communication networks, and for a large share of the landline equipment and service platforms). 2012 was marked by several initiatives to:

- establish structured CSR governance at BuyIn in the form of an Operational Committee and a half-yearly Steering Committee, to ensure in particular the implementation of responsible purchasing processes;
- draw up a BuyIn supplier Code of conduct, describing the joint social and environmental requirements of France Telecom-Orange and Deutsche Telekom and prepare the communication of the code to suppliers;
- draft the CSR clauses integrated into contracts signed by BuyIn.

strict monitoring of supplier practices

Once suppliers have been contracted, their practices are regularly evaluated using several systems to ensure better control of supplier risks:

- **an evaluation tool created by the Group, QREDIC®**, fully integrates CSR evaluation into the supplier's 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 2012, QREDIC® covers all of the Group's purchasing contracts and was deployed in local contracts in 18 countries (including six new countries deployed in 2012: Armenia, Botswana, Cameroon, Côte d'Ivoire, Mali and

focus

Second symposium for contact centres: an excellent opportunity for dialogue

Orange ran its second symposium for contact centres in Paris on 13 and 14 November 2012. The objectives were to foster dialogue on the key topic - customer relations -, to share best practices and to obtain information about the topics discussed at the conferences. Following the success of the first European symposium in Poland in 2011, this annual event, now opened up to the whole Group, gathered together ten suppliers, representatives

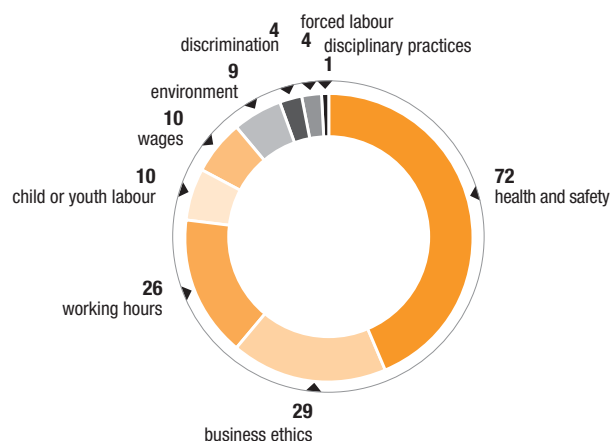
from Orange Business Services, Purchasing and Customer Relations managers from 16 Group countries plus the Customer Relations Departments from the Europe and AMEA zones.

The symposium, organised by Group Purchasing, provided an ideal opportunity for dialogue between the Group and its partners.

Nigeria). In total, more than 500 local suppliers distributed over the majority of the purchasing areas were evaluated in this way;

- **CSR evaluations of the Group's suppliers:** this is document based, either using an Orange questionnaire or with help from EcoVadis, a company specialising in responsible purchasing. The aim is to further control suppliers by presenting the Group's major financial challenges, paying particular attention to suppliers in categories associated with environmental, social and ethical risks. In 2012, 160 new evaluations were conducted, making a total of 282 evaluations at the end of 2012, covering 46% of suppliers associated with critical or major risks. These evaluations lead to the creation of action plans to correct the risks or weaknesses identified. Areas of improvement have been identified for 68% of the suppliers evaluated;
- **on-site CSR audits:** to monitor compliance with contractual requirements, and better integrate the protection of human rights among its suppliers and subcontractors, in December 2009 France Telecom initiated a Joint Audit Cooperation (JAC) with Deutsche Telekom and Telecom Italia, to combine their CSR audits of suppliers according to a common methodology based on the social responsibility standard SA 8000 and environmental standard ISO 14001. The system, which now brings together nine telecommunications operators, verifies, evaluates and promotes standards and best practices for subcontracting common suppliers and establishing corrective action plans. In 2012, 59 JAC audits were conducted across 81 production sites (compared to 39 in 2011). Thirty-five of these audits were first-time audits (23 in China, four in Brazil, two in India, two in Mexico, two in Slovakia, one in Poland and one in Turkey). A total of 24 follow-up audits evaluated the implementation of corrective action plans in factories audited in 2011: out of the 105 non-conformities in 2011, 56 had already been resolved in 2012;
- in addition to audits conducted under the JAC framework, France Telecom-Orange also performs CSR audits in its business sectors or on specific issues: in 2012, the Group performed audits on waste management subsidiaries in Romania and Senegal, on two mobile collection providers in Romania and in Belgium and environmental audits of three suppliers in France.

breakdown of non-conformities identified during the 2012 JAC audits



a consolidated programme

In October 2012, the Purchasing and Logistics Chain Department and CSR Department jointly launched a project to give new impetus to the responsible purchasing policy to ensure greater contribution to the Group's CSR strategy.

The aim is to put into place a structured action plan that integrates stakeholders' CSR expectations and the risks identified by ensuring better coordination and consistency of the CSR actions conducted at Group level and the local actions conducted at country level with regard to purchasing.

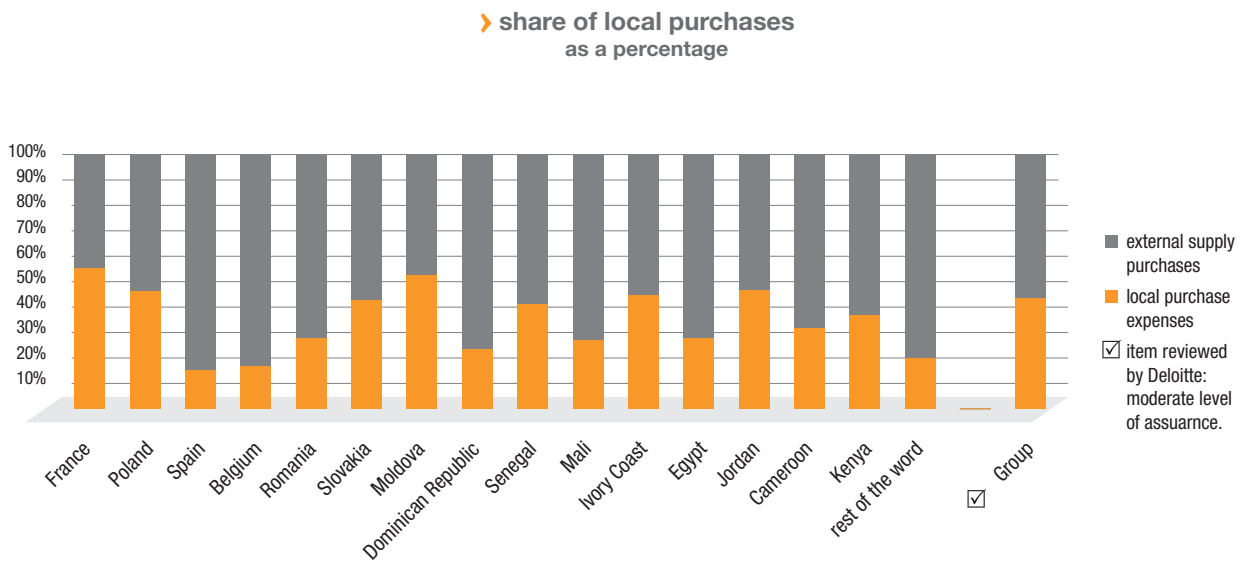
This plan is based around four priority areas:

- favouring suppliers who meet the ethical, social and environmental requirements;
- promoting protection of the environment and local laws among suppliers;
- monitoring the adoption of CSR and ethical priorities by the different players in the purchasing chain;
- integrating CSR into the governance and internal processes of the Purchasing Department while pursuing its integration in Buyln.

This action plan will be gradually deployed from 2013, with two specific results expected at the start of the next fiscal year: update of the supplier Code of conduct and contractual CSR clauses.

1.3.2. make purchasing a lever for local 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. Within this logic, an indicator was created in 2010 to help monitor local purchasing.



- The calculation method was modified to make the data more reliable (see note "About this report" in the appendix).
- The total share of local purchases for 2012 is 44% (the 2011 value calculated using the same method yields a value of 45.6%). This slight drop is essentially due to a sharp rise in network spending and the purchase of client equipment from international groups.

focus

buying for a greener network

The IT teams at Group Purchasing have taken steps to monitor the suppliers of network equipment and to keep an eye on the environmental impact of their purchases, ensuring that all purchases meet the latest Green IT standards (Energy Star, EPEAT, the European eco-label etc.) to help them meet the energy reduction targets of the Green ITN 2020 roadmap. During the call to tender process, suppliers are questioned about the electricity consumption of their equipment and asked what action they have taken to meet the CO₂ reduction targets. The Purchasing Department examines, and encourages, new energy reduction solutions. It works with the operating teams to ensure that machines at the end of their life are replaced with equipment with the best energy/performance ratio. Server consolidation projects are also encouraged, as is a move to virtual environments with the help of appropriate software.

stronger links with suppliers and subcontractors

In addition to its policy of controlling purchasing risks, France Telecom wants to build long-term partnerships with its suppliers, providing them with a clear vision of new objectives and developments in its business, particularly in relation to networks, where cooperation is particularly important.

In 2011, the Group's Purchasing and Logistics Chain Department initiated an Industrial and Commercial Plan to develop its supply processes for network equipment. A collaborative tool for business macro-planning significantly reduces stocks while increasing the availability of hardware, and offers the Group and its suppliers a forecast of volumes over six rolling months. Suppliers' capacity restrictions are better integrated and in return there is increased visibility of changes in volumes over six months, which allows them to anticipate their own fluctuations. Each month the quality of the projections is measured and gap analysis is shared with the suppliers. It is therefore easier to level out the Group and its partners' supplies, to coordinate shipping and thus reduce the carbon footprint, while also reducing the social impact linked to sudden drops in volume.

greater use of the sheltered workers sector

Directly in line with its commitment to the integration of disabled workers in the workplace, France Telecom-Orange supports small and medium-sized companies in the sheltered workers sector.

Since 2011, the Group is committed to obtaining a minimum of 15 million euros of its purchases from this sector each year. This objective was surpassed in 2012, with more than 16.8 million euros of purchases obtained from the sheltered workers sector. Over time, the work contracted to this sector has diversified: cleaning and maintenance of green spaces, as well as back office work, printing and network services.

favour SME access to the Group's call for tenders and promote diversity

The Group signed the inter-company relations charter governing relationships between major clients and their suppliers in 2010 and is committed to supporting the development of SMEs in France. In 2012, French SMEs accounted for more than 1 billion euros of spending at national level.

France Telecom-Orange confirmed its commitment on December 18, 2012 by signing the charter for "publicly funded companies to promote the emergence and development of innovative SMEs". Finally, France Telecom-Orange has held the "responsible supplier relations" label, issued by the CDAF (French association of buyers), since the start of 2013 as well as the inter-company mediation label. This label forms part of the extension and implementation of ten commitments for responsible purchases defined in the inter-company relations charter.

In addition, to promote diversity among suppliers, from 2011 calls for tenders in France include criteria to evaluate their commitment 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.

key dates

2004

- introduction of the QREDIC® tool to assess the overall performance of suppliers;
- Introduction of an "Ethics and environment" clause in all of the Group's purchasing contracts.

2008

- the "Ethics and environment" clause is changed to "Ethical practices – corporate responsibility" and now includes five of the basic ILO conventions on forced labour, child labour and combating discrimination.

2009

- launch by Deutsche Telekom, Telecom Italia et France Telecom-Orange of Joint Audit Cooperation, a cooperation agreement to combine CSR audits on Asian suppliers.

2010

- launch of a new strategy for supplier CSR evaluations with the help of an external specialist company, EcoVadis;
- publication of the Code of conduct for the Group's suppliers;
- signing of the inter-company relations charter in France.

2011

- extension of the JAC cooperation agreement to include four new operators;
- launch of BuyIn, a joint purchasing company formed by France Telecom-Orange and Deutsche Telekom.

2012

- extension of the JAC cooperation agreement to include two new operators;
- implementation of CSR governance at BuyIn.

focus

Second JAC forum: a wider dialogue on meeting CSR challenges in the supply chain

The second *Joint Audit Cooperation* (JAC) forum was held in Shanghai on 10 January 2013. The forum was an excellent occasion to take stock of achievements to date and the challenges that lie ahead, before a very wide audience including not only suppliers and representatives of the nine operator members of JAC, but also of the NGOs, consultants and institutions. A total of 150 people

took part in the discussions on incorporating CSR into the supply chain. The main topics were working hours, ethics, the environment and health and safety. The forum provided the perfect opportunity to strengthen the cooperation between all stakeholders and to share good practices and encourage their adoption throughout the supply chain.

1.4. 2012 review and 2013 roadmap

1.4.1. 2012 review

objectives	deadline	main achievements in 2012
responsible purchasing		
■ introduction of a responsible purchasing policy (Code of conduct, CSR clause, etc.) in line with that of the Orange Group at BuyIn (joint venture created with Deutsche Telekom to pool purchases).	2012	■ structuring of the governance of BuyIn in relation to responsible purchasing via a bi-monthly CSR Operational Committee and a half-yearly CSR Steering Committee; ■ approval of the BuyIn supplier Code of conduct describing the joint social and environmental requirements of France Telecom and Deutsche Telekom and communication of the Code of conduct to suppliers, including the questionnaire on compliance with requirements; ■ drafting of CSR clauses for inclusion in BuyIn contracts; ■ training of all BuyIn employees in the supplier Code of conduct using dedicated e-learning modules, an explanatory brochure and communication measures.
■ consolidate the use of QREDIC® in countries already covered and extend this to four new countries.	2012	■ local deployment of QREDIC®* in six new countries, totalling 18 countries covered; ■ in total, the evaluation of more than 500 local suppliers across the majority of purchasing areas.
■ continue supplier CSR evaluations with the aim of evaluating 500 strategic or non-compliant CSR suppliers every three years.	2012	■ 160 supplier CSR evaluations** performed in 2012, i.e. a total of 282 CSR evaluations since 2011; ■ at the end of 2012, 46% of the 516 suppliers linked to critical or major CSR risks had been evaluated.
■ Continue identifying areas for improvement among the suppliers evaluated and monitor the implementation of the action plans deemed necessary.	2012-2013	■ determination of areas of improvement for 68% of the suppliers evaluated, based on the CSR risks identified.

* Methodology used by the Group to evaluate its suppliers in six areas, one of which is CSR.

** CSR evaluations measure the maturity of suppliers in this area and are conducted either internally or using an external company.

objectives	deadline	main achievements in 2012
strengthen the auditing process with the Joint Audit Cooperation by increasing the number of audits, extending the scope and working more closely with suppliers.	2012	- in 2012, the Joint Audit Cooperation (JAC) was extended to include two new operators, Telenor and Teliasonera. The JAC was founded in 2009 by France Telecom, Deutsche Telekom and Telecom Italia and extended to four additional operators in 2011 (Belgacom, KPN, Swisscom and Vodafone). It now brings together a total of nine operators; - organisation in January 2012 of the first JAC Forum to promote closer collaboration with suppliers to achieve a more responsible and transparent supply chain (150 invitees including suppliers, CSR institutions, NGOs, local authorities and Telecoms operators); - extension of the scope of the JAC audit from 39 to 83 production centres and 35 new JAC audits (social and environmental) conducted.
conduct social and environmental audits in addition to the JAC programme.	2012	- additional social audits as a complement to audits performed under the JAC framework: - two consulting assignments and audits of waste management subsidiaries in Romania and Senegal; - audit of two suppliers in Romania and Belgium under the framework of the cell phone collection programme; - environmental audits of three suppliers in France.

respect for human rights

strengthen country-level reporting on human rights based on the commitments taken in 2011.	2012	- in June 2012, initial communication to the countries concerning the reinforcement of indicators (based on the GRI); - participation in a meeting of telecommunications players (Industry Dialogue) to formalise the common principles of action for human rights and freedom of expression with reference to the UN Protect, Respect & Remedy framework; - communication and presentation to all of the Group's countries of Orange's human rights commitments and the monitoring indicators linked to the first systematic reporting of indicators at the end of 2013.
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1.4.2. 2013 roadmap

objectives	deadline
ethics	
As part of the programme for the continued improvement of the Group's ethics programme, each country, entity or area creates its own programme of actions for the areas selected at Group level. ■ raise awareness of the concept of conflicts of interest by reinforcing actions already taken to prevent – detect – declare and handle relationships with the following: clients, employees and suppliers, etc.; ■ develop the concept of ethics in the Service Department with regard to: ■ the protection of client data, ■ proper conduct towards competitors, ■ social networks: attitude to be adopted for professional or personnel interactions, ■ client relations with regard to marketing, sales and after-sales service; ■ in terms of anti-corruption, develop the Group methods per country and implement the compliance section.	2013 2013 2013
respect for human rights	
■ adapt the Group's reporting to the GRI requirements with regard to human rights; ■ formalise Orange's principles of action with regard to freedom of expression within the Industry Dialogue, of which Orange is a founding member; ■ collaborate with the Global Network initiative to benefit from its recognised expertise in this area.	2013
stakeholder dialogue	
1. at country level: ■ organise dialogue in countries where this was not possible in 2010-2102 due to political or organisational reasons: Guinea, Guinea Bissau, Kenya, Egypt, DRC, Slovakia; ■ renew dialogue in countries where this has already taken place, using different methods (individual interviews, panels, surveys) and update the CSR action plans. 2. dialogue applied to specific areas or services: ■ use stakeholder dialogue methods to identify the ecosystem and issues relating to a specific topic or area to create specific action plans or projects. 3. at Group level: ■ introduce stakeholder dialogue at Orange Group level.	2013 2013-2014 2013 2013-2015

objectives	deadline
responsible purchasing	
1. favour suppliers who meet ethical, social and environmental requirements: ■ consolidate the local use of QREDIC® in countries already covered; ■ launch its use in Poland and in three new AMEA countries; ■ reinforce CSR criteria when choosing suppliers and monitor the implementation of contractual clauses in this area; ■ reinforce our knowledge of suppliers particularly regarding the proactive fight against corruption, via the due diligence process, risk analyses and the appropriate procedures; ■ ensure the adhesion of our major suppliers in France to the inter-company relations charter to guarantee compliance with the CSR principles throughout the subcontracting chain; ■ continue supplier CSR evaluations with the aim of evaluating 500 strategic suppliers or suppliers associated with critical or major risks every three years and reinforce Corrective Action Plans; ■ strengthen the auditing process with the Joint Audit Cooperation: ■ by increasing the number of suppliers, ■ by extending the number of production sites audited, ■ and working more closely with our suppliers when implementing corrective action plans; ■ reinforce the visibility and reliability of our forecasts for business subcontracted to our suppliers, while reducing the impact of changes in forecasts on the supplier network, particularly in France.	2013 2013 2013 2013 2013 2011-2013 2013 2013
2. promote the concept of the environment and social laws among suppliers: ■ improve the incorporation of all environmental or social criteria in calls for tenders; ■ optimise the logistics of mobile handset deliveries and the collection of end-of-life network equipment, in order to help achieve our objectives in reducing CO₂ emissions and the optimisation of waste treatment;	2013 2013-2014
3. monitor the adoption of CSR and ethical priorities by the different players in the purchasing chain: ■ develop the existing CSR training module to better integrate social and societal commitments: inter-company relations charter, diversity and changes to the Group's environmental policy; ■ reinforce the Ethics - anti-corruption awareness/training programme using internal communication tools and overhaul of the training module; ■ extend the training and awareness practices for contract users to include a responsible contractual relationship with their subcontractors.	2013 2013 2013
4. integration of CSR in BuyIn ■ aid BuyIn in implementing: ■ a CSR management system, in line with the governance model defined in 2012, with the appropriate processes, ■ the most powerful tools in terms of risk assessment and evaluating suppliers' CSR performance, based on good practice in the telecoms sector and beyond.	2013 2013

2.1. establishing bonds between social performance and economic performance

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, with one clear ambition: to be among the preferred employers in the main countries where the Group operates by 2015.

2.1.1. Social quality at the heart of the Company's day-to-day business

For Orange, it is not possible to achieve sustainable economic performance without social quality. It is only with motivated teams eager to offer its clients the best service that the Group can achieve its ambition of becoming the preferred operator in each of the countries in which it operates. This conviction, which is shared by all members of the Executive Committee, is backed by dedicated resources: in France, 900 million euros has been invested since 2010 to finance the implementation of the new Social Contract.

a more serene social climate

To support the deployment of its new social model, two years ago the Group set up a global process for continued observation and analysis of social quality, using several systems: a half-yearly social barometer in France and annual barometer in the majority of international countries, a composite social performance indicator (CSPI) which is taken into account for the remuneration of the main Executive Directors, as well as analysis groups comprising managers, HR, Executive Directors, employee representatives, health services and social workers.

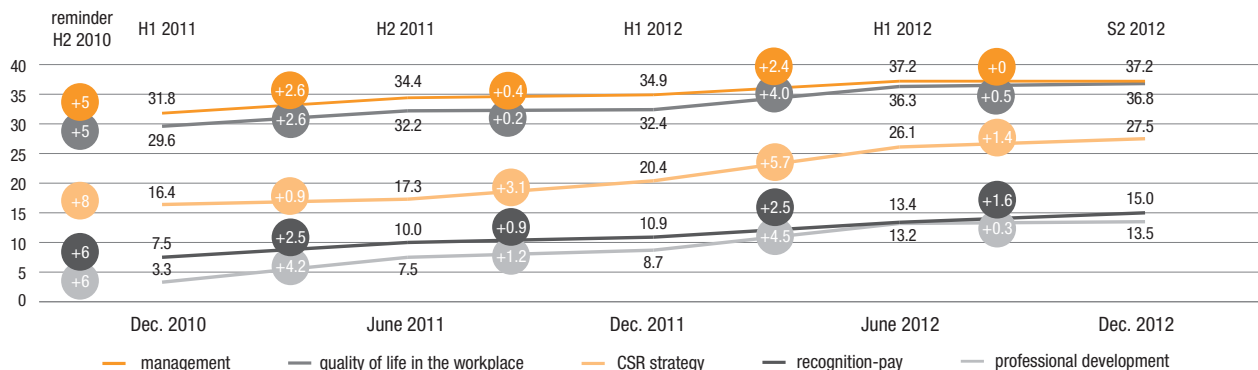
Two years after the launch of the Social Contract in France, the barometer confirms the improvement in the social climate: the different half-year editions show an improvement in employee satisfaction in the five areas included in the barometer: management, quality of life in the workplace, CSR strategy, recognition-pay, professional development.

The sixth social barometer, conducted in December 2012 among 3,664 employees in France shows that, overall, they are happy in their work:

- 90% think that the quality of life in the workplace is similar or better than in other companies (compared to 79% in October 2010);
- 54% believe that the quality of life in the workplace is better than in other companies (compared to 28% in October 2010);
- the percentage of employees who believe that it is worse (3%) has been slashed by five since October 2010 (16%).

The average score given by employees to express their perception of quality of life is 6.9/10 (compared to 6.2 in October 2010): this score is higher than the French average among the active workforce (6.5, including the liberal professions and SMEs) according to a survey conducted by CSA in September 2012.

► change in the perception of employees of the France Group in each themed area
average score between -100 and +100 calculated based on surveys in each area

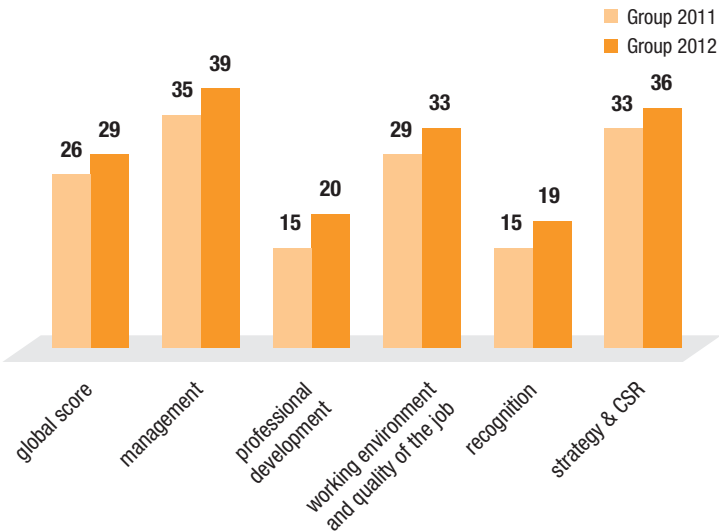


Internationally, the second campaign of annual measurement of the social barometer was conducted in 2012 in the majority of the Group's countries. More than 25,000 people responded to the last session, bringing the participation rate to 62%, a three point improvement on 2011.

The average in the five themed areas is 29 and there is a significant improvement (on average four points) in each area.

As in France, despite the notable improvements made, employees have high expectations in terms of professional development and recognition.

change in the perception of employees outside France in each themed area
average score between -100 and +100 calculated based on surveys in each area



the Orange People Charter deployed in 23 countries

The Orange People Charter was launched in November 2011 by Stéphane Richard and in 2012 it has been deployed in 23 countries in Europe, in the Africa, Middle East and Asia (AMEA) zone and in Orange Business Services. Developed jointly with the countries and divisions, this charter defines the common principles establishing the Group's relationship with its employees, taking into account local specificities. It embodies the Group's commitment to becoming the preferred employer in the Group's main countries and is based on six commitments aimed at creating conditions for mutual success:

- act as a 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.

It is due to the work of all employees that this charter has come to life and make its mark on daily life.

dynamic social dialogue

To support its international development, the Group has implemented social dialogue bodies covering all activities at all levels: nationally, in Europe and globally. 2012 was marked in particular by the renewal of a large number of employee representative bodies within the Group in France.

globally	Global Group Committee: including 31 members elected for four years representing 22 countries, each comprising more than 400 employees. This provides representation for all employees worldwide and a common platform for information across the Group, including details of the overall business strategy and transnational projects outside Europe. It met twice in 2012.
in Europe	European Works Council: comprising 28 employee representatives and 19 European countries, it is a forum for discussion and dialogue on broad economic, financial and social matters that go beyond the borders of any single country. Its composition was renewed on November 1, 2012 for a term of four years. It met three times in 2012.
nationally	27 of the Group countries have implemented employee representation bodies in different forms (Company committees, employee forums, employee representatives): ■ the French Works Council, a body that brings together the Group's French subsidiaries met four times in 2012 to discuss 15 topics relating to business, the financial position, employment changes and the Group structure; ■ the Central Committee of the Economic and Social Unit (CCUES), a body representing employees of France Telecom, Orange France S.A., Orange Distribution and Orange Reunion met 15 times over 24.5 days.

For more information on employee representation bodies, see Section 17.1.4 on social dialogue in the 2012 Registration Document.

Several collective agreements were signed in 2012 to supplement and reinforce the Social Contract within the Group.

a few examples:

- an agreement in France on the employment of seniors, measures to support employees during the second half of their careers and the addendum to the Strategic Workforce Planning (*Gestion Prévisionnelle de l'Emploi et des Compétences*, GPEC – see Chapter 2.2.2) agreement;
- an agreement in Germany on the re-integration of employees after an extended leave due to illness or disability, as well as mandatory agreements in several countries dealing with pension plans, the rules for calculating collective bonuses, internal rules for local employee representative bodies and updates to plant rules governing employee rules and working conditions;
- in Senegal, a wage agreement reviewing basic wages and other forms of compensation.

In addition to discussions held in the employee representation bodies, Orange has a range of innovative initiatives in place to encourage employees to engage in discussions in less formal settings, such as the Company's social network, "Orange piazza", now accessible to 75% of Orange employees worldwide, with almost 37,000 members and more than 1,600 professional communities.

2.1.2. greater focus on workplace health and safety

As part of its new social model, in 2012 France Telecom-Orange defined a new Group-wide Policy on Occupational Health, Safety and Quality of Life. This policy redefines the Group's objectives in this area, with specific targets and indicators. All of the Group's entities need to have a formal health and safety policy customized for their activities to apply the Group policy to their own operations. They also must implement an occupational health and safety management system if they have not already done so. The aim is to incorporate health and safety in all activities and to become the benchmark employer in the sector by deploying an occupational health and safety management system that covers all subsidiaries.

This policy includes a new governance system with the creation of:

- a **Strategic Health and Safety Committee**, chaired by a member of the Executive Committee, tasked with managing the application of the Group's health & safety policy in each entity, monitoring the "Health & Safety" dashboard across the Group and proposing additional actions as necessary;
- the **Occupational Health, Safety and Quality of Life Department** was created on February 1, 2012 to steer and monitor implementation of policy and best practices.

These bodies will reinforce the structures that have been in place for several years, such as France's National Health, Safety and Working Conditions Committee (CNHSCT), the Health, Safety and Working Conditions Committees and the network of people involved in prevention.

careful management of psycho-social risks

In France, as part of an agreement on the evaluation and prevention of psycho-social risks at work, signed on May 6, 2010, a survey on stress and working conditions was carried out during the fourth quarter of 2012 by an external independent firm and overseen by the French National Stress Prevention Committee (CNPS). The results clearly show that the social climate is more serene: 81% of employees are proud to belong to the Company, 80% say that they have the support of their managers and 94% say they have the support of their colleagues. 76% of employees who changed jobs within the Company thought that their most recent move was positive. The survey also shows however that some employees are still vulnerable. Under these circumstances, the Group continues to pay close attention to working conditions and to monitor the most vulnerable employees.

consolidated reporting

In 2012, the Group concentrated its efforts on extending the dashboard of the four key health and safety indicators to all subsidiaries in France and abroad. The dashboard was created in 2011 and includes the number of fatal occupational accidents and the number of occupational accidents with lost time.

There were six fatal accidents within the Group in 2012, including two fatal workplace incidents in France and four accidents while commuting to or from work in the Africa, Middle East and Asia region.

number of occupational accidents with lost time	2012 ⁽¹⁾	2011 ⁽²⁾	2010 ⁽²⁾
Group total	☑ 905		
including France Telecom S.A.	677	687	777

(1) Indicator gathered covering 99.61% of the Group's scope.

(2) The values indicated for 2010 and 2011 are not available outside the scope of France Telecom S.A.

☑ element verified by Deloitte, moderate assurance.

number of fatal occupational accidents	2012	2011 ⁽¹⁾	2010 ⁽¹⁾
Group total	☑ 6		
including France Telecom S.A.	2	3	1

(1) The values indicated for 2010 and 2011 are not available outside the scope of France Telecom S.A.

☑ element verified by Deloitte, moderate assurance.

scope of France Telecom S.A.	2012 ⁽¹⁾	2011 ⁽²⁾	2010
frequency rate of occupational accidents ⁽³⁾	4.49	4.56	5.22
severity rate of occupational accidents ⁽⁴⁾	0.30	0.32	0.35
number of employees whose cases were classed as occupational illness	116	62	49

(1) The values indicated for 2012 are provisional.

(2) The 2011 results have been updated with their definitive values.

(3) The frequency rate of occupational accidents corresponds to the number of occupational accidents with sick leave per million of theoretical working hours.

(4) The severity rate of occupational accidents corresponds to the number of days of sick leave for occupational accidents per million of theoretical working hours.

focus

key prevention personnel in France

Late 2012, the Group turned its attention to all aspects of the jobs of prevention officer and nurse in France, with a view to improving skills, encouraging networking across regions and involving all the prevention officers at the very early stages of planned changes.

This led to the creation of multidisciplinary prevention committees. Chaired by the Director of the unit in question, the committees comprise employees working in all areas of prevention (occupational physicians, nurses, prevention officers, ergonomists and occupational psychologists) who work together to take account of health and safety issues and working conditions of greatest concern to employees.

preventing musculoskeletal disorders

Musculoskeletal disorders (MSDs) are an increasingly common occupational illness and are currently most prevalent in the developed countries. Orange France has set up a prevention website to help employees adopt good habits in their day-to-day lives. To help them adapt their working environment, employees will find advice on workstation ergonomics (adjusting their seat and footrest, screen position, etc.) on the website.

2.1.3. value sharing model recognising individual and collective contributions

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. Based on recognising individual and collective contributions, the model uses fair, incentivising remuneration mechanisms such as variable bonuses for managers based on group and individual targets and incentive, profit-sharing and employee shareholding systems designed to allow employees to share in the Group's value.

Employees are not assessed merely based on quantitative indicators. Their contribution is also evaluated according to qualitative indicators such as lasting customer satisfaction and individual contributions to Group effectiveness.

The Group has also developed programmes such as "Orange Bravo" to provide non-monetary incentives to employees and recognized employee actions that demonstrate the Orange spirit. This programme was deployed across 37 countries in 2012 to distinguish the employees or teams nominated by peers and managers for their constructive attitude and personal commitment. Over 600 employees were nominated in 2012, with a sharp rise in the number of team nominations.

incentive bonuses and profit-sharing in France

At year-end 2012, 34 incentive agreements were signed within the Group's companies in France. These agreements are based mostly on a financial indicator and operating priorities, including the quality of service provided to customers.

Under the terms of the new agreement signed in June 2012 at France Telecom S.A. covering 2012 to 2014, 70% of the incentive bonus is based on achieving an Operating Performance Indicator (OPI) and 30% is based on a Customer Service Quality Indicator (see Section 3.1.1) that measures customer satisfaction across all markets.

For 2011, the last year of the previous agreement, incentives representing 4.9% of wages, or an average of 1,950 euros, were paid in May 2012.

For the year 2012, under the new agreement, a provision for surpassing the Operating Performance Indicator and Customer Service Quality Indicator was applied at December 31, 2012.

(In millions of euros)	2012	2011	2010
France Telecom S.A. incentive bonus	202 ⁽¹⁾	185 ⁽²⁾	217 ⁽³⁾

(1) Amount funded at December 31, 2012.

(2) Updated 2011 amount.

(3) Includes an exceptional incentive payment of 54 million euros.

As regards profit-sharing, negotiations are under-way in 2013 for a new Group France profit-sharing agreement with the trade unions.

(In millions of euros)	2012	2011	2010
special profit-sharing reserve of the Group	170 ⁽¹⁾	197 ⁽²⁾	304

(1) Amount funded at December 31, 2012, including 140 million euros funded in the France Telecom S.A. accounts.

(2) The definitive 2011 value has been set.

partageons: a new free share award plan

The Group's new free share award plan known as *Partageons* (Let's share) was established on July 27, 2011 to create a personal connection between the Group's employees and the success of the "Conquests 2015" strategy. 16.7 million shares were awarded under this programme, which covers approximately 150,000 employees of France Telecom S.A. and its French and non-French subsidiaries that decided to take part.

