

# Reporting principles of France Telecom group

Annex to the 2007 sustainable development and corporate responsibility Report, supplemental to the indications given at the bottom of pages 56-57 and 60-61 of the report.

## Reporting entities

The reporting entities are based essentially on geographical scopes.

Thus, France covers FTSA, Orange France, the Group's head office, FT Marine, FT R&D, and the Orange Business Services entities operating on French territory. All the data for France, except for the data relating to PCBs and road, rail and air transport, do not include sites in Corsica or French overseas departments and territories.

Exception to the rule: for data relating to distances travelled by rail and air, the French scope does not include the Orange Business Services entities in France.

The "Orange Business Services and Other" scope includes Orange Business Services locations outside of France, as well as all aggregates for entities that are not reported separately.

## Energy reporting principles

### Content

The energy data refer to the consumption of electricity, fuel, oil, gas, coal, the various fuels used in vehicles, and the number of kilometres travelled for business by rail and air.

### Scope

Each entity must produce an exhaustive, quantified report on each energy source used.

However, energy consumption by datacenters and networks shared with other operators is reported as a proportion or as a whole. Energy consumption of mixed equipment in France (network and mobile) is allocated in full to the indicator that covers consumption by non-mobile networks.

Energy consumption of premises, in particular stores, for which the France Telecom Group is not billed directly, is not reported. Energy consumption by district heating plants is not included due to the difficulty of estimating the associated CO<sub>2</sub> emissions.

Energy consumption data for Orange UK do not include Orange UK stores.

### Transport

Rail and air transport data are provided by the company Carlson Wagon Lit, which covers over 80% of the kilometres travelled by employees. Kilometres travelled by rail and air are estimated on an orthodromic basis (the shortest distance between two points along the curvature of the earth).

### CO<sub>2</sub> emissions

All emission factors are provided using the GHG Protocol <http://www.ghgprotocol.org/calculation-tools/all-tools>, except for the electricity generation emission factor in France provided by EDF <http://service-public.edf.com/101001i/Accueil-com/EDF-Service-public.html>. The emission factor for Orange Business Services entities covering multiple countries corresponds to the "world" factor in the GHG Protocol.

The CO<sub>2</sub> emission factor for "short haul" air transport in the GHG Protocol (180g CO<sub>2</sub> / passenger km) has been used for all flights.

The CO<sub>2</sub> emission factor for rail transport is derived by the "Bilan carbone<sup>®</sup>" carbon evaluation tool when available for the particular country.

In other countries, a standard factor of 100g CO<sub>2</sub> per passenger-kilometre has been used. This change from the methodology used for the 2006 financial year produces slightly different figures for CO<sub>2</sub> emissions.

## Waste reporting principles

### Customer WEEE

WEEE collected from "private users" corresponds to the WEEE reported for the Group's stores. This indicator includes Group employees' mobile phones.

In France, WEEE from "business customers" is comprised of telephones only and does not include network equipment and devices.

### Waste processing

For commercial space and network waste unrelated to customer WEEE, in France, only waste from providers who have signed a framework agreement with France Telecom Group is reported. The quantity of metal poles corresponds to the quantity removed, and not to the quantity processed. For sites that are rented, household and similar waste is not reported, as the lesser is responsible for managing it. The data relating to Orange UK internal waste do not include Orange UK stores.

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### EMS reporting principles (environmental management system)

The coverage rate of an EMS is derived by weighting the presence or absence of an EMS by the electricity consumption over the scope covered.

#### Additional note

The significant change in some environmental indicators compared to 2006 is due in part to the improvement in the reporting process and the increased comprehensiveness implemented in 2007.

The average values for Group KPIs have been calculated excluding Orange Business Services world and other.

### HR reporting principles (human resources)

The data for permanent and fixed-term staff who are actively employed and receiving remuneration at all Group France Telecom entities are derived and calculated via our IT system. Each employee is counted as one unit, regardless of the type of contract.

The "CDIACTIF" [PermActive] indicator corresponds to employees recorded as permanent "EFFINS" (employees on indefinite-term contracts), minus employees on an insertion program (youth contracts, apprenticeships, etc.) and minus "NONACTIF" [NonActive] inactive personnel:

- on sick leave > 105 days (ACO) on the last day of the preceding month;
- on long-term sick leave (AFO), long-term holiday leave (AFO), serious-illness leave (employees on maternity and paternity leave are considered as active);

- on early retirement paid by the company (CFC);
- on training leave;
- on study or research leave;
- on leave of absence to take up elected office;
- on parental leave (or unpaid post-natal leave);
- on unpaid holiday or unavailability leave (AFO);
- on disciplinary suspension or temporary job suspension (AFO);
- on secondment or role outside the company (AFO);
- on temporary outplacement outside the Group (statutory civil-service position). Note: available internal employees of the Group are included in the active-staff numbers of the company that pays them;
- expatriates with local contracts or suspended contracts. (They remain active if they have a French employment contract, all or part of which is remunerated in France.)

The numbers of active fixed-term staff at the end of the month, within the France Telecom Group entities, are also included, but separately. Each employee is counted as one unit, regardless of the type of contract.

The number of permanent employees recruited by France Telecom Group includes:

- the recruitment of staff external to France Telecom Group;
- the recruitment of permanent staff who were previously fixed-term or on qualification contracts, apprenticeships, etc.

Internally, the following are not included:

- new contracts of staff previously employed as fixed-term within the Group (due to mobility within the Group or changes in scope);
- recruitment of other than permanent staff (fixed-term, qualification programs, apprenticeships, fixed-term adjustment/adaptation, etc.).

The flow is taken into account during the first month of pay (regardless of the contract effective date).