# " Responsible growth "

**Corporate social responsability & sustainable development**

france telecom

**Note to readers:**
Although this report may interest all our stakeholders, it is also and above all designed to inform all employees who promote and contribute to corporate responsibility on a daily basis. Our main challenges are indicated by the symbol ☀ throughout this document. Our goals and outlook for 2005 are highlighted by ⌐ ⌐.

# A Word from Didier Lombard

It is now two years since the France Telecom Group, a global communications operator, resolutely implemented a policy of responsibility to ensure "Responsible Growth", as part of a plan to strengthen and ensure the consistency of actions undertaken over the years by the various entities in the Group.
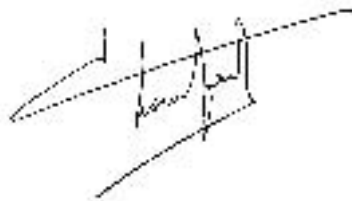
It is a genuine, can-do and practical policy.

Genuine because, as our Code of Ethics mentions, its underlying principles and values are those on which our Group bases its development to benefit its customers, shareholders, employees, local communities and countries in which it operates, taking into account the environment and the needs of present and future generations.

Can-do because our policy is first and foremost a strategy of commitment by the France Telecom Group. It represents our firm belief that being at the leading edge of innovation and performance to offer all our communication services everywhere, regardless of the access mode, is in itself a source of sustainable development and responsible growth.

Practical because it is primarily our initiatives and the results obtained that reflect the reality and strength of our commitment. It is a long-term strategic plan which is expressed in the daily actions of our employees, the renewed understanding of the expectations of our stakeholders, dialogue, identification of best practices, experience sharing, the enhancement and circulation of know-how and the attention focused on cultural differences.

This first annual report on our strategy for corporate responsibility and sustainable development bears witness to this by presenting our achievements, and the initiatives and challenges undertaken throughout 2004.

This is only the beginning. Sustainable development is a long-term operation. I know that the entire France Telecom Group is wholeheartedly and sustainably committed to contributing to it.

Chairman and Chief Executive Officer of France Telecom

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# THE GROUP,
## AN INTEGRATED OPERATOR

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Since 2002, with the Ambition 2005 programme, the Group has been structuring its future and organizing its integrated operator strategy. In 2004, the results of this strategy covering the three main areas of use – "Residential", "Personal" and "Enterprise"– became apparent: speeding up growth, improving operational performance and consolidating the Group's financial soundness. This strategy, backed by a determined partnership policy, together with research and development, is given concrete form through the launch of successful offers.

## > Leading position on its markets

France Telecom, listed on the stock markets in Paris and New York, serves **125 million customers** on all five continents (220 countries or territories). In 2004, the Group recorded an increase of 7.7 million mobile subscribers (+13.9%) and 469,000 fixed telephony subscribers, mainly in Spain and Poland. Broadband access, as a percentage of total Internet access provided, is growing strongly, at 45.9% for Europe on 31 December 2004 compared with 25.2% a year earlier. France Telecom Group's consolidated turnover was **47.2 billion euros** on 31 December 2004, i.e., growth of 4.1% on the basis of pro forma data (2.2% on the basis of historical data). The trend in terms of historical data is effected by the negative impact of exchange rates and variations in scope, particularly due to the sale of CTE Salvador in October 2003 and Orange Denmark in October 2004.

## > Ambition to offer operational excellence

With a view to managing its high growth activities in the areas of the Internet, broadband access, mobile and image services, and to taking full advantage of the dynamics of a global integrated operator, the Group is developing synergy between its brands (France Telecom, Orange, Wanadoo and Equant), offering, thanks to its global network, continuity between different realms of communication with innovative solutions (unified access to mobile, fixed and Internet services, integrated instant messaging, secure payment and even unified billing). It provides the entire range of telecommunications services (local and international telephony, mobile telephony, Internet and multimedia, data transport, cable and broadcast television) in response to the needs of all markets (mass market, business and enterprise) and personal, residential and professional uses.

Moreover, the Group boasts a huge capacity for research and development, world-class skills and develops strategic partnerships with equipment, technology and content suppliers.

### A vision of sustainable development shared by the whole Group

In 2004, our vision of operational excellence on the international scene is backed by our corporate responsibility approach.

This aims, in line with our ethical principles and our national and international commitments, to mobilise the entire Group, to develop innovative, consistent and secure networks, to provide simple communication solutions, new uses and unlimited communications with a content offer in France and abroad. It plays a major role in corporate strategy because communication solutions make a real contribution to sustainable development.

# FRANCE TELECOM THROUGHOUT THE WORLD



Equant ● 
Orange ■ 
Fixed services ◆ 
Wanadoo ▲

(September 2004)
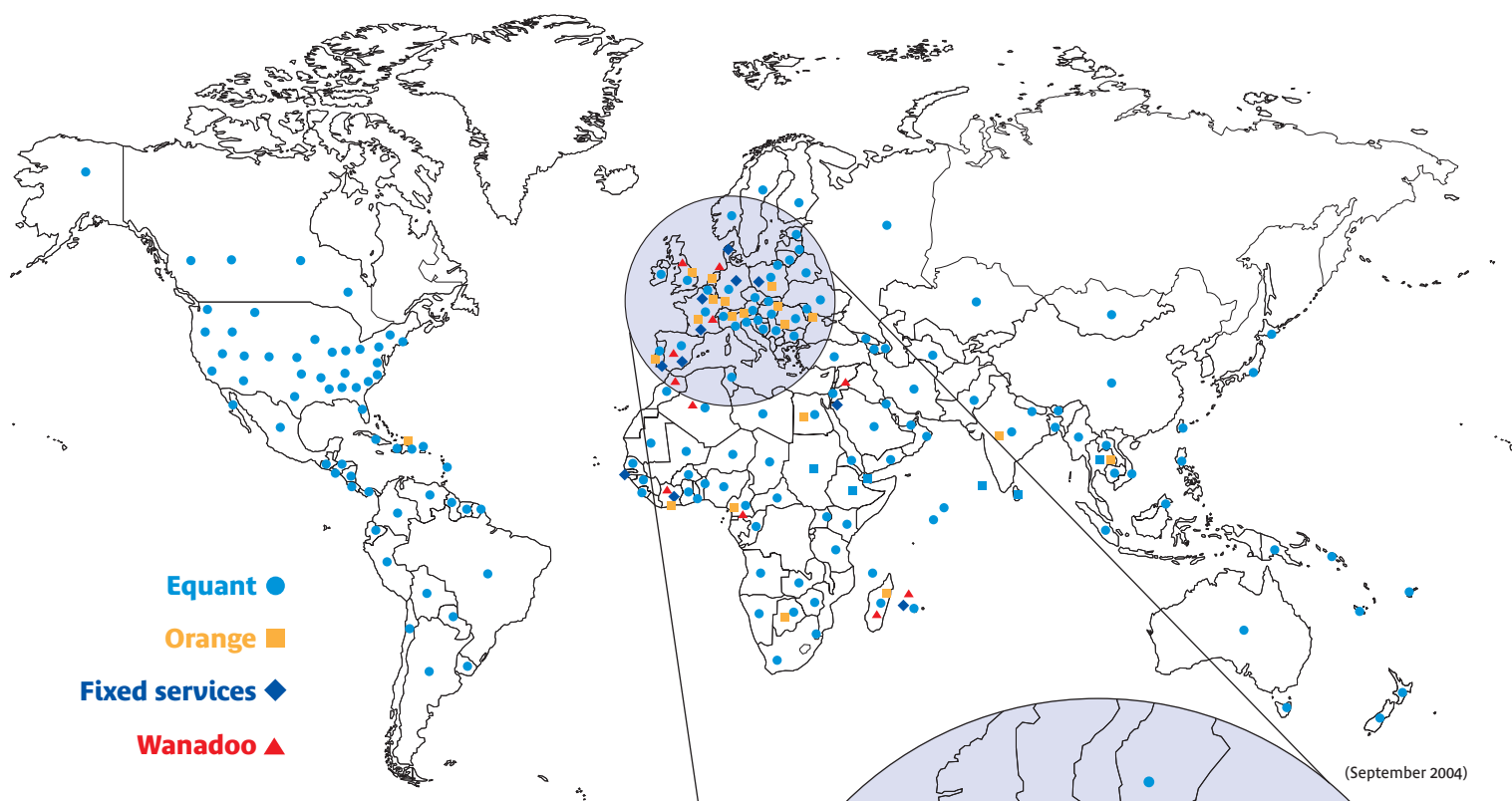
## > Network dynamics

### Extensive coverage

France Telecom boasts the densest and most dynamic network in Europe, in particular thanks to its IP backbone network (Internet Protocol), which affords extensive coverage and is capable of fulfilling the expectations of all the Group's customers be they private, professional or carriers.

This network is linked to the main undersea cables including the transatlantic TAT-14 cable which provides excellent connectivity with France Telecom's retail and wholesale customers. Thanks also to international infrastructures, such as SEA-ME-WE 3 and SEA-ME-WE 4 – an undersea cable that has three times the capacity of SEA-ME-WE 3 and which, by the end of 2005, will link Europe, North Africa, the Middle East and South East Asia, from Marseilles to Singapore – France Telecom has major transmission capacities and provides solutions for carriers and ISPs (Internet Service Providers) through its *Open Transit* product line.

France Telecom is also developing network capillarity to extend coverage. For example, broadband coverage in France at the end of 2004 was 90%. Wireless technologies (WiFi and satellite) are used where necessary to complement xDSL coverage.

### Increasing synergy between networks and information systems

By switching from a network-oriented logic to a customer-oriented logic, France Telecom's strategy is aimed at offering residential, personal and business communication services independently of existing infrastructures. Through convergence between information systems and networks, it will be possible to stand free of infrastructures and propose "seamless" services to customers that suit their uses.

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# OUR SUSTAINABLE DEVELOPMENT STRATEGY

**Founded on the commitments set out in the Group's Code of Ethics, France Telecom's sustainable development approach is based on a policy of responsibility decided by the company, in its entirety, as part of its strategy. This structured policy is backed by rules of governance that aim to enhance our performance and create value in the long term, combined with a strategy of innovation designed to support our ambition to generate "Responsible growth".**

## OUR CORPORATE RESPONSIBILITY

Over the last few years, France Telecom has had to cope with major changes within a context of globalisation and increasing pressure from the financial and regulatory worlds and from civil society in general. To accompany these changes, the Group has defined certain priority challenges which, in everyday actions, embody the various components of the Group.

Our corporate responsibility approach, with its challenge of "Responsible growth", is designed to enable us, before all our stakeholders, now and in the future, to answer for our strategy, our ethical conduct, compliance with the law and fulfilment of our commitments and to answer for the impact of our activities.

### Seeking value creation for our stakeholders

Taking account of such challenges – notified by ☀ in this document – implies a long-term strategy. For the Group and its various entities, in the context of the programmes and action plans deployed, this entails raising awareness of these challenges, explaining the logic behind the sharing of interests involved, demonstrating the contribution they may make to creating a better balance between economic competitiveness and social progress.

These challenges that have been defined within the framework of a dialogue with our stakeholders, are also the expression of the confidence to which the collaborators and society in general must be able to bear witness vis-à-vis the Group.

– Promoting correct u
– Social and econom

**Preserving** surroundings and quality of life

– Protecting the env

**Controlling** risks

– **Network security** page 11
– **Information security** page 11

**ses** page 37
**ic development** page 33

– **Protecting intellectual property** page 13

– **Access for all** page 33
– **Simple and secure offers** page 37
– **Research into "sustainable" solutions** page 13

**Innovate** for the good of society

# Ethics

– **Health and safety for people** pages 14 and 25

**ironment** page 40

– **Dialogue with stakeholders** page 19
– **Solidarity** page 39

**Mobilising** the workforce

– **Skills management** page 25
– **Diversity** page 29

**OUR CHALLENGES FOR « RESPONSIBLE GROWTH »**

# FRANCE TELECOM CODE OF ETHICS
## (Preamble)

**The development of the France Telecom Group is based on a set of values and guidelines for action and behaviour that respect people (shareholders, clients, and employees), the local and economic communities in which France Telecom operates, the environment, and future generations.**

**These values and principles** are part of a more general framework of fundamental principles that includes the Universal Declaration of Human Rights; International Labour Organization standards, particularly those prohibiting child labour; OECD guidelines, particularly regarding efforts to fight corruption; and commitments that France Telecom has made, particularly in the area of sustainable development.

**These values and principles are intended to guide the professional conduct of the Group** and its affiliates. This includes all employees of the Group, regardless of their line of business or level of responsibility.

**All France Telecom employees, in particular senior managers, are expected to promote and practice these values and principles.**

Failure to abide by these values and guidelines, counter to Group interests, may lead to sanctions, the nature and severity of which are set forth in the internal regulations that govern each company.

**This Code is not intended to replace the laws and regulations** in force in France, in the European Union, at the international level, or in countries in which the France Telecom Group has operations. Nor does it replace existing agreements or commitments. On the contrary, it seeks to encourage respect for them and ensure that they are faithfully and effectively enforced.

**The France Telecom Group strives at all times to offer a full range of communications services everywhere, regardless of the means of access, which are made possible by interconnectivity.**
A global communications operator, the France Telecom Group seeks to satisfy the present and future needs of its customers as well as of all its stakeholders, whether they are shareholders, employees, suppliers or private and public partners. The France Telecom Group seeks to achieve excellence and efficiency through innovation and high quality technologies and services.

The Group has placed accountability and integrity at the heart of its corporate governance structure, as well as a willingness to engage in dialogue, sincerity, intelligence sharing and the spirit of partnership and initiative.

**Where appropriate, special-purpose codes of conduct may supplement this Code.**

To access the full version of our Code of Ethics (principles of action and individual behaviour): **www.francetelecom.com**

# THE FRAMEWORK
# FOR OUR STRATEGY

**France Telecom's ethical commitments demonstrate the Group's desire to contribute to sustainable development through its current and future activities. In the context of a single identity shared by everyone that works with the Group, they reflect respect for our stakeholders and express our responsibility, which goes much further than the legal and regulatory obligations.**

## > A common reference tool for ethical conduct

In 2004, thanks to the principles governing action and conduct set out in the Code of Ethics, France Telecom has succeeded in structuring its studies with a view to defining Group policy relative to corporate responsibility. This code has been adapted and applied by all the different components of the Group. Based on analysis of their ethical risks, our entities are better able to integrate the particular nature of the needs of their stakeholders involved in regions with specific economic, social and cultural characteristics. This analysis makes particular reference to managing the risks of corruption linked to the local context.

Thus, Equant, drawing on the Code of Ethics, has developed a "Code of ethical business conduct". It is also thanks to this common reference tool that Orange has defined the framework for its approach to ethics approach through eight principles of action on subjects such as: conducting business, supplier relations, management of environmental challenges or health and safety and the behaviour expected of the workers in the spirit of the principles given in the Group's Code of Ethics, etc.

The TP Group, in line with this same logic of relevance to its core businesses, activities and its stakeholders, has adapted its own Code of Ethics which has been signed by every employee since May 2001 to bring it into line with the Group's Code of Ethics. This development has been accompanied by an internal communication campaign and a dedicated Intranet site with a chat forum has been set up. Other subsidiaries, such as Mauritius Telecom, have adopted the Group's Code of Ethics, also taking account of specific factors instituted by local governments, particularly relative to corruption.

## > An Ethics Committee

An Ethics Committee, made up of four members appointed by the Chairman of the Group, ensures that this code is properly understood and applied. Each year, it submits a report to the Chairman of the Group and to the Chairman of the Remuneration, Selection and Organization Committee. It is supported by a network of correspondents within each component of the Group.

## The Group Ethics Committee

"… carry out regular reviews on the application of the Code and on ethical practices within the Group. It ensures that these are consistent. It monitors changes in the regulations and jurisprudence. Either on its own initiative or at its request, it advises any Group entity on respect for the values and implementation of the principles set out in the Code and, where necessary, on setting up an ethics committee within the entity. Under conditions that guarantee confidentiality, it may examine specific situations submitted to it by employees of the Group or by their senior managers…"

*Extract from the Code of Ethics*

**In 2005,**

training and awareness-raising actions launched in 2004 with a view to taking our ethical risks into consideration will be extended across the Group so that, at all levels of the company, and with regard to all our stakeholders, we will be better able to meet our responsibilities:

● within the framework of the *Group University,* specific modules on corporate responsibility are available for *Entrepreneurs,* key managers across France Telecom;

● all training and professional development modules at the different entities include raising awareness of the commitments set out in the Code of Ethics and of governance rules. The issue of corruption is dealt with specifically;

● via the *Sourcing University,* set up in 2004, buyers may take a special training course on compliance with the principles of ethical action and conduct to be observed in the context of partner relations with suppliers, etc.

At the end of 2004, implementation of the whistle-blowing system provided for in the Code of Ethics and the requirement of the Sarbanes-Oxley Act were validated by the Audit Committee in agreement with France Telecom's Executive Committee. This system has been operational since January 2005 and any employee who has knowledge of any offence or fraud can now report this via an e-mail service set up for this purpose. A procedure has been defined, with a view to ensuring that such alerts are dealt with independently and guaranteeing the protection of the employees.

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# GOVERNANCE RULES IN THE INTERESTS OF PERFORMANCE

**France Telecom is committed to the principles of corporate governance applying to listed companies, as set out in the Medef-AFEP report of October 2003, and more particularly:**
● **to the accountability and integrity of Management and the Directors,**
● **to the independence of the Board of Directors,**
● **to transparency and the disclosure of information,**
● **to respect for shareholders' rights.**
**Throughout the Group, the governance processes implemented since the end of 2002 were further reinforced in 2004.**

## > The Board of Directors

On 31 December 2004, bearing in mind the transfer of the majority of France Telecom's capital to the private sector on the 7 September, the Board of Directors was composed as follows:
● seven members appointed by the General Assembly, including Didier Lombard, who was coopted by the Board of Directors at their meeting on 27 February 2005, replacing Thierry Breton. Ratification of this coopting will be put before the General Assembly scheduled to meet on 22 April 2005. Alongside the Chairman, Didier Lombard and Jean Simonin, former Managing Director of the Residential Branch in Toulouse, Mayor and Vice-Chairman of a group of communes, five administrators are independent according to the criteria set out in the Bouton Report;
● three directors representing the employees, elected in November 2004, and one director representing employee shareholders who is to be appointed at the next ordinary session of the France Telecom General Assembly;
● there are now five representatives of the French State (compared to seven previously) appointed by Order of France's Minister of the Economy, Finance and Industry, on 7 September 2004.
The Board of Directors met 16 times during the financial year 2004. Average attendance at each session was 16 members, out of a total 21 members (up until September).
Meetings of the Board of Directors are prepared by its special committees: Audit Committee, Remuneration, Selection and Organization Committee, Strategy Committee and the Orientation Committee.

In compliance with internal regulations, a procedure for assessing the Board of Directors and its committees was launched **in January 2005.**

| Number of meetings in | 2003 | **2004** |
| --- | --- | --- |
| **Committees of the Board of Directors** | | |
| Audit Committee | 10 | 15 |
| Remuneration, Selection and Organization Committee | 5 | 6 |
| Strategy Committee | 1 | 2 |
| Orientation Committee | 9 | 8 |
| **Committees of the Executive Board** | | |
| Investment Committee | 68 | 64 |
| Internal Audit and Risks Committee | 4 | 4 |
| Treasury and Funding Committee | 5 | 4 |
| Tax Committee | 2 | 3 |
| Commitments Committee | – | 2 |
| Redeployment Committee | 22 | 43 |

## > Continuous improvement momentum

France Telecom's key transformation programmes are designed to strengthen the culture of good governance, the effectiveness of internal control and the Group's operational performance. They are based on an integrated approach dictated by the strategic orientations decided by the Group's Executive Board. They have an impact at every level of the company and mobilise everyone who works for the company.

## A control environment…

The committees reporting to the Executive Board meet very regularly. They play a vital role in the control environment. The year 2004 was marked by the following developments:
● in June 2004, a Commitments Committee was set up which, chaired by the Executive Vice-President for General Corporate Affairs, deals with reviews of significant commitments and legal disputes. It meets in the context of the annual and half-yearly account closing process;
● during 2004, the Redeployment Committee structured its approach and proceeded with the appointment of managers for priority skill sectors (sales, network, IT, R&D) who will implement skills optimisation programmes.