For more information see Section 17.1.2 of the 2012 Registration Document.

2.1.4. encouraging community involvement

The new Social Contract adopted by Orange also takes corporate social responsibility values into account. To promote a spirit of community involvement, the Orange Foundation (<http://fondationorange.com>) has a variety of initiatives in place to encourage and reward the Group's employees and retirees to actively participate in community service programmes such as charitable activities, project sponsorship, Group projects for humanitarian causes, skills sponsorship, etc. These projects give meaning to individual and collective actions and bring employees together around common shared concerns.

Many community service projects were launched across all countries in 2012 under the auspices of the Orange Foundation or at the initiative of employee volunteers who wanted to contribute to local efforts.

To recognise these initiatives, to celebrate the spirit of community action demonstrated by 6,000 employees involved in 17 different countries and to encourage further community involvement, the Orange Foundation held its first ever **Orange Solidarity Week** from September 17-22, 2012.

a few examples:

- as in previous years, large numbers of employees from many countries got involved by taking part in Orange Digital Solidarity orientation workshops, a programme aiming to boost access to information and communication technologies among the less fortunate by providing training to the members of partner associations. 2,400 employees volunteered in this programme, which sponsored 1,000 orientation workshops in ten countries;
- a number of employees also responded to solidarity projects launched by the Group: 230 employee projects were supported in 2012 in 29 countries with a total budget of 905,000 euros;
- over 1,300 employees participated in the *Orange Chante* that met throughout the year, including five new choirs in Africa;
- Orange Business Services also supports employees involved in charitable activities through its "give a day, get a day" operation. This system, already in place within Orange Business Services' American sites, gives employees an extra day of paid vacation in return for a day of community service work. Thanks to the initiative of an employee in Indonesia, a group of volunteers was formed there to help create construction materials for houses intended for low-income households;
- in Poland, the Group launched a community service week with the support of the Foundation to encourage employees to get involved in charitable activities. For instance, several volunteers from Orange led hands-on, technical workshops in 13 of the Group's partner universities to familiarize students with technological and managerial topics. 54 such workshops have been held, with over 900 attendees, since 2011.

key dates

2004

- establishment of the European Group Committee.

2007

- the France Telecom Foundation celebrates its 20-year anniversary and becomes the Orange Foundation.

2009

- inventory of stress and labour conditions in France and launch of conferences on reform.

2010

- establishment of the Global Group Committee;
- implementation of the new Social Contract in France;
- launch of the *Orange Solidarité Numérique* (Orange Digital Solidarity) programme.

2012

- first ever Orange Solidarity Week;
- implementation of the Orange People Charter in 23 countries.

2.2. building the Group's future

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;
- anticipating and planning for changes in Group careers;
- support employees' professional development throughout their careers;
- increase external recruitment;
- help young people enter the labour market.

2.2.1. build a common managerial culture

Managers play a key role in implementing the new Social Contract and making Orange a first-rate employer. The Group has established a dedicated programme to help managers fulfil their responsibilities while giving them the necessary tools and autonomy to successfully lead their teams.

a common framework

Following the Orange Management Charter adopted in 2011 and in an effort to fulfil the commitments defined in the *Orange People Charter* and Social Contract in France, a managerial framework was launched to strengthen management teams and develop managerial skills by drawing on a common foundation of four key "people" skills (cross-divisional cooperation and influence, diversity, employee development, team leadership) and four key "business" skills (customer guidance and service quality, strategic vision, results-based management, change management). This framework was designed for all Group managers and touches on all development practices – training, mobility, hiring, etc.

Orange Campus: backbone of Orange's new managerial culture

Created in January 2011, Orange Campus aims 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.

This system draws on three main ideas:

- **bringing managers together** to partake in activities in friendly places to encourage group work and cooperation. Three Orange Campus sites have already been opened in France, Spain and Poland and a fourth will soon be unveiled in Senegal. 2012 also saw the launch of the first Asia Pacific Hub Orange Campus. Founded in India with Orange Business Services, the Asia Pacific Hub is designed as a place for managers from all regional countries to come together. Other hubs will continue to be rolled out at sites that can serve several different countries with significant numbers and diversity of managerial staff;

- **organising common activities** to share and interact with managers from other entities and countries;
- **guaranteeing** high quality activities through an "Orange Campus" label.

At year-end 2012, almost 73% of the Group's managers (20% of whom work for international subsidiaries) had completed at least one of the 60 Orange Campus managerial development programmes, for a total of 220,000 hours of training.

unique initiatives in the countries

In the same vein as the Orange Campus programmes, several entities within the Group have adopted initiatives to motivate and unite managerial teams around a common management culture while supporting their professional development.

a few examples:

- in Botswana, most managers were selected for their technical skills and motivation. To help these employees collectively assume their managerial responsibilities, Orange Botswana decided to develop a standard set of skills for all of its managers and relied on Orange Campus teams to design a customised training programme based on participatory workshops. Quarterly meetings to share strategies and development challenges within the Subsidiary were also scheduled. Botswana is piloting this Orange Campus programme in Africa, with hopes of rolling out similar programmes in other countries in the Africa, Middle East and Asia region;
- in Spain and Slovakia manager-specific programmes named "Orange manager" and "being a manager at Orange", respectively, are currently in the process of being rolled out. The objective of these programmes is to encourage group reflection via hands-on workshops in order to define and evaluate the role of an Orange manager and to develop action plans to implement to help managers grow and achieve their goals. 90% of the managers in Spain have already participated in 70 workshops.

2.2.2. addressing the skills issue

In an industry where technologies are constantly evolving, it is essential to start planning now to prepare for future business changes in order to make sure that the Group has the skills necessary to overcome the challenges of tomorrow. For Orange, the challenge is even bigger since 30,000 of its French employees (one-third of its workforce) will be retiring by 2020.

anticipating and planning for changes in Group careers

Identifying short and longer term trends, assessing risk areas and offering employees career prospects in line with these trends is the challenge of the Strategic Workforce Planning (GPEC) agreement approach adopted by the Group.

This entails a mutual commitment:

- each employee is responsible for his or her own career development;
- each country adopts a set of solutions and skills with the help of both the Group and national HR teams to support professional development and staff promotion.

A job reference framework common to all Group companies represents a proactive approach to managing its employment, career and skills needs in all of its business sectors, both at the Group level and within its main countries, France, Poland, Spain, rest of Europe and AMEA.

This approach is reflected in:

- a Strategic Workforce Planning (*Gestion Prévisionnelle de l'Emploi et des Compétences*, GPEC) agreement in the organisations;
- a recruitment policy focused on business-line needs;
- training programmes (curriculum, professional training courses) that are directly linked to business line changes and the need for new skills;
- GPEC in each region.

In France in 2012, the Group continued to further implement the GPEC agreement signed in March 2011. A Monitoring Committee was formed in May 2012 and led to the signature of an addendum in October 2012, whereby the Group pledged to report employment and skills trends each year in over 85 labour markets.

focus

mon itinéraire (My career path): a new career path management tool

In 2012, Group HR gave France Telecom S.A.'s 100,000 employees access to a new tool, *mon itinéraire* (My career path). Employees can take advantage of this extremely user-friendly tool to simulate their career path in their current division and region or project career moves to another division or another region of France. Initial feedback from employees who have tested this tool has been very positive: they all report the tool is simple and fun to use but, above all, that it is very useful to have greater visibility of the divisions and promotion prospects within the Group. Over the next few months, standard career paths will be added to the tool and it will be progressively rolled out to all French subsidiaries.

training for all

To support professional development and to increase customer satisfaction, the Group is constantly enriching its training programmes for all employees. With 44 professional skills training schools worldwide and managerial training via Orange Campus, the Group makes professional training a priority.

The Group continues to provide technical, sales and cross-sector training leading to certification; almost 2,000 employees obtain recognized credentials in over 50 fields each year.

Despite a challenging economic environment and greater competition across all markets, the Group continued its training efforts, with an average of 31 hours of training per employee in 2012, up 5% from 2011. 145,000 employees have been trained in 33 countries.

a few examples:

- in Romania, Orange launched a sales academy to train its 2,270 salespeople. The goal of the academy is to develop Orange's brand image within the market to give it the reputation of a benchmark employer. 82% of the sales staff has already been trained, with a total of 4,000 training days completed in 2012. Employees who pass the training course receive certification;
- in Poland, the "bestseller" training programme offers sales and customer service teams more than just certification. Each trainee receives a personalized evaluation of his or her skills and potential for growth. Successful trainees may be promoted and offered a specialized training course for their new position and a raise;

- the Slovakian mentoring programme allows new employees in the sales and customer service divisions to learn their jobs more quickly and effectively thanks to the knowledge of more experienced colleagues. This system offers promising employees the opportunity to receive professional development and to take on new responsibilities. As a testament to the success of the programme, three of the ten employees who received mentoring became front-line managers within a period of six months;
- in Egypt, Mobinil launched a programme in partnership with an outside book retailer to help employees advance professionally by offering them a chance to purchase books and videos once a month on managerial topics such as conflict resolution, negotiation, coaching, etc. Mobinil also encourages its employees to partake in e-learning and launched a campaign called "learning today, leading tomorrow" to promote distance learning. Over 80% employees took part in almost 400 training activities under this programme between January and August 2012.

a highly dynamic employment policy

Preparing for the future also means predicting needs and hiring people now who will be necessary in the business world of tomorrow. Despite the difficult economic situation, the Group kept its employment-related commitments, especially with respect to the employment of young people:

- in France the Group hired 2,112 people under permanent employment contracts, thereby meeting its objective of almost 10,000 permanent new hires between 2010 and 2012;
- internationally, 6,091 employees were hired under permanent employment contracts in 2012.

For a total of 8,203 new permanent employees Group-wide, this represents almost 5% of the Group's workforce as of year-end 2011.

focus

Orange Business Services launches the Cloud Academy

Cloud computing, the concept of accessing data and services on a remote server, is one of the Group's priority areas of growth and innovation. In order to consolidate its expertise and give itself the means with which to become a leading provider of cloud services for business, in September 2012 Orange Business Services launched its Cloud Academy: a collaborative online workspace entirely dedicated to the cloud that centralises all information relating to this growing field of activity. The Academy is intended to help business leaders - cloud experts and novices alike - enhance their cloud computing knowledge and skills.

focus

new agreement to promote the employment of seniors

On 31 December 2012, a new agreement on the employment of seniors and measures to improve the later years of employees' careers was signed in France with the main trade unions. In effect for the 2013-2015 period, the agreement pre-emptively the 'generation contract' and allows employees approaching the end of their career to reduce their working hours in exchange for a reduced salary. Through this agreement, the Group is reasserting its priorities of protecting jobs, supporting senior employees in the later stages of their career and safeguarding career development.

Employment opportunities for young people under work-based learning contracts is a key objective under the Group's employment policy. 5,100 people were working under work-based learning contracts in France as of December 31, 2012.

The Group has reaffirmed its commitment to being a responsible employer over the 2013-2015 period by implementing an employment policy with three core components:

- employment management that **respects workers' livelihoods**, as reflected in the lack of a redundancy plan or voluntary redundancy plan;
- **proactive** employment management that strives for "painless" adaptation of organisations and procedures, such as partial replacement of staff as they naturally leave the Group, in keeping with the Social Contract, at a rate of one new employee for every two that retire (i.e. a 2013-2015 hiring plan set at 4,000 employees);
- **CSR-focused** employment management seen in the hiring of 5,000 young apprentice employees per year and a senior employment policy to ensure employees a place within the Company in their later years.

attracting young talent

To attract new talents and ensure the ongoing success of the Group, Orange has launched targeted recruitment campaigns or specific partnerships with prestigious schools and universities and has made a range of innovative recruitment tools available such as the Orange Jobs mobile app.

The Group also contributes to skills development and training people from different backgrounds by supporting a variety of educational programmes and scholarships around the world.

a few examples:

■ Orange Poland has partnered with 18 universities and prestigious institutes in ten Polish cities to launch the *Twoja Perspektywa* (your career prospect) contest for students studying technical or economic subjects. This contest, based on questions and case study problems available online, has been growing in popularity. The nine finalists are offered three-month internships at Orange Poland plus a monetary award for the top four winners. In conjunction with the competition, volunteers from Orange provide hands-on, technical workshops in 13 of the partner universities to familiarize the students with technological and managerial topics. In the 2011-2012 edition of this programme, 900 students took part in 54 workshops;

■ in 2011, in Armenia, Orange launched the Innovation Prize to give a helping hand to students attending Yerevan University and the country's engineering school. The winner had the opportunity to further develop his/her innovation 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. Orange is the only carrier in Armenia to offer students the chance to receive laboratory training abroad.

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. Each year, 60 graduates join the Group in this way to take on roles with significant levels of responsibility.

training

number of training hours (in millions)

	2012	2011 ⁽¹⁾	2010 ⁽¹⁾
Group total	5.18		
including France Telecom S.A.	3.35	3.29	3.15

(1) The indicators for 2010 and 2011 are not available outside the scope of France Telecom S.A.

number of training hours per employee

	2012	2011 ⁽¹⁾	2010 ⁽¹⁾
in the Group	30.7		
in France Telecom S.A.	35.6	35.2	34.5

(1) The indicators for 2010 and 2011 are not available outside the scope of France Telecom S.A.

key dates

2003

■ framework agreement for forward planning of employment and skills in France.

2004

■ production of Group job reference framework;
■ 2005-2008: 45 professional training courses created.

2006

■ Orange management schools established in France, the United Kingdom and Poland.

2010

■ 10,000 individual training rights (DIF) in France.

2011

■ 10,000 managers trained on Orange Campuses;
■ new management charter drafted;
■ Strategic Workforce Planning (GPEC) agreement signed in France.

2012

■ *Mon itinéraire* (My career path) tool created to help employees manage their career goals;
■ new agreement signed in France on the employment of seniors and measures to enrich the later years of employees' careers.

2.3. promoting workplace diversity

Diversity within the Group is key to help make Orange a preferred employer and attract new talents. France Telecom-Orange intends to make equal opportunities a trademark of its social 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.

2.3.1. gender equality: a top priority

France Telecom-Orange has made gender equality a priority in its diversity policy. Thanks to this commitment, the Group was one of the first French companies to be certified under the Gender Equality European Standard for its Group-wide policy and for its actions to promote equal opportunities in France, Spain, Belgium and within Orange Business Services. After receiving this certification, more than 13,000 managers from the four certified entities were surveyed regarding their perception of the equal opportunities policy. This poll confirmed that managers consider the equal opportunities policy to be a priority for the Company.

In 2012 the Group continued to expand equal opportunities programmes throughout all countries, targeting four complementary areas:

promote gender parity in all roles within the Group and especially in technical roles

In 2012, women accounted for almost 37% of the permanent active workforce in France and across the Group as a whole.

To promote balanced male/female representation in all roles within the Group, Orange is working to increase the number of women hired by taking actions to attract more young women to scientific and technical subjects, areas in which women are currently under-represented, and by fighting stereotypes in technical fields, which are all too often considered "a job for men".

a few examples:

- to increase the number of women hired in France, Orange has developed an "equal and fair hiring" kit to better inform managers and HR supervisors. A hiring experiment was also conducted in relation to technical positions in the support/maintenance units; this experiment targeted women who were seeking jobs but lacked the technical skills typically required for these positions. The Group has also partnered with major industrial corporations via the *Elles bougent* association, which works to encourage more young women to take up engineering or technical careers;
- many of the national subsidiaries have implemented "shadowing" activities to allow young students to learn more about the day-to-day work of the Group's female engineers and technicians. In 2012, for example, more than 60 girls visited Orange Business Services in Benelux, Brazil, the United States, Hong Kong, India, Italy and Singapore;
- in Botswana, a partnership with the WEGSA (Women Engineers and Girl Scientists in Africa) forum, sponsored by UNESCO, has enabled 27 young people (including 17 girls) to learn more about engineering and technology careers and to consider studies or work in this area.

focus

equality in the workplace: further recognition for Orange

For the second year running, in 2012 Orange was classed in the top three French companies for gender equality by CapitalCom. The Group was also awarded the *Trophée Social des Télécoms* (Telecoms sector social action award) for its *Capital Filles* initiative. This programme, aimed at girls from priority areas for education and rural areas, is intended to give them confidence when making

career choices and encourage them to take up technical and scientific careers. Managed since its creation in April 2012 by Stéphane Richard, CEO of France Telecom-Orange, the *Capital Filles* association has since been joined by other companies and enjoys the support of a number of government departments.

promoting access by women to positions of responsibility

To combat the “glass ceiling” that can impede women’s careers, the Group has introduced a programme to identify and support female talent. Its goal is lofty: to increase the proportion of women in its management bodies (at the Leader and Executive Committee management level) to 35% by 2015. With women representing 23.6% of the network of leaders and 28% of the Executive Committees at year-end 2012, the Group is working to increase these numbers through a variety of actions implemented at the Group level as well in major countries:

- proactive measures are drawing women into “talent pools” of employees identified as having upper management potential;
- a mentoring programme for women identified by their supervisors helps support the personal and professional development of female employees with managerial aspirations: 80 women are benefiting from a special 2012-2013 programme called WILD (Women Intercultural Leadership Development), which was adopted by Orange Business Services to help 15 talented females ascend to international positions of responsibility;
- several entities are implementing equal opportunities networks: following in the footsteps of Orange Business Services’ women’s network launched in 2011, which now has over 300 members, Orange France launched an equal opportunities network in January 2013;
- the Group also participates in national and international initiatives, such as Jump (www.jump.eu.com), Women in Leadership (www.wileurope.org), the European professional women’s network (www.europeanpwn.net) and the EVE programme (www.eveprogramme.com), which offer the Group’s females networking and personal development opportunities and help raise gender equality awareness among male employees.

ensuring equal pay

To ensure equal pay for employees with equal levels of responsibility and seniority, the Group conducts periodic assessments in its major countries and prepares specific budgets to correct for any potential discrepancies among individual employees identified.

The Group Compensation and Wages Department coordinates a network of compensation managers in all countries or regions in which the Group operates; these managers are responsible for analysing and eliminating any discrepancies in pay between men and women.

Between employees with equal levels of responsibility and seniority, salary discrepancies are minimal: the 2012 the women-to-men wage ratio was 98.3% (versus 98.1% in 2010).

The average responsibility level among women, however, remains lower than that among male employees, which results in a moderate wage gap when considering all levels of responsibility together and justifies the Group’s efforts to promote women’s access to positions of responsibility.

striking a work-life balance

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

In line with the Group’s Charter for Parenthood in the Workplace, an awareness-raising campaign on work-life balance was carried out in 2012 using a variety of channels, including a conference held by Orange Business Services with over 130 participants and diversity training for managers in Spain that touched on this topic.

In France, Orange carried out a study about 23,300 employees (7,100 of whom were women) to evaluate to what extent having a child impacts the career path of women and men.

A parenthood guide was also created within France Telecom S.A. This guide provides a summary of the administrative, legal and employment-related information that future parents need to know, as well as the various benefits offered by the Company to employees with children.

In Spain, Orange has been certified as an EFR (*Empresa Familiarmente Responsable*, i.e. “family friendly company”) since 2011. In 2012, this certification was extended to its network of directly-owned stores.

Several countries including Slovakia and Romania have implemented benefits for employees on maternity leave that go above and beyond local regulatory requirements.

percentage of women - Group

	2012	2011	2010
% of women in the active workforce	☑☑ 36.5%	36.5%	36.4%
% of women in supervisory staff	☑ 28.2%	27.7%	27.5%

☑ item verified by Deloitte, moderate assurance.

☑☑ reviewed by Deloitte: reasonable assurance.

2.3.2. support for those who face barriers to employment

Aside from their commitment to encourage gender equality in the workplace, the Group's entities also take measures to respond to local challenges such as the employment of people that typically face high barriers to employment, such as the disabled or young people from disadvantaged backgrounds.

a historic commitment to workers with disabilities

In France, the Group has been helping people with disabilities to find employment for over ten years. This commitment took an international dimension in 2010 when the Group joined the International Labour Organization's (ILO) "Global Business and Disability Network".

In France in 2012, the Group continued to roll out the actions set forth under the 2011 agreement to promote employment of the disabled. The hiring and onboarding programme brought the hiring rate for disabled workers under permanent contracts from 3.2% in 2011 to 4.3% in 2012 and increased the number of work-based learning contracts by 70%, from 39 to 70 contracts in 2012. The percentage of disabled employees across all entities covered by the French economic and social unit, including disabled employees declared under the French DOETH system (mandatory yearly declaration for disabled employees), outsourcing to the protected sector, and civil servants re-assigned to a different job by a career transition board, stood at 4.97% in 2012, versus 4.56% in 2011.

In 2012, the Group's Mission Insertion Handicap also provided assistance in Poland to help adapt workstations for disabled employees.

A new training course on "how to manage employees with disabilities" was introduced within Orange Business Services in November 2012. A new specialised professional training course was also launched in late 2012 to allow disabled people find employment as customer service technicians. Five disabled workers made up the course's first class. Accessibility audits have also been carried out at ten sites in France.

supporting the employment of young people from disadvantaged neighbourhoods

In addition to promoting the employment of young adults (see Section 2.2), the Group has adopted a proactive policy to help young adults from disadvantaged backgrounds find employment by supporting various organisations.

In 2012, the Group's commitment in this regard was illustrated through the following initiatives:

- its participation as a partner in France's first *Passerelles vers l'emploi durable* (Gateway to sustainable employment) day dedicated to the employment of young people;
- open-houses held as part of a National Youth Day: at Orange Business Services' headquarters in Saint-Denis, over 100 young people from local institutions visited the facility and learned about the Company and its divisions through an interactive programme that included a presentation on Orange's work-study programme and workshops led by the Group's HR specialists on CVs, cover letters and job interviews;
- the Group's involvement as a special partner in the *Nos Quartiers ont des Talents* (Our Neighbourhoods have Talent) event, which allows young graduates and students from disadvantaged neighbourhoods to interact with companies that help young people enter the workforce;
- assistance from over 800 employee volunteers to help give young people from low-income backgrounds the keys to enter the business world;
- Orange Business Service's new mentoring system under its *Passeport Avenir* (passport to the future) programme, which helps young people from low-income backgrounds improve their English through regular telephone conversations with volunteer English speakers within the Group.

focus

Energie Jeunes programme supported by Orange

In June 2012, the *Energie Jeunes* association (<http://energie-jeunes.fr/>), which France Telecom-Orange has supported since its inception, held its first convention, which was attended by more than 200 stakeholders.

Energie Jeunes works with schools located in priority education areas to combat early school leaving, which affects a large proportion of young people every year.

Currently implemented in the Ile-de-France and Nord regions, the programme will eventually be rolled out in every region in France. France Telecom-Orange contributes by sending several employees into the participating establishments and playing a key role in the deployment of the association in other regions.

key dates

2003

- establishment of Mission Insertion Handicap.

2005

- Orange France was the first technology company to obtain the Gender Equality label.

2007

- creation of the Group Diversity Division.

2008

- signing of the Charter for Parenthood in the Workplace and the *Plan Espoir Banlieues* (plan to bring hope to underprivileged urban suburbs).

2010

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

2011

- certification under the Gender Equality European Standard.

2012

- Orange named the winner in the Major Corporation Division of the *Trophées de la Diversité* (diversity awards).

2.5. 2012 review and 2013 roadmap

2.5.1. 2012 review

objectives	deadline	main achievements in 2012
establishing economic performance and social performance		
■ generalise dialogue with staff in all countries where we operate using means adapted to local contexts (staff representative bodies, engagement surveys, staff forums).	2012	■ global social dialogue system implemented, reflecting the Group's international expansion: ■ the Global Group Committee, which covers all of the Group's companies worldwide, ■ the European Works Council, which represents 19 countries and covers the Group's subsidiaries in the European Union, ■ the French Works Council, which covers the Group's companies within France, ■ the Central Committee of the Economic and Social Unit (CCUES), which represents the employees of France Telecom, Orange France S.A., Orange Distribution and Orange Reunion, these four companies recognized as being very closely linked in terms of their organisation, management and business; ■ local bodies (employee forums, staff representative bodies, etc.) established in almost all countries in which Orange is present; ■ three European Group Committee Meetings held in March, June and November 2012 to inform and consult with staff representatives on economic, financial and labour issues in Europe (the Group's general activities and strategy, economic and financial situation, etc.); ■ third round of new members appointed to the European Group Committee; these members began their term in November 2012.
■ meet with the Global Group Committee on a regular basis and discuss the major international questions.	2012	■ in accordance with the agreement signed in 2010 and following an initial meeting in May 2011, two Global Group Committee Meetings held in January and May 2012; the following items were discussed at these meetings: ■ Chrysalid (operational efficiency and sharing of best practices among the Group's countries), ■ the international strategy of Orange Business Services, ■ the Group's technical policy, ■ the Group's new ethics charter, ■ the corporate social responsibility policy, ■ the 2011 employment situation and the outlook for 2012, ■ the Group's innovation strategy (Nova+ project), ■ financial figures, etc.

objectives	deadline	main achievements in 2012
■ 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.	2012	■ sixth French employee satisfaction survey conducted by an independent institute in December, following a half-yearly schedule, among 4,400 individuals. As with previous surveys, the results confirm steady improvement since October 2010; ■ second international annual social barometer conducted (introduced in most Group countries in 2011) in the form of anonymous questionnaires available on a dedicated online platform. Note: The social performance indicator is a composite that represents both HR indicators (50%) and the results of the survey (50%). This index is used when determining bonuses for the Group's top management.
■ progressively deploy the Orange People Charter internationally.	2012	■ the Orange People Charter deployed in 23 countries (Armenia, Belgium, Botswana, Cameroon, Dominican Republic, Egypt, Jordan, Kenya, Madagascar, Mali, Moldova, Niger, Orange Business Services, Poland, Romania, Senegal, Slovakia, Spain, Tunisia, United Kingdom, Central African Republic, Guinea-Bissau and Uganda) a year after being launched by Stéphane Richard in November 2011; ■ information packet distributed internally via the Intranet recognising worldwide initiatives to mark the first anniversary of the Orange People Charter.
■ update and reinforce the Group health and safety policy.	2012	■ new health and safety policy signed and launched by the Chairman and Chief Executive Officer in July 2012: ■ policy accompanied by a memorandum from the Group HR Director explaining the objectives and quantitative and qualitative KPIs used to monitor application of this policy, ■ Group Occupational Health, Safety and Quality of Life Department created.
■ recognise collective performance by highlighting the involvement of staff in the Company's success and associating them in performance sharing.	2012-2013	■ "Let's share"* plan launched in mid-2011. Fulfilment of the collective performance criterion will be evaluated at year-end 2013, and the target is identical for all Group employees eligible under the plan; ■ local incentive bonus plans launched by Spain and Cameroon in 2012.

* Free share award scheme involving more than 80% of Group staff in 92 countries.

objectives	deadline	main achievements in 2012
building the Group's future		
■ 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.	2012-2013	■ first Asia Pacific Hub Orange Campus opened in India in November 2012 with virtual training platforms to provide managerial skill-building programmes around the world at dedicated sites; ■ preparations under way for the opening of the Dakar campus during the first quarter of 2013; ■ Orange Campus range strengthened to meet business and team management needs and to take local circumstances into account; ■ more than 220,000 hours of training dispensed by Orange Campus in 2012 to the Group's French and international entities; at year-end 2012 more than 73% of French-based managers across all French and Corporate entities had taken part in an Orange Campus training programme since its launch; ■ Orange managerial framework launched to strengthen management and provide professional develop based on a common foundation of eight key skills; this framework was designed for all Group managers and touches on all development practices – training, mobility, hiring, etc.; ■ awareness raising campaign and sessions begun in September 2012, targeting leading managers and executives and the HR community. This framework will be rolled out on a gradual basis: The awareness raising campaign and sessions began in September 2012, targeting leading managers and executives and the HR community; ■ almost 2,000 employees obtain recognized credentials in over 50 fields each year through 17 professional skills schools; ■ more than 14,000 request to take advantage of individual training rights (DIF) approved, in line with 2011; ■ ambitious certification programmes implemented in our customer relations business lines: ■ Poland: introduction of the “bestseller” programme to provide customer service and sales teams individual evaluations of their skills and areas for improvement in addition to certification, ■ Orange Slovakia: new professional certification programme allowing new employees in the sales and customer service divisions to learn their jobs more quickly and effectively through a mentoring relationship with more experienced colleagues, ■ France: professional certification programme launched in early June 2012 for salespeople and customer advisers, to recognize their sales performance and quality relationships with customers and colleagues. 207 people certified since the third quarter 2012, representing 20% of all salespeople and customer advisers, ■ Orange Business Services: Cloud Academy launched with a certification programme, in partnership with Cisco, EMC and VMWare; ■ “Up Skilling” skill building programme launched in India at the beginning of the year.
■ monitor the Strategic Workforce Planning (GPEC) agreement signed in France in March 2011.	2012-2013	■ in accordance with the agreement, Monitoring Committee formed in May 2012 and addendum signed in October 2012, whereby the Group pledged to report its employment and skills trends each year for over 85 labour markets in France; ■ <i>Itinéraires</i> (career paths) computer application launched in November 2012 so that employees can stay informed of: ■ possible training options available in their region, ■ the existing entities and their business lines, ■ possible opportunities to transfer from one line of work to another. In addition to local professional development opportunities, employees also have access to typical career paths for each business line defined by the relevant subsidiaries across all regions.

objectives	deadline	main achievements in 2012
promoting workplace diversity		
- 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 <i>systems</i>. - increase the proportion of women in management bodies (objective: 35% by 2015).	2012-2015	More than 13,000 managers surveyed from the Group's GEES certified entities regarding their perception of the equal opportunities policy. 1. equal pay: very little difference between employees with the same seniority and level of responsibility. The average level of responsibility for women is lower than that of men, however, resulting in a moderate wage gap: - measures have been taken in France for several years to achieve greater equality in pay; specific budgets were re-approved in 2012 to compensate for individual wage gaps; for the first time ever, these budgets applied to both men and women, namely those who had received promotions; - at the Group level, the Compensation and Wages Department coordinated a network of national/regional compensation managers to monitor, analyse and reduce any potential discrepancies in pay between men and women. 2. increased diversity within teams in all business lines, but especially in technical roles. Measures taken include the following: - number of women hired under permanent contracts in France increased from 31.7% in 2010 to 33.7%; "equal and fair hiring" kit developed and distributed among managers and HR; - job listing adapted to be more inclusive of women; - hiring experiment conducted in the Paris region in relation to technical positions in the support/maintenance units; this experiment targeted women who were seeking jobs but lacked the technical skills typically required for these positions; - actions taken to increase the number of women in technical positions: partnership formed with <i>Elles bougent</i>, group mentoring system launched (sessions/discussions) in three Orange departments for female non-managers and middle managers, etc.; - shadowing programmes created to "demystify" technical careers among young women and encourage them to enter these positions. 3. higher percentage of women in managerial positions with the goal of increasing the number of women in management bodies to 35% by 2015 by identifying and supporting female talent: - actions taken to support Orange's reputation as an employer and to attract more female applicants, through a partnership with Vox Femina and participation in events and networks to offer networking and personal development opportunities, such as Eve, Jump, Women In Leadership, and the European Professional Women's Network; - internal networks developed: 300 members in Orange Business Services' women's network; Orange equal opportunities network launched in January 2013 in France; - efforts made toward reaching the goal of a 35%-female "leaders" network by 2015 including proactive measures to draw women into "Talent Pools", of employees identified as having upper management potential and a <i>mentoring</i> for women selected by their superiors to encourage the personal and professional development of women with managerial aspirations (80 women involved in the second round held in 2012-2013). WILD programme (Women Intercultural Leadership Development) introduced by Orange Business Services to help 15 talented females ascend to positions of responsibility within Orange Business Services' international entities. 4. ensuring a work-life balance by taking parenthood into account and adapting work organisation: - in line with the Group's Charter for Parenthood in the Workplace, various awareness-raising efforts were made via a number of channels, including a conference held by Orange Business Services and diversity training for managers in Spain that addressed the importance of a work-life balance; - EFR (<i>Empresa Familiarmente Responsable</i> - in English "family friendly company") certification received in Spain for our network of stores.

objectives	deadline	main achievements in 2012
■ continue to implement diversity policies in Group countries in relation to local challenges, and strengthening the monitoring of action plans and results.	2012	In France: ■ LGBT Charter (which Orange helped to draw up) signed by the Ministry of Women's Rights. In relation to the professional integration of young people: ■ participation as a partner in France's first <i>Passerelles vers l'emploi durable</i> (Gateway to sustainable employment) day dedicated to employment opportunities; ■ open-houses held as part of a National Youth Day, including at Orange Business Services' headquarters in Saint-Denis, where over 100 young people from local institutions visited the facility and learned about the Company and its divisions through an interactive programme that included a presentation on Orange's work-study programme and workshops led by the Company's HR specialists on CVs, cover letters and job interviews; ■ participation in the third edition of the <i>Nos Quartiers ont des Talents</i> event. 4,000 young graduates and students interacted with companies that help young people enter the workforce; ■ assistance provided by over 800 employee volunteers to help give young people from low-income backgrounds the keys to enter the business world. Disabilities: ■ partnership and involvement efforts furthered by becoming a member of the International Labour Organization's (ILO) "Global Business and Disability Network"; ■ assistance provided by the Group to Poland under a partnership agreement to help adapt workstations for disabled employees.

