



## **Deutsche Telekom, France Telecom and Telecom Italia sign an agreement aimed at improving social, ethical and environmental conditions of suppliers based in Asia**

*The three operators have agreed to assess and improve the social, ethical and environmental conditions along the Supply Chain of 40 key suppliers.*

**FRANCE, GERMANY, ITALY, October, 2010** – Deutsche Telekom, France Telecom and Telecom Italia are conducting on site audits in Asia aimed at strengthening their commitment to developing a strategy of responsible and sustainable growth all along the Supply Chain of 40 suppliers based in Asia. This audit campaign follows the signature of a Memorandum of Understanding (MoU) in December 2009. Other telecom operators are also welcome to be part of this Joint Audit Cooperation by signing the MoU.

Through this MOU the three operators have defined a co-ordinated audit process based on a common assessment methodology to verify and improve the social, ethical and environmental conditions of their suppliers' manufacturing centres located in Asia. The audits are implemented by recognized international CSR audit companies that will release official and recognized audit reports. These will then be followed up by each of the operators.

This MoU will open possibilities for collaboration in the processes used to assess suppliers. These processes will be developed together and in cooperation with suppliers. The suppliers will then be assessed according to a defined set of parameters in favour of respecting people and the environment, mainly in line with SA 8000 and ISO 14001 standards.

“The audit report will also identify areas for improvements that operators will discuss and will then follow up in order to resolve any gaps highlighted in the report, implementing the corrective action plan”, explains Luis Neves, Head of Corporate Responsibility at Deutsche Telekom.

“This MoU will seek to enable the achievement of CSR goals on an international level and will allow the three operators to optimize their CSR assessment and follow up process through the



application of common best practice. It will also enable operators and suppliers to save precious time and effort by joining forces”, explains Marc Fossier, France Telecom Social Responsibility Executive Director. He adds, “We are delighted to be part of this joint venture between important Telcos. It will promote our ambition to enhance sustainable development as well as human rights principles among our suppliers”.

“In addition, this cooperative approach between operators and suppliers will highlight areas of improvement to be made in terms of CSR. This includes the better allocation of working resources to reduce overtime, an improvement in skills and competences, an improvement in processes in order to increase energy efficiency and reduce carbon emissions”, underlines Stefano Ciurli, Head of Purchasing, Telecom Italia.

In this respect, CSR is pivotal for improvement of our global performance in addition to being a moral commitment.

#### **About Deutsche Telekom AG**

Deutsche Telekom is one of the world's leading integrated telecommunications companies with over 131 million mobile customers, more than 37 million fixed-network lines and approximately 16 million broadband lines (as of June 30, 2010). The Group provides products and services for the fixed network, mobile communications, the Internet and IPTV for consumers, and ICT solutions for business customers and corporate customers. Deutsche Telekom is present in over 50 countries and has more than 251,000 employees worldwide. The Group generated revenues of EUR 64.6 billion in the 2009 financial year – more than half of it outside Germany (as of December 31, 2009).

#### **About France Telecom**

France Telecom, one of the world's leading telecommunications operators, had in 2009 total sales of 45.9 billion euros (10.9 billion euros for the first quarter 2010) and at 31 March 2010, the Group had a customer base of 183.3 million customers in 32 countries. Orange, the Group's single brand for internet, television and mobile services in the majority of countries where the company operates, now covers almost 131 million customers. At 31 March 2010, the Group had 123.7 million mobile customers and 13.5 million broadband internet (ADSL) customers worldwide. Orange is the number three mobile operator and the number two provider of broadband internet services in Europe and, under the brand Orange Business Services, is one of the world leaders in providing telecommunication services to multinational companies.

The Group's strategy, which is characterized by a strong focus on innovation, convergence and effective cost management, aims to establish Orange as an integrated operator and benchmark for new telecommunications services in Europe. Today the Group remains focused on its core activities as a network operator, while working to develop its position in new growth activities. To meet customer expectations, the Group strives to provide products and services that are simple and user-friendly, while maintaining a sustainable and responsible business model that can be adapted to the requirements of a fast-paced and changing eco-system.



France Telecom (NYSE:FTE) is listed on Euronext Paris (compartment A) and on the New York Stock Exchange.

For more information (on the internet and on your mobile): [www.orange.com](http://www.orange.com), [www.orange-business.com](http://www.orange-business.com), [www.orange-innovation.tv](http://www.orange-innovation.tv)

### **About Telecom Italia**

Telecom Italia Group offers infrastructures and technological platforms on which voice and data become advanced telecommunications services and leading-edge ICT solutions and tools for development for the Group itself and for the entire nation.

Telecom Italia, TIM, Virgilio, La7 and MTV Italia, Olivetti are the Group's main brands; they are well-known by consumers and are a guarantee of reliability and competence. Customer satisfaction and technological innovation are the hallmarks of the Group, characterized by a streamlined organization that focuses on the quality of service, simple offers, attention to contact with customers and constant research activities in TILab laboratories.

In addition to its domestic market leadership, - 16.1 million retail network connections, 7 million retail broadband accesses, 30.8 million mobile lines – the Group has a significant presence in Latin America, where TIM Brasil is one of the country's leading carriers, supplying 41.1 million mobile lines.

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*FORWARD LOOKING STATEMENTS: The statements contained in this press release that are not purely factual are forward-looking statements, including statements regarding the operator's expectations, beliefs, intentions or strategies regarding the future, and including statements regarding the expected performance following the signature of the MoU.*

### **Media Contacts:**

#### France Telecom

Erika Gelinard/Tom Wright

+33 1 44 44 93 93

[service.presse@orange-ftgroup.com](mailto:service.presse@orange-ftgroup.com)

#### Deutsche Telekom

Corporate Communications

+49 228 181 4949

[press@telekom.de](mailto:press@telekom.de)

#### Telecom Italia

Press Office

+39 06 3688 2610

<http://www.telecomitalia.it/media>