## … and adapted processes

In 2004, France Telecom pursued, at Group level, its programme to enhance the effectiveness of internal control and improve operational performance. Thus, the Sarbanes Oxley Programme, which aims at making sure that the France Telecom Group is Sarbanes Oxley-compliant, has two parts. One the one hand, it aims at disseminating internal control and good governance in order to ascertain the effectiveness of the control environment in a certain number of fields that have been clearly identified. (HR, ethics, IS…). On the other hand, it is aimed at demonstrating the effectiveness of internal controls regarding the production of the published accounts. To this end, each Division or major subsidiary has set up a management structure that operates in close collaboration with the structure at Group level. Work carried out in 2004 has made it possible to complete the documentation of control activities using a common tool and to begin assessing some of them.

The control environment, the effectiveness of which is one of the Group's priorities, will be assessed during the **second half-year of 2005.**

Moreover, the TOP Programme is a programme designed to improve the Group's operational performance; it is part of the company's recovery plan, Ambition FT 2005 (presented by Thierry Breton on 5 December 2002). Organized by chantier, TOP hinges around 5 cross-functional transformation programmes *(Customer Facing, IT&N, Marketing & Brand, Support Functions, etc.)* It bears on the overhaul of processes, the systematic search for pooling resources, and the acceleration of the synergy to be found in the various segments of activity, with a view to taking into account the evolution of customers' needs more effectively and to developing the lasting performance of the Group.

## The IT&N transformation programme
### (Information Technologies & Networks)

This programme focuses on the convergence of Information Technologies (IT), service platforms and work on integrating all the network resources at the service of the strategy as an integrated Group. It serves to define targets for convergence of the Group's IT systems and the network and to regularly check that network and IT developments are in line with these targets. In 2004, a network governance directorate and an IT governance directorate were set up.
Their duty is to monitor, together, the appropriate definition and application of the principles, tools and rules of governance.
In the context of the IT&N programme, they work closely with Orange, TP, the residential communications services division and the business communications services division, together with Group R&D. They define the principles on which the architecture is to be developed, validating operational architectures with business owners, deciding between "doing" and "having done", organizing transverse projects carried out by experts within the Group, guaranteeing the market availability of solutions at the right time, integrating security, developing and improving "seamlessness" worldwide, and ensuring mutual help and support.

## > Key challenges involved in governance

Governance implies all the rules and principles of action and conduct applicable across the entire Group. It centres on transparency with regard to all our stakeholders. It covers projects such as those relative to information security, IT convergence, secure network deployment and the project concerning insurance.

## Information security, a challenge in trust ☀

From the security of financial information to network reliability, and including the battle against fraud, information security and, more generally, the security of information resources, is a strategic challenge for the France Telecom Group and its customers. It is a powerful lever in the bid to obtain and maintain our customers' trust. Our ability to innovate, our competitiveness and our development are directly dependent upon it. Information security requires the integrated management of the Group and a global approach that includes the physical security of facilities, the

logical security of the information system and networks, and the security of the organization and processes.
At the beginning of 2004, the information security policy was approved by the Executive Commitee. This sets out the principles designed to mobilise people to work together and defines the organization required to ensure that the policy is applied throughout the Group. This initiative is supported by awareness-raising, prevention and protection programmes.
Thus, the "Info'Attitude" code aims to raise employees' awareness of the importance of controlling information and good prevention reflexes. This code is an integral part of the company's internal regulations. It recalls the legal context, the challenges and the rules to be complied with by all employees.

Distributed to all employees in France since November 2004, the code will be adapted to local law and culture of subsidiaries outside France and deployed **in the course of 2005.**

## Info'Attitude: a common reference guide for all employees

Controlling information is becoming an increasingly major asset for France Telecom, and for the customers too.
The principle on which the Group's information security policy is based should apply to all the entities and every employee within the company. Wherever the Group operates, these principles should be applied, in terms of the organisation, technical systems and procedures at every entity.
The "Info'Attitude" code is designed to meet these objectives and to allow every member of staff to share the same rules to be applied with a view to improving control over information. Accessible via the Intranet, as an Appendix to internal regulations, distributed by managers and accompanied by guides to good practice, related to the proper use of the tools, this common reference tool also deals with particular situations and the exercise of core businesses: protecting information at the office or on business trips, when communicating with the outside world or in the context of partnerships, securing premises, etc.

## The network, a performance challenge ☀

In order to maintain very high availability of its networks, France Telecom implemented a number of actions, during 2004, concerned with both preventive and emergency measures.
● In terms of prevention, physical security has been reinforced (e.g.105 3rd-generation telephone switches are now equipped with automatic fire suppression systems). Logical security has been enhanced, notably through the protection of the computer operating systems: locking redundant functions and limiting the number of shared accounts to cases that are absolutely justifiable. Network security has been improved by enhanced routing using transatlantic undersea cables (TAT 14). Furthermore, France Telecom is developing projects aimed at improving the resilience of the IP networks to withstand attack, to

secure network operation, to improve traceability of operations and to limit the spread of worms, viruses and spam, etc.

● In terms of emergency measures, a fast mobile intervention force has been set up in France, involving 200 line technicians (private companies), who can be on the scene within two days to support local teams. Through around thirty crisis situation simulations in 2004, France Telecom has updated the contingency plans for the different networks. A backup procedure for network supervision centres has been drawn up and tested. Systematic analysis of major incidents is used to update the emergency plans. Supervision of the long-distance networks (voice, international transmission, international IP) is centralized at a single platform, thereby making it simpler to solve complex problems and cut the amount of time taken to restore services. A backup site has been set up to supervise voice networks.

## Network Governance

The duties of the Networks Governance Directorate include promoting, organizing and coordinating resource-sharing projects with a view to constructing and optimizing a set of network solutions serving to further our strategy. Six governance rules have been defined and approved by the members of the Executive Committee within the Steering Committee in charge of this programme. 12 Network Planning Groups (NPGs) have been set up – one for each country in which the Group has network assets and a need for integration (10) and 2 groups for international matters (voice capacity and traffic) – designed to promote the operational aspects of governance principles.

These efforts will be pursued **in 2005,** with a fast mobile intervention force expanding from 200 to 300 people, the deployment of tools tested in 2004, drawing up new emergency files and new crisis simulations, etc., while other potential improvements will be tested.

## Information Technology, a challenge involving the diversity of services ☀

Information Technology (IT) governance is dependent on strategic and operational committees, organized at Group level and at local level in the following areas:

● strategic alignment and core business committees (quarterly IT & Networks steering committees, monthly convergence committees, group alignment committee for IT and service platforms);

● technical committees (operational and technical architecture approval committees, sourcing committees);

● coordination committees (monthly CIO meetings and annual forum, operational and technical architect colleges);

● investment committees (at Group, Division or business unit level depending on the amount).

## IT governance, some examples of Group convergence in 2004

● The invoicing/collection function of services proposed by Wanadoo is entrusted to the fixed-line activity in France.

● For its data services platform, Orange Group has opted for the same "mail" system as Wanadoo for the end customer.

● A single software stub developed by the SIFAC (Système d'Information Facturation – Billing Information System) for the entire Orange Group to bill for content in data services.

## Insurance, better guarantees, better cost

Based on risk analysis and control, France Telecom is seeking optimal coverage for its insurance policies.

In 2004, within this framework of its insurance policy, France Telecom launched several Requests For Proposal with a view to establishing insurance policies under the best terms for the greatest number of Group entities.

These RFPs made it possible to identify intermediaries who have been put in charge of negotiating and positioning on the international market the programmes intended to cover the company's key risks and to opt for insurance companies and reinsurers likely to offer the best, most cost-effective guarantees.

Through these RFPs, a framework for a partnership relationship has been defined. The insurance companies thus, alongside our in-house engineering services, take part in on-site visits to identify the potential risks and implement actions designed to manage them.

# INNOVATION, THE CORNERSTONE OF OUR GROWTH

As the leading centre of research and development in Europe, and one of the top three centres worldwide among telecommunications operators, France Telecom Research & Development, with **4,240 researchers** (who are behind the design and development of around 70% of the operator's commercial products and services) spread over 17 centres, 9 of which are outside France (London, San Francisco, Boston, Tokyo, Warsaw, Peking, Canton, Seoul and New Delhi), a portfolio of **6,965 patents** and a 20% increase in R&D projects planned for 2005, is the driving force behind innovation at the Group, in France and abroad. Its role is to ensure new sources of growth by planning ahead, notably with regard to revolutionary changes in technology and uses and by coming up with solutions now that will become part of everyday life in the future.

## > Offering everyone broadband access and services ☀

Creating minimal pollution, generating business and conducive to maintaining social relations, communications services have, a priori, a beneficial effect from the point of view of sustainable development.

In its bid to keep its promise to cover as vast an area as possible, the Group is supported by its research laboratories, where xDSL technologies have been tested since 1995.

In France, after ADSL, ADSL 2+ since the end of 2004 and VDSL 2 coming shortly, transmission of data and images increasingly uses a simple copper line. France Telecom is one of the world leaders in this technology and other European countries, notably Great Britain, where Wanadoo UK was due to start deploying ADSL 2+ as of 2005, are following in its footsteps.

An alternative technology, that combines satellite access with WiFi distribution, has been developed to connect people (households, rural villages and businesses) that are located too far from a telephone exchange. Such progress goes hand-in-hand with the ever-increasing efficiency of compression techniques: thus the MPEG 4 AVC standard can be used to transmit twice as much information at the same speed.

## > Dealing with constraints related to distance in the healthcare sector

Liaising closely with the healthcare sector, France Telecom has, for many years, carried out tele-medicine test aiming to avoid the need for patients to travel for a consultation, to help the elderly and disabled to remain living at home, or to enable specialists to verify diagnosis remotely.

Such experiments rely on our expertise in the area of networks and that of new interfaces, such as force-feedback systems (haptic interfaces). A system such as this, enabling a doctor to control a robot remotely, was successfully tested in France in October 2004, in partnership with the Mutualité Française: specialists at hospitals in Nîmes and Paris simultaneously performed cardiac ultrasounds on patients located in Ganges (the Hérault). To achieve this world first, they required multi-site videophony, real-time transmission and Multi-User sharing of medical images, combined with the remote reproduction of the doctor's actions and the perception of touch.

### Argonaute 3D, broadband and virtual reality at the service of healthcare

The ability to share a patient's records for more in-depth analysis and more a suitable operating strategy in real time is, in the eyes of the medical profession, what makes Argonaute 3D, developed by the IRCAD (research institute for cancer of the digestive system) and France Telecom, so interesting. This experimental service can be used by several doctors at different locations to work together, in real time, on a 3D image that reproduces the clinical case to be studied. Thanks to this analysis, doctors can agree on the best operating strategy to be adopted and can simulate the surgical operation that will be performed. In technical terms, Argonaute 3D uses broadband Internet links combined with a secure co-operative work platform. The 3D patient reconstruction software and the interactive software used to prepare the surgical intervention were developed by the IRCAD. For their part, France Telecom laboratories provided a 3D work-share application, Spin-3D.

## Assessing the economic, social and environmental impact of projects ☀

In 2003, the Group adopted the principle whereby its R&D projects should comply with the criteria of sustainable development. In the context of the continuous improvement of products and services, France Telecom develops internal programmes and external research partnerships. Apart from fulfilling the customer's expectations, the approach includes minimizing the social and environmental impact of solutions, from the design stage and throughout their life cycle.

The method developed in 2004 to this end is now being tested at France Telecom R&D and will be extended to other Group entities in the course of 2005.

In 2004, twelve projects had already been screened according to this method.

The Pack-Surf WiFi solution, already deployed in association with local authorities in France, designed to provide Broadband Internet access to private, professional and business customers who live in areas that are not served by ADSL, has, for example, been assessed using this analysis method (see page 34).

## > Designing solutions that can be used by everyone ☀

France Telecom tries, right from the design stage, to design products and services that can be used by everyone, regardless of their physical nature or the circumstances in which they will be used. To promote this approach, Group R&D has established certain specifications and recommendations, together with information and training drives.

For every type of disability, France Telecom does its best to develop a mode of man/service interaction that, depending on the case, requires all its expertise in voice technologies, in different applications involving videophony, eye-control and haptic interfaces. Text, sound, still or animated images can be combined and adapted to all kinds of terminals thanks to rich media technology. Thus, when they want to take part in a conference, the deaf and hard-of-hearing can take advantage of remote subtitling in real time thanks to video-velotyping or the services of a sign language interpreter thanks to video-interpretation. An avatar (a virtual person) can also be used for instant translation into sign language.

Another technology that is being explored by France Telecom involves sensors that can be used by the emergency services to assist in an emergency, for example, if a person suffering from myopathy has a fall. This security measure gives such people much greater independence. As for people with a cognitive disorder (Alzheimer's, schizophrenia or head injury, etc.), France Telecom develops a system for them that, in particular, integrates a network of sensors placed at numerous points in their homes, thus constructing an "intelligent environment" around them which helps them and also helps their carers and families to care for them, in the home and on regular journeys.

## > Developing risk alert and prevention systems

Networks of sensors can also be used to alert the public by SMS in the event of an earthquake or flood. Thus, thanks to its expertise in "machine to machine" techniques (a service for communicating with remote equipment fitted with sensors and control systems), France Telecom is testing an entirely automated alert system designed to inform residents living near a river in the Mediterranean region.

## > Technological innovation in the interests of education

In 2003, a fresh burst of energy was injected by France's Ministry of Education into its Digital Workspaces project. In the context of this project, France Telecom successfully responded to calls for tender made by the education authorities in Dijon, Nancy and Valenciennes. The Scolabureau service tested at the time in 2004 will, for example, enable schoolchildren to use a computer to send voice or text messages to their parents or to staff at the educational establishments, contacting them on their fixed or mobile lines, by fax or via computer. Moreover, an interactive voice server makes information available for parents and pupils, accessible using an ordinary telephone, and calling a special number charged at local rate. Initializing, updating and administration for this server are handled via online access.

## > Mobilizing research to control the impact of our products & services on health ☀

France Telecom was one of the first operators in the world to carry out in-depth studies on the interaction between electromagnetic waves and living tissue. It has 10 full-time researchers devoted to the subject. In addition to funding biomedical studies, our laboratories have made a high-level scientific contribution in their own field of expertise over the last ten years: dosimetry. They play a decisive role in the establishment of a reliable methodology, in defining acceptable exposure levels and in developing measurement tools. The quest for maximum safety for our customers and local residents transcends differences between competitors and joint research is the order of the day. This is why France Telecom has, from the outset, increased the number of partnerships with manufacturers, other operators, French and foreign public research centres and with the universities.

As a member of the network of excellence, EMF Net, dedicated to electromagnetic fields, our laboratories have notably contributed to the Eureka Basexpo project, the aim of which is to improve the measurement of exposure. Last of all, the development of a personal dosimeter, developed in partnership with Antenessa, is a response to the demand on the part of scientists and politicians.

# AN ORGANIZATION SERVING OUR POLICY

**Following the launch, at the end of 2003, of the Group's corporate responsibility approach based on four priorities, France Telecom structured its organization during 2004 with a view to developing and implementing a policy that integrates the challenges involved in sustainable development at all levels.**

## > Identifying impact, risks and challenges for the Group

The definition of our responsibility policy is based on the transverse involvement of all the components of the Group with a view to the proper identification of impacts, risks and challenges for the company. In March 2004, five transverse working groups were set up within the Group, entrusted with contributing to the definition of a policy based on analysis of the key impacts, risks and challenges for the company in terms of customers, employees, suppliers, the company in general and the environment. At the same time, the major expectations of socially responsible shareholders and investors were identified, mainly on the basis of questions and comments drawn up by the rating agencies to which the Group reports and those resulting from meetings with socially responsible investors. Under the aegis of the Delegate for Corporate Responsibility and Sustainable Development, analysis of internal and external expectations has been carried out involving a large number of people within the Group.

This analysis is due to be completed **in 2005** with an analysis of ethical risks for each core business and geographical area at the various Group entities.

The conclusions of the transverse working groups and of this analysis were presented to the Corporate Responsibility Committee in June 2004 and then to the Executive Committee at the end of July 2004, which validated the strategic focus points characterising our corporate responsibility and the reporting framework for our policy.

## "An approach for the Group based on four priorities in 2004"

| PRIORITIES FOR 2004 | INTEGRATING THE 4 PRIORITIES IN 2004 AND OUTLOOK FOR 2005 |
|---|---|
| ● Comprehensive analysis of challenges for the Group according to a sustainable development approach. | ● Our challenges, page 7. |
| ● General spread of structured dialogue with the stakeholders of the Group. | ● Structuring such dialogue and its implications across the Group, page 19. |
| ● Develop a consistent frame of reference for the Group, drawing on the Global Reporting Initiative (GRI) and integrating factors specific to the various components of the Group. | ● Performance assessment and frame of reference, page 46. |
| ● Managing and coordinating the network of sustainable development managers at each entity in the Group. | ● Setting up a network, page 16. |

## > Managing corporate responsibility

Managing responsibility, supervised at the highest level of the Group should make it possible to develop visibility over the achievement of our objectives and afford regular assessment of our contribution to sustainable development.

The Corporate Responsibility Committee is composed of five members of the Executive Committee together with representatives of all the entities in the Group. It monitors deployment of the approach across the Group and validates the consistency of the different objectives and indicators that have been decided upon as strategic. The Committee met four times in 2004. At local level, sustainable development managers draw up and coordinate action plans adapted to their activities and to specific local factors and established according to the economic, environmental and social impact left on the area. Supported by a network of contributors, it contributes at operational level to the day-to-day application of the priorities set out in the context of our policy. It ensures the relay of information relative to any problems encountered, the achieve-

ment, or surpassing, of the objectives assigned to his entity and the orientations that need to be planned for the future. It contributes to consolidating reports on corporate responsibility for the Group.

To date, there are more than a hundred managers and contributors within the Group who act in this way.

This network of sustainable development managers is supervised by the Delegate for Corporate Responsibility and Sustainable Development.

Managing the corporate responsibility approach is based on international discussions which are also reflected in our commitments.

Thus, for example, in 2004, France Telecom pursued its involvement in the permanent "Sustainability" working group at the ETNO and contributed to the various activities of this association and the GeSI. In May 2004, the Group signed the ETNO's "Sustainable development" Charter. In addition, it has restated its desire to observe the nine principles of the Global Compact, to which it has been committed since 2000, promoting, in July 2004, its commitment to the tenth principle relative to fighting corruption.