2.5.2. 2013 roadmap

objectives	deadline
establishing bonds between economic performance and social performance	
- strengthen awareness-raising and communication efforts toward employees regarding CSR-related topics; - deploy training actions that include these factors within the different business lines; - strengthen awareness-raising and communication efforts regarding different CSR-related topics in our school relations; - further Group commitments in relation to social dialogue via appropriate channels, according to the local context, and hold regular <i>ad hoc</i> committee meetings (Global Group Committee, European Works Council, etc.); - continue to analyse social quality through periodic surveys and national/international composite indicators and incorporate these results when calculating the bonuses awarded to the Group's upper management team internationally; - continue to reinforce the Orange People Charter and to analyse any discrepancies between the actions taken and the employees' perceptions via the employee satisfaction survey; - implement the Group's health and safety policy, especially by establishing dedicated Steering Committees; - recognise collective performance by highlighting the involvement of staff in the Company's success and associating them in performance sharing.	2013-2015 2013-2015 2013-2015 2013 2013 2013 2013 2013
building the Group's future	
- establish an Orange Campus in Dakar; - expand the Group managerial framework to include all upper managers and team managers both in France and internationally; - continue to monitor and implement the Strategic Workforce Planning (GPEC) agreement.	2013-2015 2013-2015 2013
promoting workplace diversity	
- strengthen gender equality opportunities initiatives at all stages of employees' careers and in all the Group's countries, and set up <i>ad hoc</i> monitoring and evaluation systems; - increase the proportion of women in management bodies (objective: 35% by 2015); - increase support to the Group's countries and divisions to help bolster local diversity policies, especially in the area of disability.	2013-2015 2013-2015 2013-2015

3.1. becoming the customers' choice

To ensure that it remains the preferred choice of its customers, Orange is implementing an ongoing service quality improvement programme, enhancing the simplicity of its offers and providing personalised support to customers to help them have the best telecommunications experience.

3.1.1. a firm ambition in respect of customer experience

Within a highly competitive, constantly changing market, it's the quality of the experience customers encounter whenever they come into contact with the Company that counts. This includes when they go into a store, when they contact a call centre, when they use an Orange product or service, etc. The Group strives to be the best in every field and every market.

a new culture of customer service

Beyond pricing and technology, which are important factors but not necessarily decisive when customers are choosing a provider, Orange plans to go above and beyond a carriers' call of duty and set itself apart through an experience that only Orange knows how to offer.

To do this, Orange promotes an "Orange customer relations culture" based on four key principles:

- respect for customers as customers and as people;
- a friendly attitude and actions;
- truly committed to solving customer problems and showing that commitment sincerely;
- a passion for service and the use customers make of new technologies.

Several of the Group's European subsidiaries are also adopting approaches based on these principles to make their customer relations stand out from the competition.

focus

first COPC-certified call centres in Egypt

Following a thorough auditing process in Egypt, Mobinil's 110 and 250 call centres were awarded COPC (Customer Operations Performance Centre) certification in 2012. This call centre industry standard acknowledges Mobinil's commitment to ensuring excellence in customer service.

a few examples:

- in Poland the "MyOrange" project aims to transform the ways employees interact with customers. 5,000 employees have received training focusing on the emotional aspects of customer relations. 20 processes that could generate customer contact were reworked to take these emotional aspects into account. This led to the creation of an "emotion map" used in conjunction with the customer experience and the processes. All managers and support staff received specific training and the feedback was extremely positive: over 50% of employees wanted to learn more about the emotional dimension of customer relations;
- the *OSE!* project implemented by Orange's South-east Department in France combines several different initiatives with a common goal: increasing employee development to better serve customers. These initiatives include: *mon service Orange*, a dedicated customer assistance for employees' families, a workforce-wide half-yearly survey on workplace quality of life and the *Ambassadose* programme to encourage employees to promote Orange services within their personal network in order to attract new customers;
- at Orange Business Services a training programme for customer service employees aims to foster the Orange culture throughout the customer contact centres serving the business market to make interaction with customers a positive, unique experience. This two-day programme was very warmly received during the pilot phase and will now be expanded to include all 800 Cairo-based employees. It will then be extended to customer services in Delhi and Rio, and possibly even to France;
- Spain, Moldova, Slovakia, Belgium and Côte d'Ivoire are carrying out similar initiatives.

competent, motivated teams

Representing the first point of responsibility for the quality of the service delivered to customers, Orange's customer service teams must be able to carry out their mission effectively. 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 yearly "Orange customer champions" recognizes Orange's best salespeople and customer assistants in 24 countries (Armenia, Belgium, Botswana, Cameroon, Côte d'Ivoire, Egypt, Spain, France, Jordan, Kenya, Luxembourg, Mali, Madagascar, Mauritius, Moldova, Morocco, Poland, Portugal, Dominican Republic, Romania, United Kingdom, Senegal, Slovakia and Tunisia). The 450 "champions" identified in the 2012 edition of the awards met up in Marrakesh, Morocco for a seminar.

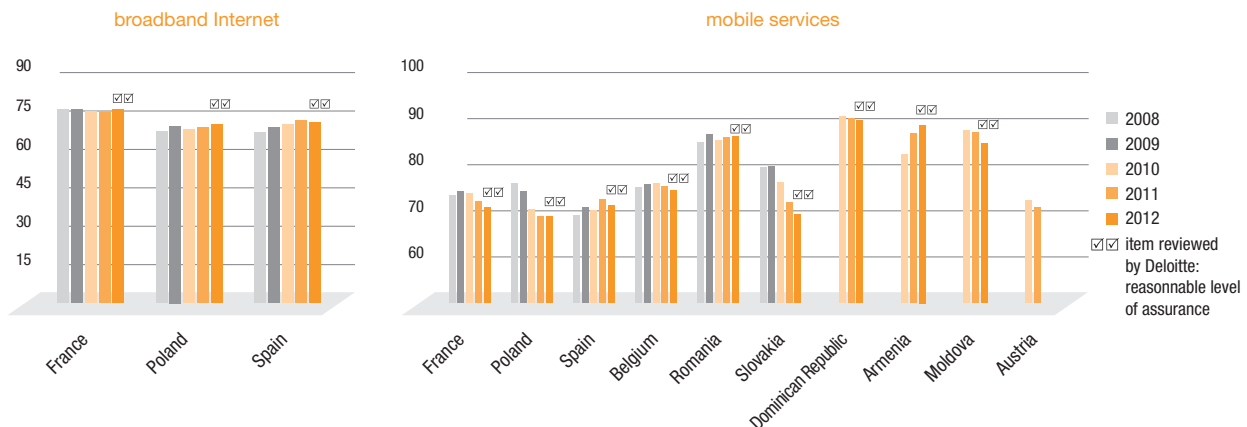
a service quality that is continually monitored

The Customer Experience Tracker (CET) has been in place since 2008 to compare the quality of the experience encountered by customers within Orange versus the competition, regarding all aspects of the customer experience. Focusing on four thematic areas (offers, quality, customer relations and emotions), the CET has also included a CSR component since 2011. 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. 19 countries in the Africa, Middle East and Asia (AMEA) zone use a similar tool called the "Quality of Service Barometer".

An analysis of the 2012 CET results shows that clarity of communications, simplicity of commercial offerings, quality of customer relations and simplicity of product use have a large impact on the customer experience.

In particular, there was significant progress in Spain, where the customer experience improvement initiative introduced three years ago with over 100 dedicated staff yielded results commensurate with the efforts made: customer satisfaction up 21%, complaints down 78%, average resolution time down 65%, and churn rate down 64%!

general public satisfaction intention to recommend (average score out of 100)



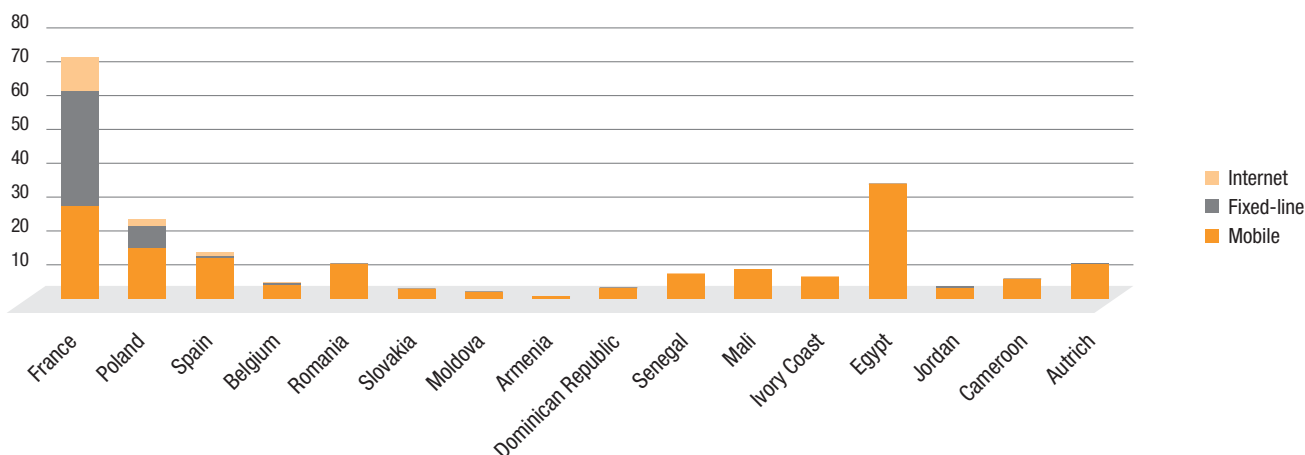
focus

Orange Spain insources Europe's largest customer service centre

With a view to improving service quality whilst helping to protect jobs, in 2012 Orange Spain decided to insource the call centre located in Oviedo, which was previously managed by an external company. The centre, which employs 800 people and handles some four million calls a year, was totally revamped to become one of the most modern call centres in Spain. Just a few months after the

centre was reintegrated, 25% of employees had already taken training in customer relations. The new centre aims to enhance customer satisfaction, particularly in the use of smartphones and tablets, and become the benchmark for customer service. The first customer satisfaction surveys held directly with customers produced some excellent results.

breakdown of number of customers (in millions)



focus

Orange Business Services: the world's first ICT supplier to comply with new ISO and ISAE audit and assurance standards

The ISO 20000:2011 and ISAE 3402 standards recognise world-class service management.

Orange Business Services is the first information and communication technology (ICT) supplier to be simultaneously certified at global level according to the new service management standard ISO 20000: 2011 and ISAE (International Standard on Assurance Engagements) 3402,

a new worldwide standard designed to assess the reliability of service providers' internal control systems. This dual certification in global industrial standards guarantees the Group's customers excellence in terms of both procedures and services, through the implementation of controls and protection measures that are necessary to provide them with the highest possible levels of satisfaction.

3.1.2. simplifying the telecommunications experience

In a changing world where technology is more and more pervasive, customers are looking for solutions and services that are close at hand and that make their day-to-day lives easier. The Group decided to focus on the reliability and the simplicity of its offerings and to develop efficient support services to accompany its customers throughout their user journey.

simplified catalogues

To keep pace with new functionality and changing customer needs, new services are launched every year. In order to make simplicity the essence of the customer experience, Orange has been working on a programme to simplify its catalogues (pruning) for three years, with the ambitious aim of reducing its current offering by 40%. 1,200 offerings were "pruned" in 2012 for a total of over 2,400 offerings eliminated from the catalogues since the programme began. In 2012 the pruning process was expanded to include the Dominican Republic and countries in the AMEA region such as Jordan, Madagascar, Egypt and Senegal. Simplifying our offering also entails developing bundled packages that combine fixed-line telephone, cell phone, television and Internet services. These packages include the Open plan, which has already attracted 3 million customers in France, or flexible solutions such as the Animals line, a segmented plan that can be tailored to customers' needs.

In France the Origami line has also been revamped to highlight this offering and to make it clearer and more attractive.

25 testing centres

With four new centres opened in 2012, in Belgium, Jordan, Tunisia and Mauritius, the Simplicity network now has a total of 25 testing centres in countries that have adopted the "time to market" process. Centres will be opened in Kenya and Armenia in early 2013.

These testing centres are used to assess customers' perception of the level of simplicity of offerings at each stage of the customer experience (understanding of the offering, pre-purchase/sign-up, at purchase/sign-up, at installation and use, at payment, when making different types of customer service requests, etc.). In 2012, more than 600 offerings were tested in the centres, up 10% from 2011. This figure encompasses 1,500 "customer moments" that were analysed and 10,000 customer problems that were diagnosed.

In addition to reviewing the Company's services offering-by-offering, testing centre by testing centre, four years of testing conducted in eleven countries (Botswana, Cameroon, Côte d'Ivoire, Egypt, France, Morocco, Dominican Republic, Senegal and Romania) were analysed and revealed that customers do not clearly understand pricing systems and benefits as communicated to them prior to sale.

As a result of this finding, an initiative was launched to improve the pre-sale information phase and to take the multilingualism and illiteracy prevalent in these countries into account.

focus

service quality recognised by multiple awards

the following are some examples of the awards won in 2012:

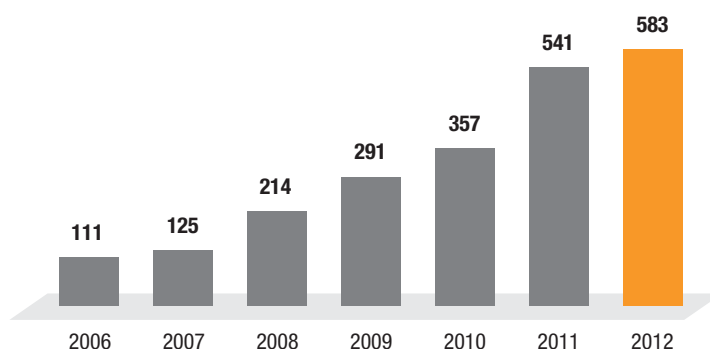
- Orange, No.1 mobile network in France for the third time: the official report by the French regulatory authority for posts and electronic communications (ARCEP) on the quality of voice and data services of mobile operators (2G and 3G) in Metropolitan France, published on 30 November 2012, confirmed that Orange provides its 27 million customers with the best mobile network, achieving first place on twice as many criteria as its nearest competitor;
- Orange Business Services, three-time winner at the 2012 World Communication Awards: Best Global Operator, Best Cloud Service and the Users' Choice Award. These awards confirm Orange Business Services' leading position in terms of customer satisfaction, innovative cloud solutions and service performance on a global scale;
- Data Communications Service Provider of the Year 2012 in the Asia-Pacific region: for the second year running, Orange Business Services was named Data Communications Service Provider of the Year 2012 at the Asia Pacific ICT Awards, organised by international market research and technology analysts Frost & Sullivan;
- five awards won at the 2012 AfricaCom Awards: Orange received five awards at the AfricaCom Awards, an annual ceremony that rewards the most remarkable innovation and achievements across the telecoms industry in Africa. Orange won the Best Innovative Service award for its Deezer service, which was launched in Mauritius in May 2012 and in Côte d'Ivoire in June 2012. Orange was also awarded second prize in four other categories of the AfricaCom Awards: Best Quality User Experience for its VOICES project launched in Mali and "Best Network improvement" for its Internet For All service launched in Uganda.

Other actions carried out in 2012:

- the Warsaw (Poland) and Chişinău (Moldova) testing centres have developed new tests to gauge the simplicity of the customer experience, whether customers are simply getting information or signing up for a plan, at points of sale;
- the Antananarivo testing centre has developed a test to assess customers' understanding of marketing materials;

- Orange Dominicana's Santo Domingo testing centre has adopted the "what's hot" programme, based on a methodology developed in France. This programme provides real-time reporting of problems encountered each time an offering is launched and suggests corrective actions.

› number of simplicity tests per year



focus

Orange receives the Janus du Commerce 2012 award for its *Très Grandes Boutiques*

This prize, sponsored by the Ministry of Economy, Finance and Foreign Trade, was awarded to Orange in 2012 by the French Design Institute for its *Très Grandes Boutiques*: a new, innovative distribution concept dedicated to service and the customer experience based on digital interactivity. The *Très Grandes Boutiques* stores are based on four key concepts: customer welcome, experience sections for TV, music, sport and online gaming, customer support and interactivity through electronically-tagged, free-to-try devices. The teams are trained to offer impeccable service quality and guide visitors through every stage of the digital experience. The jury also rewarded the concept's eco-design, which was produced in partnership with the WWF.

optimised customer journeys

At year-end 2012, the programme to simplify the customer experience encompassed 24 national subsidiaries and had resulted in 100 improvement projects. These projects include the launch of a new service to assist users with transferring their Internet services when moving, creation of the "My first smartphone" plan, the opening of a new customer service centre in Kenya and a revamped electronic billing system in Poland. The Group launched 15 processes to improve the business customer experience as well in 2012.

On October 23, 2012 the Group recognised the five best projects for simplification of the customer experience out of a total of 36 projects, all customer tested, from 15 countries.

applications to make life easier

To supplement direct interaction with customers over the phone or in stores, Orange also worked to quickly launch so-called "service apps" such as *Orange et moi*, *Orange Connect* and *Assistance Livebox*. These applications allow customers the option of managing their services and connectivity and of troubleshooting any technical issues on their own, if they so desire. Already in use in France, Spain, the Dominican Republic and Romania, *Orange et moi* was launched in Slovakia, Poland and Belgium in 2012.

key dates

2004

- simplicity+ programme launched.

2006

- first three customer testing centres opened in France and Poland.

2008

- CET (Customer Experience Tracker) launched to assess customer experience across all markets;
- new customer testing centres opened in Spain and Egypt.

2010

- CET integrated into the formula for calculating the bonuses awarded to top management;
- quality committees established;
- new customer testing centres opened in Madagascar, Senegal, Côte d'Ivoire, Romania and Slovakia;
- Customer Experience Simplification Programme launched.

2012

- new customer testing centres opened in Belgium, Jordan, Tunisia and Mauritius;
- 24 countries with over 100 projects under the Customer Experience Simplification Programme.

focus

Orange Tunisia focuses on simplification

As part of the implementation of the 2015 Customer Experience programme, Orange Tunisia launched an initiative to simplify the in-store customer buying process, with a pilot project designed to simplify the process for contract customers. The main aspect to be optimised was waiting time. With a view to boosting customer loyalty, Orange Tunisia set itself the ambitious target of cutting waiting times by 30%. To achieve this, the sales team was bolstered and time-consuming activities were delegated to the back office. Demonstration smartphones were also made available to customers to give them something fun to do whilst waiting.

Secondly, a number of long-term initiatives were implemented: revamp of postpaid offers, a new communication plan, training for sales advisors and new, clearer and easier-to-read bills. Key to the success of the project was the commitment from people, with all departments taking part in a collaborative process that helped foster a real culture of improvement for the customer experience.

3.2. communicating with peace of mind

Personal data protection is a growing concern among customers. Orange strives to be a leader in this respect. As part of its Global Safety Policy, the Group monitors and controls risks across all stages starting with the offering design phase. It puts tools in place to ensure data security and privacy for its customers.

3.2.1. a comprehensive data security system

Every day, a massive volume of important and confidential data is exchanged on the Internet and on mobile telephones. To protect this data from the threats inherent to information and communication technologies (spam, virus, phishing, etc.), the Group has drawn up a strict set of official principles, implemented a security management system and developed tools to ensure that electronic data is exchanged in a secure manner.

a global security policy

Information security is one of the three cornerstones of the Group's Global Security Policy. Spearheaded by the Group Security Department, this policy is regularly reviewed to take any new risks into account. In 2012 Orange developed a draft security policy for the protection of personal data to supplement its Global Security Policy. Distributed to security experts in every country, this new policy aims to establish a common Group-wide framework inspired by the requirements set forth in European Directive 95/46/EC on the protection of personal data.

managing security risks

To anticipate data security threats and to take these threats into consideration when developing new products and services, France Telecom-Orange applies a method for assessing major risks known as High Level Risk Assessment or HLRA. Since 2012 this method has been part of the Group-wide "Time to Market" launch process for new offerings. It is used by all marketing entities to help increase awareness of data protection and security factors across all stages starting with the offering design phase.

As part of the security management system, in compliance with the ISO 2700x standards, each country has established processes to assess risks and implement any necessary security measures.

As part of security audits (full security, business continuity plan, data security, etc.) carried out internally by the Group's Auditing Department within the countries and entities and communicated to the Group Security Department, the security management system is regularly reviewed and corrective and preventative action plans are developed in response to any incidents or non-conformities identified in the audit report.

security 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:

a few examples:

- in 2012, the Group partnered with Thales to create Cloudwatt: a company that offers secure, robust corporate cloud computing services using cutting-edge computing infrastructures, such as the Normandy computing centre located in Val-de-Reuil, France;
- in September 2012, Orange Moldova launched the first mobile-based government e-service with the assistance of Technocentre. 100% secure thanks to a certificate integrated into the SIM card of each mobile device, this solution paves the way for a new generation of government services;
- in France Orange joined forces with world digital security leader Gemalto for the large-scale launch of a SIM-based near field communication solution that makes it possible to deploy contactless mobile services on the mass market. "SIM UpTeq NFC" is the first solution on the market to offer a level of security on par with chip and PIN payment cards;
- Orange Business Services is helping the *Centre Hospitalier Régional Universitaire de Montpellier* (university hospital centre of Montpellier) to digitise its patient data and establish an electronic medical record system. The hospital wanted an environment that would meet medical data security requirements laid down by the Shared Healthcare Information Systems Agency (*ASIP Santé*). Orange uses its *Flexible Computing Santé* solution to securely host the electronic medical records.

focus

a governance committee on personal data

In order to ensure that the issues relating to personal data protection are taken into account at the highest level of the company, a governance committee was created, governed by the members of the Executive Committee. Its role is to supervise the Group's key actions reconciling the use of personal data with the guarantee of protection to which Orange is committed. Its first meeting is scheduled for March 2013.

focus

Business VPN End Users: securing remote access to information systems

With the growth of combined professional and personal uses in the workplace, user terminals are more varied and less controlled. IT Systems managers are thus faced with a tricky task: guaranteeing the security of computer data whilst allowing access to IT networks irrespective of location and work tools. To support these new practices, in October 2012 Orange Business Services launched "Business VPN End Users": a new, scalable and modular solution to secure remote access to IT systems via smartphones, tablets and computers, at low cost.

- employees are regularly reminded of personal data protection requirements;
- all contracts with suppliers and partners include a specific clause on the protection of personal data, if applicable.

well-informed customers

We regularly provide practical advice to customers to heighten their awareness of risks and promote safe, responsible uses that will help to protect their personal data, namely under the security section on the Orange Assistance website (<http://assistance.orange.fr>).

For companies, the Orange Business Services Security blog (<http://www.orange-business.com/fr/blogs/securite>) allows experts to share experiences and best practices in relation to digital security.

3.2.2. greater protection of personal data

The development of social networks, online shopping, mobile marketing and cloud-based data storage has given rise to major new challenges in terms of personal data protection. The Group has adopted a series of specific measures to protect the personal information of its customers and employees.

the "data protection officer", a key component

Since 2006, France Telecom-Orange has been one of the few companies in its sector to appoint a data protection officer in charge of ensuring that its customers' and employees' personal information are safely protected. Working under the Group's Legal Affairs Director, the data protection officer is the dedicated contact person, in France, for the French data privacy authority (*Commission Nationale de l'Informatique et des Libertés*, CNIL), France's regulatory body in this area. Outside of France, the officer works with a network of correspondents throughout the international subsidiaries to help enforce data protection guidelines via Group-wide projects. The officer also participates in many presentations, seminars and projects outside the Company that aim to encourage the sharing of best practices among companies that want to understand and equip themselves to overcome challenges related to the globalisation of personal data exchange.

strict measures

Rigorous measures are implemented in all countries:

- the Group has implemented systems to keep updated lists of people identified and authorised to access the databases containing customers' personal information;
- the identity of database users is controlled using strict authentication processes;

a stronger commitment

In March 2012, the Group made firm commitments vis-à-vis the European Commission to help strengthen protection of its customers' personal data.

This commitment will be reflected in projects such as a personal dashboard to be made available to all clients by 2015, allowing them to access the personal information used by Orange.

key dates

2006-2007

- publication of a Group-wide global security policy and deployment of a security management system throughout the Group in compliance with the ISO 27001 standard;
- appointment of a data protection officer in charge of the protection of personal data.

2008

- publication of the Confidential Code, an internal charter translated into eight languages that sets out rules for the protection of private information.

2012

- establishment of a Governance Committee on personal data.

3.3. supporting children and young people towards safe and responsible use of new technologies

Promoting safe, responsible use of new technologies among children and adolescents is one of eight priorities set forth in the Group's CSR policy.

To meet our customers' ever growing expectations in the area of online protection for children, Orange's policy revolves around three principles that go hand-in-hand:

- actively promoting responsible use by passing on clear messages and information issued by specialised institutions and associations;
- supporting and training parents and educators to help them to better understand the tools and to create responsible reflexes in children;
- improving and increasing the visibility of TV-, computer- and mobile-based parental control tools as the digital world evolves.

3.3.1. an international commitment

In partnership with national, European and international organisations, Orange is involved in efforts to establish the basic principles necessary to make the Internet a safer place of children and adolescents.

To this end, Orange is a member of the following initiatives:

- **the Mobile Alliance Against Child Sexual Abuse Content**, an initiative launched in 2008 by the GSM Association, which represents 850 mobile phone carriers throughout 218 countries around the world;
- **the CEO Coalition to make the Internet a better place for kids**, an initiative launched by Neelie Kroes, European Commissioner for the Digital Agenda. This coalition gets high-level officials from the information and communication technologies value chain involved in the effort to promote child safety;
- **the ICT Coalition**, which brings together 26 companies in the information and communication technologies sector around a set of guidelines to increase online safety for children and adolescents;
- in February 2012, Orange signed the **Privacy Design Guidelines for Mobile Applications**.

3.3.2. sharing expert recommendations

Orange has been working for many years to share recommendations published by institutions, associations and recognised experts in the field of safe, responsible Internet use. The Group has designed a series of materials providing clear, targeted information to different groups, such as parents' guides and dedicated websites, and also carries out awareness-raising campaigns, workshops, round-table discussions, etc.

These awareness-raising actions address three main target groups:

- the Group's 170,000 employees: these employees are directly impacted if they are parents or future parents and thus represent the best ambassadors for safe, responsible use of technology among customers;
- customers in any and all markets;
- the general public.

Orange is a partner of the international NGO FOSI, or Family Online Safety Institute, which works to make the Internet safer for children and their families. The Group participates in FOSI's studies to promote a culture of online responsibility and to encourage digital citizenship.

The Group also has been lending its support to Safer Internet Day for three years. This event sponsored by the European network Insafe promotes proper Internet use and works to put young people in control of their digital life.

3.3.3. helping parents and education

Aside from awareness-raising, Orange aims to assist parents and educators monitor and teach proper online behaviour among young people.

a few examples:

- in Armenia, Orange formed a partnership with the Armenian Committee for a Safer Internet (www.safe.am) to train IT teachers in secondary schools;
- in Moldova, Orange has joined forces with the NGO PRO Info to train 60 IT teachers and Orange employees in child safety on the Internet;

focus

CEO Coalition to make the internet a better place for kids: concrete progress

After the CEO Coalition's statement of intent was signed, Orange worked with the 30 other signatories to draw up concrete measures focusing on five action areas:

1. simple and robust reporting tools;
2. age-appropriate privacy settings;
3. wider use of content classification;
4. wider availability and use of parental controls;

5. effective takedown of child sexual abuse material.

Following these joint efforts, carried out in liaison with representatives of civil society, Orange undertook to implement a range of concrete actions across the whole of its European scope by the end of 2013.

Orange's commitments can be consulted at www.orange.com/en/responsibility/ensure-transparency-quality-and-security-for-all/promoting-safe-and-responsible-uses-for-the-young.

- in 2012, Orange Romania carried out a large-scale awareness-raising campaign known as e-sign. As part of this campaign, Orange held six discussion groups with children and 20 education sessions on online safety, developed ten informational videos and organised round tables in five cities to promote these educational materials. Overall, 200 students have participated in the education sessions and round tables, with involvement from over 140 teachers. Hands-on workshops were also held for the children of Orange employees;
- in 2012, Orange France established the parents' course, a series of practical training activities held in Orange stores focusing on online child safety. Over 1,500 parents signed up for 134 workshops organised in 19 French cities in 2012. These workshops presented two training modules, parental control and responsible use of social networks. A new programme will be launched beginning in March 2013;
- Orange Spain implemented a new family portal in late 2012 named *Navega Seguro*. Its purpose is to give parents and educators a frame of reference for proper use of the Internet.

key dates

2005

- publication by a number of European subsidiaries of guides for parents on the subject of children and cell phones.

2007

- signing of the European Framework for Safer Mobile Use by Young Teenagers and Children.

2008

- contribution within GSMA to the launch of the Mobile Alliance Against Child Sexual Abuse Content.

2011

- Orange joined the CEO Coalition and ICT Coalition.

2012

- signature of the Privacy Design Guidelines for Mobile Applications from the GSMA.

focus

Protect Children: a new application for smartphones and tablets in Spain

In Spain, Orange took part, alongside Telefonica, Vodafone and Yoigo and in cooperation with the NGO Protégeles, in the launch of Protect Children, a new mobile application for smartphones and tablets that allows customers to report offensive content simply and anonymously.

3.3.4. content control tools

Well aware of how people are using digital media in new ways and how the use of smartphones and connected TV is exploding among young people, even among the very young, Orange is working tirelessly to better protect children and adolescents. In 2012 the Group drew up an exhaustive inventory of the protection tools offered throughout all of its European subsidiaries. The findings from this inventory will be used as tips to make these tools more effective and to simplify parents' lives by offering them easier-to-use applications and software. Orange's engineers and technicians are constantly working to improve these services across all of our channels. As technologies converge, risks multiply and spread from computers to cell phones and TVs, and it is important to deal with the issue as a whole.

3.4. responding to concerns about radio waves

The massive development and use of cell phones and the erection of cell phone antennae has given rise to some concerns on the possible ill effects of radio waves on health. The Group considers these valid questions and strives to provide the clearest answers possible. The Group's radio wave policy aims to ensure that business can grow sustainably by taking a variety of different considerations into account. The expansion of wireless networks must be well thought out, stakeholders need to be properly informed and the general public and employees must be protected from the potential effects of electromagnetic waves.

3.4.1. clear commitments

The Group has had a radio wave policy in place for several years; this policy can be broken down into the following five main objectives:

1. **provide clear information** to all parties concerned by radio wave issues: Orange monitors the results of scientific studies, keeps stakeholders continuously informed via different communication channels (Internet, extranet, seminars and flyers) and enters into open discussions with local authorities, residents and consumers concerned by radio waves and communication technologies;
2. **contribute to research efforts**: the Group provides indirect financial support to research projects, giving public health authorities complete freedom and independence to allocate the funds to the studies of their choosing. The Group also uses its technological expertise in the fields of dosimetry and metrology to contribute to various European projects such as FP7, Mobikids and LEXNET or to French projects such as the ANR's (the French national research agency's) Fetus project, Mobiexpo and Acte (analysis and characterisation of very young children to LTE wireless communication systems, a programme led by Orange). As regards the establishment of standards, the Group is involved in various international working groups (Cenelec, ITU, IEC) working to develop transparent methodologies that are viable on a technical level;
3. **comply with regulations on cell phones and antennae**: if there are no national regulations in force, the Group asks its subsidiaries to apply the recommendations and limits set forth by the ICNIRP (International Commission

on Non-Ionizing Radiation Protection, an international commission affiliated with the World Health Organisation, www.icnirp.de). All cell phones sold by the Group have a SAR* (Specific Absorption Rate) below 2 W/kg. Cell phone antennae are regularly tested by subsidiaries to ensure they adhere to national regulations or, in the absence thereof, to the limits set forth by the ICNIRP. The results are published on the websites of the national regulatory bodies, where applicable;

4. **promote proper use of cell phones**: Orange encourages appropriate use of cell phones by providing an earbud kit with each device purchased and by using various channels and materials to educate customers on the proper use of cell phones (website, brochures, etc.);
5. **apply a Group 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.

To supervise the application of its policy, the Group formed a dedicated oversight body – the Radio Wave Committee – that works with a network of radio wave officers appointed in each country. A resource centre serves as a “one-stop shop” for information on radio wave issues.

focus

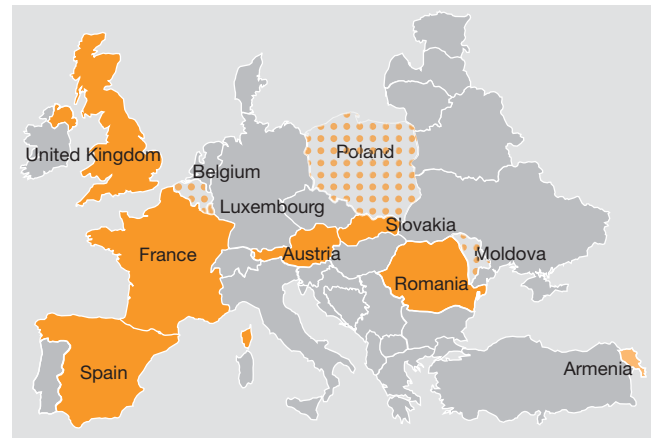
support missions in AMEA zone subsidiaries

To support the deployment of its radio waves policy, the Group's CSR Department provides technical and methodological support to its subsidiaries. Several support missions were completed in 2012 in countries within the AMEA zone:

- in Tunisia, the Group put Orange Tunisia in touch with the French developers of a software application used to simulate residents' exposure to cell phone antennae. Orange Tunisia is currently assessing the simulations, which will be used to inform populations of their exposure level before installing new cell phone antennae. The Group

also presented its radio waves policy at the first meeting of the association of Tunisian operators (A3T), which was attended by the Tunisian Minister of Information Technology and Communication and a number of Tunisian national institutions;

- in Senegal, France Telecom-Orange supported Sonatel in publicising proper cell phone use on the subsidiary's e-commerce website. These usage recommendations, set out by the Group based on the recommendations of the competent authorities, allow customers to reduce their exposure to cell phones if they so desire.



- International ICNIRP recommendations
- Orange applies the international ICNIRP recommendations
- other local legislation followed by Orange

key dates

1994

- development of a dosimetric technique for mobile telephony by France Telecom researchers (electromagnetic field measurement method);
- first Group colloquium on radio waves.

2002

- Orange was the first international carrier to include a hands-free kit in all packs sold by its French subsidiary.

2007

- appointment of an officer responsible for radio waves at Group level and establishment of a network of radio wave correspondents in all subsidiaries that didn't yet have one;

- formalisation of the Group's policy on radio waves and creation of communication tools;

- Orange extended the inclusion of a hands-free kit in all its packs to subsidiaries using its mobile catalogue.

2010

- development of a Group policy on radio waves in the workplace setting forth the Group's key guidelines.

2012

- creation of a centralised Group resource centre for information on radio wave-related issues.

* The specific absorption rate or "SAR" is a measurement that denotes the amount of energy carried by the radiofrequencies emitted by an electronic radio device (e.g. cell phone) toward a user when this device is operating at full power under worst-case conditions.

3.5. 2012 review and 2013 roadmap

3.5.1. 2012 review

Objective	deadline	main achievements in 2012
customer experience		
customer relations As part of the aim of offering the best customer experience in 2015, strengthen the Group's action plans to: ■ 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.	2012	■ programme launched to develop the behavioural skills of the Group's employees who are in contact with customers to improve service; ■ programme launched to simplify the customer experience, covering 24 national subsidiaries; over 100 individual customer experiences analysed; improvement plans defined and implemented; ■ new testing centres opened, for a total of 25 centres for customer testing of new products and services prior to launch; ■ services apps (<i>Orange et Moi</i>, <i>Orange Connect</i>, <i>Livebox assistance</i>) deployed to provide customers with personalised, automated support, available any time, to help them manage their services or connectivity or to troubleshoot when devices fail; ■ network service quality monitored and optimised; named the "best mobile network" in France by Arcep in 2012; ■ Mobinil call centre certified under the COPC standard; ■ personalised recommendations provided to post-paid mobile customers in various countries to suggest changes to their contract and better meet their needs.
■ analyse CET results with the new CSR components to identify any correlations between the CSR and customer satisfaction.	2012	■ pilot project deployed in Slovakia to analyse correlations between CSR perceptions and changes identified by the Customer Experience Tracker (CET).
■ define action plans for each country on the basis of the main points of progress identified.	2012	■ customer sponsors named in major countries; Quality Committees formed at the Group level to oversee the quality and customer experience improvement programmes carried out in the Group's countries and entities.
responsible communications ■ 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	■ communications academy founded in January 2012, including a three-hour responsible communications module, for the Orange Group's communications and marketing employees; ■ brand managers (representing the Group's Brand Department in their respective countries) trained; ■ responsible continuous improvement strategy developed by the Events, Cultural and Corporate Partnerships and Solidarity Department: ■ six priorities and 12 operational commitments defined; consistent reporting system established based on 12 indicators, ■ operational tools created to support teams (toolkit, best practices kit, leaflet, online reporting tool).

Objective	deadline	main achievements in 2012
security and personal data protection		
security standards define a set of standard rules to be applied by each Group entity: organisation that mirrors corporate, rules of governance, suite of security policies.	2012	Group Security Standard drawn up and disseminated as part of 2012 reporting. This standard explains the minimum security requirements to be applied throughout the Group to ensure data security, physical security and personal security in consideration of country-specific risks. Special attention was paid to ensuring that the Group's sensitive data is secure, especially personal data.
data security - publish and deploy a more robust data protection policy; - accelerate the deployment of authentication and encryption techniques within the Group.	2012	- initial version of the security policy for the protection of personal data distributed amongst the Group's security experts; - roll-out of the Public Key Infrastructure programme and encryption tools in 2012 (France, Jordan, Moldova, Tunisia, Romania, Poland, Sofrecom and Orange Business Services).
protection of privacy - 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).	2012	- Governance Committee established, led by members of the Executive Committee, in order to oversee major Group undertakings related to the importance and guarantee of personal data protection (first meeting held on January 21, 2013); - technical recommendations guide defined to guarantee the protection and integrity of personal data; - personal cloud services expanded for the general public using secure, eco-friendly infrastructure; - launch of Cloudwatt, a company founded by Orange and Thales to provide companies with secure, robust cloud computing services using cutting-edge computing infrastructures, such as the Normandy computing centre in France.
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.	2012-2015	- specifications developed for the functionality of the forthcoming dashboard, designed to allow customers to better manage their personal data; - technical feasibility studies carried out.

Objective	deadline	main achievements in 2012
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promoting safe and responsible uses

safe and responsible usages ■ establish an international forum involving scientists and practitioners from various disciplines to monitor the impact of digital immersion on individual and collective behaviour.	2012	■ decision made to establish an Orange Society Forum, which will begin work in early 2013; ■ <i>collectif du temps</i> (time collective) initiative launched in France in April 2012 to provide an open forum to reconcile day-to-day life and the digital world, real time and virtual time. dedicated website launched to mark the occasion.
child protection ■ 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	■ resources centre accessible to all Group entities created; ■ active participation by the Group in the CEO Coalition to make the Internet a better place for kids sponsored by the European Commission; ■ child safety assessment carried out covering all European subsidiaries of Orange in order to better integrate this factor into the Group's marketing efforts; ■ new offers devised and prepared at the Group level, taking child safety considerations into account from the design phase; ■ specific operations launched by the European subsidiaries as part of Safer Internet Day; ■ GSMA Mobile Privacy Initiative Developers Guidelines for Mobile Applications signed in February 2012.

radio waves

■ create a common resources centre to share good practices.	2012	■ resource centre (technical support team and extranet access to essential operational documents) created in collaboration with Orange France; ■ various missions carried out throughout the year to bring subsidiaries (Tunisia, Moldova, etc.) up to the standards.
■ hold a seminar on radio waves in the AMEA zone.	2012	■ operation postponed until 2013 so as to include the Group HR Department's work related to health and safety and protection of workers; ■ radio wave seminar held in Paris with participation from Egypt, Mali, Senegal, Spain and France.

3.5.2. 2013 roadmap

objectives	deadline
customer experience	
As part of the aim of offering the best customer experience in 2015, strengthen the Group's action plans to: ■ simplify and segment our offerings and provide clearer explanations of the customer benefits associated with each plan, especially as concerns high capacity broadband services (4G and fiber); ■ develop loyalty offers; ■ simplify the customer experience and technical architecture; ■ mobilise all Group business lines to improve service quality; ■ facilitate the customer sales and after-sales relationship in all our channels (stores, call centres, online channels and social networks).	2013
responsible communications	
communications academy ■ continue training sessions on responsible communication as part of the communications academy; ■ incorporate this training module as a requirement in the training programme followed by new employees. responsible approach to events ■ have the event-based communications teams in France adopt this approach.	2013 2013
promoting safe and responsible uses	
■ develop a plan for the sessions of the Orange Society Forum focusing on major social challenges; ■ spotlight the Forum and make sure that the information and recommendations it develops are publicised; ■ continue to train and help countries to strengthen their child protection and support activities in the face of the risks inherent in the digital sphere via the resource centre; ■ launch initial offerings designed with families in mind; ■ implement targeted marketing/communication actions on the topic of digital parenting; ■ apply the guidelines of the CEO Coalition to Make the Internet a Better Place for Kids within Orange.	2013
radio waves	
■ expand the common resources centre to share good practice; ■ launch a dedicated website; ■ provide training to countries on health and safety aspects; ■ conduct an audit (with risk assessment) in AMEA countries; ■ support and educate less-developed countries in this regard.	2013

4.1. combating the geographic digital divide

To bring the benefits of the digital world to everybody everywhere, France Telecom-Orange's investments target four complementary areas:

- developing infrastructures to extend the coverage of fixed and mobile networks;
- rolling out alternative solutions for remote areas;
- expanding the network of submarine fiber optic cables to improve Internet connectivity for Africa, the Middle East and the Indian subcontinent;
- carrying out an in-depth renovation of the networks and their equipment and deploying new technologies (fiber, 4G) meeting requirements for increased bandwidth.

4.1.1. extending network coverage

One of Orange's main responsibilities is to build the best possible network for its customers.

In developed countries, where mature technologies already enjoy broad coverage 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.

alternative solutions for isolated areas

To help open up isolated areas, where technical or economic limitations prevent the deployment of ADSL technology, the Group offers alternative innovative solutions including satellite Internet in France, Internet connection via the mobile network in Africa, the Middle East and in emerging European nations, etc.

The deployment of solar-powered sites also helps to develop access to communications in rural areas without access to the electrical grid, whilst at the same time preserving the environment. With 300 new solar-powered sites installed in 2012, the Group now has more than 2,300 solar-powered sites across 20 countries in which the Group is present, including 15 countries in Africa and the Middle East, making it possible for isolated villages without electricity to access telecommunications.

Another unique solution to provide community access to telecommunications in isolated villages is the community phone. The concept is simple: a hook-up kit including an aerial, a cell phone and a solar battery charger. Previously deployed in Mali, Niger, Côte d'Ivoire and the Central African Republic, in 2012 this solution was brought to two new countries, Cameroon and Madagascar, for a total of 2,500 villages equipped with a community phone.

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 fiber optic 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 were commissioned in 2010, the Group installed two new submarine cables in 2012:

- LION2: this cable, which was put into operation on April 12, 2012, brings broadband service for the first time to Mayotte and improves Kenya's connectivity. LION2 represents the second phase of France Telecom's broadband Internet expansion plan in the Indian Ocean and supplements the LION (Lower Indian Ocean Network) cable launched in late 2009;
- ACE (Africa Coast to Europe): this cable, which was put into operation in December 2012, required 12,000 km of fiber optic cables to connect 13 countries (France, Portugal, Mauritania, Senegal, Gambia, Guinea, Sierra Leone, Liberia, Côte d'Ivoire, Ghana, Equatorial Guinea, Gabon and Sao Tomé & Príncipe). Two landlocked countries, Mali and Niger, will also be served by this cable through a land-based extension. Nigeria will also be connected to this cable in 2013. The current phase is only the first step in a plan that will eventually have the ACE cable running 17,000 km and connecting seven additional countries: the Canary Islands (Spain), Benin, Cameroon, the Democratic Republic of the Congo, Angola, Namibia and South Africa.

focus

Internet For All in Uganda

In November 2012, Orange Uganda launched its Internet For All offer, extending web access to the country's rural areas using parabolic antennas to relay 3G signals. This project won the Best Network Improvement award at the AfricaCom 2012 awards, which recognise the most remarkable innovations and achievements in the African telecoms industry.

focus

investments bearing fruit in Romania

In Romania, 2012 was marked by the completion of the rural network modernisation programme, which ensures 3G network coverage for 99.7% of the population (compared with 55% previously). Orange Romania was named among the operators providing networks with the best upload speed.

bringing 3G to emerging countries

In developing countries, especially in Africa, where copper networks are scarce, 3G mobile networks are key to expanding Internet access. The Group has pledged to deploy 3G service in all of its African and Middle Eastern countries and to offer mobile coverage for 80% of the population by 2015.

In June, Orange launched a 3G network in Côte d'Ivoire and the Congo, bringing the number of countries in the AMEA zone with 3G/3G+ technology to 15.

4.1.2. increased bandwidth for all

Mature markets are needing increasingly broad bandwidths as a result of the explosion of uses and new consumer requirements. The future lies in high capacity fixed-line and mobile broadband, essential lever to attract customers in different regions and countries.

high capacity mobile broadband

The fourth generation of mobile networks: LTE (Long Term Evolution), commonly known as 4G, is designed to provide the best performance, greater capacities and lower costs in an environment where data exchange is growing strongly.

The Group plans to deploy 4G in all European countries where Orange operates by 2015.

- in France, Orange has rolled out 4G coverage in Marseilles, Lille, Lyon and Nantes, as well as in Paris' Opéra neighbourhood in January 2013. 15 more cities will be covered by April 2013. Initial 4G services were launched in late 2012 to professional and corporate customers, while 4G will begin to be available to the general public during the first quarter of 2013;
- in Moldova, Orange launched its first commercial 4G mobile services in the capital city of Chişinău on November 20, 2012;
- Initial 4G coverage, for tablets only, was launched in Bucharest, Romania on December 12, 2012;
- in Luxembourg, 4G applications for professionals have been available in the country's capital since November 2012;
- in the Dominican Republic, 4G service has been available in the capital, Santo Domingo, since December 2012;
- 4G was also deployed on a technical level in Belgium and Spain in 2012.

At the same time, the Group plans to better serve its customers and improve the performance of its European mobile networks through H+ technology. This technology can be used to reach speeds three times faster than 3G+ and represents a stepping stone toward 4G.

focus

Karkara Phone: more than 200 villages connected in Niger

The Karkara Phone project seeks to connect the most remote rural areas using a community-based solution that works in areas where there is no GSM network. Since its launch, Karkara Phone has enabled 234 off-network village communities across Niger to be connected, allowing them to benefit from mobile telecommunication services for the first time. Network connection is limited in these remote areas owing to the absence of a

land-based fixed network, the cost of transporting fuel and the high costs of structure deployment. Orange has overcome these problems by using solar-powered radio base stations. Orange Niger's ambition is to expand this initiative over the next few years to all villages located on the fringes of or outside the GSM coverage zone, within a radius of 10 to 30 km. In 2013, the deployment will continue with 300 new kits sent out.

fixed high capacity broadband

Fiber optic broadband, up to 10 times faster than ADSL and capable of reaching over 100 Mbps, 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. France Telecom-Orange has made proactive commitments in this respect.

- in France, the “La Fibre” programme is continuing with its ambitious objectives: the Group has pledged to invest 2 billion euros to ensure the coverage of 10 million households by 2015 and 15 million (*i.e.* 60% of households) by 2010, in 3,600 municipalities. At year-end 2012 there were almost 5 million households already served by this programme in over 200 municipalities;
- Orange has continued to expand the fiber optic network in Spain through public and private partnerships in Madrid, Catalonia and Asturias. In June 2012 it unveiled a plan to invest 300 million euros over the next four years to cover 1.5 million households in major cities;
- high capacity fiber optic broadband is also available in Slovakia;
- in conjunction with the FTTH (Fiber to the Home) initiative, VDSL2 technology makes it possible to offer high bandwidths and to reduce roll-out costs by partially reusing existing copper cables. As a result, since 2011 Poland has benefited from VDSL offerings with up to 80 Mbps in bandwidth.

key dates

2003

- signature in France of the national agreement on the coverage of “white zones”.

2007

- launch of the programme to construct solar base stations to develop access in rural areas of African countries.

2009

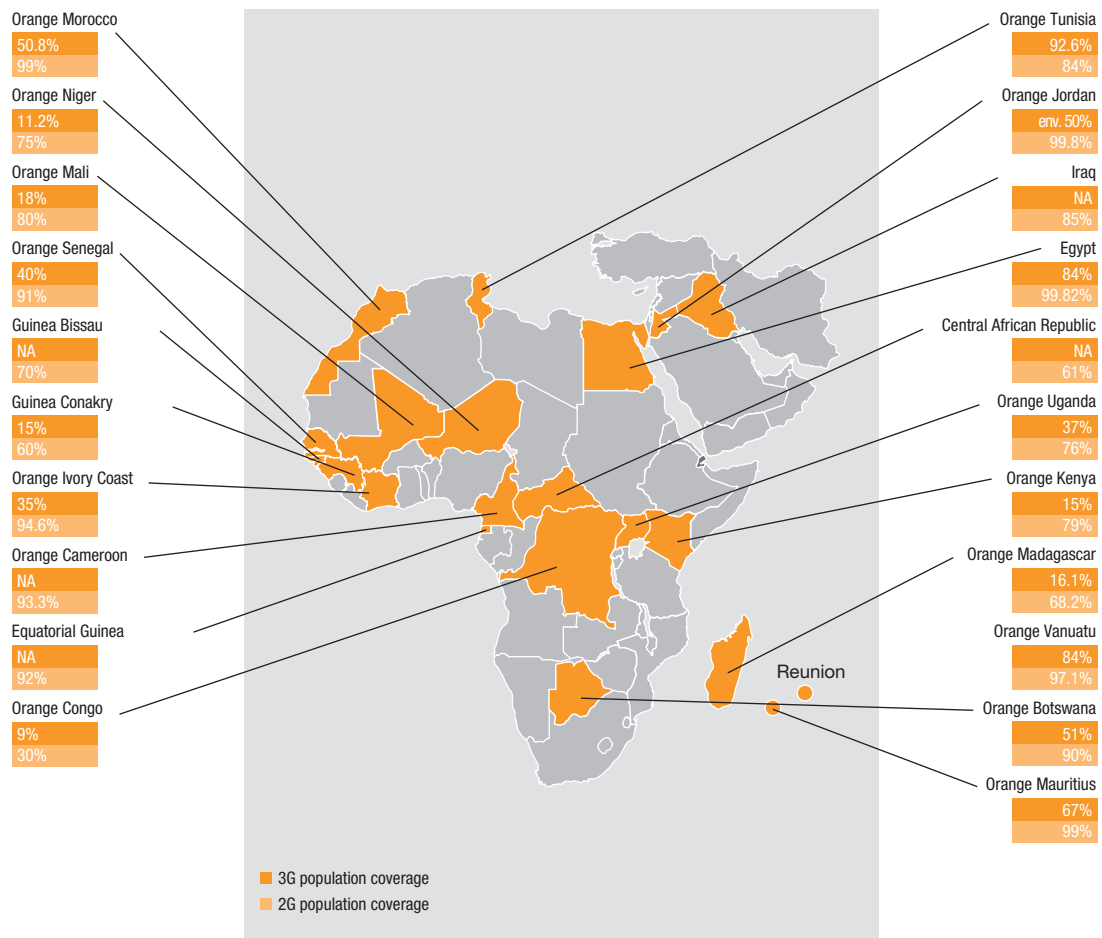
- commissioning of the LION submarine cable (Indian Ocean);
- introduction of the first community phones in Mali.

2011

- launch, in France, of the wholesale fiber offering enabling the pooling of FTTH networks outside very densely populated areas and signature of FTTH network sharing agreements with Free and SFR.

2012

- new FTTH network sharing agreement with Bouygues Telecom;
- presentation of the Group’s commitments to the Digital Agenda for Europe in Brussels;
- commissioning of the ACE and LION2 submarine cables.



4.2. supporting local development

Information and communication technologies are a major economic and social lever in developing countries. Orange is working toward three objectives to boost innovation in this area:

- increasing access to information and communication technologies in emerging countries and mature markets alike by providing offerings suitable for people with low incomes;
- deliver value-added services to meet a range of needs in areas as diverse as health, education, agriculture, financial services and administration;
- encourage the development of an eco-system based on new technologies, which supports entrepreneurship and promotes the emergence of products, services and content suited to the local market.

4.2.1. customised offerings for people with low incomes

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. Aside from the low-income plans, which have been available in France and other European countries for several years, and the sale of new or used low-cost cell phones, the Group has also embarked on a broader mission to develop services tailored to the needs of people with low incomes.

a few examples:

- the community phone concept developed by the Group in collaboration with the Grameen Foundation has already helped to bring collective access to mobile telephony in almost 2,500 villages in Mali, Niger, Côte d'Ivoire, Central African Republic and, since 2012, Cameroon and Madagascar. 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;

- in 2012 the Group launched its "Digital World for All in Emerging Markets" programme to increase access to basic mobile services among illiterate customers unfamiliar with new technologies. Field studies were conducted in Senegalese cities and villages to better understand the behaviours and needs of illiterate customers in terms of their use of mobile services. These studies gave rise to the development of three easy-to-use visual and voice-based service concepts: audio messaging, contact sharing and text-to-speech (TTS);
- in February 2012, Orange launched France's first offering classified as a "low-income Internet service". Available throughout metropolitan France, this offer enables low-income households to access broadband Internet at speeds of up to 20 Mbps, as well as unlimited telephone calls to fixed lines in metropolitan France and French overseas departments.

focus

an original approach to help customers with low incomes to manage their spending more efficiently

In France, a trial was held with the ANSA (New agency for active inclusion), the CSTB (French Scientific and Technical Centre for Building) and a private social housing provider, among social housing households in the Paris region. An in-depth sociological study was carried out to begin with, to identify household uses in terms of equipment, energy consumption and telephone and internet use. Where telecommunications are concerned, the study showed that households have difficulty finding their way through

the range of offers available and therefore do not always choose the offer most suited to their needs. With a view to increasing the proportion of disposable income after essential expenditure of people living in this deprived urban area, Orange and its partners implemented themed workshops to teach residents how to reduce their day-to-day spending. Overall, eight workshops were held between November 2012 and April 2013.

focus

Djobi: an innovative application to combat infant mortality

As part of its programme to develop m-health services in emerging countries, Orange became involved in a research-action project funded by the *Fond Francophone des Inforoutes* and implemented by the NGO RAES (African education network for health) with the purpose of reducing infant mortality in Mali and Senegal. The DJOBI project was thus launched in 2012. This initiative seeks to reduce infant mortality in six pilot

areas in Mali and Senegal using a mobile application to remotely monitor the health of children and their mothers in remote rural areas. The mothers, trained in the use of cell phones to collect data, will be able to help health specialists manage community centres by contributing to initiatives to prevent malaria, a major cause of maternal and infant mortality. In October 2012, this programme was rewarded by the mHealth Alliance.

4.2.2. a specific strategy in developing countries

With operations in 21 countries in Africa and the Middle East, France Telecom-Orange has high hopes for expanding into these markets even further. Well aware of the major impact of new information and communication technology on the economic and social development of these countries, the Group defined a specific initiative named "Orange for Development" based on a three-pronged approach:

1. develop infrastructures and connectivity by improving network coverage and extending access to all, especially those living in rural areas (see Section 4.1);
2. deliver value-added services to meet a range of needs in areas as diverse as health, education, agriculture, financial services and administration;
3. promote the ecosystems and initiatives to develop local markets for new technologies, with business incubation and start-up funding projects, open innovation platforms and research cooperation with universities or local technical institutes.

In 2012, Orange for Development's over-arching reference framework was broken down into ten operational areas (Infrastructure, M-health, M-agriculture, M-money, Ecosystem, e-gov, Education, Smart Cities, Electricity for people in unpowered areas and Open & big data).

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 fields such as 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.

a few examples:

- to overcome the lack of banking infrastructure in many African countries, 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. At the end of 2012, this service was available in 11 countries (Senegal, Madagascar, Mali, Niger, Kenya, Botswana, Cameroon, Morocco, Jordan, Mauritius, and Guinea) and was being used by over 5.6 million people;
- in Niger, Orange developed the "Labaroun Kassoua" service, which gives farmers access to price information for agricultural produce and livestock in more than 70 markets in the country. The service had 8,000 or more unique users from May to October 2012. A similar service called "MFarmer" is currently being rolled out in Mali;
- to encourage students to take up scientific studies, the Group's Senegalese subsidiary, Sonatel, developed an online portal entitled *Maths en Herbes* (Budding Mathematicians) designed specifically for students preparing to take exams to graduate from middle school. The portal's content is entirely based on the official maths curriculum for students in their last year of middle school. It uses innovative teaching methods such as videos of classes, demos, corrected exercises, quizzes, archives of past exams, a glossary, and teacher monitoring tools. Launched in 2012 and fully funded by Sonatel, the website has already welcomed 18,000 visitors;
- several of the Group's African subsidiaries have launched simple, creative services that are accessible from low-cost cell phones to facilitate and improve access to health care. These services include an initiative in Kenya to fight counterfeit drugs, the Duty Chemist solution in the Côte d'Ivoire, which allows patients to look up the nearest emergency chemist

from their cell phone and the DJOBI project to fight infant mortality in Mali and Senegal (see focus);

- shared medical imagery applications and video-conferencing makes it possible to link hospitals so that healthcare facilities located in isolated, rural regions can benefit from the expertise of major hospitals. For instance, in Senegal, four regional hospitals were connected to the two national hospitals located in Dakar, the country's capital. A similar programme was launched in Kenya in late 2012 with the objective of creating a network of six hospitals.

philanthropy that meets local needs

A natural extension of the Group's CSR activities, the Orange Foundation works in 30 countries to sponsor programmes that address local needs: health, education, digital solidarity and employability, culture, etc. The Foundation's aim is to foster communication, exchange and sharing among populations among the groups that need it most, such as African women. Two areas of focus have been identified for its work in Africa and the Middle East: education for girls and health.

In 2012, two new foundations were created in Botswana and Romania bringing the number of Orange Foundations worldwide to 15 (seven of which are in Africa).

The various projects supported in 2012 include the women's health education and literacy programme carried out in Madagascar by the EAST association, which focuses on water, agriculture and health in tropical areas, with support from the Orange Foundations, Elle and Sanofi. The programme was selected by the Women's Forum for the Women for education 2012 award.

For more information on the work of the Orange Foundation throughout the world, go to: www.fondationorange.com

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. The Group relies especially on Orange Labs and the Technocentre, which make up the Group's global research and innovation network, with 5,000 employees (researchers, engineers, technicians, marketers, designers, etc.) across 12 countries on four different continents.

In emerging economies, the development of an eco-system based on new technologies entails the creation of special business incubator mechanisms such as open technical platforms, young enterprise incubators, and investment funds. Partnerships with specialist players help to create key skill sets for local markets. 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:

a few examples:

- following the example of the business incubator established in 2011 in Dakar (Senegal) for information and communication technologies, in 2012 the Group launched two new ICT incubator initiatives in Niger and Mali, to be inaugurated in 2013;
- each year Orange Uganda holds the Community Innovations Awards, a contest that recognises the best ideas in mobile applications for agriculture, health and education. The 42 participants in the 2012 edition of the awards were able to test their pilot applications on the platform provided to them by Orange. The winners, Sekabira Yasin and Frederick Bisaso, designed an application called My revision guide to help students study with tests and random questions. The prize awarded (approximately 3,200 euros and a 12-month internship)

focus

Orange Côte d'Ivoire's village project: a comprehensive response to the basic needs of local people

In Côte d'Ivoire, the lack of basic infrastructures providing access to water, health and education in rural areas is a glaring reality and a key demand of the population and stakeholders. Water points are unsanitary; the nearest health centres are often located more than 16 km away, endangering the lives of pregnant women who travel to them; and children travel more than 14 km every day to their straw hut classrooms. Drawing on its experience in the field, with more than 280 projects supported across the country in six years, the Orange-Côte d'Ivoire

Telecom foundation launched the Orange Village programme in 2012. The goal of the programme is to provide a comprehensive response to these essential concerns, following a simple principle: one water point, one school and one health centre for every village. Thanks to the keen involvement of Orange-Côte d'Ivoire Telecom's volunteers, five pilot villages were created across the country in 2012 and eight new villages are planned for 2013.

will allow them to further develop their pilot application. Second place was awarded to the inventors of a “Diet assistant” application, which recommends healthy, balanced foods to those who want to watch their weight;

- in Côte d'Ivoire, Orange kicked off the international “Data for Development” contest in late 2012 in relation to the Orange for Development programme. The goal of this contest is to contribute to development and people's well-being. For purposes of the contest, the Group provided the scientific community with a unique database based on the consolidated, anonymous mobile communication information of Orange Côte d'Ivoire's subscribers between December 2011 and April 2012. The results should identify typical mobile user behaviours with a view to creating new services likely to meet the population's needs. The best results selected by the Data for Development jury will be presented during the 2013 NetMob conference.

some key dates

2000

- launch of the Banespymes project in Spain to support the creation of innovative SMEs based on new technologies.

2009

- launch of Orange Money.

2011

- launch of the “Orange for Development” initiative to contribute to the economic and social development of countries in the Africa, Middle East, Asia zone.
- inauguration of the ICT incubator in Dakar.

2012

- launch of two new ICT incubator projects in Niger and Mali.

focus

second edition of the African Social Venture Prize

The African Social Venture Prize, created by Orange in 2011, aims to support entrepreneurs and start-ups that use Information and Communication Technologies (ICTs) to meet the needs of populations. Some 450 applications were received for the 2012 edition. Projects were proposed in a variety of fields, including health, agriculture, education, energy, industry and even business, illustrating the potential of telecommunications in Africa's development:

- first prize was awarded to the Ivorian company Vivus Limited. Its project: using mobile technology to help sellers of foodstuffs, vegetables and fruit avoid losses arising from difficulties adjusting to demand;

- Takachar, which won second prize, is a waste processing improvement system launched in Kenya that generates charcoal from organic waste;
- Third place went to Niokobok, a Senegalese distributor allowing Senegalese people living outside the country to order provisions online (23 basic food, hygiene and cleaning products) for their families.

4.3. ensure accessibility by elderly, disabled, and dependent persons

Information and communication technology (ICT) is opening up new horizons for everyone, but most particularly for the elderly, disabled, and chronically ill. That's why for the past several years Orange has been committed to incorporating accessibility criteria into the design of its products and services – all the way through to after-sales service – and is developing e-health services to make life easier for the chronically ill and their families.

4.3.1. a design strategy for all

Orange has adopted a “design for all” strategy with the goal of enabling everyone to use the very best technology. This strategy is managed by the Group's Accessibility Department and is built on four main pillars:

- adapting Orange products and services, and designing products that combine innovation, simplicity, and ergonomics to cater to specific disabilities;
- incorporating the notion of accessibility in all the Group's activities, from design through to marketing, in all its markets;
- establishing a tailored distribution network;
- working with national and international institutions, organisations, and customers to better identify today's needs and develop partnerships.

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). In France, more than 60 such offerings are presented in a catalogue sent out twice a year. A vocal format of the catalogue has also been available on the Group's website, orange.fr, since February 2012. A catalogue of Autonomy offerings is also available in Spain.

Several other projects are in test or launch phase throughout the Group:

- to help the deaf and hearing impaired identify callers and senders of text messages, Orange has developed two applications offering an alternative to traditional ringtones: *Melovibe*, which lets users associate vibrating melodies to different contacts in their mobile phones; and *Colourcall*, which lets users select which of a palette of colours will be displayed when calls or text messages are received from different contacts. These services were introduced in France, Spain, and Poland in November 2012;
- Mobinil, the Group's Egyptian subsidiary, introduced the Maasma3 service in 2012 that offers a range of adapted handsets and prices for the hearing and visually impaired.

a tailored distribution network

In France, Autonomy offerings are distributed through a specifically tailored distribution network: 239 approved Autonomy shops and four dedicated Rainbow areas; an Autonomy section on the Group's website, www.orange.fr; and a dedicated customer centre for disabled people available by phone (toll-free from France at 0 800 11 22 33), e-mail (offres.autonomie@orange-ftgroup.com), or fax (0 800 24 69 96). This remote sales service is available every Tuesday and Thursday for the deaf, hearing impaired, and speech impaired.

By the end of 2012, over 6,000 people (salespeople, technicians, webmasters, and marketing staff) had been trained in the Autonomy offerings and in customer service for the elderly and disabled, and 750 qualified advisers had also received special training.

The Group's efforts in 2012 focused on training employees at the 1014 customer centre on the Autonomy range and the “Easy Internet” option that lets users easily surf the Internet thanks to an intuitive interface on a USB key. The Group is also in the process of rolling out numerous accessibility initiatives – like sound boxes, audio-induction loops, a signage system using pictograms, and equipment for the disabled – at its stores in France.

Expertise in adapting its distribution network is also being shared with Orange Spain. Stores in the country have been fitted with audio-induction loops to make it easier for people with auditory impairments to speak with sales staff. Orange Spain has also developed a training programme called Orange for All in association with the Spanish National Organization for Blind People, ONCE. Over 4,000 salespeople have already been trained to meet the special needs of the elderly and disabled.

open to every idea

To 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.

In 2012, the Group participated in:

- the work of the Club *Accessibilité des Grandes Entreprises* (large corporations' accessibility club);
- international working groups on accessibility within the European Commission, the ITU, and AFNOR;

- meetings relating to the transposition of the European Directive of November 25, 2011 and spearheaded by the *Comité Interministériel du Handicap* (Inter-Ministry Disability Committee), Arcep, and the *Observatoire de l'Accessibilité* (accessibility research institute);
- all major disability-related conferences and trade shows in France (like Autonomic Paris, Marseille, and Metz), as well as numerous community-based events with local disability organisations.

4.3.2. ensuring website accessibility

Since 2005, the Group has been involved in a vast programme to make its internal and external websites accessible, in line with the international Web Accessibility Initiative (WAI) standards.

Several accessibility features are already available on the www.orange.fr and www.orange.com websites, the Fondation Orange blog, and the customer section of the [orange.fr](http://www.orange.fr) website. For example, the font sizes are relative so they can be increased or decreased, and the images have textual alternatives. Regular accessibility audits were carried out on Orange's main websites and online shops in the eight major European countries. These audits showed that the Group's main websites meet on average 70% of the requirements of the WAI AA label with no blocking points. Following these audits, Orange's subsidiaries in Spain, Poland, Romania, and Slovakia undertook a major revamp of their websites with the support of the Group's Accessibility Department.

4.3.3. addressing the challenges of health and dependency

For more than ten years, France Telecom-Orange has been developing dedicated solutions to meet challenges in the areas of healthcare and dependency, so as to allow for better-coordinated care and improved comfort for the ill, enable the elderly and dependent to continue living at home, enable hospital treatments to be administered at patients' homes, and let doctors remotely monitor patients suffering from chronic illnesses.

- In France, Orange has developed a remote monitoring system for people suffering from kidney disease, in partnership with Grenoble university hospital and the Calydial and Agduc community dialysis centres. This system enables patients to remain in constant contact with their healthcare provider thanks to tablet computers installed at the patient's home and connected to his or her fixed telephone line. This system won the Innovation Award in the Remote Healthcare category at major French medical industry conference Health IT 2012.
- In January 2012, Orange launched the DiabeTIC remote healthcare platform in Spain. This system – developed through a joint venture between the Spanish subsidiaries of Orange Healthcare and Sanofi – contains smart devices and integrated services so that diabetics can communicate back and forth with their healthcare providers.

The Group also offers services like remote diagnostics to meet the specific healthcare challenges of emerging countries (see Section 4.2).

For more information, visit the Orange Healthcare website: <http://healthcare.orange.com/>.

focus

a programme for all elderly and disabled people in Poland

In Poland, 2012 saw Orange set up a working group to better understand the needs of elderly and disabled people, as well as their expectations with regard to information and communication technology. Following this project, a training programme was created to help older people understand and use new technology more effectively. A total of 1,561 older people took one of the 83 training courses organised in 2012 in 67 local libraries. Specific research was also carried out on the needs of deaf and blind people. The products and services that address the needs of disabled people are now clearly identified with special icons in the company catalogue and at www.orange.pl.

some key dates

2003

- first edition of the *Solutions Handicap* catalogue in France.

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.

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.

2012

- launch of the *Melovibe* and *Colourcall* applications in France, Spain, and Poland;
- Orange wins the Autonomic'innov Special Jury Recognition Award for its commitment and innovations to promote disabled access to communications.