## The network of sustainable development managers
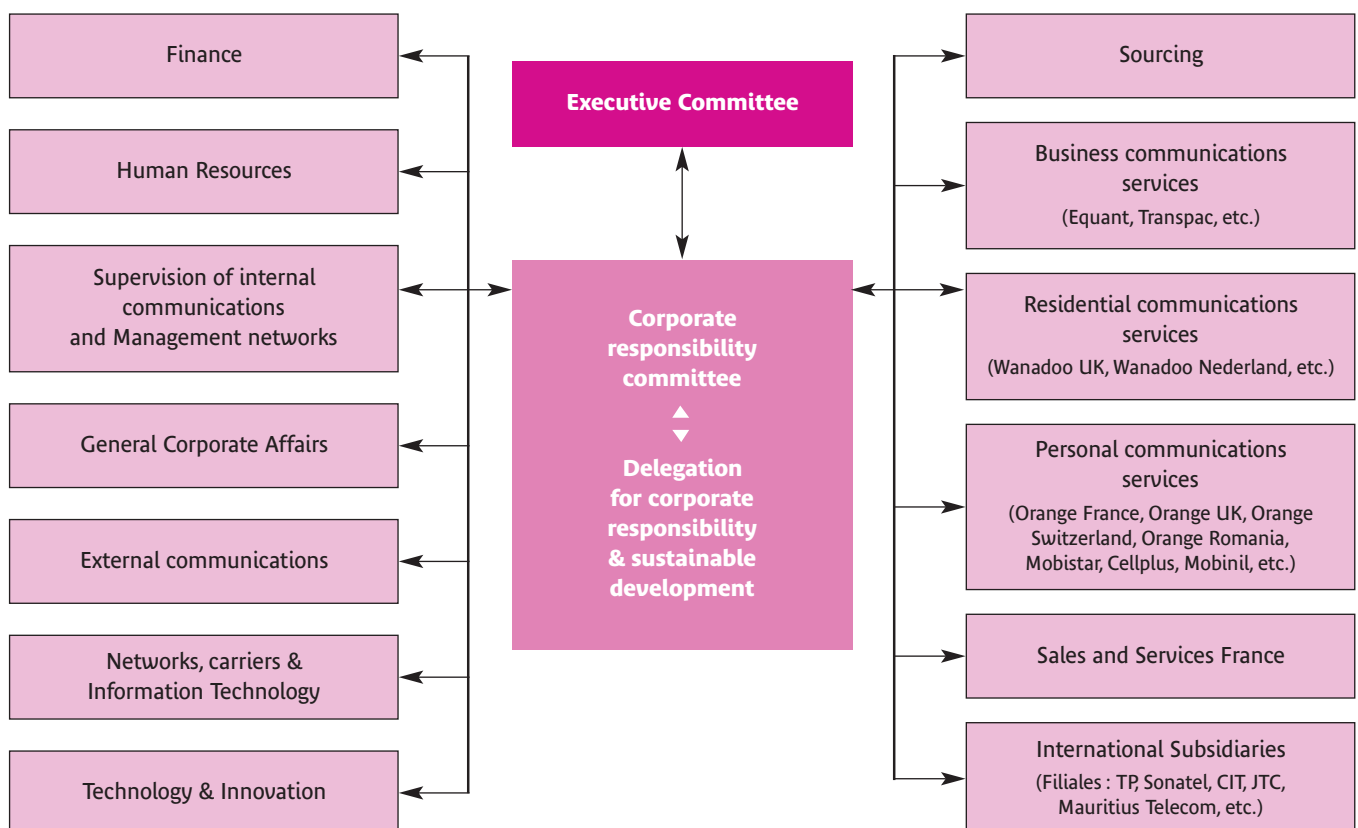
## > Performance assessment

Drawing on the work carried out by the five transverse working groups, and the identification of our priority challenges, a reporting framework including appropriate indicators for the Group was decided upon in July 2004. This integrates the social, economic and environmental challenges, taking into account the international frames of reference and the specific nature of our activities.

This reporting framework, common to all our entities and incorporating quantitative and qualitative data, thus reflects our global and local impacts, and serves to indicate our progress and room for improvement, together with the perspectives toward which we wish to strive. It forms the foundations on which the definition of all our action plans shall be based. Each sustainable development manager uses it as a performance indicator for his/her specific entity.

A computer-automated solution, used to aggregate qualitative and quantitative data, will be deployed throughout the Group **during 2005** with a view to assessing and supervising our actions in line with the strategic orientations set and making it possible to propose medium- and long-term objectives.

## > A "responsible" sourcing policy integrating a sustainable development approach upstream ☀

The proposals made by the *Suppliers* working group have served, for example, to rapidly adjust and deploy a *"responsible"* purchasing policy across the entire Group. This policy, already committed to since 2003 in the context of the TOP programme, aims to develop new relations with suppliers.

### Through a clearly-stated commitment

After updating its contractual clauses, in early 2004, through the integration of an *"Ethics & Environment"* clause in all Group contracts, France Telecom pursued this approach with the distribution of a "Sustainable development" questionnaire and the *"Ethics & Environment"* aspects of *QREDIC®*, (see below), a system for assessing suppliers' performance.

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### Ethics & Environment Clause

Every Group-level contract negotiated in 2004 with a supplier includes an *Ethics & Environment* clause recalling the fact that: "… the supplier undertakes, and shall ensure that its subcontractors or any other party under its control shall comply with all the national, European and international laws and regulations relative to ethical standards and responsible behaviour, including, and this is not an exhaustive list, all regulations relative to human rights, to the protection of the environment, to sustainable development and to active or passive corruption."

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## For better assessment of our role

Based on a performance commitment, Group policy on purchasing should enable us to continue making improvements with regard to quality, costs, responsiveness, schedules, innovation and sustainable development, in order to improve our fulfillment of customer expectations.

Also based on the dealing with the reality of and changes in the markets targeted by the Group, this policy integrates the impact of purchasing decisions on local labour pools, consistently giving priority to the intelligent management of relations with suppliers in precarious situations. The France Telecom Group thus remains particularly vigilant with regard to the possibilities of any one of its suppliers becoming economically dependent upon it.

For each service provider used, France Telecom shall assess the organization set up to provide the services required. In particular, France Telecom shall ensure:
● that the service provider complies with the regulations in force: transport, insurance, skills, etc;
● that the sites concerned comply with the legislation in force;
● that subcontractors are controlled;
● that all processing channels used are identified and approved.

**In 2005,** the France Telecom Group shall ensure that all service providers respect their commitments.

## For closer consultation with the suppliers

In 2004, arrangements for the evaluation and continuous improvement of the performance of all suppliers were rolled out. This is an initiative which goes much further than simply agreeing to and abiding by a contract. By means of a survey on priorities, actions and projects linked to the environment, social issues and quality, 377 suppliers were approached in June 2004 to reply to a questionnaire on "Sustainable development":
● 51% (193) of suppliers volunteered to reply to this questionnaire;
● 76% (146) of those suppliers replied, thereby demonstrating a genuine shared commitment.

Analysis of these initial surveys has allowed us to fine-tune the questionnaire. **In 2005,** the questions will thus be better targeted and France Telecom will be pursuing its drive to get to know more about all the suppliers with which the Group has contractual relationships.

## Defining remedial actions

Called *QREDIC®,* (Quality, Responsiveness/Relations, Ethics/Environment, Deadlines, Innovation, Costs/Billing), a system designed for assessing our suppliers' performance is already operational for 55% of sourcing agreements managed at Corporate level. This tool factors in suppliers' answers to the questionnaires mentioned above and also integrates feedback from the "field" relative to the services provided or the findings of audits of these suppliers' processes. A symbol in the form of a yellow flame is designed to attract the attention of suppliers who did not reply to the 2004 questionnaire and who, depending on their sector of activity, were nonetheless concerned by the environmental, social or ethical issues.

By the end of 2004, the *QREDIC®* approach had produced conclusive results for 201 contracts and partial results for a further 105 contracts which are in the process of being assessed. Based on factual evidence provided by the different entities and subsidiaries of the Group concerned by these contracts, the assessments have been presented and commented on to the suppliers. Actions to remedy or improve certain aspects were then jointly defined and scheduled.

While this approach has made it possible to organize monitoring meetings for those suppliers with which France Telecom has signed corporate sourcing contracts, the dialogue should be continuous at local level (subsidiaries and technical entities), held as regularly as required given the potential risks (e.g.: weekly or monthly monitoring meetings with the customer centres run by external service providers for Orange France).

**In 2005** the *QREDIC®* system will cover 70% of the Group's purchases and will concern 500 suppliers. The approach should be adapted to national procurement.

## Compliance with the contractual term of payment

Concerning compliance with the contractual terms of payment, France Telecom has been committed for just over a year to an approach designed to optimise the "purchasing/ordering/billing" process following the evolution of our corresponding information systems

These systems, which are designed to automate the process, require strict attention to detail at the beginning of the process. In particular, as part of a determined approach, they are used to exchange computerized data, whether for orders or invoices, with our suppliers.

Furthermore, the systematic application of penalties for non-payment by the due date reinforces control over the entire process, thus enabling us to fulfill our contractual commitments and, therefore, to avoid endangering the supplier companies. In its bid to achieve this objective, France Telecom launched the TPP initiative (TOP Process Performance) designed to establish an improvement process based on a structured approach.

### The quality of our suppliers

The ethical, social and environmental dimensions, which are taken into account for contract monitoring, did not bring out any major anomalies in 2004. It did, however, serve to follow up certain suppliers who did not reply to the questionnaire sent out by France Telecom.
The analysis of the replies to the questionnaire shows that:
● the processes necessary for providing the purchased product or fulfilling the service are often covered by a certified quality management system or is undergoing certification;
● the processes required to produce the product or services purchased are usually covered by a Quality Management System which has been certified or is in the process of being certified;
● our suppliers are aware of the environmental impact of the processes implemented to produce the product covered by the contract but few of them have a recognised Environmental Management System;
● our suppliers have implemented environment-friendly initiatives in the operation of their business (energy-saving initiative, use of recycled paper, recycling office supplies, etc.).

# AN OPEN DIALOGUE WITH EACH OF OUR STAKEHOLDERS…

In 2004, France Telecom pursued its initiative to formalize dialogue with its various stakeholders. Discussion with stakeholders helps us to understand their needs and the context in which they operate, together with the challenges involved. Responding to individual interests represents a series of complex problems that can only be resolved for the long term by making the effort to develop dialogue and work together with the institutions and civil society.

## With our shareholders and the investors

### Trusted by all our shareholders…

One of our imperatives is to encourage listening to individual shareholders, employee shareholders, institutional investors (banks, insurance companies, pension funds, etc.), opinion leaders such as journalists (for the trade press in particular) and also banking and financial analysts.
Providing clear and relevant, dynamic and interactive information (Internet and Intranet sites and newsletters, personalised Internet messages, etc.) in response to the shareholders' personal concerns is obviously essential.
For France Telecom, this entails, in conjunction with its partners, studying the real challenges that communications may imply for society in general. To exceed shareholders' expectations in an industry that is constantly changing and to go much further that the mere regulatory obligations relative to the company's listing on the stock markets, the Group is seeking ways to deal with the pressure of two major imperatives : to create value for the shareholders and to forge, in a "sustainable" fashion, developments that shape the industry in its sector.
In 2004, France Telecom took part in various meetings with Socially Responsible Investors (SRI) – see below – and completed diverse questionnaires produced by social rating agencies.

### … meetings with Socially Responsible Investors (SRI)…

In June 2004, the Investor Day brought together around 150 analysts and investors. This day provided the Group with an opportunity to highlight its strategic commitments in relation to its corporate responsibility approach.
Meetings with analysts and groups of analysts involved in Socially Responsible Investment (SRI) have enabled us to discuss our main challenges. In mid-2004, various meetings were held with the following:
● IDEAM (a subsidiary of the Crédit Agricole bank) on May 5;
● a group of investors on June 8: AGF Asset Management, AXA Investment Management, BNP Paribas Asset Management, CDC Ixis Asset Management, Fortis Investment Management, Groupama Asset Management, HSBC Asset Management and again IDEAM;
● HSBC, on July 8;
● AXA , on July 9.

### … and regular contact with ratings agencies

Today, the value of a company is no longer expressed solely by the figures reported in its financial results, but also through the assessment of the footprint its activities leave. SRIs use non-financial rating criteria to judge the long-term performance of a company.
In 2004, France Telecom completed various questionnaires produced by ratings agencies. The responses that were provided enable the Group to integrate stock market indexes, such as the FTSE4Good (linked to analysis by Eiris), to be assessed by SAM evaluation, and also to obtain recognition of its performance in certain areas from Vigeo, SIRI Company/Centre Info and AccountAbility & CSR Network (see page 47).

# With our employees

Providing information to people both inside and outside France Telecom is a vital element in the corporate responsibility approach implemented throughout the Group. While explaining and illustrating our commitments, notably in the context of publications or working groups (see page 47), the result of this is, above all, interactivity.

## In the context of meetings…

Organizing or participating in internal and external interactive meetings, during which our corporate responsibility approach is presented, enables us, apart from insisting on the priorities decided by the Group, to deliver messages that preserve the consistency of our actions in the field while also generating the sharing of practices. Such meetings also provide the occasion to explain the contribution that telecommunications solutions may make to sustainable development, to demonstrate that our approach is based on partnerships or to explain how our R&D departments are involved (see page 13) in offering to improve the social and environmental benefits and in integrating the challenges of sustainable development upstream (see page 17 - a "responsible" sourcing policy).
Since 2004, throughout the Group and in the context of the "Entrepreneurs" meetings that are held twice a year, a regular workshop provides an opportunity for the company's executive management to review our challenges, progress made through our approach and, bearing in mind developments in the telecommunications sector and the environment in which the Group operates, to define any changes required and further action to be implemented, including ethical considerations.

## Using interactive tools…

In May 2004, was set up an Intranet dedicated to corporate responsibility. A section on the France Telecom website (www.francetelecom.com) has also been developed to explain what the Group is doing to play a role, wherever it operates, in the search to improve the balance between competitiveness and progress.
These sites offer an equal level of information to practically everyone who works for the Group. While helping to raise awareness of the challenges involved in sustainable development, they also serve as tools that bring people together to further our ambitions for "Responsible growth". For example, **in 2004,** Orange France used this site to inform people of its internal campaign to protect the environment, which includes concrete and specific messages to encourage people to develop "Green reflexes": "Every year, the printer toners used create 60,000 tonnes of non-

degradable waste"; "1 battery pollutes 1m² of land and 1,000 m² of water for 50 years"; "Saving 2 reams of paper per year per person is equal to saving 932 trees, €55,000 and avoids more than 46 tonnes of waste"; "Transport accounts for 31% of greenhouse gas emissions", etc.

**In 2005,** a new section on France Telecom's Intranet site will provide presentations of local initiatives and different applications of Group policy, with a view to sharing experience and good practices.

## Through training…

Over the past few years, France Telecom has included raising awareness of the challenges involved in sustainable development in its general training programmes. Moreover, in the context of training courses organized for each core business, the accent has been put on more specific imperatives. Thus, for example, in 2004, all buyers were given training in integrating ethical and environmental issues into supplier relations, 200 people (face-to-face and remote sales personnel) were trained in products and services designed for the disabled, and environment managers attended regular training sessions on high-risk installations, etc.

**In 2005,** different people of the Group will follow a training programme dedicated to the deployment of the EMS (Environmental Management System), its implementation, objectives and processes. Specific training modules, for example, will be offered to sales personal to provide them with clear and detailed information on the requirements of the European directive relative to WEEE (Waste Electrical and Electronic Equipment) so that they can explain to customers what the Group is doing in application of the directive.

## As part of applications development…

The company is particularly attentive to the user-friendliness of applications rolled out among employees. For instance, this approach has made it possible to re-write the e-force application – an evaluation tool for Corporate customers (see page 30) –, for the user-friendliness of release 3 to meet the expectations of the users. A permanent opinion poll measures employee satisfaction regarding the multiple aspects of the IS; in this way, each user is polled about twice a year.

# With our customers

## Customer/Operator relations…

A number of actions have been implemented with a view to ensuring sound and fair competition conditions: the Group has worked on processes to ensure quality corresponding to operator customers' expectations in 2004. Regular meetings with operators (Telecom Italia France, 9 Telecom, Cegetel, Free and Tele2) have been held to discuss difficulties concerning processes and collect offers of ADSL trafic (ACA, IP, etc.) on unbundling and interconnection.

On the international scene, France Telecom has been keen to deal with its partners under transparent and ethical conditions (our contracts comply with the international and domestic regulations in force). In terms of the development of partnerships with international operators, in 2004, the Group consolidated relations with the operators in Africa in the context of the Sawasafrica fair (December 2004) and those with operators in countries such as Morocco, Algeria, Switzerland, Belgium, Spain and the United Kingdom. Lastly, efforts have been made to settle long-standing disputes and make a fresh start.

## Discussions with approved consumer associations and the AFUTT…

In France, for the residential and professional markets, the basic duty of the SNC (Service National Consommateur – National Consumer Department), in partnership with consumers associations and consumer regulation institutions, is to liaise between the customers (fixed, mobile and Internet) and France Telecom. This is one of the concrete manifestations of the France Telecom Group's desire for transparency and the continuous improvement of its services. It defines orientations for the policy on dealing with complaints at the agencies. For the Group, it is the single representative for the Telephony Mediator, a body established in July 2003 by seven fixed and mobile telephony operators (France Telecom and Orange are founding members). In 2004, the Group in France, via the SNC, actively pursued discussions with the approved consumer associations and the AFUTT (French Telecommunication Users Association).

Dialogue is structured through plenary meetings (three meetings in 2004 – in January, June and October) and working groups on fixed telephony, services proposed by Orange and those developed by Wanadoo.

In 2004, the Group, in the context of meetings planned with decision-makers in the company, held around 10 or so discussions with these associations. It was within the framework of these meetings that, for instance, the associations were the first to learn about the "*Unlimited* call packages", a veritable tariff revolution. Discussions with the associations, based on trust and openness, are an important element in the system designed for listening to our customers and taking their concerns into account.

## Developing solutions for the disabled and dependent persons…

In the context of the Disability project (Mission handicap) set up in 2003 at the Group, France Telecom is involved in an economic and social approach, which is based on a philosophy of "Design for all" in response to the two main demands of these specific customers, namely autonomy and accessibility. The disabled are now thought of as pioneers and explorers who dictate the uses and ergonomic design of the products and services of the future. Something that is a vital requirement for a disabled person will be more convenient for an old person and cutting-edge technology for all our customers ("Design for all").

Supervising and coordinating this approach brings together all the stakeholders involved (the disabled and their families and friends, disabled persons associations, opinion leaders and professionals in the sector and government bodies, etc.) and internal departments (Research & Development, Human Resources, Marketing and Distribution, etc.) in such a way as to develop or adapt a comprehensive offer that combines voice, text and image services using fixed, mobile and Internet technologies.

In order to improve the ways in which we respond to all the expectations of dependent people and their families, around a hundred employees specially-trained in solutions for the disabled work with disabled customers and their associations (meetings held every two months, observatories, panels, round tables, surveys and verbatim reports are used to identify expectations).

Such discussions are the subject of communication actions aimed at the public specifically concerned with disability: inserts in the major specialized magazines, at trade fairs, for the attention of associations, mutual health insurance funds and on websites, etc.

In 2004, a special freephone number (0 800 11 22 33) and a free fax number (0 800 24 69 96), providing free access to various information lines, were made available for customers. On the France Telecom website (www.francetelecom.com), a section named "Solutions handicap" (solutions for the disabled), accessible by various means (sign language or e-demonstration) depending on the disability, presents the different offers available. An e-mail address – agence. vad@francetelecom. com – allows net users to dialogue with the Group at any time. A Group catalogue of "Solutions for the disabled" can be used to order products and services in store, by phone, via Internet or by mail-order.

# With our suppliers

### From politically eco-friendly talk to concrete applications…

Mr. Jean-Michel Boulmier,
Director of the Geodis environment centre (logistics chain management company) February 2005
*"In November 2003, France Telecom signed a framework agreement with Valenda, a subsidiary of the Geodis Group, to manage its electrical and electronic equipment waste (Waste Electrical and Electronic Equipment).*
*France Telecom thus became one of the first major companies to anticipate the WEEE Directive. The agreement covers all WEEE products resulting from the Group's activities (including, for example, automatic switching racks and terminals returned by customers or from our own use within France Telecom).*

*At the same time, Geodis has deployed a strategy that resolutely integrates elements contributing to protecting the environment.*
*The specifications drawn up by France Telecom (Delegation for the environment, Directorate of supplier quality and Directorate of sourcing) are innovative for Geodis and enable it to put into practice, on a large scale, its partnership ambitions to promote greater environmental responsibility.*
*In 2005, Geodis and France Telecom hope to modify their agreement to adapt the organization of collection rounds and optimise investment in the interests of improving the management of products that serve no purpose or have come to the end of their service life. The two companies are also planning to pursue joint studies with the French Ministry of the Economy and Finance and with other companies on traceability, dematerialised industrial waste tracking and on the responsibility of future eco-organizations."*

# With the public authorities and civil society

### Deployment of the mobile telephony network…

With a view to pursuing "responsible" network development and to improving the way in which mobile telephony antennae are merged aesthetically into the landscape, a major demand on the part of local players, the Group is establishing partnership initiatives for projects concerning the setup of its facilities.

● In Poland, Centertel is developing agreements with local institutions (city authorities, curators of historical monuments, administrators of religious buildings, etc.) to house base stations in historic buildings. Several groups of people are concerned with the location of such installations, in particular:
– tourists who, at an attractive national heritage site, will be able to use their mobile devices;
– the administrators of the buildings concerned (churches and other monuments) who thereby secure funding for restoring the buildings;
– companies that specialise in the restoration of old buildings and that will be in charge of installing such base stations.

● In France, Orange and other French GSM operators have decided to define, in conjunction with local elected representatives, a set of rules governing cooperation and discussions concerning projects to install new antennae or to modify existing sites. In the context of the agreement made by the AFOM in partnership with the French Mayors' Association, a Guide to Best Practices (GBP) was signed on 28 April 2004. This is the outcome of cooperation between the operators and local representatives and officially sets out four requirements: harmonious deployment and correct functioning of mobile telephony, information for elected representatives and their constituents, preservation of the urban and natural landscape and factoring in the population's public health and safety concerns. The policy concerning merging infrastructure into the landscape is set out in an AFOM brochure (des antennes-

relais en harmonie avec le paysage – relay antennae in harmony with the landscape) and accompanied by the Guide to Best Practices (GBP) in which the operators undertake to refrain from certain practices such as, for example, setting up a "bare" antenna (not fixed against a support) at the edge of a roof terrace.

### WIP/Wi-Fi, together with broadband, to support development in rural areas…

Claude Le Borgne, Mayor of Trélivan (2,235 inhabitants, Côte-d'Armor, France) – November 2004.
**What expectations did you have of broadband technology?**
*"The population of Trélivan is mainly made up of employees and workers, most of whom work in Dinan (in the electronics industries, banks or at the hospital). There are not many businesses or professional people here. We wanted conventional ADSL coverage, and were waiting for an extension over the Dinan region. In autumn 2003, following meetings between the local authorities and France Telecom, we were offered the opportunity to test broadband wireless technology. We agreed, aware that this would give us time to see how it worked."*
**How did the partnership with France Telecom work out?**
*"Things fell into place quite quickly as of the end of 2003 and in satisfactory technical conditions. An antenna was placed on the Town Hall, another on a building about a hundred metres away to ensure redistribution within a radius of 500 m. We now have around ten subscribers connected in the village."*
**Are they satisfied with this alternative offer?**
*"Whether they use it for professional or for private purposes, I believe that there is not a great deal of difference from a classic ADSL offer, since France Telecom carried out several surveys during the test. Since then, a number of other people have expressed interest, but the test is due to come to an end quite soon. Trélivan should be connected to classic ADSL by the end of 2004."*

# With research

## A joint project on network optimisation and data protection…

In 2004, France Telecom and the ENS (École normale supérieure), in the context of a shared strategic vision of science and technology, signed a framework agreement that defines the ways in which they can work together to develop innovation and the intellectual property thus created. Of particular note, this agreement concerns the following areas:

● IT: sharing resources for a joint research project dedicated to "networks and communications theory". The ENS and researchers at France Telecom will focus their studies on performance assessments and quantitative analysis of communication networks (costs, pricing and optimizing the cost-effectiveness of network architectures).

● Cryptology: cryptology studies concerning the design and analysis of the means used to ensure the integrity, authenticity and confidentiality of data and communications. This research finds its application in securing payment using smart cards, key-management infrastructures and electronic voting.

Gabriel Ruget, Managing Director of the ENS, considers this agreement to be *"a fine example of cooperation between a company and an institute of higher education which should help us to achieve the French and European objective of increasing investment in research to 3% of GDP by 2010".*

Pascal Viginier, Executive Vice-President in charge of the Research & Development division, is extremely pleased with this agreement with the ENS, *"which has been a partner in strategic research carried out by the R&D teams at France Telecom for many years. This agreement comes, more generally, in the context of the Group's policy of cooperating with public research organizations and universities (INRIA, GET, CNRS, Sup'Élec, the ENSI-Caen, Stanford University and Berkeley, MIT, Tsing Hua, etc.). Working hand-in-hand with the best French and international laboratories increases our capacity for innovation and makes it possible for us to plan ahead for future technological changes in the industry."*

## The impact of electromagnetic waves on health…

The potential impact of electromagnetic waves on health is a major source of concern in public opinion. France Telecom and its subsidiary, Orange, are committed to doing everything possible to lead the way in research on the subject and to ensure that facilities and equipment comply with national and European regulations. In 1998, the International Commission on Non-Ionizing Radiation Protection (ICNIRP) issued the exposure limits for the general public. In July 1999, a Council of Europe recommendation based on research by the ICNIRP gave the maximum level of exposure for the general public. These measures are applied in France through the Order of 3 May 2002.

Since 1994, France Telecom Research & Development (FT R&D) has used its expertise in the area of dosimetry, in the interest of the French COMOBIO programme (COmmunications MObiles et BIOlogie – Mobile Communications and Biology), which studies the biological effects of radio waves on the human body.

France Telecom is also involved in projects focused on standardizing measurement methods carried out by the CENELEC (Comité Européen de Normalisation ELECtronique - European Committee for Electrotechnical Standardization) and supports European research, through its participation in the EMF programme (electromagnetic fields) carried out by the World Health Organization (WHO).

For the last 11 years, FT R&D has also organized an annual conference that brings together a broad range of professionals (carriers, manufacturers, scientists, etc.) to review the state of knowledge.

Lastly, the Group regularly attends scientific congresses (European BioElectromagnetics Association), COST 281, BEMS, etc.

Except this annual meeting, Orange, in 2004, in partnership with the Cité des Sciences et de l'Industrie in Paris, was involved in organizing the "Telephonie mobile: tout capter" exhibition running from December 2004 to June 2005. The exhibition deals with the technologies associated with deployment of the UMTS network viewed from three standpoints: their scientific and historical foundations, operating and uses.

A Scientific Committee appointed by the Cité has checked the accuracy and relevance of all the information presented at the exhibition.

# EMPLOYEES:
## AT THE HEART OF OUR MOMENTUM

**Our sustainable development strategy is consolidated by the commitment of all the actors in the Group every single day. The quality of our relationships and our involvement in the areas in which we operate are the expression of this commitment borne by our employees, resulting in innovation and actions in the field for the good of society.**

The telecommunications sector is constantly evolving and France Telecom is making changes and fuelling its growth through a human resources policy designed to promote the development of individual skills and social dialogue to serve technological innovation and offer new solutions, while taking into account the wide variety of contexts and situations in the areas in which the Group operates.

**The breakdown of personnel at the end of 2003 and at the end of 2004 was as follows:**

32,489
6,451
8,088
119,793
42,155
9,547
**2003**

- Orange
- Wanadoo
- Fixed, Distribution, Networks, Key Accounts and Operators
- Equant
- TP Group
- Misc. International

32,970
6,057
7,375
114,404
36,333
9,385
**2004**

The Group employs a very small number of employees on short-term contracts (3,145 or 1.5% of total headcount).

# REFLECTING GROUP DEVELOPMENT

### > Personnel

Present in 220 countries and territories through the parent company France Telecom SA and its main subsidiaries Equant, Orange, TP and Wanadoo, the France Telecom Group employed **206,524** employees worldwide at 31 December 2004.

### > Organizational changes
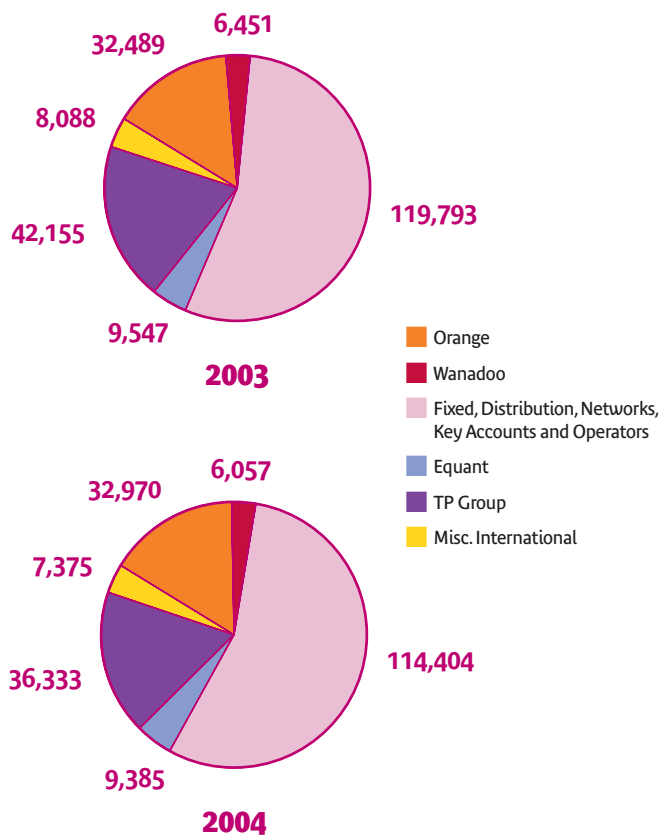
Over 2004, staff levels fell by 11,999:
- 6,975 in the international subsidiaries, the bulk of which is in TPSA within the framework of a redundancy plan negotiated with the unions;
- 5,024 in France, mainly due to departures through early retirement, retirement, resignations, moves to subsidiaries and the public sector.

The Group intends to minimize the consequences of essential restructuring by offering practical solutions.

For instance, by allowing for more social dialogue when seeking solutions: information on decisions regarding changes to organization affecting jobs and work organization is circulating and social dialogue initiated with the competent bodies representing employees.

Another solution is to give priority to the redeployment of employees within the Group: the framework agreement for employment and management planning of skills signed in 2003 and involving the Group in France, contains provisions to this effect.

**Indicators on Group scope ***

- Number of redundancies: **8,358** (i.e., **4.1%** of the headcount)
- Number of employees redeployed (to whom another position was offered in the Group): **7,883** (i.e., **3.9%** of the headcount)
- Number of resignations: **7,579** (i.e., **3.8%** of the headcount)

* Data related to 35 entities of the Group of over 300 employees (i.e., 201,732 employees involved, average headcount 2004)

The Group's redeployment committee set up in 2003 continued its work in 2004 by tightly coordinating external recruitment. Most new hires were in customer care and innovation.

The number of recruitments on unlimited-term contracts at 31 December 2004 can be broken down as follows:

| | |
|---|---:|
| France Telecom SA | 1,202 |
| Subsidiaries in France | 1,011 |
| Subsidiaries abroad | 11,408 |
| **Total** | **13,621** |

## Telecom Talents, a specific recruitment process

Looking to the future, the Group launched a programme called "Telecom Talents" in 2002, aiming to recruit and support young high potentials, while developing their loyalty. The goal is to attract the cream or "the best with the best qualifications".

The international dimension of the Group has significantly changed how it operates: the meltdown of cultures, ways of thinking and work methods has become a key component and a permanent source of mutual enrichment.

Consequently, following a trial phase over 2002 and 2003 in France, the Telecom Talents programme has been extended to other European countries: United Kingdom, Poland and Spain.

*"My first project was very operational and helped me to understand 'the realities of the world'. I am now going to manage a team and we will be playing a key role in tomorrow's intelligent networks".*

Virginie, 26, Strategic Account Manager, International Carrier Services and Sales – October 2004

*"Through Telecom Talents, France Telecom offers the possibility of taking up challenges on a daily basis. It was an opportunity that I could not miss! Now as Contract Manager, I am using my skills, while working with people helping me to progress in a company offering a great deal of diversity. If telecommunications is your thing and you want to learn more, Telecom Talents can open up a lot of opportunities".*

Didier, 29, Contract Manager, Sofrecom – October 2004

# RESPECTING OUR COMMITMENTS

Consistent with the Group's professional Code of Ethics, France Telecom has chosen to implement a global human resources policy which complies with fundamental principles such as those of the Universal Declaration of Human Rights, the International Labour Organization (ILO) and Global Compact, and focusing on main areas:
- health and safety;
- social dialogue;
- employment and skills management;
- diversity.

Quantitative data for each of these points concern 35 Group entities worldwide, including most of the subsidiaries with over 300 employees, with the exception of Equant whose reporting is carried out on the ten main sites. These data are presented below under the title "Group scope".

## > Maintaining health and safety at work ☀

### Adapted policies and processes

In 2004, France Telecom defined a Group policy on "Health and Safety at Work" covering all the companies in the Group and including:
- compliance with laws and regulations applicable within the countries in which the Group operates;
- the implementation of action plans adapted to their activities;
- the professionalization of managers in terms of health and safety through training, particularly regarding job-related risk prevention;
- appropriate consultation of employees and their representatives;
- systematic response to requests from interested parties.

### Expectations taken into account

At FTSA, there is regular dialogue with staff-side representatives sitting on the CHSCT (Comité d'Hygiène, de Sécurité et des Conditions de Travail – Committees for Health, Safety and Working Conditions). Moreover, an agreement to set up new CHSCT focuses on more local dialogue with personnel representatives really in tune with employees' concerns.

Following the elections for the Institutions Représentatives du Personnel (IRP – Staff-side Representative Institutions) on 18 January and 1 February **2005,** France Telecom SA (FT SA) now has 227 CHSCT.

## … and appropriate solutions offered

In 2004, the permanent commission of FT SA's CNHSCT (National Committee for Health, Safety and Working Conditions) continued its work on stress by looking into telephone jobs and management positions. Based on the analysis of stress factors in these jobs, it was able to highlight the local preventive actions carried out to all the CHSCTs.

### Indicators on Group scope *

- number of days lost due to illness
– average per employee: **7.7** days

- number of fatal professional accidents: **2**

*Data related to 35 entities of the Group with over 300 employees (i.e., 201, 732 employees involved, average headcount in 2004)

### Indicators on FTSA scope

Thanks to the efforts of the last few years, the work-accident indicators are falling on a regular basis at FTSA with:

- a job-related accident frequency rate of **5.11** in 2004 (as against 5.22 in 2003, compared with a national average of 25.4)

- a rate of gravity of job-related accidents of **0.28** in 2004 (as against 0.29 in 2003, compared with a national average of 1.17)

Moreover, absence due to illness fell by 5% and absences for less than 31 days in particular fell by 10% in 2004.

## > Promoting social dialogue ☼

### A reference framework

The policy is based on a constructive approach to social dialogue, considered to be a contributing factor to progress and efficiency in the company through:
- shared knowledge of the business environment;
- understanding and sharing of operational priorities;
- anticipation and conflict resolution;
- the definition of mutually accepted rules.

This dialogue takes place with the employees' elected representatives or union representatives, according to each country's legislation.

On a global level, this policy implies a neutral attitude to the introduction of unions in Group companies and, on a local level, a balance in compliance with legislation and local culture (particularly regarding representation and recognition conditions in the company).

The main principle is that the representatives elected by employees or unions must benefit from:
- a guarantee of non-discrimination and the same treatment as their colleagues in terms of remuneration, training and careers;
- scope to operate (free time, communication resources, etc.).

The Relations Sociales Groupe (group industrial relations) policy to be rolled out in **2005**, is the practical outcome in the field of willingness for dialogue by setting up new dialoguing bodies and concluding new collective agreements.

## Responding to local concerns in terms of health and safety at work

At France Telecom SA, this Group policy has been put into practice by implementing a safety management system which includes empowering employees, a special focus on training specialists and managers, and prevention principles with regard to company risk as part of drafting and monitoring the job-related risk evaluation compendium. Orange is developing a structured programme for health and safety at work.

Orange Netherlands has put software on-line allowing employees to better configure their workstation and called on ergonomics consultants to inspect all work premises.

Mauritius Telecom is developing risk analysis, measures for controlling and reducing risks, emergency procedures and accident analysis procedures. Moreover, a stress prevention programme including evaluation, control measures and the introduction of aerobics and yoga sessions has been implemented.

In Poland, TPSA's commitment to health and safety at work is illustrated by the percentage of employees trained, which was never higher than in 2004 thanks to the implementation of Internet training (e-learning).

In the Côte d'Ivoire, following the serious events occurring in November 2004, France Telecom repatriated its French employees (48 people) working at Côte d'Ivoire Telecom and Orange Côte d'Ivoire. Through local aid from Sonatel (Senegal) and Ikatel (Mali), France Telecom deployed all the logistics resources required to organise the repatriation operation and ensure the arrival of the people in the best possible conditions, including the option of medical and psychological support. Everything was done to allow the repatriated employees to join their families and homes as quickly as possible.

## Specific dialoguing bodies

Since this policy was implemented, specific dialoguing bodies have been set up, geared to local needs and meeting market requirements:

● there are 67 legal **Works Councils** in France (38 at FTSA since 18 January 2005) and, outside of France, 7 for Equant (Germany, Netherlands, Belgium, Italy, Spain, Norway, Austria), 2 for Wanadoo (QDQ and UNI2 in Spain), 2 for Orange (Belgium, Netherlands) and 1 for Sonatel (Senegal);

● the **Employee Forums** are legally non-mandatory dialoguing bodies made up of representatives elected by their peers: 1 at Wanadoo (Spain), 2 at Orange (UK and Switzerland) and 3 at Equant (UK, Ireland and Switzerland);

● the The **Works Council of the Group for France** was created on January 17, 2005 following an agreement with all the union organizations;

● the **Works Council of the Group for Europe** was set up on April 14, 2004 following the signature of an agreement with all the union organizations and all 15 representatives mandated by the Group's European subsidiaries. It represents the 60,000 employees working for France Telecom in the European Union (outside of France). 18 countries are represented on the Council through 30 employee representatives: Sweden, Norway, Finland, Denmark, Germany, Austria, United Kingdom, Ireland, France, Spain, Portugal, Italy, Greece, Poland, Luxembourg, Netherlands, Belgium, Slovakia. 9 of these representatives are French and all of the French unions are represented. By setting up this Council, France Telecom is confirming its willingness to add a European dimension to social dialogue;

● **meetings with the Alliance mondiale des syndicats de France Télécom** (France Telecom Worldwide Alliance of Unions) – created as part of the UNI (Union Network International) -, organized twice a year and allowing views to be exchanged on subjects affecting all areas of the Group, and dealing specifically with policy on human rights and social dialogue.
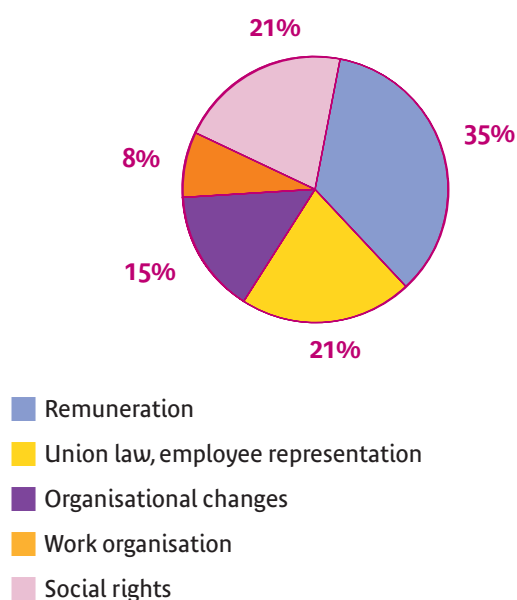
## Agreements

Seeking consensus, by signing agreements following free negotiations, has been France Telecom policy for a number of years. This was fervently continued in 2004 with the signing of 383 local agreements within France Telecom SA on the organization of the election of representatives to sit on the IRPs, which will represent over 139,000 employees in 2005. Agreements were signed in the following areas in France and in the European subsidiaries in 2004:

● remuneration (25 agreements, including 11 salary agreements, 3 agreements on a commissioning system: for sales representatives in the field at QDQ in Spain and for EGT sales personnel in France, for sales representatives in Mauritius Telecom);

● social dialogue (15 agreements signed at divisional level, including: 7 IRP-related agreements, 5 agreements related to union law and an agreement relating to the creation of the Comité de Groupe Européen);

● social rights (a new collective agreement for PagesJaunes, a complementary pension scheme and extended social protection for Orange Cameroun, 1 training agreement signed at Mobistar in Belgium, 2 agreements within the field of health and safety at Wanadoo Netherlands).

● adaptation measures negotiated as part of the transfer of employees to another France Telecom entity (in particular the adaptation agreement signed as part of the integration of Wanadoo into France Telecom concerning 800 employees in 2004).

### Indicators on Group scope *

● number of national collective agreements signed in 2004: **72**

● purpose of the **agreements**



- 35% Remuneration
- 21% Union law, employee representation
- 15% Organisational changes
- 8% Work organisation
- 21% Social rights

*Data related to 5 entities of the Group with over 300 employees (i.e., 201,732 employees involved, average headcount in 2004)

## > Managing skills development ☀

The France Telecom Group is pursuing three objectives in this area: the Group's current and future needs in terms of skills, the development of individual skills, and mobility and experience-sharing within the Group.