4.4. 2012 review and 2013 roadmap

4.4.1. 2012 review

objective	deadline	main achievements in 2012
supporting local development		
■ continue the deployment of Village Phone in at least two new countries. ■ launch the pilot "Internet for All" project (Internet village) in Uganda.	2012	■ Village Phone was deployed in two new countries: Cameroon and Madagascar; ■ Orange Money was included in the services offered in certain regions; ■ Orange Uganda introduced Internet for All on November 18, 2013, expanding Internet access to the country's rural areas thanks to parabolic antennas that relay 3G signals. Internet for All aims to shrink the digital divide and improve the daily lives of the Ugandan people. This initiative won the Best Network Improvement award at the AfricaCom 2012 awards, which recognise the most remarkable innovations and achievements in the African telecoms industry.
■ 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	■ in Africa and the Middle East: ■ in-depth market research was performed on the lowest-income customer segment (the biggest by population in most AMEA countries), which is particularly large in rural areas, ■ several pilot projects were carried out in the fields of agriculture, healthcare, education, and partnerships (like <i>Mfarmer</i> with the GSMA in Mali); ■ in France: ■ tests were carried out among poor households in association with CSTB, ANSA, and a social housing developer. These tests concerned the households' disposable income, and will allow the Group to go beyond simply offering social rates to helping such households select the right services and optimise usages.
■ 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	■ the Orange for Development reference framework was broken down into ten operational areas (infrastructure, m-health, m-agriculture, m-money, ecosystems, e-government, education, smart cities, energy for individuals in regions without coverage, and open & big data) to improve the framework's cross-functional governance; ■ initial work was done on the ITC, Renewable Energy, and Environment incubator in Niger, for an official kick-off in mid-2013; ■ an incubator project was launched on the back of the Orange Tunisia "Developers" programme, for an official introduction in mid-2013; ■ the African Social Venture Prize was held for the second consecutive year; ■ an operational positioning study on crowdfunding for African SMEs was carried out in association with SRI firm PhiTrust and an investment fund for African SMEs managed by I&P; ■ the Rural Lab project was launched in association with the Grameen Foundation. The Group spoke with interested partners in Ivory Coast and designed a pilot test to be run in 2013.

objective	deadline	main achievements in 2012
■ provide solutions contributing to rural development through offerings in the fields of agriculture, healthcare, and education that take account of the magnitude of the social and economic benefits. ■ continue to roll out Orange Money in four new countries.	2012	■ the Labaroun Kassoua service in Niger was expanded; this service gives farmers price information for agricultural produce and livestock in more than 70 markets in the country. It had more than 8,000 unique users between May and October 2012; ■ the DJOBI initiative was launched in Mali to provide a mobile application that monitors the health of children and their mothers in remote rural areas. The results of the initiative will be used to develop other m-health applications for French-speaking Africa; ■ Orange Money exceeded the 5.6 million-user mark, anchoring its market success ahead of its 2012 target; ■ Orange Money was launched in Guinea on September 19, 2012 (the 11th country in the AMEA region).
■ Establish the “Digital world for all in emerging countries” programme.	2012	■ the “Digital world for all in emerging countries” programme was launched to create simple vocal and visual concepts and improve access to basic mobile services for illiterate customers, who are often unfamiliar with new technologies; ■ field studies were carried out in July 2012 on how illiterate customers use mobile services in cities and towns in Senegal, in order to better understand these customers’ needs and behaviours; ■ three new services concepts were developed: audio messaging, contact sharing, and African Text-to-Speech (TTS).

objective	deadline	main achievements in 2012
ensuring accessibility by elderly and disabled people		
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: ■ continue to select a range of handsets and expand the range (50 suitable products that changed twice a year and tests by the CTC 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 multi-support user assistance solutions employing interfaces adapted to seniors with a view to "Easy Internet" personalised support and suitable applications as well as interfaces simplified for seniors.	2012	handsets: ■ tests were carried out on around 20 mobile phones/yr at the Orange mobile accessibility expertise centre, and the target of at least four handsets validated in each country was reached; ■ the CTC carried out customer tests to assess the actual accessibility of several handsets. catalogues: ■ Orange Spain developed a paper catalogue of its accessible solutions and published the 2nd issue; ■ accessibility factors were integrated into products and services being created for the Group and into new product development; ■ in France, a catalogue is issued every six months with Autonomy offerings including a selection of over 60 products; ■ accessibility factors were integrated into products and services being created for the Group and into new product development; ■ the Maasma3 service was launched in Egypt offering a selection of handsets and/or special prices for the elderly, hearing impaired, and visually impaired, and including the mobile Voice Assistant service; ■ the <i>Colourcall</i> and <i>Melovibe</i> applications, developed by Orange Labs, for the deaf and hearing impaired were launched in November 2012 in France, Spain, and Poland; ■ the Easy Internet service was broadly distributed through trial versions of the software so the elderly can test a solution suited to their needs; ■ best practices in adapted marketing communications tools were shared between different Group countries (e.g., alternative catalogue formats like paper, audio CDs, and vocalised online versions in France); ■ a menu dedicated entirely to accessibility was integrated into the new Orange TV; ■ a fully-accessible My Livebox application was introduced, letting users control their Livebox from a smartphone, and on PCs through the Livebox assistant that lets users obtain information about the status of their Livebox; ■ support was provided for developers of Android and iOS applications to improve compatibility with settings and tools used by the disabled.



objective	deadline	main achievements in 2012
Launch a Web accessibility policy in these countries: ■ continued improvement in website accessibility with one audit per year of the main websites in Europe with recommendations and support for local teams.	2012	■ audits were completed at end-2011 and the results were communicated to countries; ■ support was given in priority to countries with major website upgrades planned (Romania, Slovakia, Poland, and Spain); ■ regular audits were performed of websites, online stores, and Orange Care in eight major countries.
Put in place suitable physical and remote distribution channels in these countries: ■ 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 "Easy Internet"; ■ develop access to offers in European countries through channels coupled to offers related to these countries.	2012	In France: ■ in the French store network, 239 stores were branded as of November 30, 2012, including almost all the main stores, which have a services area; ■ training was expanded to cover all Orange stores in France (around 600); ■ remote sales services in French sign language and/or text were made available on Thursdays in addition to Tuesdays; ■ the autonomy section of the orange.fr website was updated with a system to select headings; ■ staff at the 1014 customer centres were trained on the Autonomy range for the elderly and disabled, and on support for the Easy Internet service; ■ the Group's charity network was enhanced through training for correspondents in volunteer elderly organisations. Other countries: ■ expertise in adapting stores was shared with Orange Spain; ■ cooperation was undertaken with Poland and Spain to expand their charity networks.

4.4.2. 2013 roadmap

objective	deadline
combating the geographic digital divide	
■ continue deploying solar stations according to local conditions; ■ study the possibility of switching sites powered by fuel engine generators to solar or solar-fuel hybrid; ■ improve broadband coverage in Africa by leveraging the Group's network of submarine cables and terrestrial backbone network; ■ launch initiatives to facilitate access to energy to power mobile phones in Africa; ■ superfast mobile broadband: deploy 4G/LTE in European countries where Orange operates by 2015; ■ deploy 3G in Orange countries in the Africa-Middle East zone by 2015 and provide mobile coverage for 80% of the population.	2013-2015 2013-2015 2013 2015 2015
supporting local development	
■ use the results of studies currently underway to improve the provision of telecommunications services to the most needy; ■ reinforce the Group's positioning in emerging fields – like m-agriculture, e-government, smart cities, and energy supply to rural areas – through its Orange for Development (O4D) reference framework and a cross-functional implementation approach; ■ leverage the data owned by the Group to further economic and social development (Data for Development); ■ hold the third African Social Venture Prize; ■ launch an experiment to raise financing for African SMEs through a crowdfunding platform; ■ launch new incubators in African countries where the Group operates; ■ continue rolling out the "Digital world for all in emerging countries" programme. local sponsorships ■ support local communities by creating new charities to meet citizens' needs; ■ provide responses to growing integration issues (social, professional, and cultural) with innovative digital technology-based solutions in all fields and, insofar as possible, in all countries; ■ continue providing aid with a focus on women in Africa and the Orange Villages project.	2013

objective	deadline
ensuring accessibility by elderly and disabled people	
■ enhance the process for testing and selecting handsets, in order to provide countries with a full line-up of accessible handsets; ■ improve the accessibility of the Livebox and Orange TV decoder; ■ make Orange's main mobile apps accessible on Android and iOS; ■ make the digital world more accessible to the elderly and disabled through new versions of services packages, applications, and adapted software; ■ make it easier for customers to select accessible solutions in Spain and Poland through online catalogues; ■ help the elderly in Poland access the digital world through training and coaching; ■ launch a major programme for the elderly involving a complete ecosystem (handsets, interfaces, services, and support) and a fully-integrated end-to-end approach. The programme will offer the benefits of data connections via smartphones and tablets, and be based on projects anticipating the elderly's future usages; ■ identify customers' main navigation paths online and audit the corresponding accessibility; ■ set up an indicator that can track improvements in the accessibility of the main websites in each European country; increase the amount of sales and advisory support provided to the disabled: ■ continue implementing local product support strategies and improve efforts by sharing best practices; ■ continue working with Spain and Poland to roll out branded stores; ■ upgrade the Autonomy section of the website in line with the 2013 e-shop strategy; ■ in France, as part of the training programme for the 1014 customer centre targeted distribution school, implement proactive training measures for regional representatives and charity correspondents on Autonomy offerings, and present the method to other countries.	2013

5.1. an ambitious environmental policy

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. That's why the Group has taken a proactive approach to help preserve the environment and maintain the confidence of its stakeholders – while seizing new opportunities related to the development of green technologies.

5.1.1. an all-encompassing approach

Initiated in 1996 with the signature of the European Telecommunication Network Operators (ETNO) Environmental Charter, the Group's environmental policy has developed in three complementary areas:

- **reducing the Group's direct environmental impact**, with a particular focus on two key issues: shrinking its energy and carbon footprint and improving waste management;
- **reducing the impact of the Group's products and services at customer sites** by using eco-design methods and encouraging environmentally responsible usages;
- **developing innovative products and services** that let everyone – businesses and individuals – lower their environmental impact.

5.1.2. faster deployment

To achieve its targets for reducing its environmental impacts and risks, the Group is progressively rolling out ISO 14001-compliant Environmental Management Systems (EMSs) at its main entities. The internationally-recognised ISO 14001 standard describes how companies should organize themselves to manage the environmental impact of their activities.

certification rate doubled in just two years

To track deployment of EMSs and make this progress transparent to the Group's stakeholders, Orange has introduced an indicator that gives the percentage of the Group's entities relative to its entire scope that have received ISO 14001 certification. The data are published annually and certified by an independent organisation.

The Group's ISO 14001 certification rate was 34% at the end of 2012, up from 17% in 2010 – or a 100% increase in just two years. Key events in 2012 included:

- **six more Orange France sites receiving certification**, bringing the total number to twelve, and two more business processes, bringing the total number to six. Nearly 20,000 employees across France are covered by the initiative, launched in 2004;
- **two more Orange Business Services sites receiving certification** – the main Paris site (Orange Stadium) and the site in Cairo, Egypt – following the 2010 certification of the Cesson-Sévigné site in France;
- **the certification in November 2012 of Orange Romania** for all its operations and the introduction of an integrated quality, safety, and environment management system;
- **the certification of Sonatel, the Group's Senegalese subsidiary, for 14 network sites** and the introduction as part of this certification of an integrated quality, safety, and environment management system.

entities having obtained ISO 14001 certification by the end of 2012

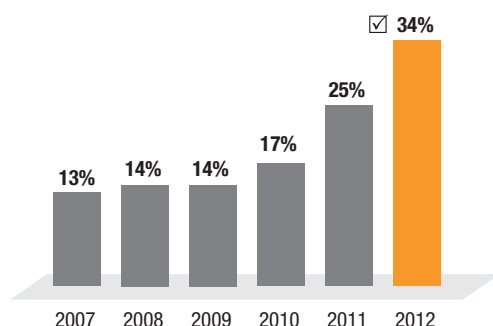
subsidiary	scope
FT Marine	All facilities
Orange France	Six key processes and 12 priority sites
Orange Spain	All mobile, fixed-line, and office building activities (except for the data centre acquired in July 2012)
Orange Poland	Mobile activities
Orange Business Services	Three priority sites
Orange Slovakia	All activities
Orange Moldova	All activities
Orange Romania	All activities
Mobinil (Egypt)	All activities
Orange Mali	All activities
Sonatel (Senegal)	14 priority sites

strong ambitions for 2015

To speed deployment of EMSs at all its entities, Orange has set itself an ambitious goal: have 60% of the Group's scope covered by 2015 (including 100% of Orange France's scope).

In 2013 the Group will implement a new approach to its EMSs and ISO 14001 certification strategy, with greater involvement from operational management teams, the addition of Orange stores to the ISO 14001 certification scope in France, and the transition from a process-based approach to an activities- and units-based approach for technical businesses (networks).

► ISO 14001 certified scope at year-end



☑ element verified by Deloitte, moderate assurance

5.1.3. protection of biodiversity

Compared with industrial companies, France Telecom-Orange's activities have a relatively limited impact on biodiversity. Nonetheless, the Group is engaged in a range of environmental initiatives to reduce its internal impacts and to protect biodiversity, partnering with NGOs such as the French bird protection association (*Ligue de Protection des Oiseaux*) and the WWF.

Orange provides financial aid to the WWF to support its mission to "Protect Overseas Biodiversity", and is a preferred partner for WWF France's ecoregion programs in New Caledonia and French Guiana.

bird protection efforts

For over five years, Orange has been working with the French bird protection association (*Ligue de Protection des Oiseaux*) through regional agreements to place stoppers on its metal telephone poles and protect cave species. 93% of metal poles in France have been capped.

responsible paper management

The Group has implemented measures to reduce its paper consumption and encourage the use of Forest Stewardship Council-certified paper, which ensures the paper comes from sustainably-managed forests, or recycled paper.

In France, Orange has cut its paper consumption by 20% in two years, and 80% of sales documentation and 92% of office paper is printed on FSC-certified or recycled paper.

In Spain, 96% of paper purchased (for any need) is either FSC-certified or recycled.

Switching to electronic billing also helped the Group reduce its paper consumption significantly: the savings totalled over 1,900 tonnes of paper in 2012 alone.

careful management of rare resources

A specific study was carried out in late 2011 on the rare resources used in the electronic equipment distributed by Orange. In 2012 the Group used the results of the study to map out these rare resources, in order to assess the level of the Group's dependence and to implement the appropriate measures, especially with respect to suppliers. In June 2012 Orange shared the conclusions of this work with the in-house and independent experts that took part in the study, and with several large companies in other sectors also concerned by this issue.

some key dates

1996

- signing of the ETNO Environmental Charter.

1998

- establishment of the Group's Environment Office.

2001

- launch of the Environment Management System (EMS) deployment programme based on the ISO 14001 standard.

2008

- creation of a strategic partnership with the WWF.

2012

- 34% of the Group's operations are ISO 14001 certified.

5.2. contribute to combating climate change

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. This represents a real challenge given the current growth in uses and the continuing increase in data traffic. The Group is also developing innovative solutions to enable its customers to reduce their own carbon footprints.

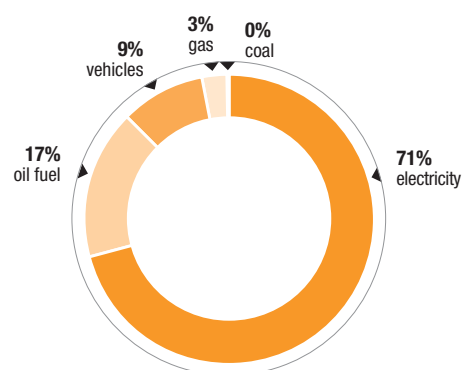
5.2.1. lower energy consumption by networks

The Group's networks and information systems account for nearly 66% of its total energy consumption. In 2012 Orange continued to roll out its Green ITN 2020 action plan to improve its energy performance. This plan has been deployed in 22 countries which account for over 95% of the energy consumed by the Group's technical installations. It cut the Group's energy usage by over 300 GWh in 2012 – preventing around 110,000 tonnes of CO₂ emissions – thanks to actions in five key areas:

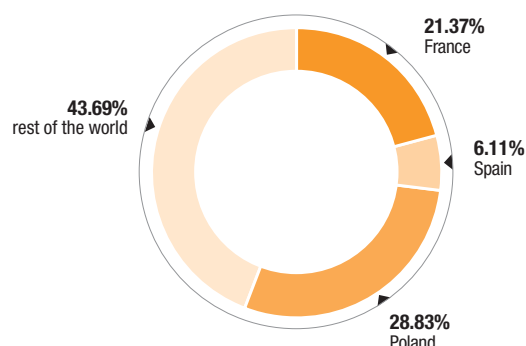
- **more efficient air-conditioning systems:** by end-2012 over 15,500 technical sites in 15 countries had been fitted with a more efficient air-conditioning system using a patented Orange innovation. This system can deliver up to 80% energy savings compared with traditional air-conditioning systems, while eliminating the use of harmful refrigerants;
- **consolidated and virtual calculation centres thanks to the EcoCenter project:** since 2007, more than 21,000 servers have been virtualised, reducing the Group's energy consumption by nearly 78 GWh in 2012 and preventing over 6,200 tonnes of CO₂ emissions;
- **greater use of renewable energy:** the Group is focusing particularly on powering base stations (antenna repeaters) with solar energy, with a target of 25% renewable energy used to power new solar energy-eligible stations by 2015 in Africa, the Middle East, and Asia. At end-2012, more than 2,300 solar base stations were installed in 20 countries where the Group operates, including 15 in Africa and the Middle East. They generate over 15 GWh of solar power, saving the equivalent of 28 million litres of fuel oil and preventing the emission of 76,000 tonnes of CO₂ every year.

- **more energy-efficient telecommunication equipment:** 66% of mobile access equipment in ten countries has already been replaced with next-generation, less energy-hungry equipment – delivering energy savings of over 70 GWh;
- **more precise and reliable tracking of energy consumption** through dedicated indicators and the installation of "smart" energy meters at the Group's technical sites: by end-2012 over 500 additional sites in 16 countries had been equipped with these meters.

› energy consumption by type (in 2012) in toe*

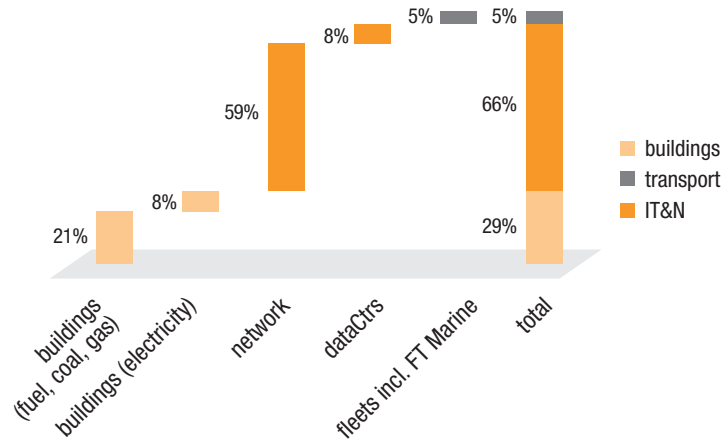


› CO₂ emissions - 1.52 million tonnes of CO₂



* Tonne of oil equivalent.

› total energy consumption in 2012: 1,247,517 toe



5.2.2. improving the energy efficiency of buildings

Buildings account for almost 30% of France Telecom-Orange's total energy consumption. To help meet the Group's goal of reducing total energy consumption by 15% by 2020, the International Facilities Management Department is implementing an action plan to improve buildings' energy efficiency.

a real-estate environmental policy

The Group's real-estate environmental policy, adopted in October 2012, is set forth in a series of best practices including around 50 action sheets distributed to countries. Following feedback and discussions with countries in 2012, measures have already been undertaken to reduce energy consumption and establish energy requirement forecasts for the 2015 horizon. The Group plans to cut the energy consumption of its buildings by 7% in three years.

action plans in five countries

In 2012 the Group furthered its action plan to save energy in tertiary sector buildings; this plan has been rolled out in five countries accounting for nearly 85% of its energy consumption (France, Poland, Spain, Egypt, and Belgium). Steps taken in France, Egypt, and Belgium delivered energy savings of 7%, 4%, and 5%, respectively, between 2010 and 2012.

In France, 720 refurbishment projects were carried out at 527 sites in 2012, addressing all technical areas of a building, such as heating, ventilation, air-conditioning, lighting, and plumbing. By drawing on the experience of ISO 14001-certified sites and low energy-consumption (HQE) buildings, the Group was able to establish a list of best practices and incorporate environmental requirements into its national real estate agreements. The Real Estate Department signed 128 environmental appendices with its largest real estate owner, Foncière des Régions.

The Group's two main tertiary sector buildings in Spain have taken measures to improve the energy efficiency of their air-conditioning and lighting systems in offices and car parks (central controls, low-energy equipment, automatic meter reading, etc.) that have cut energy consumption by nearly 80%, or 118 MWh per year.

meters in buildings

To better track energy consumption in its tertiary sector buildings, in 2010 the Real Estate Department began equipping its largest buildings in France with smart meters; 45 sites had such meters by end-2012.

In Spain, 100% of office buildings have been equipped with smart meters.

Orange France has also set up a detailed energy consumption tracking system for nine of its stores. Two pilot stores have been equipped with an automatic meter reading system. By tracking energy consumption in this manner, Orange France will be able to assess the effectiveness of energy-efficiency measures before they are rolled out in other countries.

buildings of high environmental quality

The Group has tightened its environmental requirements for new buildings, drawing on France's High Environmental Quality (HQE) building certification programme. Several sites in France, Egypt, and Poland have already been HQE, BREEAM*, or LEED** certified.

In 2012, Mobinil, the Group's Egyptian subsidiary, obtained LEED Gold certification for its new 13,000 sq.m. call centre.

The Group's site in Mumbai, India is its first to obtain LEED Gold for Commercial Interiors certification, an international Green Building Council environmental certification.

New construction programmes have also been launched in Ivory Coast, Cameroon, and Botswana.

5.2.3. reducing the impact of transport

The Group's vehicle fleet accounted for almost 4% of its total energy consumption in 2012. Orange is focusing on two areas to reduce the environmental impact of its transport: optimising its vehicle fleet and promoting best practices for sustainable mobility among its employees.

focus

Orange Poland assesses its carbon footprint

After France, Belgium and Spain, in 2012 it was the turn of Orange Poland to assess its direct and indirect greenhouse gas emissions, using the *Bilan Carbone*® method developed by the French Environment and Energy Management Agency (ADEME) and adapting it to the local context. The results, which are currently being analysed, will be used to draw up action plans in 2013.

focus

Orange selected in the Carbon Performance Leadership Index

The Group reports annually on the implementation of its action plans as part of the Carbon Disclosure Project (www.cdproject.net). In 2012, Orange's efforts to reduce its carbon emissions led to it being included in the Carbon Performance Leadership Index (CPLI), an annual ranking that lists the 33 companies from the FTSE Global 500 to have demonstrated the most solid commitments in terms of climate strategies and reducing carbon emissions. Orange was adjudged to be one of the world's two best operators for its performance in terms of energy consumption

a more eco-friendly fleet of vehicles

The Group has a fleet of over 35,000 company vehicles in Europe and Africa (including 23,500 in France), accounting for nearly 4% of its energy consumption and 9% of its CO₂ emissions. The overall objective is to move towards average emissions of 130 g of CO₂ per kilometre. Average emissions for the Group's passenger cars in France fell to 108 g of CO₂ per kilometre in the 2012 catalogue, thanks to a stepped-up fleet renewal programme and the incorporation of lower CO₂ emission criteria in its car purchasing specifications. The Group reviews its catalogue every six months to take into account new technologies offered by car makers, especially for "clean" vehicles. The Group added fully-electric and hybrid vehicles to its catalogue, which are increasingly popular among employees. Around 100 Twizys – Renault's new fully-electric two-seater – were ordered in 2012 with the goal of encouraging car sharing.

Local Orange units tested electric utility vehicles (minivans) in 2012, notably through the SAVE (*Seine Aval Véhicule Electrique*) programme bringing together local government agencies and partner companies such as EDF, Orange, and Schneider Electric.

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

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

a forum for sharing best practices

For the past three years Orange has been hosting the annual Orange Green Fleet Forum to ensure that everyone involved in vehicle purchasing at the Group (both internally and externally) adheres to the Group's CSR policy, to reduce the CO₂ emissions of its vehicle fleet. The 2012 Forum gave employees from Orange and other large companies an opportunity to discuss shared goals and challenges, and to learn about the latest technological advancements in fields like sustainable mobility, hybrid and electric technology, and the associated services.

promote sustainable mobility among employees

The Group's travel policy encourages employees to use the cleanest form of transportation possible and rely on videoconferencing or teleconferencing whenever possible to reduce their travel.

Several entities have introduced initiatives to encourage staff to limit the use of their personal cars; these include carpooling programmes, bike racks (and showers) so employees can cycle to work, and taxi sharing in India. In France, Orange has made 2,000 cars available to employees for car sharing.

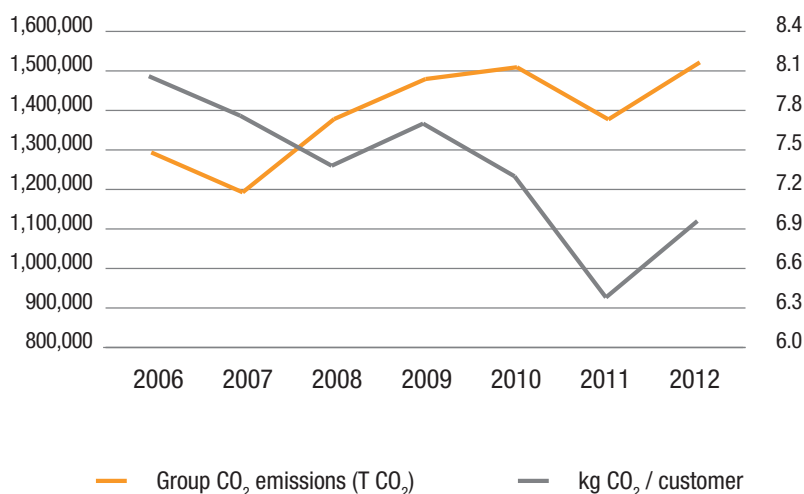
focus

optimised fleet management with Fleet Performance

Since late 2011, Orange has gradually been equipping the vehicles in its fleet with the Fleet Performance unit developed by Orange Business Services. By recording daily mileage logs and eco-driving data, this electronic unit facilitates and optimises vehicle management, leading to reduced fuel costs and CO₂ emissions. This solution is also available to business customers.

The Group is also continuing to train employees on eco-driving, or driving techniques that lower the risk of an accident and reduces fuel consumption by up to 10%. Over 6,000 employees have been trained in France and Poland since 2010; the goal is to train 30,000 in the next three years.

› Group CO₂ emissions (in tonnes of CO₂ and kg CO₂/customer)



The Group's energy efficiency action plans have already limited the rise in CO₂ emissions resulting from growth in data traffic. Without these plans, emissions would have increased by at least 12% in 2012. However the full benefits of these plans will be visible only in the long term. Due to the amount of time needed to renew network equipment and roll out new technology, the action plans' full effects will not be seen for another seven or eight years.

Changes in the Group's CO₂ emissions between 2011 and 2012 reflect factors like variations in the CO₂ emission coefficients for electricity, and higher fuel oil consumption in African countries as a result of political events (a lack of electrical power).

5.2.4. helping customers shrink their carbon footprint

In addition to lowering its direct energy consumption, Orange also aims to reduce the indirect environmental impact of its products and services at customer sites by improving the products' and services' energy efficiency, encouraging customers to select greener equipment through ecolabelling, and developing innovative solutions that can help customers shrink their carbon footprint.

eco-design: reducing impacts at the source

R&D staff at the Technocentre and Orange Labs use eco-design methods to develop products and services with a diminished environmental impact throughout their life cycle. For instance, in 2012 the Group worked on improving the energy performance of the new versions of the Livebox and decoders that will be introduced in early 2013.

R&D staff at the Technocentre and Orange Labs are also continuing to experiment with eco-design methods for services. This is a new, complex approach that takes into account both the necessary physical equipment and the associated software, activities, and processes throughout a service's life cycle. In 2012, the Group launched a new eco-innovation pilot project for its Multi Connect Business Avaya business communications service. The main measures concerned the procurement, remote administration, and maintenance processes and product functionalities. The project's eco-innovation approach was presented at the Electronics Goes Green 2012 conference in Berlin in September 2012.

The Group also performs life cycle analyses on some of its solutions to assess their main environmental impacts. Following analyses performed on the Business Everywhere, telepresence,

videoconferencing, Forfait Informatique, Flexible Computing, Business VPN, and music streaming (versus downloading) services, in 2012 Orange Business Services completed an analysis on its Flexible Computing Express cloud computing service. This analysis was used to estimate the service's impact in terms of greenhouse gas emissions and around ten other criteria.

ecolabelling to build customer awareness

In 2008 Orange became France's first operator to add ecolabels to its fixed-line and mobile handsets, in association with the WWF. The Group is now implementing this initiative in other countries. After Spain in 2009 and Romania in 2010, ecolabelling was rolled out in Armenia in 2012. Environmental awareness is still fairly limited in Armenia, and Orange intends to help encourage environmentally-responsible behaviour. Orange's ecolabels give the handset's rating on a scale of 1 to 5 for three criteria: carbon footprint, natural resource preservation, and eco-design – letting customers take environmental considerations into account when they purchase telephones.

innovative solutions allowing everyone to reduce their carbon footprint

While sometimes a source of environmental impacts, information and communication technology can also play a major role in fighting climate change thanks to solutions that enable home working, transport optimisation, e-commerce, paperless administration, "smart" facilities management, smart grids, and smart cities. These all serve to bolster economic growth while reducing greenhouse gas emissions. Orange Business Services offers a full range of innovative solutions that let companies shrink their carbon footprint.

some examples:

focus

ICT Footprint project: assessing the environmental impact of new technology

In 2012, Orange made a significant contribution to the ICT Footprint project (www.ict-footprint.com) launched by the European Commission. The goal of this project is to test the workability and compatibility of new emerging standards on environmental footprinting in the ICT sector. Drawing on its expertise in the field of carbon assessments and life-cycle analyses, the Group tested several methodologies issued by the International Telecommunication Union (ITU) and the European Telecommunications Standards Institute (ETSI): the methodology for organisations (ITU-T L.1420) on its French activities and the methodologies for goods, networks and services (ITU-T L.1410 and ETSI TS 103 199) on a smartphone, the Video On Demand service

and the Flexible Computing Express service. For each pilot, three deliverables were filed with the Commission: an overall report, a calculations table and an audit report comprising recommendations for applying and upgrading these methodologies. The work carried out on the Flexible Computing Express service was presented at the last European conference of the SETAC (Society of Environmental Toxicology and Chemistry), which was held in Copenhagen in November 2012.

The Group thus contributes to the development and convergence of these standards thanks to its experts present in both the ITU and the ETSI.

- in 2012, Orange Business Services entered into interoperability agreements with Verizon and AT&T to reinforce the global community of telepresence services users by substantially increasing the number of termination points that companies can access. Orange Business Services already had interoperability agreements with AT&T, BT, Cisco, Tata, and Telefónica;
- Orange Business Services enhanced its vehicle fleet management line-up in 2012 with the Fleet Performance Eco-driving service that helps companies reduce their operating costs, cut CO₂ emissions, and lower their insurance premiums. Fleet managers, executives, and sales managers can track the fuel consumption and mileage of specific vehicles or an entire fleet from a secure website, and assess user behaviour along various criteria;
- through its "Smart Cities" strategic programme, the Group is helping to build more sustainable and dynamic urban areas. This programme helps structure the needs of cities that want to use digital technology to support their sustainable development. Five focus areas have been identified: smart metering; connected cars, smart public transport, smart homes and buildings, and innovative urban services;
- Orange Consulting experts offer a range of "Green IT" services such as energy audits to assess the energy consumption of IT equipment and to develop dynamic scenarios for reducing this consumption. The Group wrote a white paper on this issue in 2012, which will soon be published on the www.orange-business.com website. Orange Consulting also performs carbon audits of IT systems and assessments of the environmental benefits of IT solutions like video-conferencing.

some key dates

2007

- launch of a project to build solar base stations in Africa.
- Orange obtains the Trophy for clean and economic technologies awarded by ADEME and the magazine *Industrie et Technologies* for its patented Optimised Ventilation solution;
- launch of the EcoCenter server virtualisation programme in France.

2008

- signing of the United Nations Caring for Climate programme.

2009

- launch of the first *Bilan Carbone*[®] carbon inventory in France and Belgium.

2010

- Orange receives a 2010 Global Telecoms Business Award in the Green Power Innovation category for its programme of solar base stations.

2011

- launch of a *Bilan Carbone*[®] carbon inventory in Spain;
- Orange wins the Best Mobile Technology for Emerging Markets Award at the 2011 Global Mobile Awards for its programme of solar base stations.

2012

- the Group contributes to the European Commission's ICT Footprint project to develop standardised methods for assessing the environmental impact of new technologies.

5.3. optimising waste management

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.

5.3.1. ensuring appropriate treatment of internally-generated waste

In 2012 the Group continued to implement appropriate processes for handling each category of waste in each country, according to three main principles:

- measure the quantities of waste generated by activities, drawing up inventories for each country based on the Group's classifications;
- ensure the waste goes through appropriate treatment processes taking into account of the local environment;
- ensure traceability of the source of this waste by progressively mapping the treatment processes in all countries.

in Europe

Based on the results of audits performed in European countries in 2011, in 2012 the Group developed a reference guide for waste management in the region. The goal is to encourage the sharing of best practices to improve waste collection, with a special focus on the following:

- performing an inventory of and classifying waste generated by the Group and its customers;

- managing waste collection and treatment channels;
- ensuring the transparency and traceability of these channels;
- setting up the right contractual agreements, especially with outside companies;
- keeping abreast of legal issues.