### Availability of skills to serve the current and future needs of the Group

The quantitative and qualitative balance between the available skills and current and future needs of the Group in terms of employment is a necessity. All the entities in the Group must dispose of the appropriate skills where they are most needed. In order to achieve this objective, but also to promote the diversity of skills, France Telecom has drawn up a Référentiel des métiers (Job baseline) for the Group to identify the skills that it will be needing in the future.

### A job baseline for the Group

In 2004, the Group's job repository was completed with the description of 400 identified jobs to enhance the company's performance.

This baseline will be finalised in the first half of 2005 for each company, whether in France or abroad, so that everyone is using the same resource. At the end of December 2004, 98% of personnel in the scope of France and 83% of personnel in the international scope were coded on the Group jobs table.

France Telecom identified priority sectors: Sales, Research and Development, IT and Networks. In September 2004, skills channels or "filières de competences" were set up for these sectors aimed at developing programmes to adapt and develop employees' skills.

### Development of individual skills

France Telecom has set up an employee skills evaluation tool both in France and in a number of international subsidiaries, to strike a balance between the skills of employees and the aptitudes required for the position.

The objective is for all Group employees to benefit from an appraisal interview (performance and skills) with their manager at least once a year, in order to promote skills development through training and mobility within the Group.

### E-learning at TP Group

An e-learning platform (Internet or Intranet) was set up at TP in Poland to extend the range of training courses offered and ease access to a larger number of employees. More than 117,000 trainees have signed up for such training since September 2003. 118 training courses are on offer at present. 15,000 participants are currently in training and 170,000 connections to the system were registered over six months. Customer Care employees are the top customers. They make up 60% of time spent on e-learning and more than 66% of employees in this sector have already followed an e-learning course.

### Mobility and experience sharing in the Group

At FT SA level and that of some subsidiaries, "Espaces Mobilité" (mobility forums) have been set up in which human resources managers and careers officers form a network covering employees from all Group entities in France, with the primary goal of reconciling employees' skills with Group requirements.

Over 50% of FT SA employees have changed job over the last five years. Mobility has mainly been towards customer care and network positions. Likewise, a Programme de Mobilité Interne (Internal Mobility Programme) was launched at TP in 2004. 22 Espaces Mobilité et Carrière (mobility and career forums) were created throughout Poland. 521 employees changed job between September and December of last year thanks to this programme.

### Knowledge transfer and experience sharing

TP is the first company in the Group to start a "Talent-Sharing Programme" in conjunction with FTSA. The goal is to boost employee mobility within the FT Group and identify those offering the best level of skills, and then allow them to further their development through experience exchanges. The first ten participants have already started the programme in France.

The objectives for 2005 include the transfer of 30 TP Group employees to France, while a similar number of French employees will go to Poland to broaden their experience. Other experience-sharing and knowledge-transfer operations will be carried out with other subsidiaries.

## Orange Perspectives

In November of last year, Orange France won the Trophée Social des Télécoms (telecoms company trophy) for Orange Perspectives. Awarded by the UNETEL-RST, a telecoms sector union and the provident fund MV4, this trophy is awarded for initiatives in social innovation. Orange Perspectives aims to support people affected by reorganisation operations or employees requesting mobility voluntarily. This programme includes for example a professional assessment, maturing of spin-off projects, schemes for transfer to the French Civil Service, group workshops on job search techniques, etc. In 2004, 942 employees used this programme offered by Orange Perspectives. Most of them managed to find a job within 11 weeks on average.

## > Promoting diversity ☀

Diversity is promoted at the France Telecom Group by focusing on two main priorities:
● conformity of practice with the Group's professional Code of Ethics with particular attention paid to compliance with the principle of non-discrimination in all countries in which the Group operates;
● diversity in the teams to develop innovation and creativity, allow better comprehension of the different customers' needs and accelerate change. This is organised in such a way as to take into account how Group entities carry out their activities and their cultural environment. Equant has thus implemented a "Global Employment Opportunity Policy", which was reviewed by different regions in the world to ensure that this application caters for the different cultural environments.

Professional equality between men and women is a key point in the collective agreement of April 28, 2004 on gender equality in the work place at FT SA. This agreement aims to promote not only equality in terms of treatment, but also a gender balance by implementing actions in terms of recruitment, training, career development, remuneration and work organisation. In terms of recruitment and access to jobs, human resources managers are committed to ensuring a balance between male/female job applications for management positions. The unions, meanwhile, are committed to promoting a similar balance in the bodies of staff-side representatives. Our policy to promote the employment of handicapped people at FTSA is another major feature of our diversity policy.

The company agreement signed in July 2003 to promote the employment of handicapped people in the company is proof of our commitment in the field of recruitment, employment maintenance, training and the promotion of handicapped people.
Recourse to the protected sector and technological advances by the R&D Division to benefit handicapped people are also significant actions.

### Indicators on Group scope *

● Percentage of women in the overall workforce: **39.2%** (from 52% at QDQ in Spain to 10% at Equant Egypt)

● Share of women managers holding positions of high responsibility: **29.5%**

*Data relative to 35 entities of the Group with over 300 employees (i.e., 201, 732 employees involved, average headcount in 2004)

### Charter for diversity in the company…

France Telecom's Chairman signed the Charte de la Diversité dans l'Entreprise (Charter for diversity in the company) on November 16, 2004, and it includes six commitments:
● attempt to reflect the diverse nature of France's cultural, ethnic and social society in its personnel at the different levels of qualification,
● ensure awareness and train executives, human resource managers and employees involved in recruitment, training and career management in non-discrimination and diversity;
● promote the application of the principle of non-discrimination in all its forms and in all stages of the management of human resources (recruitment, training and promotion);
● communicate the commitments and results regarding diversity to employees;
● make the development and implementation of the diversity policy a subject of discussion with staff-side representatives;
● describe the list of actions carried out, the objectives and the results obtained in one of its annual reports.

# QUALITY AND INNOVATION
## SERVING EVERYONE

**France Telecom's developments in 2004 were marked by a resolute search for interoperability between different networks in order to provide comfort and simplicity to customers where new uses were concerned, and access to the same communications services from any terminal, based on multimedia mode and a principle of unlimited communication.**

**Serving society through innovation means listening to what customers want, providing a high quality and effective service, and maintaining a dialogue with local bodies or particular groups in order to take account of their specific needs. Moreover, it depends on the Group's ability to reduce exclusion and provide support to improve integration into the information society of tomorrow.**

## OUR SERVICE COMMITMENT: QUALITY AND PERFORMANCE

**Service quality remains central to the activities of France Telecom. Because the introduction of highly-innovative products and offerings can lead to difficulties for customers, the Group is adapting its programmes for listening to customers and assessing their satisfaction, and is extending its dialogue and information activities.**

### The customer facing TOP programme

"Customer facing" is a programme involving the whole Group, aimed at improving and strengthening France Telecom's customer relationship strategy at a time when the development of new offerings and uses is accelerating. This programme concerns all sales teams, and involves pooling skills, increasing professionalism and giving support and assistance.

The "Performance Equation" process implemented within this programme will enable the definition of management indicators by function, and will be applicable across the entire Group. Customer satisfaction indicators within the reporting framework will therefore be revised.

### > A more effective system for listening to customers

All parts of the Group have developed programmes for listening to customers through quantitative, qualitative and event-driven surveys, analyses of conversations, information fed back by staff and complaint issues.

In Europe, the Group's main entities undertake between four and six quantitative and/or qualitative studies per year. Added to these are periodic surveys on at least six major function-related processes. In Poland, for example, TPSA carried out 21 surveys in 2004, 10 of which related to major processes (i.e., between 300 and 1,800 customers interviewed per month). Sample groups of customers who have contacted the support service for assistance with issues relating to mobiles or the Internet are called back (or invited to call back) by Customer Services to ask for their opinions. So in 2004, Orange Romania made about 1,100 calls per day, whereas Wanadoo UK's average was about 200 per month.

The Group makes use of organizations and tools developed to listen to customers: a round-the-clock Hotline, with call centres, e-mail address, websites, etc., enabling Customer Services and the teams responsible for handling complaints to tailor their resources more and more precisely to requirements and to identify levers for making improvements. Scorange, for example, is a tool used to measure customer satisfaction by Orange in France, Switzerland, the Netherlands, etc. It enables the quality of service delivered to be measured daily, thus making it possible to adjust processes and offerings as necessary.

Dynamic automatic pricing systems like Optima, which is used by Orange in France, Switzerland and the Netherlands, means that customers can be offered the tariff best suited to their consumption profile. For "Enterprise" customers, France Telecom has developed e-force, a customer relationship management programme that provides a regular assessment of the suitability of offerings. e-force delivers an effective picture of companies' complaints.

## "Customer satisfaction", a strategic indicator for each of the Group's entities *

| % | Global | Residential | Professional | Enterprise |
|---|--------|-------------|--------------|------------|
| **FTSA** | | 77.5** | 75.5** | 40*** |
| **TPSA** | | 57.5 | 47.4 | 44.6 |
| **Jordan Telecom** | | 82.6 | 80.5 | 79.3 |
| **Mauritius Telecom** | | 57 | | 49.8 |
| **Cellplus** | | 62.4 | | 50.9 |
| **Sonatel** | 79 | | | |
| **Wanadoo UK** | 74 | | | |
| **Orange**  France | 74 | | | |
| UK | 76,4 | | | |
| NL | 78 | | | |
| Slovakia | 94 | | | |
| Romania | 89,7 | | | |
| Switzerland | 70 | | | |

   \* The "Performance Equations" process (see page 30) will enable these indicators to be standardized across the Group in 2005.

   \* For the "residential" and "business" markets the figure corresponds to the percentage of "satisfied" and "very satisfied" customers.

\*\*\* For the corporate market, France Telecom has chosen to have its service offering evaluated in terms of "Global excellence". The ambition is to get as many clients as possible to express an opinion that is "Excellent" or "Very good", which is well beyond "Satisfactory".

## > A closer, more responsive service to customers

At the end of 2003, France Telecom had 633 shops in France. At the **beginning of 2006,** about 800 shops will be opened with a new approach, providing real instruction on new uses.

"Service Managers" in branches responsible for large accounts are the new contact people for large companies, advising them on the deployment of networks and ensuring that the entire Group adheres to its contractual commitments. The customer relationship has been simplified for the invoicing of all switched products: from now on, customers will use "one-stop-shopping". Furthermore, the placing of orders on-line (Web customers) is being further facilitated.

A goal of 40% orders on-line has been set **for 2006.**

All the Group's entities have tools and teams dedicated to handling complaints.
Orange, TP, Wanadoo in the United Kingdom, Sonatel, Mauritius Telecom, etc., handle complaints received by mail, fax, e-mail, Hotline or the Web.

## The Internet Service Providers Award

In 2004, Wanadoo was named as the United Kingdom's best ISP for the second consecutive year at The Internet Service Providers Awards evening. Wanadoo received three awards in total.
Some comments from the jury:
– Best Portal: "The jury considers the Wanadoo portal to be the best example of a site that provides consumers with a targeted gateway through which to access information directly relevant to their needs."
– Best Heavy Consumer Broadband: "Wanadoo is seen as the champion at providing the best service for meeting the needs of the more demanding user for whom standard broadband connectivity 'just won't cut it'."
– And lastly Best National Consumer ISP: "For the third time in four years, the judges were once again extremely impressed by Wanadoo's commitment to provide the highest level service that establishes the Internet as a central part of modern-day life for its customers." *Statement by the CEO of Wanadoo United Kingdom, Eric Abensur:*
*"These awards crown a fantastic year for Wanadoo. It's wonderful for us to know that not only do our customers think we are the best, but so does the industry. This has been a remarkable 12 months for Wanadoo. We rebranded with great success, introduced the UK's best broadband offers and launched Wanadoo Livebox, which is the cornerstone of our broadband strategy."*

## Number of complaints referred to the SNC, as a last resort, in France from the residential and professional markets in 2004

● In France, Orange handled over 10,000 complaints directly (−23% compared to 2003) of which 82% were resolved in 5 days, 94% in 10 days and 96% in 30 days. Customer satisfaction rate was 80%.

● In Slovakia, Orange dealt with over 25,000 complaints, almost 50% of which related to invoicing, with an average of 9 days.

● In Romania, Orange only recorded an increase of 1.2% in complaints as against a customer base that increased by 49%.

● In Poland, TP settled 95% of its complaints within a fortnight.

● In Jordan, Jordan Telecom resolved 74% of its 296,000 complaints on the first call and 14% within 48 hours.

● In 2004, the SNC handled 24, 297 requests for advice and 52,023 complaints. The latter concerned:
– fixed line: 62% (67% in 2003), mobile: 21% (18.6% in 2003), Internet: 13% (11.9% in 2003), third party carriers: 4% (2% in 2003);
– more than 81% of arbitration was dealt with within a fortnight; complaints received over the Internet were handled in under 48 hours;

● Number of complaints from the residential and professional markets in France:
In 2004, France Telecom branches handled over 430,000 complaints from the residential market and almost 80,000 from the professional market. 30% related to invoicing and debt collection, 28% to the order/fulfillment process, 16% to after sales service and 10% to sales.

● Number of complaints from the Enterprise market in France
In 2004, the Enterprise department handled almost 38,000 complaints, 68% of which were resolved in under 10 days (62% in 2003) and 91.5% in 30 days (90% in 2003).

## Commitment to and certification of process management

### ISO 9001 Certification Process

In France:
– the Enterprise market since 1997 for national enterprise telecommunications networks, with a renewal certificate in 2003;
– regional departments since 1997 for national digital services;
– France Telecom terminals since 2003 for "Purchasing fixed and mobile terminals. Terminals to points of sale or end users. Packaging mobile terminals or ADSL. After sales service for fixed and mobile terminals. International sales. Commercial document printing";
– Orange France for the Enterprise market (design, sales and commercial management of telecommunications products and services) since 1998, for its deployment and maintenance activities relating to the French network since 2001 and for the activity marketing its offering to the mass market since 1999.

Abroad, other entities have obtained ISO 9001 certifications: Orange in the United Kingdom, Slovakia and Romania, Mobistar in Belgium; Sonatel in Senegal; and, for example, Mauritius Telecom's affiliate, Cell+.

### "Orange Undertakes"

The "Orange Undertakes" programme in France has been revised. The new reference document has been drawn up by 200 co-workers in consultation with nine consumer associations, and includes a certain number of commitments and management indicators. The major issues in this programme are, in particular, expressing the brand's values daily to customers, improving interfaces between processes, improving the processes themselves and strengthening partnerships. It is a question of striving for excellence so that customers benefit from optimum network access conditions, faultless assistance should their mobiles break down or be lost or stolen, personalized support to respond to their requirements and greater simplicity when it comes to using their mobiles. Lastly, Orange undertakes to act as a responsible operator on plans relating to security, health and the environment.

**In 2005,** this reference document will cover a wider area and will be audited. Certification renewals comprise new guarantees and proof of commitment.

# SHARED INTERESTS FOR ONGOING DEVELOPMENT

**The appeal of an area is heightened by improving access to communications solutions and putting the most innovative technologies into service for the benefit of all. Part of France Telecom's corporate responsibility is to design tools usable by all, irrespective of their physical characteristics or the circumstances under which they are employed. It is a question of establishing partnerships to provide new services to users, improve local internal management, support the worlds of health and education, and provide more autonomy and accessibility to dependent individuals, whilst furthering harmonious economic and social development and striving to preserve the quality of life.**

## > Developing partnership programmes to work in and for local areas

France Telecom's involvement in communities, understanding their requirements and concerns and improving the framework and quality of their lives all result in partnerships for the Group and its various entities. Regional dynamics and development arise out of innovations and exchanges generated by infrastructures and networks. They also depend on dialogue to give future generations the best trump cards for success and progress, and to accelerate the deployment of effective and "sustainable" solutions.

### France No. 1 for broadband in Europe ☀

The Group increased its investment in broadband in France in 2004 (an average of 8,000 broadband lines created per day and 100,000 kilometres of optical fibres rolled out per year) and proposed an *"Innovative Departments"* code for signature by French Departments (similar to counties in the UK). This code will constitute the basis for partnerships between France Telecom and Departments in France, accelerating, extending and democratizing broadband in France.
By the end of 2004, almost three quarters of Departements had joined this programme. The collaboration, in the strict respect of applicable rules, between the signatory Departements and France Telecom has made it possible to study the specific requirements of each one, so that they can be among the first to receive innovative solutions adapted to their requirements. In this way, services for local communities which were in the planning stage have taken shape in a number of areas: education (college-parent relations, pupil and teacher networks, electronic schoolbags, etc.), healthcare (diagnosis from a distance, home assistance, etc.), the presence of, and access to, public services (virtual service windows or video contact points, public Internet access areas, etc.).
These partnerships center on listening to Departments, each of which has its own specific characteristics and requirements. Listening to them makes it possible to identify community priorities and draw up concerted plans in response. In addition to speeding up the provision of digital equipment across the country, these partnerships between Departments and business are starting to give a real reflection of public needs (education, health, e-administration, citizens' advice) and the services likely to satisfy them, and (in the longer term) even innovative uses that might

## The "Broadband for All" Plan

In June 2003, France Telecom introduced the "Broadband for All" plan. Then in January 2004, going still further, the company undertook – together with the Departments which so wished – to advance by one year its already ambitious objectives for supplying the country with broadband. This is the whole purpose of the "Innovative Departments" process. Then in September 2004, they announced a third phase of the "Broadband for All" plan: the "ZAE Plan", in terms of which some 2,000 identified zones of economic activity (business parks) will be provided with optical fibres sooner than originally planned. These are zones feeding the web of small, medium and large enterprises across the country. This new plan is a real lever to increase the competitiveness of French enterprises and regions, enabling bandwidths of up to 1 Gbit/s in large urban economic activity zones, cheaper access to broadband and heavy broadband DSL for all enterprises, and "Business Class" services.
As a result of the initiative leading to the "Innovative Departments" code in 2004, which received a favourable response from over 70 "départements", France Telecom has accelerated its coverage objectives. With the result that, at the end of 2004, 90% of the population were benefiting from broadband, with an objective of 95% by the end of 2005.
Furthermore, France is experiencing the strongest growth of the ADSL base in Europe with over 1.7 million new broadband lines in 2003 and close to 2 million in 2004. There are now 23,700 communes receiving broadband, i.e., 65% of all communes.

In December 2004, the *"Enhanced Broadband for All"* plan was announced with the launch of ADSL2+. **From January 2005,** the French have been able to experience the new uses of enhanced broadband (Voice over IP and videotelephony, music, on-line games or tv, etc.).

emerge as a consequence. By the end of 2004, there were 6 million broadband subscribers in France, 40% of whom had chosen France Telecom, while the rest were spread across its main competitors. The deployment of broadband throughout the country will therefore benefit the whole sector and the entire economy of France.

**In 2005,** the Group aims to pursue this logic, experiment with new uses to improve the life of citizens, strengthen the competitiveness of enterprises and increase the appeal of regions.

## Coverage of zones that do not receive ADSL ☀

The policy of supplying coverage to lightly populated zones will not only contribute to providing access to advanced methods of communication but will also play a part in re-energizing the economic and social development of these regions.

Whilst renewing their second generation (2G) telephony licences in France, Orange and other mobile telephone operators undertook to work with the authorities to extend coverage across the country. Since March 2004, Orange has been honouring this commitment, having chosen to focus on two technical solutions for 3,000 communes: pooling (the use of infrastructures provided by communities where each operator installs its own equipment) and local roaming (the use of local infrastructures on which a single operator hosts the users of three networks).

Furthermore, Orange completed the localization phase of its sites in 2004. The installation conditions for over 350 sites were defined (62 new communes covered) in collaboration with the Departments, and Orange has undertaken to open 320 additional sites **in 2005.**

## Broadband extension coverage ☀

One of the solutions developed by the Group in 2004, whilst working on concerted initiatives with the communities, was a WiFi-type solution (see page 22) for implementation in zones not covered by ADSL. Other affiliates of the Group also use alternative technologies to supply the greatest number possible. Mauritius Telecom, for example, is planning local radio loop solutions for isolated zones not covered by the telephone network. At the same time, Orange France introduced its first 3G offering – Orange Intense – at the end of 2004 and simultaneously launched its 3G offering for the mass market in the United Kingdom. Orange Intense offers its customers more images, more sound and greater access, at any time of day. Of the new uses, videotelephony is symbolic of a new generation of convergent services, available and interoperable on all France Telecom networks.