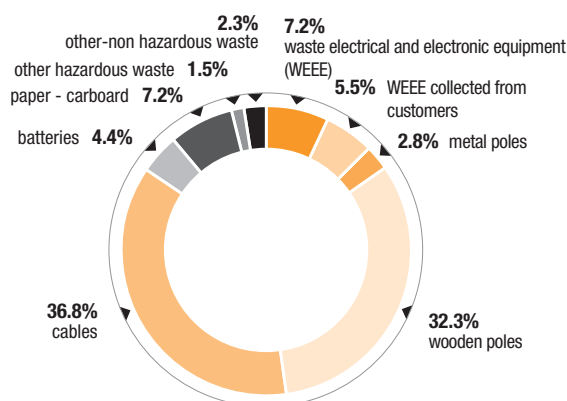
in Africa and the Middle East

As part of its role to provide technical support to countries, in 2012 the Group's CSR Department developed a reference guide for waste management tailored to the specific conditions in African and Middle Eastern countries.

Audits and programmes to share best practices were carried out in several African countries, most notably Senegal.

In Egypt, Mobinil set up a mobile phone collection and recycling programme for its employees and furthered its efforts to collect and recycle paper, cables, and batteries.

➤ main waste treated by the Group (excluding ordinary waste)



5.3.2. increasing the collection and recycling of customers' electronic equipment

To combat the proliferation of electrical and electronic equipment waste resulting from the increasing usage of digital devices, Orange is acting on several fronts in order to:

- extend the life of mobile telephones by putting in place schemes to encourage customers to keep their telephones for longer;
- sell reconditioned second-hand mobiles in several European countries;
- build customer awareness through incentives to increase the collection rate of used telephones by 50% per year.

a collection rate on the rise

In 2012, the Group collected 10% of the telephones distributed at its points of sale in France, Spain, Poland, Belgium, Slovakia, and Romania – or a 50% increase over the 6.6% rate in 2011.

This progress reflects the scale of the Group's efforts in all European countries to build customer awareness of the importance of recycling mobile phones.

some examples:

- the Group sponsored collection campaigns in several European countries, including Spain (in association with UNICEF), Poland (among employees), Slovakia (in primary schools), Moldavia (among the general public), and France (among the general public, local government agencies, and companies);
- in France, in addition to awareness-building campaigns, Orange continued to roll out Mobo, its mobile-phone-collecting robot, through agreements with public- and private-sector organisations like shopping arcades, universities, media libraries, offices, and primary and secondary schools. Orange also launched a targeted communications campaign on social networks (www.hello-mobo.fr);
- to encourage customers to bring in their old phones, for the past four years Orange has been offering to buy back used mobiles. New buyback offers were introduced in France, Romania, and Poland in 2012. A feasibility study is underway in Egypt;

- in Africa, following the creation of the first telephone equipment waste collection and treatment workshops in association with Emmaüs International, mobile phone collection initiatives were launched in 2012 in the four countries concerned: Burkina Faso, Benin, Niger, and Madagascar.

reselling used equipment: a win-win proposition

The reuse of mobile phones that are old but still working is the best solution from an environmental perspective: extending this equipment's useful life both reduces the production of electronic waste and saves the energy and raw materials that would otherwise be necessary to make new equipment. It is also a good way to provide access to new technology to those with low incomes, as the used equipment can be obtained at a lower cost.

For all these reasons, Orange has started selling used mobile phones in France (on orange.fr and sosh.fr), Spain, and, under a pilot programme, Poland. Studies are underway to expand this initiative to other countries.

Another initiative concerning used office computers was launched in 2012: the "PC by Orange" programme (see Focus).

focus

strengthened waste reporting to take into account the Grenelle 2 environmental law

In order to monitor the processing of the Group's waste as closely as possible whilst taking into account both the requirements of the Grenelle 2 law and different country contexts, Orange has established a new reporting process that distinguishes evacuated waste (metric tons of waste no longer stored on the Group's sites or under its direct control, but which have been entrusted to a service provider or an external organisation, with or without a related financial transaction) and recovered waste (waste that has been recovered through re-use, material recovery or energy recovery). In 2012, more than 86% of the waste produced by the Group was recovered.

specific work on companies' waste electrical and electronic equipment (WEEE)

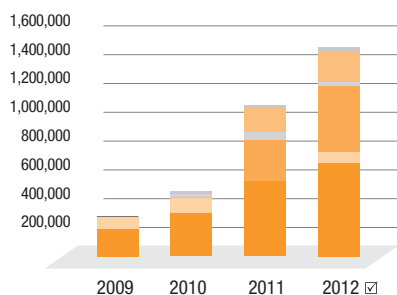
Special collection processes are needed for waste electrical and electronic equipment (WEEE) from business customers.

In France, the Group has set up a Corporate Environmental Department to collect and treat WEEE from equipment installed at business customer sites. This system allows for compliance with the new regulatory requirements for business WEEE, while encouraging the reuse of such equipment and consequently the extension of their useful lives.

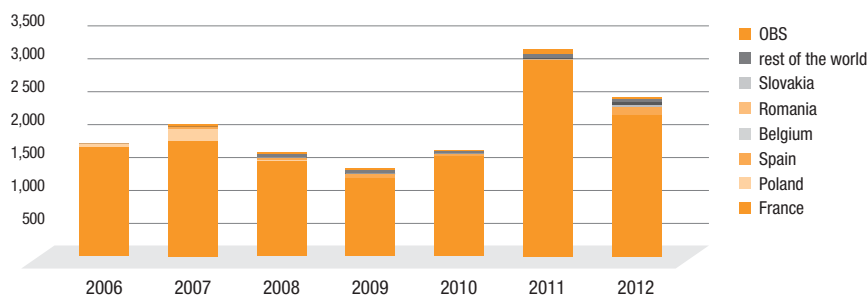
The Group has developed a paid collection service to meet the needs of customers looking for a specific collection service for their old equipment.

This France-based initiative could be extended to other countries subject to the same environmental regulations, adapting it to the corresponding domestic markets.

› increase in the number of mobiles collected



› evolution of the quantity (tonnes) of customer WEEE collected and evacuated



☑ element verified by Deloitte, moderate assurance.

focus

the PC by Orange: a product enjoying a new lease of life in France and Africa

Over 6,000 PC Hello computers, initially intended for a target group of first-time buyers in France, lay unused in the Group's inventory. Rather than keep storing them or destroying them, Orange launched a project to give them a new lease of life in Africa and the Middle East where there is strong demand for low cost electronic products. A cross-company working group, bringing together teams from the export, purchasing and marketing departments, made this project a success by offering a product tailored to the needs of African

markets. Renamed PC by Orange, this PC is now available in six African subsidiaries: Cameroon, Niger, Uganda, Côte d'Ivoire, Botswana and Madagascar. Over 5,000 units have already been shipped and an additional 1,000 units will be in 2013. The Orange Foundation also acquired some of the PCs with a view to offering them to over 120 local associations in France and in Africa, in order to favour the digital inclusion of disadvantaged groups

some key dates

2006

- mapping of waste processing channels in France.

2007

- definition of guidelines on waste applicable to all Group countries.

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.

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.

2012

- creation of a dedicated channel to collect and treat data, fixed-line telephone, and imaging WEEE at business customer sites in France.

focus

Mapping waste management in Senegal

At the request of Sonatel (the Senegalese subsidiary of France Telecom-Orange) and the Group's CSR Department, in November 2012 a team from the Purchasing Department carried out a support assignment with the aim of optimising waste management by establishing a map of the various waste processing channels in Senegal. Its objectives:

- assess the extent to which waste processing complies with national and international law;
- examine the process for collecting, transporting and processing WEEE, batteries and other hazardous waste;
- meet with partners involved in recycling and audit their processes and compliance.

The assignment also allowed clearer classification of the various types of waste produced by Sonatel to be implemented and enabled the subsidiary itself to improve its knowledge of waste processing channels and their associated risks and check the compliance of its service providers more effectively. It also allowed the Group to gain a clearer understanding of the situation in the Africa-Middle East zone, particularly with respect to the difficulties in finding reliable waste processing channels for certain types of waste, such as WEEE. Following this assignment, cooperative processes with European service providers were strengthened in order to improve the processing and traceability of waste.

Moreover, through Orange's participation in international working groups (UNEP, ITU, GeSI), local processing solutions are encouraged.

5.4. 2012 review and 2013 roadmap

5.4.1. 2012 review

objective	deadline	main achievements in 2012
Environmental Management Systems		
continued deployment of ISO 14000 EMS in the main countries and organisations of the Group - 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	- Sonatel (Senegal): ISO 14001 certification was obtained in June 2012 for networks' technical buildings; - Orange Romania: ISO 14001 certification was obtained in November 2012 for all operations; - the ISO 14001-certified scope was expanded significantly in several countries that were still not 100%-certified (see following objective for more details); - an ISO 14001 certification process was introduced for the new headquarters building (Olivier de Serres) in December 2012.
continue the deployment of ISO 14001 certification on sites with significant environmental impact - 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: - 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	- all certification objectives were reached and the ISO 14001 certification rate target was exceeded (34% vs. a target of 30% by end-2012): - Orange France: the ISO 14001-certified scope was expanded significantly to six business processes and twelve priority sites (November 2012), - Orange Business Services: ISO 14001 certification was obtained for the Cairo site in March 2012 and for the main Paris site (Orange Stadium) in December 2012, - Orange Spain: all fixed-line operations are now ISO 14001-certified. All Orange Spain operations and sites are now certified (except the new data centre created in July 2012), - Orange Romania and Sonatel (Senegal): targets were reached (see previous objective), - all other ISO 14001 certifications previously obtained by Group entities were maintained in 2012.

objective	deadline	main achievements in 2012
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reducing the Group's carbon footprint

networks and IT systems ■ 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; ■ model energy paths for 2012-2015.	2012-2015	■ further progress was made on the Green ITN 2020 programme <i>initiated</i> a few years ago and targeting in priority France, Poland, Spain, Romania, Belgium, Moldavia, and Slovakia; initial estimates for the year show over 300 GWh of electrical energy savings – preventing 110,000 tonnes of CO₂ emissions – thanks to actions taken by the countries; ■ action plans in the AMEA region were stepped up with a reporting effort requested from the main countries in the region; ■ modelling work for energy paths was launched as part of the Green ITN 2020 programme.
■ progressively introduce systems for measuring the energy consumption of networks and ISs.	2012-2015	■ communicating meters were tested and installed to measure energy consumption in 16 countries in Europe and the AMEA region, as part of the Group's RAN renewal programme; ■ by end-2012, 500 sites had been equipped with these meters, allowing for precise real-time tracking of energy consumption.
■ continue to innovate in the fields of renewable energy, effectiveness of technical buildings, etc.	2012-2015	■ renewable energy (solar solutions) were rolled out in the AMEA region: 300 new solar sites were set up in 2012, bringing the total to 2,300 sites (including 1,743 base stations). All solar-powered sites have annual carbon-free electricity consumption of 15 GWh, saving 28 million litres of fuel oil and 76,000 tonnes of CO₂ emissions; ■ 66% of RAN equipment was replaced by end-2012 in ten countries covered by the renewal programme; ■ Orange Labs continued to perform research and experiments on renewable energy, exothermic buildings, and 400 volt direct current power supplies; ■ the vehicle fleet's environmental performance was improved with even lower CO₂ emission criteria per segment; in July these criteria became mandatory for all new vehicles delivered; ■ a new eco-driving and road safety training programme was developed and made available to all employees in September 2012, and electric vehicles were added to the fleet to encourage car sharing.

objective	deadline	main achievements in 2012
tertiary sector buildings ■ continue the installation of energy measurement tools in buildings in France; ■ consolidate the policy of reducing consumption within the main European countries; ■ implement action plans to reduce buildings' energy consumption. In 2012 these should primarily concern France, Spain, Egypt, Belgium, and Poland, where the adaptation of buildings to specific needs also helps cut energy usage; ■ green buildings: include environmental specifications in new building programmes (the countries concerned in 2012 are France, Côte d'Ivoire, Cameroon, and Botswana).	2012	■ the installation of energy measurement tools in buildings in France continued, with 55 buildings equipped; ■ office buildings: a Group environmental policy was adopted in February 2012, focused on 12 key measures. This policy was implemented in countries through a guidebook of best practices.
evaluations and training ■ finalise the <i>Bilan Carbone</i>® carbon inventory in Spain; ■ undertake a <i>Bilan Carbone</i>® carbon inventory in Poland, adapted to the particular conditions in that country. ■ draw lessons from the <i>Bilan Carbone</i>® carbon inventories 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	■ in France, work continued on the action plan introduced at each Environmental Steering Committee following the <i>Bilan Carbone</i>® carbon inventory: four new topics were addressed (networks, mobile handsets, eco-design, and distribution channels); ■ a carbon calculator was developed for operating divisions, so that each one can measure its carbon footprint (in the western France pilot region); ■ the <i>Bilan Carbone</i>® carbon inventory in Spain was completed in 2012 and action plans were introduced to reduce the network's energy consumption; ■ Poland measured its carbon footprint and will introduce the corresponding energy action plans in 2013; ■ network architecture training was fully integrated into the architecture training course in association with Sup Télécom Paris Tech university.
environmental performance of products and services ■ develop eco-design initiatives 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; ■ 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	■ work was done to improve the energy performance of the new Liveboxes and set-top boxes, which will be rolled out with new software versions; ■ an eco-innovation workshop was held for future Orange boxes; ■ work was organised by service brick, and software eco-design work was started; ■ "green patterns" were published; ■ an eco-design/eco-innovation pilot project was completed for the business market (the "Multi Connect Business Avaya" communication-over-IP offer); ■ eco-design tools and methods were distributed for training, innovation processes, and product launches for the residential market; ■ the decision was made to review the eco-design tools and methods; ■ work done within the GSMA and ITU was continued;

objective	deadline	main achievements in 2012
environmental labelling continue with the international roll-out of eco-labelling for mobile handsets and contributions to setting an international standard (GSMA, European Union).	2012	- eco-labels were introduced in Armenia in June 2012; - the Group contributed to two GSMA working groups to establish a common methodology and tools that the ITU will use as a basis for standardisation in 2013.
promote eco-behaviours - 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 handsets	2012	- in France: - following the launches of the Sosh range in France and similar offers elsewhere in Europe, the share of "SIM only" offers is growing sharply and encouraging the introduction of repackaged handset offers, for which the Group plays a driving role.

biodiversity

paper consumption overall objective: to preserve forests and reduce the quantity of waste connected with the use of paper in the office - increase the use of recycled and certified paper with the aim of Orange France achieving 100% of sales documentation printed on recycled or certified paper and 80% for office 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;	2012-2015	- for Orange France in 2012: 80% of sales documentation was printed on FSC-certified or recycled paper, 92% of the office paper used was FSC-certified or recycled; - for Orange Spain in 2012: 100% of sales documentation was printed on FSC-certified or recycled paper, 82% of the office paper used was FSC-certified or recycled;
reduce the Group's overall paper consumption through various measures, raising awareness internally, e-billing, etc.	2012-2015	Orange France cut its paper consumption by 3% relative to 2011.
rare resources map the Group's dependence on rare resources.	2012	a project group involving all stakeholders was created in June 2012 to assess the challenges, risks, and opportunities for the Group.

objective	deadline	main achievements in 2012
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	■ reference guides for waste management were developed, tailored to the specific conditions in African and Middle Eastern countries; ■ expert assessments and measures to share best practices were initiated, most notably Senegal, in 2012; ■ Egypt: Mobinil set up a mobile phone collection and recycling programme for its employees and furthered its efforts to collect and recycle paper, cables, and batteries; ■ the Group increased its participation in international working groups on waste management (GeSI, ITU) to set up collective, effective solutions for waste treatment.
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	■ in France, the Group set up a Corporate Environmental Department to collect and treat WEEE from fixed-line equipment installed at business customer sites; ■ a paid waste collection service was developed and launched in late 2012 to meet customers' needs in France; ■ Based on expert assessments carried out in European countries, a reference guide on waste management in Europe was developed to encourage the sharing of best practices to improve waste collection and treatment, equipment reuse, and channel traceability, and to prepare for new WEEE Directive requirements to go into effect in 2014; ■ an initiative was launched to improve waste management reporting so that efforts to reuse and recycle collected waste are better taken into account, in accordance with France's Grenelle 2 requirements.

objective	deadline	main achievements in 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.	2012	■ the mobile phone collection rate at end-2012 was 10% in France, Spain, Poland, Belgium, Slovakia, and Romania – or a 50% increase over the 6.6% rate in 2011; ■ Mobo deployment agreements were signed with public- and private-sector organisations in France, and a communications campaign was launched on social networks (www.hello-mobo.fr); ■ the Group started selling used mobile phones in France and Spain (on orange.fr and sosh.fr), and under a pilot programme Poland. Studies are underway for other countries; ■ new mobile phone buyback offers were introduced in France, Romania, and Poland; ■ recovery programmes specific to the business market: no special developments; ■ the Group sponsored collection campaigns in several European countries, including Spain (in association with UNICEF), Poland (among employees), Slovakia (in primary schools), Moldavia (among the general public), and France (among the general public, local government agencies, and companies);
■ study the feasibility of large-scale collection and recycling schemes in Africa.	2012	■ mobile waste collection initiatives were carried out in four African countries (Madagascar, Burkina Faso, Benin, and Niger).

5.4.2. 2013 roadmap

objective	deadline
Environmental Management Systems	
continue deploying ISO 14000 EMSs in the Group's main countries and entities, to reach a 60% ISO 14001 certification rate by end-2015.	2013
reducing the Group's carbon footprint	
networks and IT systems ■ continue the work started in 2012 with France, Poland, Spain, Slovakia, Côte d'Ivoire, and Egypt – which account for 86% of the Group's energy consumption – to identify and prioritise ways to cut energy consumption; ■ continue to progressively introduce systems for measuring the energy consumption of networks and IT systems; ■ leverage the results of tests performed in 2012 to further innovate in the field of renewable energy.	2013
tertiary sector buildings ■ expand the measures to install energy measurement tools in buildings in France and Belgium to other countries.	2013
evaluations and training ■ identify the main conclusions of the Bilan Carbone® carbon inventory carried out in Poland in 2012 (adapted to the specific conditions in that country).	2013
environmental performance of products ■ reduce the environmental impacts of Home Network handsets; ■ apply the results of the eco-innovation workshops in the development of the next Orange box; ■ continue using eco-design techniques for services; ■ carry out a second eco-design/eco-innovation pilot project for the business market; ■ supplement the eco-design recommendations for network architects.	2013
electronic labelling ■ promote standardisation efforts based on pilot projects carried out by the Group.	2013
equipment lifetimes ■ substantially increase the usage of electronic billing and extend the useful lives of handsets.	2013-2015

objective	deadline
biodiversity	
■ launch a specific impact study on biodiversity for each business line (networks, cables, office buildings, and transport), and outline an action plan to reduce the Group's impact on biodiversity; ■ expand the use of FSC-certified or recycled office paper, and reduce the Group's overall paper consumption; ■ introduce action plans for each business concerned, so as to incorporate rare resource issues into business processes.	2013-2015 2013-2015 2013
waste management	
WEEE ■ deploy new methods for collecting and treating WEEE among business customers in France, and progressively expand them to other European countries where Orange Business Services operates; ■ train the sales force on end-of-life issues for equipment, so they can help business customers contribute to meeting waste collection and recycling targets; ■ actively participate in the implementation of the amended WEEE Directive in the various European countries where the Group operates; ■ implement measures on a European level to help reach the collection targets set forth in the new Directive (for 2016 and 2019 in particular). reach a 15% collection rate by end-2013 for mobile phones sold through the Group's controlled distribution channels, or a 50% increase from 2012 achieve this target by: ■ improving the effectiveness of phone buyback programmes, especially in France and Belgium; ■ introducing a pilot buyback programme in the AMEA region; ■ expanding used mobile phone offers and the range of handsets offered in Europe; ■ expanding mobile phone collection initiatives across Europe, and developing "structural" initiatives beyond existing environmental measures; ■ studying the feasibility of large-scale collection and recycling schemes in Africa.	2013 2013

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 2012 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 January 1 to December 31, 2012. It also includes a number of qualitative items from early 2013 (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 Compact, the guiding principles of the OECD and the 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 118-125.

For social data, the rate of coverage estimated as a percentage of the Group's workforce is given in the table on pages 126-130.

verification of the report

As in previous years, France Telecom-Orange requested one of its auditors to review progress on the goals in the roadmaps given in this report and verify a selection of social, environmental, and human resources indicators and the application of the AA 1000 APS (2008) principles.

The summaries for these indicators that have been externally verified are identified by the symbols  and .

The conclusions of this work appear on pages 114-117.

application of the principles of the AA1000 standard

In all significant aspects, the process of drawing up the 2011 Corporate Social Responsibility Report adheres to the three principles (completeness, materiality and responsiveness) of the AA 1000 APS (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 28.

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.

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 in roadmaps 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 international reporting guidelines

GRI (Global Reporting Initiative)

This report was developed in line with the Global Reporting Initiative (GRI) version 3 guidelines. Based on the method of assessment recommended in the guide to the GRI G3.1 application levels, the self-assessment of this report has been undertaken using application level A+.

correspondence with the Global Compact

France Telecom-Orange signed up to the United Nations Global Compact in July 2000.

As part of the Compact, the Group is required to issue a Communication on Progress report each year. For the Group's compliance with this requirement, see the reporting standards table in the appendix.

correspondence with the ISO 26000 standard

The international ISO 26000 standard published in November 2010 provides guidelines on the social responsibility of organisations. The ISO 26000 standard revolves around seven central issues covering various areas of action connected with the social responsibility of organisations.

For the Group's compliance with these reporting guidelines, see the correspondence table in the appendix.

changes in calculation methods

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 socio-professional category.

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 includes employees in the "executive" category, which corresponds to the consolidation of levels E, F, and G of the French National Telecommunications Collective Agreement (*Convention Collective Nationale des Télécommunications*).

Group entities outside France use a document describing the levels in the Collective Agreement to assign a level to each employee.

percentage of women in the "Leaders" network

The "Leaders" network is a manager network that had 1,118 members at end-2012. These members hold positions of very high responsibility in the France Telecom-Orange 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. Therefore permanent departures of employees on temporary leave (for example due to a long illness, assignment to non-active service, or unpaid leave) are not included in these indicators.

Health and safety indicators

The definitions of the Group's health and safety indicators were redefined in 2011. Roll-out of the reporting system was almost completed at end-2012, with a coverage rate of over 91% of staff – or over 99.6% for France alone. Countries report accidents in accordance with domestic regulations.

environmental data

Environmental reporting is based on the Indicia reporting tool. Only those countries consolidated in the Annual Report contributed to CSR reporting. The following changes in reporting scope occurred between 2012 and 2011: Switzerland was removed and the Democratic Republic of the Congo was added.

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-Orange 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.

Electricity consumption by the Group's Polish entity (Orange Poland) 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.

The "fuel oil consumption (all buildings and all uses)" indicator comprises consumption (excluding vehicles) of domestic fuel oil, diesel and gasoline, as well as marine heavy fuel oil and diesel for FT Marine's fleet.

transport

Most of the data for train and air travel are provided by Carlson Wagon Lits, which covers more than 80% of the mileage travelled by the Group's 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 (180 g CO₂/km per passenger) is 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.

Local travel agencies, besides Carlson Wagon Lits, that provided reporting data are also taken into consideration, as well as the travel undertaken by families of expatriate employees.

CO₂ emissions

The 2012 version (with the 2009 results) of the GHG Protocol was used to calculate CO₂ emissions for electricity, except for France, for which the Group took 60 g CO₂/kWh as the value for the period 2008 to 2012, based on the Ademe's revised estimates. Prior years were therefore corrected. 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).

electronic waste (e-waste) collected from customers

WEEE collected from "private" customers consists of WEEE (mobile, landline and multimedia handsets) 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).

evacuated and recovered waste

Reporting on waste incorporates the concept of evacuated waste (*i.e.* waste that is no longer stored in the Group's sites or under its direct control, but which has been disposed of to a service provider or an external body, with or without a related financial transaction), and recovered waste (*i.e.* waste that has been recovered through re-use, material recovery or energy recovery).

Non-hazardous waste is not included. Fluorescent bulbs, PCB and printer cartridge waste is accounted for, but is now included under "Other hazardous waste". The Group is working to identify and develop sustainable waste collection and treatment processes in the AMEA region. At this point an exhaustive report of waste treatment data for this region is not available.

In France, only waste handled by a service provider having signed a framework contract with the France Telecom-Orange 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.

The same definitions and methodical analysis method are used in other European countries. In non-European countries, given that established channels are often not available to treat certain types of waste, the quantity of recovered waste generally corresponds to all evacuated waste that had been sold.

environmental management system

The “Size of ISO 14001 certified sites or activities” indicator is calculated based on the ratio of energy consumption of the scope covered by the ISO 14001 certification and total electricity consumption, except for France, for which the indicator is calculated based on the ratio of the number of employees covered by the certification to 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

The Group calculates the percentage of orders placed with local suppliers for each country (geographically speaking).

These data come from the consolidated data in the Group's purchasing IT system (Gold) and include for each entity:

- the total amount of orders;
- the total amount of orders from local suppliers.

With the following definitions:

- local suppliers:
 - suppliers that are not subsidiaries of a larger company,
 - suppliers that are subsidiaries of a company operating on a national scale only;
- external suppliers:
 - suppliers that are subsidiaries of an international company.

The indicator for a country is not given if complete data are not available.

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.

external opinion

assurance report of one of the Statutory Auditors on the corporate responsibility reporting process

year ended December 31, 2012

This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

For the attention of France Télécom Group Executive Management

Pursuant to your request and in our capacity as one of the Statutory Auditors of France Télécom, we have conducted procedures on the following items:

- (1) the description given by France Télécom on page 26 of the 2012 Group Corporate Responsibility Report ("the report") on the compliance with AA1000 APS¹ (2008) principles of inclusivity, materiality and responsiveness in the report's preparation process ("the principles");
- (2) the description made by France Télécom on pages 8-9, 34-35, 52-56, 70-72, 84-87, 102-107 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) the corporate responsibility Information selected by France Télécom and identified by the symbol ☒ or ☒ among the information published on pages 32, 41, 89, 91, 100, 118-121, 138-140 of the report ("the selected Information");
- (4) France Télécom's self-assessment of the report based on GRI G3 guidelines ("the GRI Self-Assessment"), available on pages 131 to 146 of the report.

These items were prepared under the responsibility of the Group's Corporate Social Responsibility Department in accordance with the following reporting criteria:

- (1) for the principles, the AA1000 APS (2008);
- (2) for the main achievements, the corporate responsibility policies and guidelines prepared by the France Télécom Group and described in the 2012 roadmaps;
- (3) for the selected Information, all the procedures relating to the reporting of environmental, social and societal indicators (the "Reporting Criteria"), available for consultation at the Corporate Social Responsibility Department, that are summarized on pages 112-114 of the report;
- (4) for the GRI Self-Assessment, the GRI G3² 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.

We conducted our procedures in accordance with ISAE 3000 (International Standard on Assurance Engagements), the AA1000 AS¹ (2008) and the professional guidelines applicable in France.

Our procedures satisfy the requirements of a Type 2 verification in accordance with AA1000 AS (2008) standard. The Professional

¹ <http://www.accountability.org/standards/index.html>

² <https://www.globalreporting.org/reporting/reporting-framework-overview/application-level-information/Pages/default.aspx>
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.

Code of Conduct governing the statutory auditor profession, to which we are bound, guarantees our independence with regard to the criteria required by the AA1000 AS (2008).

We have carried out 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 Information (3) identified by the symbol ☒ have been prepared, in all material respects, in accordance with the above-mentioned reporting criteria;
- a limited assurance that the selected Information (3) identified by the symbol ☒ and the GRI Self-Assessment (4) do not contain any material anomalies likely to call into question the fact that they have been prepared, in all material respects, fairly and in accordance with the above-mentioned reporting criteria.

To assist us in conducting our work, we referred to the corporate responsibility experts of our firm.

(1) description of the compliance with AA1000 principles

nature and scope of procedures

We met the people responsible for Corporate Responsibility at the France Télécom headquarters (Executive committee and Corporate Social Responsibility Department) and a sample of legal entities³, in order to assess the implementation of the report's preparation process as defined by France Télécom and the identification of significant events in 2012.

We conducted tests at corporate level and for the above-mentioned entities on the implementation of the procedure relating to:

- the identification of stakeholders and their expectations;
- the identification of material Corporate Responsibility issues;
- the implementation of Corporate Responsibility policies and guidelines.

We compared the material issues described by France Télécom in its report with those presented by the main Télécommunications sector companies in their Corporate Responsibility reports and those arising from our review of the sector's press in 2012.

³ Two OBS entities (Equant in India and Egypt) and a sampling of legal entities in the following countries: Belgium (Mobistar), Cameroon (Orange Cameroun), Egypt (Mobinil), Spain (France Télécom Espana), Poland (Orange Poland), Dominican Republic (Orange Dominicana), Senegal (Sonatel), Slovakia (Orange Slovensko).

conclusion of reasonable assurance

In our opinion, France Télécom's description on page 26 of the report on compliance with the AA1000 APS (2008) principles of inclusivity, materiality and responsiveness in the report's preparation process has been prepared, in all material respects, in accordance with the above-mentioned reporting criteria.

(2) main achievements

nature and scope of procedures

We assessed France Télécom'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.

conclusion of reasonable assurance

In our opinion, France Télécom's 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 8, 9, 34, 35, 52, 53, 54, 55, 56, 70, 71, 72, 84, 85, 86, 87, 102, 103, 104, 105, 106, 107 of the report has been prepared, in all material respects, in accordance with the above-mentioned reporting criteria.

(3) selected Information

nature and scope of procedures

We assessed the appropriateness of the Reporting Criteria with respect to its relevance, completeness, neutrality, clarity and reliability, by taking into consideration, when relevant, the sector's best practices.

We have verified the set-up within the Group of a process to collect, compile, process and check the selected Information with regard to its completeness and consistency. We have familiarized ourselves with the internal control and risk management procedures relating to the compilation of the Information. We have conducted interviews with individuals responsible for corporate responsibility reporting.

Concerning the selected quantitative Information:

- for the consolidating entity and controlled entities, we have set up analytical procedures and verified, using sampling techniques, the calculations as well as the consolidation of this Information;
- at the sites that we have selected⁴, based on their activity, their contribution to consolidated indicators, their location and a risk analysis, we have:
 - conducted interviews to verify the proper application of procedures and obtain information to perform our verifications,
 - conducted substantive tests, using sampling techniques, to verify the calculations performed and reconcile the data with supporting evidence.

For the Information selected by the Group and identified by the sign ☒ in the report, the level of measurement accuracy and the performance of more extensive procedures than those performed on other Information selected by the Group and identified by the sign ☐, in particular regarding the number of tests, enabled us to express reasonable assurance.

⁴ Two OBS entities (Equant in India and Egypt) and a sampling of legal entities in the following countries: Belgium (Mobistar), Cameroon (Orange Cameroun), Egypt (Mobinil), Spain (France Télécom Espana), Poland (Orange Poland), Dominican Republic (Orange Dominicana), Senegal (Sonatel), Slovakia (Orange Slovensko), representing 92% of total employees, as well as 87% of energy consumption (excluding transportation), 84% of CO₂ emissions, 98% of internal evacuated waste and 98% of recycled waste published by the Group.

conclusion of reasonable assurance

In our opinion, the Information selected by France Télécom and identified by the sign ☒ has been prepared, in all material aspects, in accordance with the above-mentioned Reporting Criteria.

conclusion of limited assurance

Based on our work, we have not identified any material anomaly likely to call into question the fact that the Information selected by the Group and identified by the sign ☒ is presented, in all material aspects, fairly and in accordance with the above-mentioned Reporting Criteria.

Without calling into question the conclusions of our procedures expressed above, we draw your attention to the fact that, as indicated in the methodological note presented in the section “about this report” on pages 110 to 113, the Group is in the process of identifying and securing its waste collection and treatment channels in certain countries of the EMEA region.

(4) work on the GRI Self-Assessment

nature and scope of procedures

Based on the GRI cross-reference table shown on pages 131 to 146 of the report, 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.

conclusion of limited assurance

Based on our work, we have not identified any material anomaly likely to call into question the fact that France Télécom’s self-assessment of the report based on the GRI G3 guidelines that contributed to the A+ application level is presented, in all material respects, fairly and in accordance with the above-mentioned reporting criteria.

Neuilly-sur-Seine, April 15th, 2013.