**In January 2005,** Orange France had 35,000 UMTS customers, the objective being to provide UMTS and EDGE mobile broadband to 500,000 customers by the end of the year. This technology provides additional "medium bandwidth" coverage, to be marketed from Spring 2005. Thus by the end of 2005, 85% of the French population will be able to access mobile broadband, with tailored fixed-rate tariffs.

## WiFi Surf Pack

The WiFi Surf Pack is the offer used by France Telecom, in association with interested local communities in France, to make broadband Internet available to private individuals, professionals and enterprises living and working in zones not covered by ADSL.

To date, one year after the opening of the first test site, 14 communes have chosen to implement this solution, receiving broadband coverage via satellite and WiFi. This makes them economically very attractive, encouraging enterprises to set up there, facilitating access to information and improving local dialogue with citizens, for example by enabling them to post interactive local information online.

The WiFi Surf Pack operates via a pooled satellite access set up at the centre of the commune, then WiFi is used to distribute and share broadband between the various users in the commune. This offering is flexible and can be tailored to suit user requirements. Thus one of its versions, the WiFi Site Surf Pack, is a local WiFi loop including: radio engineering, users' WiFi infrastructures and equipment, installation, set-up and maintenance of all infrastructures. The tariff for the community depends on the number of zones to be covered.

*Pierre Moreau, Mayor of Vernou-en-Sologne (France):*
*"Vernou-en-Sologne, Loir-et-Cher, is a commune with 504 inhabitants. Like many of our rural areas, Vernou-en-Sologne is not covered by ADSL. In November 2003, we opted for the 'WiFi Surf Pack' solution. This solution is particularly well-suited to regions like ours, which are remote from major electronic communications routes."*

## Increasing the value of a country's heritage and adding to its Appeal ☀

The value of a country's cultural and human heritage is closely linked to its economic dynamism. It is often the joint interests of members of the local fabric (communities, enterprises, retailers, associations etc) and the partnerships resulting from them that make for balanced development and contribute to the appeal of a heritage.

Following the naming of the Loire Valley as a World Heritage site by Unesco, France Telecom, together with members of the tourism industry (chateaux, abbeys, museums, hotels, restaurants, etc.) and local communities, launched a programme to promote France's national heritage in 2004, based on innovative IT and communication technologies: *Tourisme+*.

This programme consists of providing solutions for site amenities aimed at facilitating the day-to-day management of these sites, improving reception quality and improving communication towards tourists to increase visitor numbers.

It is also intended to promote France's heritage more strongly to tourists using virtual and multi-sensory technologies: reconstructing bygone heritage, showing parts of the country's heritage that cannot be visited, bringing historical scenes or events to life, and enriching various items of heritage information by relating them to one other.

Lastly, it makes it easier for tourists to discover France's heritage, both whilst preparing for their trip and during their visit.

## Supporting activities in local areas ☀

For some years now, France Telecom has been encouraging and supporting the progress of its employees who are interested in setting up or reviving a company, irrespective of the activity sector chosen, particularly in France. Besides the advantages to employees, whilst spinning-off contributes to improving the mobility of Group members, the country also benefits, primarily by the creation of new jobs. In 2004, 170 employees created or revived a business, i.e., 50% more than in 2003, and double the number for 2002.

Moreover, in terms of its purchasing policy, while the Group does enter into some contracts for the whole Group, it also favours relationships with local partners. This is done by identifying all regional practices (order or service contract) and studying potential suppliers and the Group's position on related themes such as sheltered employment. For example in 2004, continuing the action initiated in 2003, and whilst renewing the contract for handling obsolete electrical and electronic equipment in France with the same service provider, France Telecom, aware of the increasing market for this type of service, decided to entrust some of the corresponding tasks to sheltered sectors (for example CAT – centres providing sheltered employment, and ADAPEI – associations to support parents of children with behavioural problems). So in 2004, various workshops were visited to ensure that they were able to respond to demands such as the knowledge of legal requirements and compliance with waste disposal procedures, storage conditions, training, the traceability and management of records, etc., with a view to their refurbishing microcomputers. This led, in December 2004, to the first contract in Île-de-France between APF (Association of French Paralytics) in Noisy-le-Sec and the regional directorate of France Telecom.

## Reduced-rate subscriptions

About 700,000 households in France currently receive reduced-rate subscriptions. Set up in July 2000, a price of a reduced-rate subscription decreased in 2004 from €7 to €6.50 (i.e., a drop of 7%, which was borne by France Telecom). A certain number of affiliates abroad are developing telecentres to improve the social integration of isolated and/or economically vulnerable populations without fixed lines.

Orange is planning to establish five new telecentres in isolated rural zones in Romania **in 2005.**

## > Solutions adapted to meet the needs of the medical world and its patients ☀

France Telecom is the leading French operator providing communication services to the healthcare sector.

For several years the medical world has been experiencing a major technological change characterized by the development of a networked organization, consultation at a distance and growing exchanges of information, particularly between doctors.

The Group is basing its activity on partnerships with the world of healthcare and is striving to respond to its demands: liberal professions, hospitals, medical imaging centres, analytical laboratories, clinics, retirement homes, health insurance services, etc.

## Transmitting medical information

Using the Wanadoo Santé service, 80,000 healthcare professionals (at end October 2004) have chosen France Telecom to transmit their claim forms electronically.

The Oleane and Equant VPN Health range, a true medical Intranet/Extranet, enables the development of cooperation between healthcare professionals, hospitals and their liberal colleagues (town-hospital network), communication between different sites belonging to the same establishment (inter-establishment network), and/or the formation of communities of healthcare professionals using networks to discuss specific diseases (cancer, diabetes, etc.) or patient populations (care network). In addition to community discussion and dialogue tools (messaging, directories, forums, Internet access), Oleane VPN for Health also offers some very specific services: transmitting the results of medical analyses or ensuring the security of information, particularly via the Carte Professionnelle de Santé (or CPS – the professional healthcare card).

The SESAM-Vitale economic interest group in France chose the VPN IP solution (virtual private network on Internet protocol) to set up and operate the secure private network of the SESAM-Vitale Network when the Reseau Santé Social (Social Healthcare Network) concession came to an end on November 1, 2004. This enables the transmission of electronic claim forms to compulsory and supplementary health insurance bodies (AMOs and AMCs respectively). It also enables AMCs to receive electronic refund requests directly.

## Solutions to put an end to patients' isolation

In France, France Telecom is developing solutions to enable isolated patients to remain more easily in touch, for example with their family circle, and/or to enjoy a social life.

● After Timone (Marseilles) and Purpan (Toulouse), France Telecom is now running and developing the Hostonautes project at the hospital in Garches (92). This is a broadband solution enabling sick children to maintain contact with their families and schools via a system which they can use to hold videoconferences, share content interactively with teachers, create websites, etc. In 2004, Hostonautes was enriched by two new services:

– Wanadoo visio: children can chat with their friends and families by video and directly over the Internet. Using the eConf software developed by France Telecom R&D, Wanadoo visio enables the distribution of multimedia files, which can then be commented on directly. The Internet connection can be WiFi or based on a shared Internet connection or established via a local network managed by a secure server.

– Educavisio: using Educavisio, children can participate remotely and interactively in lessons being given in classrooms at their schools. As cooperative work is an important component of education, Educavisio also enables several people to work together in real time on a single-use Web interface.

● The Chamade solution is a videotelephone service making it easier for patients or the elderly to remain in their own homes. By simply pressing the remote control, the patient initiates videocommunication with a support centre which then operates the patient's camera remotely. A specialist can also give assistance from a distance. Families, too, can communicate with patients via video, providing they have an ADSL subscription, a webcam and an Internet browser.

## Improving the handling of medical emergencies

The Group's innovations in the area of dealing with medical emergencies depend on the use of innovative transmission techniques to save time between making the first diagnosis and transferring the sick person to hospital.

● The digital communication pen is a system enabling an emergency service to compile a descriptive health report immediately on the state of an injured individual and transmit it automatically by e-mail to the hospital's emergency service switchboard. Reception structures are then in a position to anticipate the arrival of injured patients and to organize their treatment more effectively.

● The Medical Emergency Mobile service, developed in partnership with Cardio Gap, is currently marketed throughout France. It enables the direct transmission of medical data relating to the patient being transported. The destination hospital monitors the medical situation: an extremely comprehensive document transmitted directly and continuously from the ambulance relays the patient's medical parameters precisely and pictorially (identity, case history, details of the injury, condition of pupils, blood pressure, oxygen saturation, electrocardiogram, etc.) by way of sensing devices attached to the patient.

## > Providing better social integration for disabled people ☼

The France Telecom Group and its partners have developed a great number of solutions for use by disabled people. In 2004, a major drive to adapt functionality made it possible to envisage services such as Mobilthon, Talks and Okawa, or products like the new Alcatel Temporis 46 phone, with functions specifically adapted to people with visual, hearing and motor difficulties: also the BB300, Inventel Macaron, Boîtier Vocal ("Voice Box"), etc.

● Mobilthon is a service developed by the R&D Division in conjunction with AFAM (French Muscular Dystrophy Association) to help sufferers achieve more autonomy. Communication takes place via an accessory (scarf, tie) with voice and multicasting technologies. It gives access to a range of services without using the telephone, and a request for assis-

This service will be tested by Orange France in **mid-2005.**

tance is activated either voluntarily or automatically.

● Talks is a programme launched by Orange France in December 2004 for the blind and partially-sighted. A free voice synthesis program enables the menus of a terminal to be used via a voice interface, and SMSs can be sent and received. The free Dixit option provides voice usage monitoring with no time limit on calls, with direct access to information and the Dicto SMS service being offered at a preferential rate. Simplified invoicing in braille or large print is also provided free of charge.

● Okawa is a tool used to assess the degree of accessibility of websites by disabled people, in particular by producing an expert report indicating any modifications that need to be made. This service has been developed by France Telecom R&D and the Urbilog company.

Average monthly sales of products and accessories adapted for use by people who are elderly and/or disabled have increased by 130% since the beginning of 2004. 80% of specific accessories are sold via the network of *Solutions handicap* (Handicap Solutions) and *Espaces Arc-en-Ciel* (Rainbow Spaces) shops. Readership of the 'Solutions handicap' column has increased by 140% since April 2004, generating a 200% growth in on-line sales. Calls to the freephone number have increased by 35% since it was set up in March 2004.

## > Furthering internet access to serve education ☀

Access to information is paramount to education. In the face of the rapid development of the information society, the availability of innovative communication solutions is an undisputed factor in progress. In 2004, in both France and abroad, the Group set up various initiatives within partnership programmes as part of a global strategy:

● where distance learning is concerned, the opening in 2004 of the IT College (Supinfo) at Saint-André, on the east coast of Reunion, is an illustration of broadband's interest for all. There has been 84% broadband coverage across the island since the end of 2004, which means students can participate in correspondence and computer-assisted courses from classrooms equipped by France Telecom with the most modern communications equipment;

● in Poland, an agreement was signed in 2002 relating to the development of the information society, and since then TP has continued its activity, recently launching a programme for 2004/2005 offering Internet access for a nominal rate to almost all the schools in the country. 7,000 Polish schools have expressed an interest in participating in this programme. By the end of 2004, 4,000 schools were already involved in this programme, "Your School Online". Throughout the 2004/2005 school year, elementary and secondary schools and colleges may use broadband Internet (over 1 Mbit/s) via TP's "Neostrada" service for the nominal sum of 1 zloty. Over 1,500 computers from the company have also been transferred to elementary schools in small towns and villages, or to specialized schools;

● in Jordan, in May 2004, new impetus was given to the programme to facilitate Internet access in schools during the Jordan Education Initiative Forum conference held at the Dead Sea. At this conference, Jordan Telecom agreed to participate in a project launched by the Jordanian Ministry of National Education to develop computer-assisted education with Arabic as the mother tongue;

● in Senegal, Sonatel set up a partnership with the Ministry of Education to provide education to girls and to bring the Internet into secondary schools and universities.

## > Supporting the development of uses

Whilst providing uses to customers is the very reason for the innovations made by the Group, it cannot however deliver them without taking precautions: data confidentiality, content protection, safety of uses, etc., are all factors that need to be considered in order to make a real contribution to sustainable development.

## Security for customers ☀

The growth of the information society goes hand-in-hand with that of cybercrime. The security of services offered to customers (individuals and enterprises) is becoming more and more of an issue. This also concerns the confidentiality of data, its integrity and even the authentication and availability of these services, whether the data is personal and relates to private individuals or operational and commercial data, sometimes highly sensitive. Whilst the security of customers is related to that of their workstations, servers and gateways, as well as their own data, it also depends, both intrinsically and conceptually, on the security of local or extended networks, which are becoming more and more interconnected. The network is expanding: Livebox in the home, e-Telephony for VOIP and Managed Services for Equant. From a more or less passive network termination, layers build up towards services with increasingly high added value.

France Telecom has implemented a particular action plan to include threats to Internet protocol arising from the convergence of networks, with specific measures for perimeter and in-depth protection.

Furthermore, at the end of 2004, the Group agreed on a key management infrastructure to be progressively deployed **in 2005** as part of a global identity and access management programme. This infrastructure will be in keeping with, and consistent with, secure service offers proposed to our clients.

Moreover, France Telecom, as the main user of the services it markets, is doubly concerned that they should be secure: for its own internal security (its assets, operations, etc.) and for the security of the offer itself, as well as the sought-after confidence of its customers.

## Promoting correct uses ☀

It is by having simple, accessible, secure and innovative offers that we can encourage the correct use of services. Communication habits are changing. The Group is aware of this and its tariffs are now related to call duration and distance, a world of communication organized around new uses (chat, instant messaging, SMS, MMS, e-mail, voice mail, videomail, etc.). Moreover it is responding to a demand for access to premium quality and/or highly specific content. And it is offering to enrich this still further with images and broadband. Lastly, it is seeking at the same time to offer its customers guarantees to increase their comfort and respect their private lives.

### The convergence and simplification of offers

The launch of Orange Intense, MaLigne visio and wanadoo Visio services in France in 2004 (an expression of network interoperability), together with unlimited communications offers, have simplified customers' lives. The development of a range of fixed-rate tariffs (fixed line, mobile and Internet) with single pricing also provides additional convenience for customers, who can budget according to their requirements. Moreover, in the Netherlands, Orange's All-in-one-bundle facilitates access to uses: a single tariff for all customers for all services with the possibility of exceeding their plan without being penalized or rolling over remaining credit to the following months.

### The battle against cybercrime

The Group provides services which are accompanied by control tools and educational information to fight against cybercrime (spam, data mining, system obstructions, etc.).

In 2004 for example, Wanadoo developed flexible parental control solutions accessible via the home page of its Internet site (www.wanadoo.com). Customers can tailor the checking tool to meet requirements for family members from the user workstation, using four specific navigation modes. For the "Junior Guide" mode, certain Internet sites can be "filtered" so that access to content that is pornographic, violent, etc., is blocked. This mode combines two access restriction systems: a check on the list of blocked sites, followed by a semantic analysis of text present on Web pages. For the "Perso" mode, a personalized choice of categories of sites to block is possible, as well as the management of authorized timeslots or connection times. For the "Whole Internet" mode, the navigation mode intended for parents, there is no restriction but parental control remains activated.

In collaboration with Bayard and the Forum of Rights on the Internet, Wanadoo offers access to a hundred chatrooms, listed according to age (under 18, 18-25, etc.). A code and "advice" link for chatrooms serve as reminders of several basic principles to be learnt, such as not arranging to meet a stranger, not giving out sensitive personal information, etc.

In 2004, Orange enabled its customers with children to restrict access by minors to the content of, for example, Gallery, a service portal dedicated to mobile telephony where they might be provided with information inappropriate to their age. A simple call to customer service provided parents with a code to activate this option. Furthermore, Orange France has concluded a "surveillance and moderation" contract which makes it possible to allow chats, blogs and Instant messaging in moderation: the service provider analyses content, conversations and exchanges to prevent illegal activities. In the Netherlands, Orange also offers a filter to prevent over 18s from accessing adult content on Orange World.

In 2004, Wanadoo increased its activity to support internet users in the battle against cybercrime by developing a variety ways to teach them about the issue. Thus a bi-monthly newsletter to all customers regularly includes articles relating to the security of customer workstations and touches on ways in which customers can protect themselves from malicious third parties. Wanadoo has also organized different types of activities to actively protect customers by punishing or joining in punishing offenders.

### The lawful use of on-line music

For a number of years now, Wanadoo has taken part in the legal and paid distribution of music on the Internet and supports its programme by heightening the awareness of Internet users as to the risks run by those practising illegal downloading. This commitment was strengthened by the signature on July 28, 2004 of a Code covering the development of the legal provision of music on-line, respect for intellectual property and the battle against digital piracy. To this end a new on-line music download offering, "Wanadoo Juke Box" was introduced, firstly in France then in Great Britain, Spain and the Netherlands. A European agreement was signed to this effect with Loudeye Corp., world leader in B2B digital distribution, enabling Wanadoo to provide some 400,000 titles per country to Internet users at a reasonable price.

### Protecting the quality of life

In 2004, Orange implemented a campaign to raise awareness of noise annoyance caused by mobile telephone ringtones. Mauritius Telecom, in a similar programme, insists in particular that users switch off their mobiles in cinemas so as not to disturb other cinemagoers.

In France, using their regional partnerships, the Group has also introduced solutions enabling daily information to be broadcast in real time to citizens using a medium chosen by them: alerts (floods, pollution, major hazards), communication between municipal services and citizens (schools, day nurseries, administrative services, etc.). These local communications solutions have proved to be economical (cost of a local tele-

phone call), quicker, more widespread (citizens are all equipped with a telephone) and social (very little social exclusion because the service works by telephone).

Other example: Orange launched the Orange Bicycle initiative in the Netherlands in February 2004: this is a bicycle with a charger which makes it possible to recharge a mobile Bluetooth terminal.

The "dematerialization" is also an opportunity to reduce our environmental impact. This consists, for example, of replacing "material goods" (e.g. a paper file sent by post) with a "tool" which is less costly in resources but provides the same service (a file sent by e-mail). The new technologies provide an alternative to travel (conference calling, e-mail, distance learning, e-services, cooperative tools, etc.) with an immediate benefit in fuel consumption and $CO_2$ emissions, but also in terms of convenience and time saved. Road hauliers find advantages in improved traffic conditions, in using positioning and guidance systems, in the remote management of road signage, and in having improved recourse to breakdown and emergency services. Various e-commerce-related services are being developed, thus also avoiding travel, for example remote administrative procedures, remote maintenance and remote meter reading.

## Corporate travel plan

The corporate travel plan has arisen out of a programme applying a global and integrated approach to all travel within a company. It comes within the framework of a town's urban travel plan, which encourages enterprises and local authorities to draw up a mobility plan and focus on transport for their personnel, particularly by using public transport and car-sharing schemes.

It is the result of concerted consultation with members of the local community and gives a more global overview of residents' means of travel, telecommuting and the impact of town planning choices, and increases the convergence of interests of that particular community.

In France, France Telecom is involved in enterprise travel plans in Toulouse, Saint-Étienne, Marseilles, Grenoble, Orléans and Tours.

### Road Safety

The France Telecom Group has embarked on an information campaign to remind drivers of a few rules of the road: customers are warned for example that it is forbidden to telephone whilst driving (safety instructions in packs, etc.). In-house, information on road safety has been developed and training is given. Changes in driving behaviour could mean the prevention of 80% of road accidents. An awareness campaign launched in 2004 encourages drivers to adhere more closely to the rules of the road as well as to follow elementary rules of courtesy towards other road users. Moreover, France Telecom is connected with tests initiated in Autumn 2004 by the governments of several European countries on using dipped headlights during the day.

# SOLIDARITY PROJECTS

**By being involved in sponsorship activities for the past seventeen years, France Telecom has asserted its social responsibility and has played a part in creating a closer rapport and dialogue with society as a whole. The activities which the Foundation has supported in the field of singing since 1987 and the assistance it have given to autistic people since 1991 embody this conviction, and are today widely recognized.**

During 2004, the Foundation encouraged the emergence and development of many voice ensembles, contributed to the training and integration of young singers and participated in several contemporary productions.