One of the Statutory Auditors,

Deloitte & Associés

Frédéric Moulin

Partner

environmental data

nc: Not collected

na: Not applicable

☑: item reviewed by Deloitte: moderate level of assurance

☑☑: item reviewed by Deloitte: reasonable level of assurance

environmental performance (energy)

indicators	units	Corres- pon- dence GRI	reporting scope, as a percentage of the overall Group's turnover	France	EUROP									
				France	Poland	Spain	Belgium	Romania	Slovakia	Moldova	Armenia	Dominican Republic		
facilities presenting a risk														
fuel tanks	units			2,221	1,517	213	0	325	48	166	0	860		
energy consumption														
Scope 1														
fuel (all buildings, all use)	m³	EN3	99.8%	15,247	3,359	2,997	322	93	23	145	20	4,927		
gas	m³	EN3	99.6%	18,313,387	3,499,336	0	238,140	0	267,156	28,167	0	0		
coal	tons	EN3	100.0%	na	100	na	na	na	na	na	na	na		
gazoline + GPL for company's vehicles	liters	EN3	99.0%	58,432	859,699	64,348	0	244,517	159,981	301,809	143,263	707,952		
diesel gasoline for company's vehicles	liters	EN3	99.0%	30,037,792	5,471,908	559,179	1,862,598	889,410	476,689	134,839	37,465	169,612		
SCOPE 1 TOTAL ENERGY	GWH	EN3	99.5%	670	139	41	25	12	9	6	2	65		
CO ₂ emissions (fuel-gas-coal)	CO ₂ ton _s	EN4	99.8%	78,582	16,006	8,031	1,322	250	578	442	53	13,204		
CO ₂ emissions (vehicles)	CO2 ton _s	EN5	99.0%	82,743	17,094	1,691	5,122	3,028	1,692	1,089	444	2,151		
Scope 1 CO ₂ emissions (energy only)	Tons CO ₂	EN3	99.5%	161,325	33,099	9,722	6,444	3,278	2,269	1,531	497	15,356		
CO ₂ emissions from green house gas	Tons eqCO ₂	EN19	19.0%	0	8,500	0	0	721	57	0	61	13,718		
Scope 1 CO ₂ emissions	Tons CO ₂	EN16	99.0%	161,325	41,599	9,722	6,444	3,999	2,326	1,531	558	29,074		
Scope 2														
electricity	GWh	EN4	99.6%	2,215	617	274	110	116	66	24	15	29		
of which green energy	GWh	EN6	100.0%	0	0	0	110	0	0	0	0	1		
Scope 2 CO ₂ emissions	Tons CO ₂	EN16	99.6%	132,904	395,277	81,730	0	47,971	14,554	9,623	1,583	16,776		
Scope 1 + Scope 2 CO ₂	Tons CO ₂	EN16	99.3%	294,229	436,877	91,452	6,444	51,970	16,880	11,154	2,141	45,850		

	AMEA							Orange Business services International	Group 2012: Validated Values	Group validated values (updated without United Kingdom, for years 2006 to 2009)					
	Senegal	Mali	Ivory Coast	Egypt	Jordan	Cameroun	Other AMEA Countries		2012	Figure 2011	Figure 2010	Figure 2009	Figure 2008	Figure 2007	Figure 2006
	205	0	569	1,449	234	0	0	94	7,901	5,666	5,992	5,996	6,445	5,601	3,916
	2,073	4,129	1,523	30,224	319	3,318	20,029	93	88,841	77,798	71,087	80,750	49,480	44,872	51,117
	0	0	0	0	143	0	0	157,382	22,503,710	21,662,486	23,836,444	23,867,165	24,729,068	25,285,598	27,988,080
	na	na	na	na	na	na	na	na	100	87	119	197	271	284	213
	47,389	87,908	681,473	775,654	312,565	116,994	61,505	541,918	5,165,407	5,885,434	6,867,479	9,518,387	10,442,078	13,513,958	12,970,338
	682,047	269,049	994,508	0	840,008	777,344	699,344	1,315,803	45,217,595	42,733,872	45,091,672	44,358,123	46,326,910	42,299,296	42,084,210
	31	51	34	357	15	47	240	21	☒ ☒ 1,766	1,610	1,588	1,732	1,367	1,295	1,416
	5,556	11,065	4,082	80,999	854	8,893	53,679	554	284,149	253,491	239,159	264,565	181,010	165,924	336,475
	1,988	949	4,357	1,846	3,054	2,416	2,070	4,908	136,642	131,524	140,344	144,637	152,138	150,410	146,599
	7,544	12,014	8,439	82,845	3,908	11,309	55,748	5,462	420,791	385,015	379,503	409,203	333,147	316,334	483,075
	0	0	0	0	0	0	65	1,511	24,633	7,536	15,881	14,105	24,309	15,185	
	7,544	12,014	8,439	82,845	3,908	11,309	55,813	6,973	☒ ☒ 445,424	392,551	395,384	423,308	357,456	331,519	483,075
	63	27	45	278	57	20	121	93	☒ ☒ 4,169	3,984	4,039	3,916	3,700	3,137	3,059
	4	2	1	1	0	1	5	0	124	122.80	8.37	9.74	9.77	12	77
	36,663	12,466	18,680	128,960	33,202	4,694	42,635	46,464	☒ ☒ 1,024,182	930,592	1,060,789	1,016,110	970,052	825,704	773,883
	44,207	24,479	27,119	211,805	37,110	16,003	98,448	53,437	1,469,605	1,323,143	1,456,173	1,439,418	1,327,508	1,157,223	1,256,958

indicators	units	Corres- pon- dence GRI	reporting scope, as a percentage of the overall Group's turnover	France	EUROP								
				France	Poland	Spain	Belgium	Romania	Slovakia	Moldova	Armenia	Dominican Republic	
Scope 3													
flight distances for business trips	km	EN29	99%	166,610,963	6,026,275	7,758,780	1,169,243	4,360,473	1,359,521	2,727,164	1,176,117	3,382,822	
train distances for business trips	km	EN29	99%	98,361,564	7,978,790	2,786,981	1,353,461	18,968	0	2,539	0	0	
Scope 3 CO ₂ emissions	Tons CO ₂	EN16	99%	30,924	1,883	1,540	276	787	245	491	212	609	
total emitted CO ₂ (Scope 1+2+3)	Tons CO ₂	EN16	99%	325,153	438,759	92,992	6,720	52,757	17,125	11,645	2,353	46,459	
KPI: electricity consumption/ customer	kWh/ customer		99%	31.07	26.08	19.70	23.29	11.24	22.42	12.01	24.59	9.07	
KPI: CO ₂ due to electricity consumption/ customer	kg/ customer		99%	1.86	16.70	5.89	0	4.66	4.97	4.81	2.65	5.22	
KPI: total energy consumption (Scopes "1+2")/ customer	toe/1000 customers		99.6%	9.7	7.4	4.6	6.1	2.6	6.0	3.1	5.8	3.8	
KPI: total energy consumption (Scopes "1+2")/ customer	kWh/ customer		99.6%	40.5	32.0	22.6	28.6	12.4	25.6	15.0	27.8	29.4	
KPI: CO ₂ emitted (all energies = Scopes "1+2+3")/ customer	kg/ customer		99%	4.6	18.5	6.7	1.4	5.1	5.8	5.8	3.9	14.5	



	AMEA							Orange Business services International	Group 2012: Validated Values	Group validated values (updated without United Kingdom, for years 2006 to 2009)					
	Senegal	Mali	Ivory Coast	Egypt	Jordan	Cameroun	Other AMEA Countries		2012	Figure 2011	Figure 2010	Figure 2009	Figure 2008	Figure 2007	Figure 2006
	4,433,645	2,853,687	2,829,079	3,034,844	1,526,985	3,320,400	1,887,178	63,085,553	277,542,729	290,385,071	284,772,951	215,613,397	254,818,910	242,680,598	184,211,947
	0	0	0	0	0	0	0	1,754,452	112,256,755	113,164,635	105,266,548	86,939,923	96,283,916	62,030,773	59,901,669
	798	514	509	546	275	598	340	11,531	☑☑ 52,076	54,139	53,110	40,063	50,620	35,479	36,752
	45,005	24,993	27,628	212,351	37,385	16,601	98,788	64,968	☑☑ 1,521,681	1,377,282	1,509,283	1,479,481	1,378,128	1,192,702	1,293,710
	8.45	3.13	6.88	8.14	14.99	3.46	11.71	na	19.47	19.03	20.17	21.23	21.21	20.66	19.90
	4.89	1.45	2.86	3.78	8.69	0.81	4.12	na	4.67	4.29	5.18	5.24	5.28	5.41	4.72
	2.2	1.2	2.0	2.7	3.7	1.5	4.5	na	5.8	5.69	6.07	6.55	6.57	6.50	6.83
	12.6	9.1	12.0	18.6	18.9	11.6	34.8	na	27.8	26.8	28.2	30.9	29.3	29.1	29.9
	6.0	2.9	4.2	6.2	9.8	2.9	9.5	na	7.0	6.38	7.30	7.70	7.38	7.76	8.06

› environnemental performance (Water - Waste - EMS)

indicators	units	Corres- pon- dence GRI	reporting scope, as a percentage of the overall Group's turnover	France	EUROP								
				France	Poland	Spain	Belgium	Romania	Slovakia	Moldova	Armenia	Dominican Republic	
consumed water	m³	EN8	97%	1,354,160	771,901	26,437	0	40,000	21,970	9,230	0	2,700	
paper & carboard, internal (offices) and external	tons	EN1	93%	12,098	3,002	3,083	0	731	691	286	0	4	
Evacuated internal waste													
internal (network & tertiary) WEEE	tons	EN22	96.5%	1,212	473	12	579	239	97	0	0.333	178	
■ Percentage of Recovery	%	EN22	96.5%	81%	100%	100%	100%	100%	100%	na	100%	99%	
metal poles	tons	EN22	90.1%	1,070	0	na	na	0	na	0	na	na	
■ Percentage of Recovery	%	EN22	90.1%	100%	na	na	na	na	na	na	na	na	
wooden poles	tons	EN22	97.5%	14,269	52	na	0	na	na	0	0	na	
■ Percentage of Recovery	%	EN22	97.5%	100%	100%	na	na	na	na	na	na	na	
cables	tons	EN22	97%	15,819	409	na	na	7	na	0	0	na	
■ Percentage of Recovery	%	EN22	97%	75%	100%	na	na	100%	na	na	na	na	
batteries	tons	EN22	98%	1,145	13	11	18	75	27	0	0.15	42	
■ Percentage of Recovery	%	EN22	98%	88%	100%	0%	100%	100%	100%	na	100%	100%	
paper - carboard	tons	EN22	97%	2,375	135	144	22	132	64	60	6.980	7	
■ Percentage of Recovery	%	EN22	97%	100%	100%	100%	100%	100%	100%	100%	100%	100%	
other hazardous waste (PCB – printer cartridges – Fluorescent tubes included)	tons	EN22	96%	620	0	4	1	2	15	0	0	3	
■ Percentage of Recovery	%	EN22	96%	18%	100%	20%	100%	100%	100%	na	na	0%	
other non-hazardous waste	tons	EN22	85%	0	558	0	103	0	193	0	0	nc	
■ Percentage of Recovery	%	EN22	85%	100%	100%	na	13%	na	6%	na	na	nc	
TOTAL EVACUATED INTERNAL WASTE	TONS	EN22	94.6%	36,509.1	1,640.7	171.0	722.7	455.8	394.9	59.5	7.5	229.6	
■ Percentage of Recovery	%	EN22	94.6%	87%	100%	92%	88%	100%	54%	100%	100%	98%	



	AMEA							Orange Business services International	Group 2012: Validated Values	Group (updated without United Kingdom, for years 2006 to 2009)					
	Senegal	Mali	Ivory Coast	Egypt	Jordan	Cameroon	Other AMEA Countries		2012	Figure 2011	Figure 2010	Figure 2009	Figure 2008	Figure 2007	Figure 2006
	105,601	0	72	0	41,555	0	0	52,281	2,425,907	3,825,222	3,835,075	3,267,350	3,180,810	2,858,518	3,921,562
	0	0	172	18	75	0	0	38	20,199	23,215	25,278	23,615	32,238	25,890	34,733
									-						
	0	376	12	21	0	nc	0	4	3,204	2,273	2,125	2,517	2,433	1,787	1,990
	na	100%	43%	100%	na	na	na	8%	92%	na	na	na	na	na	na
	0	na	2	147	0	40	0	0	1,259	1,153	950	722	547	1,625	415
	na	na	100%	100%	na	100%	na	na	100%	na	na	na	na	na	na
	0	na	9	na	0	0	0	na	14,329	11,903	11,740	9,360	11,868	10,861	11,830
	na	na	100%	na	na	na	na	na	100%	na	na	na	na	na	na
	77	na	10	0	0	0	0	6	16,329	8,968	8,214	5,698	5,698	7,106	4,663
	100%	na	55%	na	na	na	na	0%	76%	na	na	na	na	na	na
	41	107	24	383	0	35	12	9	1,942	2,402	2,664	1,546	1,863	2,455	2,188
	98%	0%	100%	100%	na	100%	0%	80%	87%	na	na	na	na	na	na
	20	56	0	38	0	0	25	95	3,180	3,482	2,957	3,057	2,520	2,216	746
	0%	0%	na	0%	na	na	56%	71%	95%	na	na	na	na	na	na
	0	0	0	0	0	nc	0	9	654	379	591	660	231	309	270
	na	na	na	0%	na	na	na	84%	21%	na	na	na	na	na	na
	nc	0	0	0	0	0	13	140	1,007	1,052	644	904	793	937	2,376
	na	na	na	na	na	na	0%	3%	58%	na	na	na	na	na	na
	138.3	538.3	57.4	589.1	0	74.9	50.5	264.1	☒ 41,903	31,613	29,885	24,464	25,953	27,295	24,478
	85%	70%	80%	94%	na	100%	28%	33%	☒ 87%	na	na	na	na	na	na

indicators	units	Corres- pon- dance GRI	reporting scope, as a percentage of the overall Group's turnover	France	EUROP								
				France	Poland	Spain	Belgium	Romania	Slovakia	Moldova	Armenia	Dominican Republic	
KPI: tons of internal evacuated waste/ MEuros of turnover	tons/ MEuros of turnover	EN22	94.6%	1.40	0.49	0.04	0.46	0.53	0.59	0.41	0.20	0.51	
WEEE collected from customers (including batteries)	tons	EN22	98.2%	2,144	0	117	37	43	2	0	15.385	0	
■ Percentage of Recovery	%	EN22	98.2%	80%	100%	9%	100%	100%	100%	na	100%	na	
KPI: WEEE collected from customers	kg/1000 customers	EN22	98.2%	30.08	0.01	8.42	7.96	4.18	0.62	0	25.79	0	
EMS KPI EMS: importance of ISO 14001 certified scope	%		92.5%	19.9%	28.2%	95.0%	0%	100%	100%	100%	0%	0%	



	AMEA							Orange Business services International	Group 2012: Validated Values	Group (updated without United Kingdom, for years 2006 to 2009)					
	Senegal	Mali	Ivory Coast	Egypt	Jordan	Cameroun	Other AMEA Countries		2012	Figure 2011	Figure 2010	Figure 2009	Figure 2008	Figure 2007	Figure 2006
	0.23	2.24	0.11	0.45	-	0.27	0.07	0.12	0.96	0.70	0.66	0.53	0.54	0.59	0.49
	15	0	0	0	nc	0	10	32	☑ 2,416	3,121	1,607	1,357	1,586	1,913	1,632
	100%	na	na	na	na	na	72%	100%	78%	na	na	na	na	na	na
	2.03	0	0	0	nc	0	0.94	na	11.54	15.35	8.22	7.74	9.60	12.67	11.78
	41.3%	100%	0%	100.0%	0%	0%	0%	4.1%	33.9%	25%	16.8%	14%	13.9%	12.9%	na

social data

-: not available

na: Not applicable

nc: Not collected

☑☑: item reviewed by Deloitte: moderate level of assurance

☑: item reviewed by Deloitte: reasonable level of assurance

Indicators	GRI code	scope (in % of the overall Group's headcount)	France	EUROP									
			France	Poland	Spain	Belgium	Romania	Slovakia	Armenia	Moldova	Dominican Republic	Other EME countries	
In the Group (end of the year)													
Number of male employees	LA13	100%	67,333	12,371	2,018	1,169	1,518	900	219	508	651	88	
Number of female employees	LA13	100%	38,398	9,864	1,944	618	1,442	411	202	461	620	61	
Total number of employees	LA1	100%	105,731	22,235	3,962	1,787	2,960	1,311	421	969	1,271	149	
Percentage of women among the employees	LA13	100%	36.3%	44.4%	49.1%	34.6%	48.7%	31.4%	48.0%	47.6%	48.8%	40.9%	
Total number of employees CDI (Permanent contracts)	LA1	100%	104,351	21,287	3,815	1,773	2,806	1,207	415	969	1,271	138	
Total number of employees CDD (Temporary contracts)	LA1	100%	1,380	948	147	14	154	104	6	-	-	11	
Total number of employees (Full Time)	LA1	100%	99,877	21,920	3,780	1,738	2,878	1,310	420	969	1,270	148	
Total number of employees of the previous year	LA1	100%	105,920	23,560	3,187	1,771	2,846	1,368	396	929	1,243	1,412	
Number of men (CDI) in management positions	LA13	100%	20,786	2,705	311	467	503	479	32	84	32	11	
Number of women (CDI) in management positions	LA13	100%	8,838	1,014	116	174	348	92	12	39	23	4	
Number of employees (CDI) in management positions	LA13	100%	29,624	3,719	427	641	851	571	44	123	55	15	
Percentage of women (CDI) in management positions	LA13	100%	29.8%	27.3%	27.2%	27.1%	40.9%	16.1%	27.3%	31.7%	41.8%	26.7%	
% of women in the "leaders" network	LA13	100%	Global figure (concerning 1,118 leaders at the end of 2012), difficult to split between the different countries, because of transverse-corporate activities										
Average age of the workforce	LA1	100%	47.4	40.1	38.7	37.7	32.0	34.8	29.3	30.6	31.2	32.9	
Total number of permanent employees (CDI) in 2011	LA1	100%	104,184	22,488	3,146	1,763	2,607	1,242	389	928	1,243	1,345	
Number of redundancies	LA2	100%	73	1,295	61	101	35	63	-	-	134	35	
% of redundancies per country (compared to 2011 permanent employees)	LA2	100%	0.1%	5.8%	1.9%	5.7%	1.3%	5.1%	0%	0%	10.8%	2.6%	
Number of external recruitments	LA2	100%	☑☑ 2,159	1,161	578	239	387	75	62	136	236	63	
% of external recruitments (compared to 2011 permanent employees)	LA2	100%	2.1%	5.2%	18.4%	13.6%	14.8%	6%	15.9%	14.7%	19%	4.7%	

(1) OBS International takes into account: Equant (which number of employees through 160 countries including France, represents 93.3% of the overall number), 12 Etrali subsidiaries (2.4%), 7 Globecast subsidiaries (2.9%) & 7 Silicomp subsidiaries (1.4%).

(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).

There are small discrepancies between the values presented above and those published in the annual report or registration document. These discrepancies stem from certain specific information that was unavailable for four entities within the Group, which made it impossible to calculate the relevant indicators for these companies.

	AMEA								Other countries/ word organisations	Orange Business services international ⁽¹⁾	Group Total 2012	Group Total 2011	Group Total 2010 ⁽²⁾	Group Total 2009 (without UK)
	Senegal	Mali	Ivory Coast	Egypt	Jordan	Cameroun	Kenya	Other AMEA countries						
	1,261	334	820	3,585	1,759	438	1,300	1,671	1,323	9,033	108,299	109,175	107,112	108,212
	641	110	527	1,188	557	225	363	1,019	595	2,986	62,232	62,715	61,287	62,195
	1,902	444	1,347	4,773	2,316	663	1,663	2,690	1,918	12,019	✓✓ 170,531	171,890	168,399	170,407
	33.7%	24.8%	39.1%	24.9%	24.1%	33.9%	21.8%	37.9%	31.0%	24.8%	✓✓ 36.5%	36.5%	36.4%	36.5%
	1,902	387	1,337	4,773	2,129	603	1,663	2,385	1,808	11,925	166,944	167,648	164,406	166,439
	-	57	10	-	187	60	-	305	110	94	3,587	4,242	3,993	3,968
	1,902	444	1,347	4,773	2,312	663	1,663	2,690	1,906	12,013	164,023	166,153	163,607	167,057
	1,870	424	1,361	4,777	2,430	639	1,712	1,994	1,949	12,141	171,929	168,356	168,107	171,811
	227	37	144	372	148	185	114	126	606	5,647	33,016	32,557	31,206	29,484
	90	7	61	101	42	49	50	45	284	1,578	12,967	12,498	11,833	11,084
	317	44	205	473	190	234	164	171	890	7,225	45,983	45,055	43,039	40,568
	28.4%	15.9%	29.8%	21.4%	22.1%	20.9%	30.5%	26.3%	31.9%	21.8%	✓ 28.2%	27.7%	27.5%	27.3%
Global figure (concerning 1,118 leaders at the end of 2012), difficult to split between the different countries, because of transverse-corporate activities											✓ 23.6%	23.80%	23.15%	N/A
	41.1	34.6	39.4	31.5	36.5	37.8	41.4	31.9	35.8	38.3	43.7	42.6	42.8	42.4
	1,870	382	1,351	4,777	2,156	573	1,712	1,655	1,823	12,050	167,684	164,365	164,372	166,882
	-	-	10	27	4	10	10	26	64	411	✓ 2,359	2,050	3,311	3,770
	0%	0%	0.7%	0.6%	0.2%	1.7%	0.6%	1.6%	3.5%	3.4%	1.4%	1.2%	2%	2.3%
	75	35	61	546	120	39	117	349	328	1,437	✓ 8,203	10,163	10,090	7,168
	4%	9.2%	4.5%	11.4%	5.6%	6.8%	6.8%	21.1%	18%	11.9%	4.9%	6.2%	6.1%	4.3%

Indicators	GRI code	scope (in % of the overall Group's headcount)	France	EUROP									
			France	Poland	Spain	Belgium	Romania	Slovakia	Armenia	Moldova	Dominican Republic	Other EME countries	
In the Group (end of the year)													
Number of resignations	LA2	100%	475	564	60	104	215	36	35	71	62	48	
% of voluntary departures (compared to 2011 permanent employees)	LA2	100%	0.5%	2.5%	1.9%	5.9%	8.2%	2.9%	9.0%	7.7%	5.0%	3.6%	
Total number of employee departures (male)	LA2	100%	1,145	1,061	78	153	145	54	18	28	106	54	
Total number of employee departures (female)	LA2	100%	625	971	54	58	112	52	17	43	90	44	
Total number of employee departures < 30 years	LA2	100%	348	501	18	77	129	26	29	61	113	52	
Total number of employee departures 30-50 years	LA2	100%	399	1,093	112	127	124	80	6	10	80	44	
Total number of employee departures >50 years	LA2	100%	1,023	438	2	7	4	-	-	-	3	2	
Number of employees covered by collective bargaining agreements	LA4	100%	105,342	19,873	3,517	-	-	-	-	-	-	-	
Percentage of employees covered by collective bargaining agreements (compared to 2012 employees)	LA4	100%	99.6%	89.4%	88.8%	0%	0%	0%	0%	0%	0%	0%	
Total number of trained workers	LA10	99.6%	90,991	21,352	3,011	1,992	1,808	1,320	-	712	1,219	360	
Total number of hours devoted to training	LA10	99.6%	3,527,077	606,792	190,475	57,987	48,822	49,725	-	30,308	46,262	6,446	
Average number of hours of training per year and per employee	LA10	99.6%	33.4	27.3	48.1	32.4	16.5	37.9	-	31.3	36.4	43.3	
% of employees who had a performance appraisal ⁽²⁾ , ⁽⁶⁾ & ⁽⁷⁾	LA12	82%	84.9%	99.0%	99.2%		100%			93.8%	95%		
The 4 indicators below are temporary values on a restricted scope of reporting ⁽³⁾													
Number of fatal accidents	LA7	89%	2	-	-	-	-	-	-	-	-	-	
Number of related work accidents ⁽³⁾	LA7	89%	732	61	7	1	2	1	-	1	1	-	
Number of days lost due to non-fatal Work Accidents	LA7	89%	47,846	2,894	162	39	179	3	-	11	5	-	
Total number of days lost due to illness	LA7	89%	1,053,264	119,032	7,622	13,723	6,982	10,225	570	5,007	2,679	-	

(1) OBS International takes into account: Equant (which number of employees through 160 countries including France, represents 93.3% of the overall number), 12 Etrali subsidiaries (2.4%), 7 Globecast subsidiaries (2.9%) & 7 Silicomp subsidiaries (1.4%).

(2) The given figure for France concerns only the FTSA employees.

(3) The number of accident have been reported on 9 countries: USA, UK, Brazil, India, Singapore, Australia, Germany, Belgium, Egypt and Mauricius, or 7,475 employees (61% of OBS Intl); missing reporting countries: Russia & Switzerland.

(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 % 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) For Poland, collected reporting on only TP, Centertel & Orange Customer Service Sp.Zoo (OCS) (96% of CDI employees).

There are small discrepancies between the values presented above and those published in the annual report or registration document. These discrepancies stem from certain specific information that was unavailable for four entities within the Group, which made it impossible to calculate the relevant indicators for these companies.

	AMEA								Other countries/ word organisations	Orange Business services International ⁽¹⁾	Group Total 2012	Group Total 2011	Group Total 2010 ⁽²⁾	Group Total 2009 (without UK)
	Senegal	Mali	Ivory Coast	Egypt	Jordan	Cameroun	Kenya	Other AMEA countries						
	13	-	14	495	133	6	128	151	204	1,074	☑ 3,888	4,582	4,052	3,845
	0.7%	0%	1.0%	10.4%	6.2%	1%	7.5%	9.1%	11.2%	8.9%	2.3%	2.8%	2.5%	2.3%
	30	10	62	365	121	11	120	129	239	1,201	5,130	6,169	5,718	6,150
	11	4	15	165	38	8	46	79	109	376	2,917	3,162	3,143	3,529
	4	2	2	377	73	4	50	92	119	563	2,640	2,837	2,840	2,738
	17	11	41	145	73	15	101	111	216	858	3,663	4,603	4,107	4,630
	20	1	34	8	13	-	15	5	13	156	1,744	1,891	1,914	2,311
	1,902	-	-	-	-	663	-	685	78	1,640	133,700	132,079	130,393	131,372
	100%	0%	0%	0%	0%	100%	0%	25.5%	4.1%	13.6%	78.4%	76.8%	77.4%	77.1%
	1,625	280	584	3,086	1,867	434	-	782	230	8,573	140,226	139,433	139,139	137,337
	89,296	13,776	35,679	96,452	42,369	18,754	-	25,499	9,072	225,324	5,120,114	4,868,034	4,755,346	4,818,308
	46.9	31.0	26.5	20.2	18.3	28.3	-	9.5	4.7	18.7	30.0	28.3	28.2	28.3
										93.9%	na	na	na	na
	-	-	1	-	-	2	1	-	-	-	☑ 6	4	na	nc
	8	-	27	-	35	1	9	4	1	14	☑ 905	852	na	nc
	68	-	207	-	1,000	21	175	67	15	146	☑ 52,838	53,873	nc	nc
	7,961	-	4,346	11,705	8,621	2,260	1,495	4,600	4,307	6,613	☑ 1,271,011	na	na	nc

Zoom in France, FTSA only

(information concerning over 100% of FTSA employees)	FRI correspondence	scope (in % of the overall Group's headcount)	Value
Number of fatal accidents	LA7	56%	2
Total number of days lost due to illness	LA7	56%	967,857
Frequency rate of occupational accidents in 2012 : Provisional value	LA7	56%	4.49
Severity rate of occupational accidents in 2012 : Provisional value	LA7	56%	0.30
Total number of male trained workers	LA10	56%	52,389
Total number of female trained workers	LA10	56%	31,452
Total number of hours devoted to training male employees	LA10	56%	2,051,353
Total number of hours devoted to training female employees	LA10	56%	1,248,340

	FRI correspondence	scope (in % of the overall Group's headcount)	Value
Total number of trained staff / technicians (level A B C)	LA10	56%	31,987
Total number of hours devoted to training staff/technicians (level A B C)	LA10	56%	1,191,338
Total number of trained supervising staff/foremen (level D)	LA10	56%	21,235
Total number of hours devoted to training supervising staff/foremen (level D)	LA10	56%	826,552
Total number of trained managers (level DBis)	LA10	56%	13,028
Total number of hours devoted to training managers (level DBis)	LA10	56%	515,950
Total number of trained senior managers (level E F G)	LA10	56%	19,723
Total number of hours devoted to training senior managers (level E F G)	LA10	56%	762,938

	FRI correspondence	scope (in % of the overall Group's headcount)	Value
Total number of trained workers < 30 years	LA11	56%	11,607
Total number of hours devoted to training < 30 years	LA11	56%	557,821
Total number of trained workers 30-50 years	LA11	56%	34,469
Total number of hours devoted to training 30-50 years	LA11	56%	1,436,293
Total number of trained workers > 50 years	LA11	56%	45,125
Total number of hours devoted to training > 50 years	LA11	56%	1,305,579

correspondence table: GRI, ISO 26000, and the Global Compact

CSR = 2012 CSR Report

RD = 2012 Registration Document

Social Audit Report = July 2013 version

ISO 26000	GRI (Global Reporting Initiative)			
	No.	indicator	reference	scope

Profile

strategy and analysis				
6.2	1.1	Statement from the most senior decision-maker of the organisation (e.g., CEO, chair, or equivalent senior position) about the relevance of sustainability to the organisation and its strategy.	CSR p. 2	Group
	1.2	Description of key impacts, risks, and opportunities.	CSR Panorama, p. 6-19 RD Chapter 4, Points 5-9; Chapter 12	Group
organisational profile				
6.2	2.1	Name of the organisation.	CSR last page RD p. 1	Group
	2.2	Primary products and/or services and corresponding brands.	France Telecom-Orange is one of the world's leading telecommunications operators with 43.5 billion euros of revenues in 2012 and 170,000 employees, including 105,000 in France, at year-end. The Group operates in 33 countries and counted some 231 million customers at end-2012, including 172 million mobile customers and 15 million ADSL and fibre customers worldwide. Orange is one of Europe's leading mobile operators and ADSL Internet service providers, and one of the world's leading business telecom service providers through Orange Business Services. http://www.orange.com/en/group/activities RD Section 6.3; p. 32-115 Brands: Orange has been the France Telecom Group's sole brand since 2006.	Group
	2.3	Operational structure of the organisation, including main divisions, operating companies, subsidiaries, and joint ventures.	RD p. 135-140 (subsidiaries) CSR p. 1 (map) http://www.orange.com/en/group/global-footprint/global-footprint http://www.orange.com/en/group/management/France-Telecom-Orange-Group-s-General-Management-Committee	Group
	2.4	Location of organisation's headquarters.	RD p. 1	Group
	2.5	Number of countries where the organisation operates, and names of countries with either major operations or that are specifically relevant to the sustainability issues covered in the report.	RD p. 135-140 (subsidiaries) CSR p. 1 (map) http://www.orange.com/en/group/global-footprint/global-footprint	Group
	2.6	Nature of ownership and legal form.	RD p. 23	Group

ISO 26000	GRI (Global Reporting Initiative)			
	No.	indicator	reference	scope
	2.7	Markets served (including geographic breakdown, sectors served, and types of customers/beneficiaries).	RD p. 135-140 (subsidiaries) CSR p. 1 (map) CSR Methodology Chapter, p. 110 http://www.orange.com/en/group/about/latest-key-figures-2012-annual-results	Group
	2.8	Scale of the reporting organisation, including:		
		■ number of employees;	RD Section 17.1.1 CSR table of social data, p. 118-119	Group
		■ net sales (for private sector organisations) or net revenues (for public sector organisations);	RD p. 332-333 http://www.orange.com/en/group/about/latest-key-figures-2012-annual-results	Group
		■ total capitalisation broken down in terms of debt and equity (for private sector organisations);	RD Chapter 20 http://www.orange.com/en/finance/financing	Group
		■ and the quantity of products or services provided.	RD Section 6.3, p. 32 http://www.orange.com/en/group/about/latest-key-figures-2012-annual-results	Group
	2.9	Significant changes during the reporting period regarding size, structure, or ownership including:		
		■ the location of, or changes in, operations, including facility openings, closings, and expansions;	RD p. 34 http://www.orange.com/en/group/global-footprint/global-footprint CSR "About this report" Section, p. 110	Group
		■ changes in the share capital structure and other capital formation, maintenance, and alteration operations (for private sector organisations).	RD p. 23-24	Group
	2.10	Awards received in the reporting period.	Indicated throughout the CSR Report	Group

Parameters of the report

	report profile			
	3.1	Reporting period (e.g. fiscal/calendar year) for information provided.	CSR "About this report" Section, p. 110	Group
	3.2	Date of most recent previous report (if any).	CSR "About this report" Section, p. 110	Group
	3.3	Reporting cycle (annual, biennial, etc.).	CSR "About this report" Section, p. 110	Group
	3.4	Contact point for questions regarding the report or its contents.	contact.csr@orange.com	Group
	report scope and boundary			
	3.5	Process for defining report content, including:	CSR "A rigorous and audited process" Section, p. 21	Group
		■ determining materiality;	CSR "A rigorous and audited process" Section, p. 21	Group
		■ prioritising topics within the report;	CSR "A rigorous and audited process" Section, p. 21 CSR Section 1.2, "An approach fuelled by dialogue", p. 26-29	Group



ISO 26000	GRI (Global Reporting Initiative)			
	No.	indicator	reference	scope
		■ and identifying stakeholders the organisation expects to use the report.	CSR Panorama “Our vision of CSR” Section, p. 6 “An approach fuelled by dialogue” Section, p. 26 “About this report” Section, p. 110	Group
	3.6	Perimeter of the report (e.g., countries, divisions, subsidiaries, leased facilities, joint ventures, suppliers).	CSR “About this report” Section	Group
	3.7	State any specific limitations on the scope or boundary of the report.	CSR “About this report” Section	Group
	3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations, and other entities that can significantly affect comparability from period to period and/or between organisations.	CSR “About this report” Section	Group
	3.9	Data measurement techniques and the bases of calculations, including assumptions and techniques underlying estimations applied to the compilation of the indicators and other information in the report.	CSR “About this report” Section Unless stated otherwise in this Section, none of the information in prior reports has been reformulated.	Group
	3.10	Explanation of the effect of any re-statements of information provided in earlier reports, and the reasons for such re-statement (e.g. mergers/acquisitions, change of base years/periods, nature of business, measurement methods).	CSR “About this report” Section	Group
	3.11	Significant changes from previous reporting periods in the scope, boundary, or measurement methods applied in the report.	CSR “About this report” Section	Group
	GRI content index			
	3.12	Table identifying the location of the standard disclosures in the report.	CSR p. 132-146	Group
	validation by third parties			
7.5.3	3.13	Policy and current practice with regard to seeking external assurance for the report.	CSR “External opinion” Section, p. 114	Group

governance

	governance			
6.2	4.1	Governance structure of the organisation, including committees under the highest governance body responsible for specific tasks, such as setting strategy or organisational oversight.	RD Chapter 14, “Administrative and management bodies and senior management”, p. 259 http://www.orange.com/en/governance	Group
	4.2	Indicate whether the Chair of the highest governance body is also an executive officer (and, if so, their function within the organisation’s management and the reasons for this arrangement).	CSR “Responsible governance” Section, p. 23 RD p. 285	Group