Its support has enabled researchers into autism to make an important discovery, which is that sufferers from autism do not recognise the human voice as being distinct from other sounds. Lastly, in 2004, after four years of "Autism Days" marked by strong combined effort and significant media coverage, the Government announced a plan of unrivalled scope to support those suffering from autism.

The final months of the year saw the progressive introduction of a major change for the Foundation, which will take on an international dimension **in 2005** at Group level in order to express the shared values of the integrated operator through a common sponsorship policy.

At the same time, its avenues of involvement are growing: whilst the Foundation is continuing its work on singing and autism, its "Orange Solidarités" programme is developing activities relating to deafness, blindness, illiteracy and education for girls in emerging countries, focusing broadly on access to information, education and culture for the groups concerned. Partnerships have already been established with the "Association Valentin Haüy" and the "GIAA" (a group of blind or amblyopic intellectuals) for blindness: the ALPC (an association for supplemented spoken French) for deafness: and the French Red Cross, the Emmaüs Association, the "Secours populaire français" (a charity organization providing assistance to the poor in France) and the "Agence nationale de lutte contre l'illettrisme" (the national agency working to combat illiteracy), all for illiteracy projects.

At the same time, an international dimension is gradually being introduced into sponsorship programmes. Programmes have been initiated in Senegal by the Sonatel Foundation, leading to the provision of scholarships to help support girls until the end of their school education. 900 scholarships will thus be awarded to young girls from underprivileged areas who are particularly deserving. A partnership of the same type has just been launched in Jordan by the Jordan Telecom Foundation. In emerging countries, these partnerships are sometimes supplemented by actions of solidarity in response to significant and urgent needs experienced by these countries (the Telethon against malaria supported by Sonatel in Senegal is an example of this).

Lastly, numerous activities in the field of education, as well as activities to help deaf and blind people, are undertaken by Orange in Great Britain, Switzerland, Slovakia and Romania, and by TP in Poland.

The sponsorship policy is supplemented by one of solidarity at Group level, showing the commitment and responsiveness of the whole organization by the response it can provide to events requiring urgent intervention. The mobilization of the organization and its employees on the occasion of the catastrophe in South East Asia in December 2004 is a strong example of the way in which the Group can, by its mobilization, serve the community through its people and its most innovative technical resources.

## The France Telecom Foundation and INSERM

The France Telecom Foundation has been providing support for those suffering from autism and their families since 1991.
In particular, and as part of this support, it has chosen to further research in France by financing scholarships for doctorates and research programmes.
It has also formed numerous collaborations, particularly with INSERM.
By way of example, the Foundation granted a thesis scholarship in 1992 to an INSERM researcher, Monica Zilbovicius, who was working in a team at the CHRU in Tours. Since then, this researcher has been given responsibility for research in cerebral imagery into developmental problems in children at the Orsay CEA and has been behind the discovery mentioned above on the insensibility of sufferers from autism to the human voice.
From a doctorate scholarship to team research, the France Telecom Foundation collaborates with the best researchers to advance research on autism on an international scale.

# ONGOING COMMITMENT TO THE ENVIRONMENT

**France Telecom has chosen to adopt a global approach to environmental management to regularly analyse its impact, guard against those aspects that could be negative and measure the performance of its environmental programme, which has been drawn up with the objective of preserving natural habitats. Certainly the France Telecom Group's impact on the environment is slight, but there is always room for progress, particularly in terms of strengthening the positive contribution of ITCs (Information and Communication Technologies) to sustainable development.**

## ENVIRONMENTAL MANAGEMENT

The production of telecommunications services depends on various technologies, organized in networks. They are closely interconnected and use communal infrastructures. The impact of our activities on the environment, whether they be part of our core business or peripheral, such as administration or technical support (the logistics process, in particular), is specific. The map of our environmental impact drawn up since 2002 and its regular reassessment to take account of technological developments, enables us to develop appropriate action plans and to consider programmes with dedicated management.

Increasing our respect for the environment, means adapting our mode of management.

Along with many major organizations, France Telecom has chosen to adopt an environmental management system for the Group in order to control its impact from as close as possible to its everyday practices. The adoption of this environmental management system, ratified by the Executive Committee in July 2004 as a priority line of action in the organization's policy of responsibility, and the definition in September of an action plan involving the entire Group, makes it possible to envisage its effective deployment within the majority of affiliates in the next two years.

### > Deploying management methodologies…

The methodologies and activities developed fall within the context of adherence to the international standards of the IS 14000 series, yet retain the possibility for those in the field to take account of local conditions. The management process for products at the end of their lifecycle and horizontal programmes managed at Group level (energy savings, installations at risk, regulatory compliance, etc.) are also integrated into local management procedures. To this end, national and local affiliate managers (CNF and CLF) have been named. Their mission is to assist in the complete management of the product throughout its lifecycle, from recommendations concerning its purchase right through to the recycling or disposal phase.

### > … and setting up pilot programmes

In 2004, in France, six pilot regional boards of France Telecom SA, encompassing all types of operational units in their geographic areas, started out to establish an environmental management system.

> They will be monitored **in 2005** by all France Telecom SA's regional directorates and thereafter (2006) by all entities of the Group.

This deployment rests on a group of methodological guides validated during the pilot programmes. In particular, it involves guarding against risks resulting from installations such as cooling towers, fuel tanks, electrical and electronic waste, poles treated with hazardous substances, etc. The environmental management systems make it possible, among other things, to preserve regulatory compliance and anticipate the adoption of new demands. A quarterly management report gives updates on the recognition of impacts, the management of products at the end of their lifecycles and energy control. Entities such as Orange France, Mobinil, France Télécom Marine… and Equant have already introduced environmental management systems. Some of these entities have received certification.

### Orange France and the implementation of an EMS

For several years, Orange France has been applying a voluntary and practical policy to understand and control the environmental impact of its activities. At the beginning of 2003, it decided to set up an environmental management system. Today, it is the first French mobile operator to have received ISO 14001 certification for its environmental management on three pilot sites in 2004.

> The deployment of the environmental management system is continuing on all sites and in all activities with the aim of achieving certification for Orange France **in April 2005.**

## > Controlling risks ☀

### Installations listed under environment protection regulations (ICPE)

Installations at risk within the Group are the subject of specific action programmes.
Within France Telecom SA, ICPEs (installations listed under environment protection regulations) are managed in accordance with regulations. France Telecom has a total of 2,501 installations subject to declaration and 13 are the subject of a prefectoral authorization.

**Installations subject to declaration listed on 31/12/04 (FTSA)**

| Installations | Declarations | |
| --- | --- | --- |
| | 2004 | 2002 |
| Battery charging workshops | 814 | 798 |
| Combustion equipment | 160 | 142 |
| Cooling or compression equipment | 618 | 627 |
| Fuel tanks | 207 | 90 |
| Covered warehouses | 2 | 6 |
| Automatic halon fire suppression systems | 181 | 215 |
| Equipment containing PCBs or PCTs | 516* | 586 |
| Other | 3 | 7 |
| | **2,501** | **2,471** |

(*) Break-up scheduled.

### Cooling towers

Installations equipped with cooling towers have been included in the ICPEs since December 2004.
There are 120 in France, spread across 52 sites. They are in the process of being listed by level of power (thresholds according to the ICPE' decree on nomenclature). France Telecom SA undertakes to respect the new standards set (decree of December 13, 2004) with regard to controls and maintenance.

**In 2005,** a more detailed indicator will be set and extended to the entire Group. In particular, it will recognize the number of cooling systems as well as the number of compliance controls carried out by level of power and by technology.

### Hydrocarbon tanks

The 1,867 hydrocarbon tanks, whether or not listed as ICPEs, which equip the technical installations and office buildings of France Telecom SA, are checked regularly under a programme that includes performing an assessment of their condition and assessing the application of operating procedures, as well as the application of a plan to bring them into technical compliance when required.

| Number of fuel tanks | Under 6,000 l | From 6,000 to 20,000 l | Over 20,000 l | Total |
| --- | --- | --- | --- | --- |
| **FT SA** | 740 | 922 | 205 | 1,867 |
| **TP SA** | 856 | 142 | 30 | 1,028 |

Besides giving a split, the indicator **for 2005** will provide a record of checks carried out.

## > Limiting our energy consumption ☼

Various programmes are used within the Group to monitor consumption and particularly to limit the consumption of electricity.

**In GWh :**



| 1,638 | 1,617 | 1,633 | 1,640 | 1,600 | 1,520 |
| 1999 | 2000 | 2001 | 2002 | 2003 | 2004 |
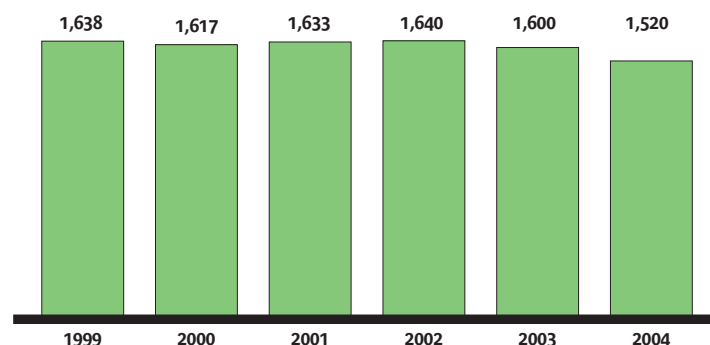
Electricity consumption within France Telecom SA has been relatively stable since 2000. The pursuit of the programme to modernize the network, manifested particularly in the replacement of old automatic switchboards by new generation equipment which consumes less energy, partly compensates for the increase arising as a result of the organization's new offerings, such as ADSL.

**For 2005,** France Telecom has taken steps to measure all types of energy consumption more widely (mains electricity and gas, fuel, company fleet, occasional rented vehicles, domestic fuel, etc.).

|  | 2004 | 2003 | 2002 |
|---|---|---|---|
| **FT SA*** | | | |
| Electricity consumption ** | 1,520 GWh | 1,600 GWh | 1,640 GWh |
| Fuel (millions of litres) | 39.3 | 40.6 | 46.1 |
| Average vehicle fleet | 29,166 | 30,840 | 33,450 |
| Petrol (per vehicle) | 1,143 l/yr | 1,083 l/yr | |
| Diesel (per vehicle) | 1,373 l/yr | 1,315 l/yr | |
| Average – all fuels | 1,348 l/yr | 1,288 l/yr | 1,378 l/yr |
| **TP SA** | | | |
| Electricity consumption | 653 GWh | | |
| Fuel (millions of litres) | 9.9 | | |
| **ORANGE** | | | |
| Electricity consumption *** | 585 GWh | | |

   * Estimated data for December 2004.

  ** Includes the equipment in the Orange France network.

*** Includes Swiss, French (ex-network), Romanian, Slovakian, Dutch and UK operations.

## > Reducing greenhouse gas emissions

Electricity is the main source of energy used, linked to the heart of France Telecom's line of business.

The quantity of $CO_2$ produced since 2002 by the various positions consuming energy within France Telecom SA is decreasing.

The calculation method used is taken from the decree of April 15, 2002 relating to inspection methods for checking the annual records of greenhouse gases emitted by listed installations (NOR: ATEP0210195C) and appendices.

$CO_2$ emissions will be more widely measured **from 2005,** given the increased proportion of energy consumed (quantity of $CO_2$ produced by all energies listed).

|  | 2004 | 2003 | 2002 |
|---|---|---|---|
| **FT SA*** |  |  |  |
| Direct emissions of $CO_2$ (vehicle fleet) ** | 106,000 t | 111,000 t | 125,000 t |
| Direct emissions of $CO_2$ (Electricity consumption)*** | 70,000 t | 81,000 t | 85,000 t |
|  | **176,000 t** | **192,000 t** | **210,000 t** |
| **TP SA** |  |  |  |
| Direct emissions of $CO_2$ (vehicle fleet) | 24,300 t |  |  |
| Direct emissions of $CO_2$ (Electricity consumption) **** | 293,900 t |  |  |
|  | **318,200 t** |  |  |

   * Estimated data (January to December 2004).
  ** Vehicle fleet decreased by 10% in 2004.
 *** The 2004 variation corresponds mainly to increased efficiency on the part of EDF.
**** Electricity produced mainly from fossil fuels.

## > Products at the end of their lifecycles ☀

Since 2002, France Telecom has been endeavouring to consolidate its procedures to manage products at the end of their lifecycle in order to improve traceability. Particular efforts have been made on procedures for cables, posts, batteries, electronic waste and PCBs.

### The sourcing programme

Besides the eco-design activities that have been started in conjunction with certain manufacturers of our equipment, the assessment of suppliers is based on a multi-criteria tool (*QREDIC®* see page 17) which includes, amongst the six lines of analysis, elements to evaluate their environmental programme and the characteristics of the products offered by them. Downstream, we are working on increasing the transparency of the break-up and recovery chain for equipment that we dispose of.

### Anticipating the ends of products' lifecycles...

For the past three years, the France Telecom Group has been refining its work year by year to take into account in its purchasing policy the management of products at the end of their lifecycle:
● because used scratch cards and their wrapping are regularly thrown into household rubbish bins, France Telecom makes sure that its suppliers design them to be free of toxic substances. If products are of equivalent quality, preference will be given to a supplier with an established environmental policy;
● all repair-renovation contracts renewed in 2004 included the environmental aspect by requiring visibility on the handling of scrapped parts and compliance with regulations. Specifically, the Minitel supplier selected sets up a treatment procedure for each family/material of waste in 2004;
● in order to optimize the handling of waste from cables, new installations, removal of infrastructures, etc., a contract was signed in September 2004 with a single supplier, RIPS, whose organization has received ISO 9001 and 14001 certification for its activities. RIPS was visited in order to ensure that its ICPE authorization and related areas were in compliance, and likewise its management of its subcontractors;
● France Telecom signed a service contract with Sygma Laser for the recycling of used cartridges. This company collects the cartridges and processes them (reselling consumables of reusable brands to a recycler and incinerating other consumables and photocopier toner cartridges after having destroyed the dangerous material and recovered the plastic).

### Anticipating European regulations...

● When renewing fire prevention systems in its technical premises in 2004, France Telecom chose an automatic fire extinguisher solution which uses inert rather than reactive gases.
● In anticipation of the application of the "DEEE" European Directive and its national adaptation (effective in France during 2005), the recovery of electrical and electronic equipment at the end of its lifecycle will be the subject of advance measures, particularly to take account of restrictions relating to the collection of electronic materials from the "general public". This refers to the collection of used, widely-distributed terminals and equipment, returned to us on a one-for-one basis when new products are purchased by their keepers.
In terms of this same regulation, France Telecom is required to improve the tracing of products used by enterprises that are then withdrawn from use.

## > Electrical and electronic equipment

Orange has set up a programme to collect and recover used mobile telephones in the United Kingdom, Switzerland, the Netherlands, Belgium and Portugal. In France, tests have also been carried out in branches on collecting terminals from customers. Some 122 tons of equipment were collected in this way in 2004. Renovated devices will be resold in markets with low buying power.

In 2004, the FTSA network recovered **1.1 million used devices** out of **6.6 million rented terminals.** These devices, which France Telecom must eliminate, are processed entirely by controlled recovery and recycling systems.

Furthermore, France Telecom is strengthening the tracking process for products used by enterprises that are withdrawn from use. These devices fall into several categories, from office and telecommunications equipment to various electrical devices such as lights, ventilators and individual heating devices. So, for example, in 2004, within FTSA, **6,000 tons** of office equipment were withdrawn from use, replaced by equipment of a more recent generation. **90%** of these old devices were passed on to manufacturers who specialize either in reconditioning or in dismantling and recycling.

Indicators have been adopted to enable detailed reporting of this data **in 2005:** the percentage of products collected as against products sold, or the percentage of products recycled by an approved process. This data will be presented by product category (domestic products such as fixed and mobile terminals and business products such as PCs, printers, office equipment and various electrical office equipment). These indicators will give a more precise reflection of the categories of devices recovered and recycled.

## > The main management procedures for products at the end of their lifecycle

### Batteries and accumulators

In accordance with regulatory requirements, batteries and accumulators, which are composed of polluting and non-biodegradable materials, undergo a selective collection process in our 800 points of sale and our own buildings. Collectors are provided for customers and employees, accompanied by a notice to heighten awareness of them. These materials are then sent on for specialized reprocessing.

In 2004, this programme recovered over **506 tons** of batteries and accumulators (FTSA).

### Fixed network equipment

These are telecommunications infrastructure devices (automatic switchboards, routers, energy equipment, etc.) and public telephones.
Some of this equipment contains toxic products which may not be thrown away.
They undergo a dismantling and recovery process (reuse of sub-assemblies and components).

### Treated wooden poles

In 2004, France Telecom SA took down **350,000 wooden poles** as part of maintenance and prevention operations. These poles, treated with chemicals to prevent them from rotting (arsenic, creosote, pentachlorophenol, mineral salts and copper sulphate), must be destroyed by incineration, ensuring the preservation of the environment. Their disposal is entrusted to specialist companies.
TPSA withdrew **12,500 wooden poles** from its network (which represents 1,000 tons of wood) and they will be treated and destroyed in 2005 by a specialist company (contract currently being negotiated).

### Cables

The process introduced in 1992 to collect, break-up and destroy cables enabled over **3,400 tons** of cables to be recycled out of the **6,800 tons** disposed of by France Telecom SA in 2004. TPSA recycled **2,700 tons** of cable in 2004.
To optimize the process, the recovery rate of cables will be a priority objective of the programme.

### PCB

France Telecom's plan to eliminate its transformers and pyranol capacitors (PCB), ratified at the end of 2002, will be completed by 2010. It has been validated by the Consultative Commission of the French Ministry of Ecology and Sustainable Development (in whose work France Telecom participates on behalf of Medef), which is responsible for drawing up the national plan to eliminate PCBs.
In 2004, in France, 93 machines were eliminated, which corresponds to **35.1 tons** of PCB treated.

### Halon

The plan to eliminate halon contained in fire-fighting equipment was completed in France at the end of 2003.

# INTEGRATION OF NETWORKS INTO THE LANDSCAPE

Network equipment (masts, telephone lines, poles, etc.) has a visual impact on landscapes. The Group is particularly aware of this. So in France, the entire network providing national and regional interurban connections is laid underground.

|                          | 2004   | 2003   | 2002   |
|--------------------------|--------|--------|--------|
| Number of poles removed  | 31,200 | 34,200 | 38,600 |
| Km of cables buried      | 1,240  | 1,400  | 1,790  |

The France Telecom Group contributes to the preservation of listed sites and, together with local communities, is carrying out operations to conceal the network.

When it comes to erecting mobile telephone antennae in the countryside, Orange has established priorities so that the deployment of infrastructures, effectiveness of coverage, accessibility to services and recognition of public concerns are the subject of a continuous dialogue.

So in order to develop the telephone network Orange, as a whole, undertakes:

● to consult local and regional communities on points of concern and to choose the type of base station best suited to the characteristics of the site;

● to compile a list of the number of base stations: stations on towers shared between several operators, stations on remote and/or isolated towers and stations on existing structures;

● to give particular care to the construction of base stations on natural or historical sites or sites of architectural interest;

● to design base stations that merge into the landscape;

● to exchange knowledge and good practices with the whole Group;

● to heighten the awareness of co-workers, customers and partners on environmental questions.

Regarding what we have done in France in 2004, for example, Orange and AMF (the French Association of Mayors), produced a best practice guide to setting up relay antennae more transparently, concertedly and harmoniously, via AFOM (the French Association of Mobile Operators). So, for example, this guide establishes that:

● each mayor can systematically be given information on operators' deployment projects;

● citizens can consult files of information at the town hall relating to the deployment of mobile infrastructures and can have their level of exposure to radio waves measured free of charge;

● new relay antennae are integrated into the landscape according to an improved approach to visual perception.

Beyond the simple question of integrating networks into the landscape, France Telecom, recognizing the health concerns linked to the deployment of mobile telephony has defined a group of indicators intended to describe the Group's policy with regard to protection against electromagnetic radiation. These indicators are reported annually.