ISO 26000	GRI (Global Reporting Initiative)			
	No.	indicator	reference	scope
	4.3	For organisations that have a unitary board structure, state the number of members of the highest governance body that are independent and/or non-executive members.	The Board of Directors has classified seven of its fourteen members as independent (RD p. 261).	Group
	4.4	Mechanisms for shareholders and employees to provide recommendations or direction to the highest governance body.	One or more shareholders owning at least the share of capital set forth in the corresponding law, and acting under the legally-required conditions and deadlines, can require that proposed resolutions be added to the agenda of a meeting. (Article 21.3 of the Group's Articles of Association; http://www.orange.com/en/finance/all-the-regulated-information/all-the-regulated-information). All this information is available online at http://www.orange.com/en/finance ; an employee shareholder representative sits on the Board of Directors.	Group
	4.5	Linkage between compensation for members of the highest governance body, senior managers, and executives (including departure arrangements), and the organisation's performance (including social and environmental performance).	RD p. 274-278 In 2010 the Group introduced a social performance composite index used in the calculation of the variable compensation of 1,200 of the Group's top managers. Half of this index is based on HR factors (like short-term absenteeism, access to training over the past three years, the number of women in the Leaders network, the completion of performance reviews, and voluntary departures by employees who had been with the Group less than three years), and half on the results of a half-yearly employee survey carried out by independent organisation CSA among a representative sample of personnel based in France. This survey contains around 50 questions on issues like quality of life at the workplace, managerial relations, career paths, strategy & CSR, and retribution and recognition in line with the labour agreement.	Group
	4.6	Processes in place for the highest governance body to ensure conflicts of interest are avoided.	RD p. 269 Internal regulations: http://www.orange.com/en/governance/documentation/documentation	Group
6.2 7.4.3	4.7	Process for determining the qualifications and expertise of the members of the highest governance body for guiding the organisation's strategy on economic, environmental, and social topics.	RD Section 14.1.3 <i>Information on directors and corporate officers</i> , p. 262 et seq.	Group
6.2	4.8	Internally developed statements of mission or values, codes of conduct, and principles relevant to economic, environmental, and social performance and the status of their implementation.	RD p. 286 CSR Panorama, p. 6 CSR "A leading CSR player" Chapter, "A firm ambition" and "Responsible governance" Sections, p. 23 http://www.orange.com/en/responsibility/strategy/governance	Group
	4.9	Procedures defined by the Board of Directors to oversee the way the organisation identifies and manages his economic, environmental and social performance, in particular the risks, the opportunities, as well as the respect for the international standards, the codes of manners and the principles. Indicate the frequency with which the Board of Directors (or similar) evaluates the Group's CSR performance.	CSR "A leading CSR player" Chapter, "Responsible governance" Section, p. 23 RD Sections 16.2.3 to 16.2.5, p. 281-284	Group



ISO 26000	GRI (Global Reporting Initiative)			
	No.	indicator	reference	scope
	4.10	Processes for evaluating the highest governance body's own performance, particularly with respect to economic, environmental, and social performance.	RD Section 16.2.5 <i>Periodic review of the work of the Board of Directors and its committees</i> , p. 284	Group
	external commitments			
6.2	4.11	Explanation of whether and how the precautionary approach or principle is addressed by the organisation.	RD p. 15-22	Group
	4.12	Externally-developed economic, environmental, and social charters, principles, or other initiatives to which the organisation subscribes or endorses.	CSR "Key dates", p. 25	Group
	4.13	Memberships in associations (such as industry associations) and/or national/international advocacy organisations in which the organisation: ■ has positions in governance bodies; ■ participates in projects or committees; ■ provides substantive funding beyond routine membership dues; ■ or views membership as strategic.	CSR p. 25 ETNO (European Telecommunications Network Operators), United Nations Global Compact, ORSE (<i>Observatoire de la Responsabilité Sociétale des Entreprises</i>), CSR Europe, IMS Entreprises, GeSI (Global eSustainability Initiative), and the GMSA Mobile Alliance Against Child Sexual Abuse Content See http://www.orange.com/en/responsibility/strategy/commitments	Group Group Group Group
	stakeholder dialogue			
6.2 5.3	4.14	List of stakeholder groups engaged by the organisation.	CSR "An approach fuelled by dialogue" Section, p. 26	Group
	4.15	Basis for identification and selection of stakeholders with whom to engage.	CSR "An approach fuelled by dialogue" Section 1.2.2, p. 26	Group
	4.16	Approaches to stakeholder engagement, including frequency of engagement by type and by stakeholder group.	CSR "An approach fuelled by dialogue" Section 1.2.2, p. 26	Group
	4.17	Key topics and concerns that have been raised through stakeholder engagement, and how the organisation has responded to those key topics and concerns, including through its reporting.	CSR "An approach fuelled by dialogue" Sections 1.2.2 and 1.2.3, p. 26-28	Group

economic

	economic performance			
6.8 6.8.3 6.8.7 6.8.9	BASE EC1	Economic value generated and distributed, including revenues, operating costs, employee compensation, donations and other community investments, retained earnings, and payments to capital providers and governments.	CSR "A fairly value sharing model" table, p. 22	Group
6.5.5	BASE EC2	Financial implications and other risks and opportunities for the organisation's activities due to climate change.	CSR Panorama, "Find innovative solutions for a greener world" Section, p. 17-17 CSR "A global approach covering three complementary pillars", p. 90	Group

ISO 26000	GRI (Global Reporting Initiative)			
	No.	indicator	reference	scope
	BASE EC3	Coverage of the organisation's defined benefit plan obligations.	RD "Working hours organisation" Section, p. 305 Note 5 p. 369-370	Group
	BASE EC4	Significant financial assistance received.	RD "Universal service" Section, p. 121, 127-128, 130; Section 3.2 "Other operating income" p. 364	Group
	market presence			
6.4.4 6.8	SUP EC5	Range of ratios of standard entry level wage compared to local minimum wage at main operational sites.	<i>In France, minimum wages are set by the telecommunications industry collective bargaining agreement (http://www.unetel-rst.com/theme/salaires-minima/) and by agreements entered into by each Group company. Average compensation per employee category is given in Section 211bis of the Social Audit Report. The minimum wage for category B employees (there are no category A employees at France Telecom S.A.) was 18,113 euros/yr in 2012. In 2011 the average monthly compensation for category B employees at France Telecom S.A. was 2,494 euros (average compensation by employee category and gender is given on pages 32-35 of the 2011 Social Audit Report). Studies carried out by the French Internal Remuneration Survey showed consistency in the compensation practices across all Group companies, and compensation practices in line with the rest of the market. See RD p. 303</i>	France
6.6.6 6.8 6.8.5 6.8.7	BASE EC6	Policy, practices, and proportion of spending on locally-based suppliers at significant locations of operation.	CSR "Use purchasing to drive local development", p. 32 "Create value for our stakeholders" Table, p. 22 RD p. 132	Group
6.8 6.8.5 6.8.7	BASE EC7	Procedures for local hiring and proportion of senior management hired from the local community at main operating sites.	Orange hires employees from the local community insofar as possible. Excluding France and Orange Business Services, expatriates comprise 0.04% of the workforce. The percentage is the same for the AMEA region. Only 14 of the managers of the Group's 25 subsidiaries come from the parent company.	Group
	indirect economic impacts			
6.3.9 6.8 6.8.3 6.8.4 6.8.5	BASE EC8	Development and impact of infrastructure investments and services provided primarily for public benefit through commercial, in-kind, or pro bono engagement.	CSR "Combating the geographic digital divide" Section, p. 74-77 RD Section 8.1 <i>Networks and service platforms</i> , p. 142 et seq.	Group
6.8.6 6.8.7 6.8.9	BASE EC9	Understanding and description of significant indirect economic impacts and their magnitude.	CSR "Combating the geographic digital divide" Section, p. 74-77 CSR Section 1.2 An approach fuelled by dialogue, p. 26-29	Group

environment

	materials			
6.5 6.5.4	BASE EN1	Consumption of materials in weight or by volume.	France Telecom does not manufacture goods. However the Group's paper consumption is discussed on p. 91 of the CSR Report.	Group
	BASE EN2	Percentage of materials used that are recycled input materials.	France Telecom does not manufacture goods. However the Group's paper consumption is discussed on p. 91 of the CSR Report.	Group



ISO 26000	GRI (Global Reporting Initiative)			
	No.	indicator	reference	scope
		energy		
6.5 6.5.4	BASE EN3	Direct energy consumption by primary energy source.	CSR table of environmental data, p. 118	Group
	BASE EN4	Indirect energy consumption by primary energy source.	CSR table of environmental data, p. 118	Group
	SUP EN5	<i>Energy saved due to conservation and efficiency improvements.</i>	CSR "An ambitious environmental policy" Section, P. 90 et seq.	Group
	SUP EN6	<i>Initiatives to provide energy-efficient or renewable energy based products and services, and reductions in energy requirements as a result of these initiatives.</i>	CSR "Lower energy consumption by networks" Section, p. 92-94 "Helping customers shrink their carbon footprint" Section, p. 96-97	Group
	SUP EN7	<i>Initiatives to reduce indirect energy consumption and reductions achieved.</i>	CSR "Helping customers shrink their carbon footprint" Section, p. 96-97	Group
		water		
6.5 6.5.4	BASE EN8	Total water withdrawal by source.	CSR table of environmental data, p. 118 Most of the Group's water use concerns its tertiary activities.	Group
	SUP EN9	<i>Water sources significantly affected by withdrawal of water.</i>	Not applicable.	Group
	SUP EN10	<i>Percentage and total volume of water recycled and reused.</i>	Not applicable.	Group
		Biodiversity		
6.5 6.5.6	BASE EN11	Location and size of land owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.	Not applicable – The Group's only impact concerns the installation of antennas and masts, which are rarely located in these types of protected areas. Local government approval is always obtained before any equipment is installed. The same holds true for the Group's fixed infrastructure (like cables, fibre, and submarine cables).	Group
	BASE EN12	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas.	Not applicable – The Group's only impact concerns the installation of antennas and masts, which are rarely located in these types of protected areas. Local government approval is always obtained before any equipment is installed. The same holds true for the Group's fixed infrastructure (like cables, fibre, and submarine cables).	Group
	SUP EN13	<i>Habitats protected or restored.</i>	Not applicable – The Group's only impact concerns the installation of antennas and masts, which are rarely located in these types of protected areas. Local government approval is always obtained before any equipment is installed. The same holds true for the Group's fixed infrastructure (like cables, fibre, and submarine cables).	Group
	SUP EN14	<i>Strategies, current actions, and future plans for managing impacts on biodiversity.</i>	CSR "Protection of biodiversity" Section, P. 91	Group
	SUP EN15	<i>Number of IUCN Red List species and national conservation list species with habitats in areas affected by operations, by level of extinction risk.</i>	Not applicable – The Group's only impact concerns the installation of antennas and masts, which are rarely located in these types of protected areas. Local government approval is always obtained before any equipment is installed. The same holds true for the Group's fixed infrastructure (like cables, fibre, and submarine cables).	Group
		emissions, effluents, and waste		
6.5 6.5.5	BASE EN16	Total direct and indirect greenhouse gas emissions by weight (t. eq. CO ₂).	CSR table of environmental data, p. XX	Group
	BASE EN17	Other relevant indirect greenhouse gas emissions by weight. (t. eq. CO ₂).	Not applicable.	Group

ISO 26000	GRI (Global Reporting Initiative)			
	No.	indicator	reference	scope
	SUP EN18	Initiatives to reduce greenhouse gas emissions and reductions achieved.	CSR "Helping to fight climate change" Section, p. 92-95	Group
6.5 6.5.3	BASE EN19	Emissions of ozone-depleting substances by weight.	These consist of HCFCs used in cooling systems and released into the atmosphere. The Group replaces HCFCs with HFCs whenever possible, and has set up systems to improve air conditioning efficiency and consequently reduce usage, such as through optimised ventilation and natural ventilation (free-cooling).	Group
	BASE EN20	NOx, SOx, and other significant air emissions by type and weight.	Not significant - The Group's SOx and NOx emissions are essentially only those from its vehicles and FT Marine's ships.	Group
	BASE EN21	Total water discharge by quality and destination.	The Group's only water consumption concerns its tertiary activities, which do not generate any water discharge.	Group
	BASE EN22	Total weight of waste by type and disposal method.	CSR table of environmental data, p. 118	Group
	BASE EN23	Total number and volume of significant spills.	Not applicable. To the Group's best knowledge, there are no spills to report.	Group
	SUP EN24	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention Annex I, II, III, and VIII, and percentage of transported waste shipped internationally.	Not applicable.	Group
6.5 6.5.4 6.5.6	SUP EN25	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the reporting organisation's discharges of water and runoff.	Not applicable.	Group
	products and services			
6.5 6.5.4 6.6.6 6.7.5	BASE EN26	Initiatives to mitigate environmental impacts of products and services, and extent of impact mitigation.	CSR "Helping to fight climate change" Section, p. 92-95 "Helping customers shrink their carbon footprint" Section, p. 96-97	Group
6.5 6.5.4 6.7.5	BASE EN27	Percentage of products sold and their packaging materials that are reclaimed by category.	CSR "Increasing the collection and recycling of customers' electronic equipment", p. 99	Group
	compliance			
6.5	BASE EN28	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations.	The Group has not been charged with any significant fines or sanctions. (see Notes 15 and 16 on p. 420-426 of the Registration Document for information about the Group's legal and administrative proceedings; none of these are environment-related.)	Group
	transport			
6.5 6.5.4 6.6.6	SUP EN29	Significant environmental impacts of transporting products and other goods and materials used for the organisation's operations, and transporting members of the workforce.	CSR "Reducing the impact of transport" Section, p. 94-95	Group
	overall			
	SUP EN30	Total environmental protection expenditures and investments by type.	The Group's environmental protection expenditures are currently not broken out as such, but are included in its overall expenditures.	Group



ISO 26000	GRI (Global Reporting Initiative)			
	No.	indicator	reference	scope

social performance: labour practices & decent work

		employment		
6.4 6.4.3	BASE LA1	Total workforce by employment type, employment contract, and region.	CSR p. 118 (by region) RD p. 299	Group
	BASE LA2	Total number and rate of employee turnover by age group, gender, and region.	CSR "A highly dynamic employment policy" Section, p. 16; table of social data, p. 126 RD p. 340 (by age group and region) For hiring by age group in France, see Section 131bis of the Social Audit Report	Group
6.4 6.4.3 6.4.4	SUP LA3	<i>Benefits provided to full-time employees that are not provided to temporary or part-time employees, by major operations.</i>	<i>As set forth in labour agreements entered into by the Group's French entities, temporary and part-time employees are eligible for the same benefits as full-time employees</i>	Group
		labour-management relations		
6.4 6.4.3 6.4.4 6.4.5 6.3.10	BASE LA4	Percentage of employees covered by collective bargaining agreements.	CSR "Dynamic social dialogue" Section, p. 40; tables p. 126 RD Section 17.1.4 <i>Social dialogue</i> , p. 306-307	Group
6.4 6.4.3 6.4.4 6.4.5	BASE LA5	Minimum notice period(s) regarding significant operational changes, including whether the period is specified in collective agreements.	France: 4 weeks (legally-required minimum)	France
		occupational health and safety		
6.4 6.4.6	SUP LA6	<i>Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programmes.</i>	<i>In France, the committees mentioned under LA4 include joint committees. The percentage is similar.</i>	France
	BASE LA7	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities by region.	CSR p. 41 RD p. 308	France
6.4 6.4.6 6.8 6.8.3 6.8.4 6.8.8	BASE LA8	Education, training, counselling, prevention, and risk-control programmes in place to assist workforce members, their families, or community members regarding serious diseases.	In France the Group offers several options, such as: family support leave (unpaid) for between three months and one year; leave granted under special circumstances for family reasons (e.g., ill children or parents, or the hospitalisation of a relative); parental leave to take care of a child under 20 who is seriously ill, disabled, or the victim of a severe accident requiring heavy treatment or constant care; and family leave to take care of a parent who is seriously ill. The Group's various subsidiaries in the AMEA region sponsor several programmes allowing employees and their families to receive vaccinations and building awareness about serious diseases like AIDS, malaria, and dengue fever (in Madagascar, Niger, Cote d'Ivoire, and Senegal). CSR "Focus" Section, p. 10	France
6.4 6.4.6	SUP LA9	<i>Health and safety topics covered in formal agreements with trade unions.</i>	CSR "Greater consideration for occupational health and safety risks" Section, p. 40-41 RD p. 308-309	France

ISO 26000	GRI (Global Reporting Initiative)			
	No.	indicator	reference	scope
		training and education		
6.4 6.4.7	BASE LA10	Average hours of training per year per employee by employee category.	CSR "Training for all" Section, P. 45-47 RD Section 17.1.6 <i>Training</i> , p. 309 For France: Breakdown by gender and socio-economic category: table of social data, p. 126; Social Audit Report, Sections 523a (by gender) and 513b (by level)	Group
6.4 6.4.7 6.8.5	SUP LA11	Programmes for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings.	CSR Section 2.2.2 <i>A highly dynamic employment policy</i> , p. 46 RD Section 17.1.1 <i>Development of the Group's business lines</i> , p. 300 RD Section 17.1.4 <i>Collective agreements</i> , p. 307	Group
6.4 6.4.7	SUP LA12	Percentage of employees receiving regular performance and career development reviews.	CSR tables p. 120	Group
		diversity and equal opportunity		
6.3.7 6.3.10 6.4 6.4.3	BASE LA13	Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership, and other indicators of diversity.	CSR p. 78-79; tables p. 150-151; RD Section 17.1.1, p. 337; RD Section 17.1.7 <i>Promoting diversity and equal opportunities</i> , 348-349; RD Section 14.2.1, p. 260 (Board of Directors); Section 14.1.1.4 <i>Applying the principle of balanced representation between women and men</i> , p. 262; Section 14.2 <i>Executive Committee</i> , p. 269	Group
6.3.7 6.3.10 6.4 6.4.3 6.4.4	BASE LA14	Ratio of basic salary of men to women by employee category.	RD "Compensation policy" Section, p. 303 Social Audit Report, Section 211bis Gross average monthly compensation	France

social performance: human rights

		investment and procurement practices		
6.3 6.3.3 6.3.5 6.6.6	BASE HR1	Percentage and total number of significant investment agreements that include human rights clauses or that have undergone human rights screening.	CSR "Demanding contractual requirements with regard to human rights and protecting the environment" Section, p. 30; "Careful monitoring of supplier practices" Section, p. 30-31; "Main achievements in 2012" Section, p. 34 UNI Global Union Agreement	Group
6.3 6.3.3 6.3.5 6.4.3 6.6.6	BASE HR2	Percentage of significant suppliers and contractors that have undergone screening on human rights and actions taken.	CSR "Careful monitoring of supplier practices" Section, p. 30-31; "Main achievements in 2012" Section, p. 34	Group
6.3 6.3.5	SUP HR3	Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained.	See LA10 – <i>Ethics training (including business-specific programmes) and training on employee rights includes a section on human rights.</i>	Group



ISO 26000	GRI (Global Reporting Initiative)			
	No.	indicator	reference	scope
				non-discrimination
6.3 6.3.6 6.3.7 6.3.10 6.4.3	BASE	HR4 Total number of incidents of discrimination and actions taken.	In 2012 the French ombudsman (Défenseur des Droits) presented the Group with a complaint from an employee who claimed he was denied a promotion due to his involvement in trade union activities. Orange proposed to adopt a new promotion process based on an independent auditing system for senior managers involved in trade unions. The complainant was assessed through this system in early 2013. Four other employees sent informal complaints to the French ombudsman by email: three related to health issues and one to racial issues. The ombudsman dismissed one complaint and is reviewing the others. French employee discrimination hotline Allodiscrim sent four complaints from job applicants who were not selected. One complaint related to racial discrimination; another to discrimination against the disabled. The two others did not specify a type of discrimination. An investigation did not reveal any evidence that showed the applicants had been the victim of discrimination. Allodiscrim also advised one employee to file a complaint for racial discrimination. The employee was promoted and is reviewing his end-of-career options with his HR manager. Five complaints were filed internally with the Human Resources Department or through employee representative committees. One of these related to race, one to health, one to education level, one to support offered during a job transfer, and one to an officer position in a trade union. Pursuant to the race-related complaint, the Group applied disciplinary sanctions to condemn the racist remarks. The Group also brought in an independent organisation to establish the link with the employee's supervisor and with HR, to determine whether coaching is needed for the employee who was discriminated against in his career. In response to the rising number of race-related complaints in 2012, Orange decided to carry out a survey called "Race and Stereotypes" among its managers, in association with IMS Entreprendre pour la Cité. The results of the survey (not yet available) will be used to establish a clear diagnosis of the problem and implement the necessary corrective actions.	
			freedom of association and collective bargaining	
6.3 6.3.3 6.3.4 6.3.5 6.3.8 6.3.10 6.4.3 6.4.5	BASE	HR5 Operations identified in which the right to exercise freedom of association and collective bargaining may be at significant risk, and actions taken to support these rights.	RD Section 17.1.4 <i>Social dialogue</i>, p. 306 The UNI Global Union Agreement (Group scope): freedom of association, representation, and trade union membership in accordance with the ILO Freedom of Association and Protection of the Right to Organise Convention of 1948 (No. 87): http://www.orange.com/en/responsibility/documentation/documentation	Group
			child labour	
6.3 6.3.3 6.3.4 6.3.5 6.3.7 6.3.10	BASE	HR6 Operations identified as having significant risk for incidents of child labour, and measures taken to contribute to the elimination of child labour.	Internally: UNI Global Union Agreement (http://www.orange.com/en/responsibility/documentation/documentation) RD Section 17.1.8 <i>Compliance with the core conventions of the ILO</i>, p. 349 Externally: CSR p. 30 JAC audits CSR p. 31	Group

ISO 26000	GRI (Global Reporting Initiative)			
	No.	indicator	reference	scope
		forced and compulsory labour		
6.3 6.3.3 6.3.4 6.3.5 6.3.7 6.3.10	BASE HR7	Operations identified as having significant risk for incidents of forced or compulsory labour, and measures to contribute to the elimination of forced or compulsory labour.	Internally UNI Global Union Agreement (http://www.orange.com/en/responsibility/documentation/documentation) RD Section 17.1.8 Compliance with the core conventions of the ILO, p. 349 CSR Externally CSR p. 30 JAC audits CSR p. 31	Group
		security practices		
6.3 6.3.5 6.4.3 6.6.6	SUP HR8	Percentage of security personnel trained in the organisation's policies or procedures concerning aspects of human rights that are relevant to operations.	Not applicable.	Group
		indigenous rights		
6.3 6.3.6 6.3.7 6.3.8 6.6.7	SUP HR9	Total number of incidents of violations involving rights of indigenous people and actions taken.	Not applicable. No incidents have been reported.	Group

social performance: society

		community		
6.3.9 6.8 6.8.5 6.8.7 6.6.7	BASE SO1	Nature, scope, and effectiveness of any programmes and practices that assess and manage the impacts of operations on communities, including entering, operating, and exiting.	CSR Sections: "Our 4 commitments" and "Promote economic and social development in the countries where the Group operates, through our services", p. 9, 14-15, 74-88; "An approach fuelled by dialogue", p. 26-29; "Supporting children and young people to ensure safe and responsible use of new technologies", p. 13, 66-67, 72; "Responding to concerns about radio waves", p. 13, 68-69, 72; "Ensuring accessibility by elderly, disabled, and dependent people", p. 15, 82-83, 86.	Group
		corruption		
6.6 6.6.3	BASE SO2	Percentage and total number of business units analyzed for risks related to corruption.	CSR "Proactive prevention of fraud and corruption" Section, p. 24 RD Section 16.4.5 <i>Corruption prevention policy</i> http://www.orange.com/en/governance/documentation/documentation	Group
	BASE SO3	Percentage of employees trained in organisation's anti-corruption policies and procedures.	CSR "A founding document: the Group's Code of Ethics" Section, p. 23 "Proactive prevention of fraud and corruption" Section, p. 24	Group
	BASE SO4	Actions taken in response to incidents of corruption.	CSR p. 24	Group
		public policy		
6.6 6.6.4 6.8.3	BASE SO5	Public policy positions and participation in public policy development and lobbying.	From p. 9 of the Group's Code of Ethics: "In no circumstances do we finance political parties or organisations whose purpose is primarily political. The France Telecom Group does not tolerate corruption." http://www.orange.com/en/responsibility/documentation/documentation	Group
	SUP SO6	Total value of financial and in-kind contributions to political parties, politicians, and related institutions by country.		Group



ISO 26000	GRI (Global Reporting Initiative)			
	No.	indicator	reference	scope
		anti-competitive behaviour		
6.6 6.6.5 6.6.7	SUP SO7	Total number of legal actions for anti-competitive behaviour, anti-trust, and monopoly practices and their outcomes.	RD p. 477	Group
		compliance with laws and regulations		
6.6 6.6.7 6.8.7	BASE SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations.	RD p. 477	Group

social performance: product responsibility

		customer health and safety		
6.3.9 6.6.6 6.7 6.7.4 6.7.5	BASE PR1	Life cycle stages in which health and safety impacts of products and services are assessed for improvement, and percentage of significant products and services categories subject to such procedures.	CSR Sections: "Helping customers shrink their carbon footprint", p. 97-98; "Communicating safely", p. 88-90; "Supporting young people to ensure safe and responsible use", p. 91-94; "Responding to concerns about radio waves", p. 95-97; "Optimising waste management", p. 134-137; "Preserving biodiversity", p. 131-133.	Group
	SUP PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning health and safety impacts of products and services during their life cycle, by type of outcomes.	None to the Group's best knowledge.	France
		product and service labelling		
6.7 6.7.3 6.7.4 6.7.5 6.7.6 6.7.9	BASE PR3	Type of product and service information required by procedures, and percentage of significant products and services subject to such information requirements.	CSR "Environmental labelling" Section, p. 96	France Spain Romania
	SUP PR4	Total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labelling, by type of outcomes.	Mandatory inspections in France did not lead to an order forbidding the sale of the Group's products in stores.	France
6.7 6.7.4 6.7.5 6.7.6 6.7.8 6.7.9	SUP PR5	Practices related to customer satisfaction, including results of surveys measuring customer satisfaction.	CSR "Becoming the customers' choice" Section, p. 58-63	Group
		marketing communications		
6.7 6.7.3 6.7.6 6.7.9	BASE PR6	Programmes for adherence to laws, standards, and voluntary codes related to marketing communications, including advertising, promotion, and sponsorship.	CSR "Communicating safely" Section, p. 64-65, 70	Partial
	SUP PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship by type of outcomes.	Mandatory inspections in France did not lead to an order forbidding the sale of the Group's products in stores.	France

ISO 26000	GRI (Global Reporting Initiative)			
	No.	indicator	reference	scope
		customer privacy		
6.7 6.7.7	SUP PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data.	The number of complaints concerning France Telecom and Orange France that the Group's Chief Privacy Officer received directly or through the CNIL fell by 20% in 2012. The Group replies to every one of these types of complaints within an average of two weeks.	Group
		compliance with laws and regulations		
6.7 6.7.6	BASE PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.	No issues to report (see RD p. 470-479-6, 545-549)	Group

Telecommunication sector specific indicators

internal operations

		investment		
	IO 1	Capital investment in telecommunication network infrastructure broken down by country/region.	55% of the Group's capital investments (5.8 million euros) are for the network (see p. 30 of the Group's 2012 results presentation at http://www.orange.com/en/finance/investors-and-analysts/all-consolidated-results)	Group
	IO 2	Net costs for service providers under the Universal Service Obligation when extending service to geographic locations and low-income groups, which are not profitable. Describe relevant legislative and regulatory mechanisms.	CSR "Extending network coverage" Section, p. 74-77, 78-81 RD "Universal service" Section: France (p. 121), Poland (p. 128), Spain (p. 130) "Investment in networks" Section, p. 167 "CAPEX" Section, p. 185-186 "Investment commitments" Section, p. 473	Group
		health and safety		
	IO 3	Practices to ensure health and safety of field personnel involved in the installation, operation and maintenance of masts, base stations, laying cables, and other outside installations. Related health and safety issues.	CSR "Responding to concerns about radio waves" Section, p. 68, 72-73	France
	IO 4	Compliance with ICNIRP (International Commission on Non-Ionising Radiation Protection) standards on exposure to radiofrequency (RF) emissions from handsets.	CSR "Responding to concerns about radio waves" Section, p. 13, 68-69 http://www.orange.com/en/responsibility/ensure-transparency-quality-and-security-for-all/radio-waves	Group
	IO 5	Compliance with ICNIRP (International Commission on Non-Ionising Radiation Protection) standards on exposure to radiofrequency (RF) emissions from base stations.	CSR "Responding to concerns about radio waves" Section, p. 13, 68-69 http://www.orange.com/en/responsibility/ensure-transparency-quality-and-security-for-all/radio-waves	Group
	IO 6	Policies and practices with respect to Specific Absorption Rate (SAR) of handsets.	CSR "Responding to concerns about radio waves" Section, p. 13, 68	Group
		infrastructure		
	IO 7	Policies and practices on the siting of masts and transmission sites including stakeholder consultation, site sharing, and initiatives to reduce visual impacts.	CSR "Responding to concerns about radio waves" Section, p. 13, 68	Group
	IO 8	Number and percentage of stand-alone sites, shared sites, and sites on existing structures.	CSR "Responding to concerns about radio waves" Section, p. 13, 68	Group



ISO 26000	GRI (Global Reporting Initiative)			
	No.	indicator	reference	scope

providing access

	access to telecommunication products and services: bridging the digital divide			
	PA 1	Policies and practices to enable the deployment of telecommunications infrastructure and access to telecommunications products and services in remote and low population density areas.	CSR "Extending network coverage" Section, p. 74-75	Group
	PA 2	Policies and practices to overcome barriers for access and use of telecommunication products and services including: language, culture, illiteracy, and lack of education, income, disabilities, and age.	CSR "Ensuring accessibility by elderly, disabled, and dependent people" Section, p. 82-83; "Offers for low-income people" Section, p. 78	Group
	PA 3	Policies and practices to ensure availability and reliability of telecommunications products and services and quantify, where possible, for specified time periods and locations of down time.	The Group has set up a crisis management system to ensure a fast, effective response to emergency situations. This system proved particularly effective when cyclone Xynthia hit western France in late February 2010, causing considerable damage in the Centre, Poitou-Charentes, and Pays de la Loire regions. Some 170,000 customers were without fixed-line telephone or Internet service, and around 100,000 terminal lines were cut. Thanks to the mobilisation of Orange technicians and subcontractors, the network was back up and running in less than ten days. In January 2011, with riots affecting the Group's 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.	Group
	PA 4	Quantify the level of availability of telecommunications products and services in areas where the organisation operates.	CSR "Combating the geographic digital divide" Section, p. 74-77; "Supporting local development" Section, p. 78-81	Group
	PA 5	Number and types of telecommunication products and services provided to and used by low- and no-income sectors of the population.	CSR "Offers for low-income people" Section, p. 78	Group
	PA 6	Programmes to provide and maintain telecommunication products and services in emergency situations and for disaster relief.	CSR "Sponsorships for local communities", p. 80 http://www.fondationorange.com/?lang=en	Group
	access to content			
	PA 7	Policies and practices to manage human rights issues relating to access and use of telecommunications products and services.	CSR "A stronger commitment to respecting human rights" Section, p. 25	Group
	customer relations			
	PA 8	Policies and practices to publicly communicate on EMF related issues.	CSR "Responding to concerns about radio waves" Section, p. 68-69	Group
	PA 9	Total amount invested in programmes and activities in electromagnetic field research. Include description of programmes currently contributed to and funded by the reporting organisation.	CSR "Clear commitments" Section, p. 68 http://www.orange.com/en/responsibility/ensure-transparency-quality-and-security-for-all/radio-waves	Group

appendices

correspondence table: GRI, ISO 26000, and the Global Compact

ISO 26000	GRI (Global Reporting Initiative)			
	No.	indicator	reference	scope
	PA 10	Initiatives to ensure clarity of charges and tariffs.	CSR “Simplifying the telecommunications experience” Section, p. 61	Group
	PA 11	Initiatives to inform customers about product features and applications that will promote responsible, efficient, cost effective, and environmentally preferable use.	CSR “Simplifying the telecommunications experience” Section, p. 61 “Communicating safely” Section, p. 64-65; “Supporting children and young people to ensure safe and responsible use of new technologies” Section, p. 66-67 “Responding to concerns about radio waves” Section, p. 68-69 “Helping customers shrink their carbon footprint” Section, p. 96-97	Group

› Global Compact

principle	CSR Report section
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human rights

Principle 1	support and respect the protection of internationally-proclaimed human rights within the Group's sphere of influence	Message from the Chairman and Chief Executive Officer, p. 2 "A stronger commitment to respecting human rights", p. 25
Principle 2	make sure that the Group is not complicit in human rights abuses	"Responsible purchasing principles", p. 30

labour

Principle 3	uphold the freedom of association and recognise the right to collective bargaining	"Establishing economic performance and social performance", p. 38-43 "Responsible purchasing principles", p. 30
Principle 4	eliminate all forms of forced and compulsory labour	"CSR at the heart of the Group's strategy", p. 25
Principle 5	abolish child labour	"Promoting diversity in the workplace", p. 48-51
Principle 6	eliminate all forms of discrimination	"Responsible purchasing principles", p. 30

environment

Principle 7	support a precautionary approach to environmental challenges	"An ambitious environmental policy", p. 90-91 "Helping to fight climate change", p. 92-98
Principle 8	undertake initiatives to promote greater environmental responsibility	"Optimising waste management", p. 98-101
Principle 9	encourage the development and diffusion of environmentally friendly technologies	"Helping customers shrink their carbon footprint", p. 96 "Increasing the collection and recycling of customers' electronic equipment", p. 99-100

anti-corruption

Principle 10	work against corruption in all its forms	"A stronger commitment to respecting human rights", p. 24
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for more information

France Telecom-Orange Group websites

France Telecom-Orange 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
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Orange Poland
www.orange.pl

Europe

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www.orange.md

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Africa and Middle East

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www.orange.cm

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www.mobinil.com

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www.orangemali.com

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www.mauritiustelecom.com
www.orange.mu

Orange Niger
www.orange.ne

Orange Reunion
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Orange Central African Republic
www.orange.cf

Orange Democratic Republic of Congo
<http://www.orange-rdc.com/>

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

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