# MEASURING
# PERFORMANCE

## OUR FRAME OF REFERENCE ☀

**Our frame of reference reflects the issues facing us with regard to "responsible growth" and the priorities of the corporate responsibility policy validated within the Group in July 2004.**

### > Preparing the report

This report is the result of work involving all the entities in the company. The quantitative data comprising it has been drawn from the management reports of both operational and functional sections of the company.

### > Scope and indicators

This report concerns the global performance of the Group in 2004. This performance is measured on the basis of indicators chosen with reference to the impact our activities could have in the countries where we provide services. To define our indicators and maintain a consistent frame of reference, working groups approached all the entities in the Group. We also took into account the recommendations of bodies such as the Global Reporting Initiative (GRI), the AA1000 network and the main directors of the OECD. Given the countries in which we operate, the specific activities we undertake there and the recent validation of a reference framework for the Group, it was not possible for us to incorporate a certain amount of data in 2004. However, some subsidiaries of the Group, which have their own specific issues, did publish individual reports on responsibility (Orange, Equant, TP., etc).
With the exception of financial data, the figures in this report have not been checked externally.

**In 2005,** our reference framework will include qualitative and quantitative indicators provided by each of the main entities in the Group. Its will thus give an overall view of our approach, the synergies that it implies and the integration of our objectives at all levels of the company.

## STAKEHOLDERS ☀

**Through its membership of organizations and associations, publications and performance evaluations, particularly those carried out by company rating agencies, France Telecom explains its undertakings, its objectives and the activities characterizing its approach to corporate responsibility.**

### > Memberships and dialogue

On the international scene, France Telecom defined a set of commitments several years ago which underpin its approach to sustainable development. Within ETNO and GeSI for example or, in a different way, as part of the Global Compact, these contribute to maintaining regular exchanges of information, sharing good practices and strengthening programmes and policies. These commitments may also lead France Telecom to support general policy statements.
The Group also maintains an ongoing dialogue with other national and local bodies, associations and business associations of which it is a member. In particular, it takes part in working groups (ORSE, EpE, IMS, CSR Europe, etc.) so that it can contribute to an overall dynamic for continuous improvement and integrate its global challenges, in a spirit of partnership.

### > Internal and external publications

In March 2004, France Telecom published an initial document concerning its corporate responsibility. This document provided an overview of the situation at the end of 2003.
The Group's external publications are also widely circulated inside the company. They are of interest to all the Group's members, who are the prime actors for corporate responsibility on a daily basis.
Also in March 2004, France Telecom published an article on its Internet site (www.francetelecom.com), "France Télécom, acteur du Global Compact", ("France Telecom, a player in the Global Compact"), about ini-

tiatives implemented within the Group illustrating, point by point, the 9 principles of the Global Compact. As well as stating the Group's support for the United Nations' initiative, this information also demonstrated its determination to work within national and international partnerships towards the acceptance of values and principles in which it believes.

**In 2005,** as well as producing our first report on corporate responsibility in terms of our policy and activities in 2004 and updating the information illustrating our commitment to the Global Compact, specific documents for internal and external use will be produced or updated, such as leaflets or guides concerning D3E (waste from electrical and electronic equipment), EMS (Environment Management System) and best practices with regard to sourcing, information security, sales, road safety, etc.

## > Performance assessment

For several years now, France Telecom has responded to questionnaires from various corporate rating agencies. With this approach and the results achieved, the Group is striving to provide better visibility of its practices and performances:

● in 2002 and 2003, France Telecom appeared in the FTSE4Good index, having met its social and environmental criteria, as well as some of those relating to governance. In 2004, France Telecom was once again included in the FTSE4Good, this time meeting its criteria on social, environmental, governance and human rights issues;

● France Telecom has not been selected for the DJSI index (a group of indices developed by SAM), which only includes the world leaders in each sector, but has been making constant progress in its ratings since 2002. In 2004, the Group rose above the average for the telecommunications sector (France Telecom's overall percentage for the three sustainable development components: 57% in 2004 compared with 46% in 2003, with the average percentage for the sector standing at 51% in 2004 and 52% in 2003);

● in 2003, an analysis by Vigeo (an agency linked to the ASPI Eurozone group of indices) gave France Telecom a fairly good rating with regard to staff and civil society, while stressing that progress was necessary in terms of the environment, customers, suppliers, and governance. In 2004, the rating was up in terms of customers and suppliers. There was still room for improvement with regard to the environment. Lastly, France Telecom was above average in the sector in terms of human rights;

● in 2003, France Telecom received a poor assessment from SIRI because the Group did not provide information on its customers and suppliers or its business ethics. In 2004, however, this body rated France Telecom much more highly, placing it well above the sector average in most of the areas assessed by it;

● Accountability Rating, the index launched in 2004 by AccountAbility & CSR Network, ranked France Telecom above average in terms of strategy, governance, performance management and commitment to stakeholders.

**3G:** 3rd-Generation mobile telephony using the UMTS standard.

**AA1000:** System or accounting standard specifying how companies should audit their corporate and environmental performance. The system was designed by the Institute of Social and Ethical Accountability, an independent body promoting the principles of responsibility.

**ACA (ADSL Connect):** France Telecom service allowing third-party carriers to connect to the DSLAMs and capture data flows without going through the Collecte IP offer.

**ADSL (Asymmetrical Digital Subscriber Line):** ADSL is the technology used for the broadband transmission of data over the traditional telephone network, able to convert several megabits per second on the telephone's two copper wires. It is an excellent way of obtaining a fast Internet access. It boosts the transmission capacities of current telephone lines allowing fast voice and digital data transit.

**AFA:** Association des Fournisseurs d'Accès et de services Internet or the French association of Internet Service Providers.

**AFAQ:** Association Française de l'Assurance Qualité, the French Association of Quality Assurance.

**AFUTT:** Association Française des Utilisateurs de Télécommunications or French Telecommunications Users' Association.

**ART:** Autorité de Régulation des Télécommunications, the French telecommunications regulatory body.

**ASS:** After-Sales Service

**Asynchronous Transfer Mode:** High bit-rate transmission technique allowing multiple data flows in the form of packets (called ATM cells) in online mode with guaranteed quality of service.

**ATM (Asynchronous Transfer Mode):** See "asynchronous transfer mode".

**BAS (Broadband Access Server):** See "broadband access server".

**Blog (abbreviation of Weblog):** Personal diary in the form of a website. It mainly consists of news published as it occurs, often presenting in reverse chronological order and enriched with external links.

**Bluetooth:** Wireless transmission technology allowing medium bit-rate personal networks (approx. 700 kbit/s) to be set up, but above all enabling point-to-point exchanges between fixed and mobile devices (PC, PDA, telephone, wireless headphones, printer). This technology allows wireless equipment to be connected via radio links in the 2.4 GHz = band with maximum coverage radius of around ten metres.

**Broadband Access Server (BAS):** the Broadband Access Server is a broadband access concentrator which collects the outgoing/incoming traffic from/to the DSLAM and ensures interconnection with the operator's IP network. The BAS is one of the essential parts of the operator's ADSL network. This concentration equipment handles management of the user sessions (authentication, traffic control, etc.) and concentration of the Internet traffic.

**CHSCT:** Comité d'Hygiène, de Sécurité et de Condition de Travail or Health, Safety and Work Conditions Committee.

**$CO_2$:** One of the main greenhouse gases keeping the warmth given off by the sun in the atmosphere. The increase in greenhouse gases produced by human activity is generally considered to be one of the causes of global warming.

**Corporate Responsibility or Corporate Social Responsibility (CSR):** Every company has an outreach specific to it and a responsibility regarding the world around it – in economic social and environmental terms, etc. Taking its stakeholders into account, it has to justify choices which, reasonably and sustainably, guarantee its continued existence. Sustainable development is a concept capable of promoting these objectives. "Being socially responsible means not only fully satisfying the legal obligations applicable, but also going further and investing more in human assets, the environment and relations with the stakeholders." (Green Paper "Promoting a European framework for Corporate Responsibility" – 2001)

**Dosimetry:** Determination of the radiation load absorbed by a substance or individual through evaluations or measurements. Measurement method aiming to validate the conformity of radiotelephones and antennes on the market according to the SAR for example.

**DSL (Digital Subscriber Line):** DSL technology allows the use of copper lines connecting STN (Switched Telephone Network) customers to carry out broadband transmission in packet mode (digital).

**DSLAM (Digital Subscriber Line Access Multiplexer):** Installed near MDFs, the DSLAM is a special equipment added to the network as an entry/exit point for DSL services as near to the customer as possible. Each DSLAM can have about 2,000 customers. It is connected to the BAS by an ATM link. DSLAMs with special video cards are used for tv over ADSL, Video on Demand and videophone services.

**Economic and social footprint:** The creation of economic value and equivalent employment with respect to company business. It involves all the players in the value chain (suppliers, manufacturers, distributors, customers and staff) and society in general, benefiting from the use of the products during and at the end of their lifecycle.

**Economic, social or environmental performance:** Level of progress or continuous improvement revealed by the economic, social or environmental footprint.

**EDGE (Enhanced Data rates for GSM Evolution):** Radio technology which is a half-way stage between GPRS and UMTS and which is based on the use of the existing GSM radio frequencies to offer Internet and multimedia services with theoretical bit rates of up to 380 kbit/s, and actual bit rates up to four times faster than GPRS.

**Electromagnetic wave (or radio-electric frequency or radio frequency):** Hertzian propagation of electrical and magnetic energy through the air.

**EMS (Environmental Management System):** Methodology for constantly evaluating and controlling the impact of activities on the environment, a process which may lead to certification.

**Entrepreneurs:** The top 900 senior managers within the France Telecom Group.

**EPE:** Entreprises pour l'environnement or Enterprises for the Environment.

**ETNO:** European Telecommunication Network Operators Association.

**ETP:** Equivalent Temps Plein or Full-Time Equivalent.

**Eye-tracking:** Assessment of the way in which the eye explores a Web page.

**Firewall:** Software or machine for controlling and filtering network connections. This tool offers high-level security on computers and local networks connected to the Internet on a continuous basis.

**FT R&D or France Telecom R&D:** France Telecom Recherche et Développement – Research & Development.

**GeSI (Global e. Sustainable Initiative):** Initiative promoted by the International Telecommunications Union (ITU) and the United Nations Environment Programme (UNEP) grouping industrial companies and operators from the telecommunications sector.

**Global Compact:** An initiative by the United Nations Secretary-General, Kofi Annan, presented at the Davos World Economic Forum in January 1999. The Global Compact is a challenge addressed to multinationals, inviting them to continue developing the "new global economy", while integrating the main principles of sustainable development and ethical issues. There are 10 principles based on the Universal Declaration of Human Rights, fundamental rules laid down by the International Labour Organization (ILO) and the precepts stated in the Rio Declaration on the environment and development.

**Global Reporting Initiative (GRI):** Independent organization created in part by the United Nations. It has defined the guidelines on what corporate and environmental responsibility reports should contain and how this information should be assessed.

**GPRS (General Packet Radio Service):** 2nd-generation mobile communication system providing theoretical bit rates of approximately 170 kbit/s and actual bit rates of around 50 kbit/s.

**GSM (Global System for Mobile communication):** European standard for 2nd-generation mobile telephony networks which operates in the 900 – 1 800 MHz frequency bands.

**Haptic interfaces, Haptic processes:** Processes involving study of the link between perception and action.

**HDSL (High Data rate digital Subscriber Line):** Transmission technology on copper wire (bit rate of 2 Mbit/s).

**ICPE (Installation Classée pour la Protection de l'Environnement = classified installation for protection of the environment):** Name used in the context of the French regulation to designate installations which may present a risk.

**ICT:** Information and Communication Technologies.

**ILO:** International Labour Organization.

**IP (Internet Protocol):** See IP protocol.

**IP protocol (Internet Protocol):** One of the two main protocols for communication between networks (the other is ATM), used in particular on Internet and Intranet networks. IP is a transfer protocol specific to Internet, based on packet switching.

**IP VPN (Internet Protocol Virtual Private Network):** VPN is the abbreviation of "Virtual Private Network". VPN technology allows companies with a leased line to establish a closed, secure line system between them via Internet. In this way, companies guarantee secure (and usually encrypted) data transmission between their network and the station at the other end.

**ISO 14000:** International standard published in 1996, designed to improve environmental performance. It defines the requirements of an Environment Management System (EMS).

**ISP (Internet Service Provider):** English equivalent of the French FAI (Fournisseur d'Accès à Internet).

**ISP:** Internet Service Provider.

**ITU:** International Telecommunications Union.

**LCA (Life-Cycle Assessment):** A method to systematically determine, quantify and assess input and output (i.e., sources of repercussions on the environment) during the lifecycle of a product. It is one of the tools contributing to lifecycle management without being essential to it.

**LRQA:** Lloyd's Register Quality Assurance.

**Multimodal services:** Services using several modes of communication

**MV4:** Social protection group containing several supplementary pension institutions and provident funds proposing services in the fields of retirement pensions, provident cover, health and savings.

**OECD (Organization for Economic Cooperation and Development):** Organization with 30 member countries. It carries out research, exchanges ideas, and proposes recommendations on issues such as economic growth.

**PCB (PolyChloroBiphenyls):** These include, in particular, pyranol contained in certain electrical transformers and certain condensers.

**PCT:** PolyChloroTerphenyl.

**PDA:** Personal Digital Assistant.

**PDE:** Enterprise Travel Plan

**PDU:** Urban Travel Plan

**RADSL:** The Rate Adaptative DSL technology is a variant of ADSL which is more tolerant of problems such as signal deterioration and poor line quality. It enables an operator to serve subscribers located further away from the telephone exchange (up to 5.5 km). To achieve this, the RADSL modem constantly measures the line quality. If the line is poor or there is interference, it dynamically adjusts the transmission frequency range to maintain high reception bit rates. In this way, RADSL ensures a reception bit rate constantly above 512 Kbit/s, in exchange for a transmission bit rate which may, in the worst foreseeable technical conditions, be reduced to 64 Kbit/s.

**SAR (Specific Absorption Rate):** Amount of radiation absorbed by the human body (whole-body SAR) or by the head (local SAR).

**SDSL (Symmetrical Digital Subscriber Line):** Designed for companies, this technology enables operators to provide services at 2 Mbit/s on a single copper pair, over a distance of up to 4 km, with the same simplicity, resilience and spectral compatibility as classic HDSL. In this way, operators can offer professional services, including data transmission with several voice channels.

**SIFAC:** Synthèse d'Information Facturation = Synthesis of Billing Data.

**Spam:** Swamping of very large numbers of users' e-mail accounts by unsolicited e-mail sent for advertising purposes.

**Stakeholders:** Set of actors participating directly in the social and economic life of the company (employees, customers, suppliers, shareholders), observing the company (NGOs, trade unions) or influencing it (public authorities, local authorities, civil society – including users).

**Sustainable development:** Sustainable development is economic development while respecting ecological and social balance. "Sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs." (Brundtland Report – 1987).

**TP SA:** Telekomunikacja SA.

**UMTS (Universal Mobile Telecommunications System):** International 3rd-generation standard for mobile telephony, offering multimedia services at very high bit rates.

**UNEP:** United Nations Environment Programme.

**UNETEL-RST (Union Nationale des Entreprises de Télécommunications – Réseaux et Services en Télécommunications = National union of telecommunications companies – telecommunications networks and services):** professional organization established as a professional sector union, with the aim of studying and solving the problems of companies in the telecommunications branch, as well as representing and defending the profession.

**UNI (Union Network International):** A worldwide trade union organization involved in dialogue with multinational employers, governments, employer associations and other trade unions. More than 900 unions in 140 countries worldwide are members of the UNI. The organization's main priority is to respond to economic globalization. It describes itself as "the global union for skills and services" and covers 12 branches of activity (telecommunications, tourism, commerce, electricity, etc.).

**VDSL:** Based on RADSL, VDSL may be symmetrical or asymmetrical, with bit rates ranging up to 55 Mbit/s. VDSL offers very high asymmetrical bit rates over a much shorter distance than ADSL. In theory, it is possible to obtain a maximum bit rate of 52 Mbit/s, but this means limiting the range of the service to approximately 300 m (compared with 3 to 5 km for ADSL). The service can be proposed over longer distances (approx. 1.5 km), but the bit rates are reduced to around 12 Mbit/s. VDSL is seen as a successor to ADSL in densely-populated urban areas. It represents an alternative to recabling the local loop with optical fibre. It is also a technology adapted to the transmission of high-definition television.

**WAP (Wireless Application Protocol):** Protocol for transforming a mobile phone into a multimedia Internet terminal.

**WHO:** World Health Organization.

**WiFi (Wireless Fidelity):** Technology allowing the connection of wireless equipment via radio links in the 2.4 GHz band at bit rates of 11 Mbit/s (802.11 B standard) or 54 Mbit/s (802.11G standard). An adaptation of Ethernet to radio, WiFi offers companies and private individuals the possibility of setting up wireless links between several computers or devices distributed in a network over distances of up to a few dozen metres.

**WIP (Wireless Internet Protocol):** Radio access technology allowing a base station (installed on a pylon, for example) to provide broadband service for the WiFi access points within a radius of around 15 km. Some particularly remote customers may be connected directly.

**XDSL (X-Digital Subscriber Line):** Generic term used to refer to all the DSL technologies.

## France Telecom Group sites:

**Cellplus (Mauritius):** www.cellplus.mu
**Centertel (Poland):** http://www.idea.pl/or: http://www.tp-ir.pl/
**Côte d'Ivoire Telecom:** www.citelecom.ci
**Equant:** www.equant.com
**France Telecom:** www.francetelecom.com
**France Telecom Marine:** www.marine.francetelecom.fr
**FT R&D:** www.rd.francetelecom.fr
**Jordan Telecom (Jordan):** www.jordantelecom.com.jo
**Mauritius Telecom:** www.mauritiustelecom.com
**Mobinil (Egypt):** www.mobinil.com
**Mobistar (Belgium):** www.mobistar.be
**Orange:** www.orange.com
**Orange France:** www.orange.fr
**Orange Nederland:**
http://www.orange.com/English/media/netherlands_b.asp
**Orange Romania:** www.takamaka.com
**Orange United Kingdom:** www.orange.co.uk
**Orange Slovakia:** www.orange.sk
**Orange Switzerland:** www.orange.ch
**PagesJaunes Group:** www.bienvenue.pagesjaunes.fr
**QDQ:** www.qdq.com
**Sonatel:** www.sonatel.sn
**TP SA (Poland):** http://www.tp-ir.pl/
**Uni2:** www.uni2.es
**Wanadoo:** www.wanadoo.com

## Other sites:

**ADAPEI:** Unapei. org
**Ademe:** www.ademe.fr
**AFA:** www.afa-france.com
**AFOM:** www.afom.fr
**AFUTT:** www.afutt.org
**ALPC:** www.alpc.asso.fr
**AMF:** www.amf.asso.fr
**ANFR:** www.anfr.fr
**APF:** www.apf.asso.fr
**ART:** www.art-telecom.fr
**Association Valentin Haüy:** www.avh.asso.fr
**European Commission:** www.europa.eu.int
**Croix-Rouge:** www.croix-rouge.fr
**CSR France and Europe:** www.csrfrance.online.fr
**DATAR:** www.datar.gouv.fr
**Emmaüs:** www.emmaus-france.org
**EpE:** www.epe-asso.org
**ETNO:** www.etno.be
**French Ministry of Ecology and Sustainable Development:**
www.environnement.gouv.fr
**French Ministry of the Economy, Finance and Industry:**
www.euro.gouv.fr
**French Ministry of Health:** www.sante.gouv.fr
**Geodis:** www.geodis.fr/
**GeSI:** www.gesi.org
**GIIA:** www.giia.org
**Global Compact:** www.unglobalcompact.org
**GRI (Global reporting Initiative):** www.globalreporting.org
**GSM Europe:** www.gsmworld.com/gsmeurope
**IMS:** www.imsentreprendre.com
**INSERM:** www.inserm.fr
**ITU (International Telecommunications Union):** www.itu.int
**OECD:** www.oecd.org
**ORSE:** www.orse.org
**Secours Populaire:** www.secourspopulaire.asso.fr
**Télécom Sans Frontières or TSF:** www.tsfi.org
**UNEP:** www.unep.ch
**UNI:** www.union-network.org
**UNICEF:** www.unicef.org
**WHO:** www.who.int/fr

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