

# AGREEMENT OF FRANCE TELECOM'S WORLDWIDE WORKS COUNCIL

## PREAMBLE

Due to the development of the France Telecom Group on the world market, our Group is now present in many countries. As of 31 December 2009, over 43.1% of our employees were working outside France. While the majority of our employees are located in Europe a non negligible percentage (12.68 %) work in other continents.

The Group's increasing globalisation has resulted in various initiatives to enable employees to share a common basis in the social relations sphere. As a result, the European Works Council was set up in 2004 and a worldwide agreement on the fundamental rights of employees signed in December 2006 with the Global Trade Union Alliance, which is one of the Group's negotiating partners in the field of industrial relations. On a local level, social dialogue committees have been established when employees wished to do so and conditions permitted.

Within this global framework of greater social dialogue, the France Telecom Group wanted to establish a new social dialogue council enabling employee and Central Management representatives to enter into dialogue, exchange and share viewpoints on the major issues at stake for the Group.

As indicated in the agreement on the setup of the European Works Council, the signatories decided to develop social dialogue due to their conviction of its efficiency in dealing properly with the issues involved and to meet the requirements of employees who wanted to have a global vision of strategy and results and be able to have dialogue on issues extending beyond national frontiers. This body is not a substitute for relationships with worldwide social partners and notably with the UNI-France Telecom Global Trade Union Alliance.

The conditions for the setup and operation of the Worldwide Works Council are set out in this agreement between the France Telecom Group and the signatories of the agreement, representing the employees in the various countries and subsidiaries. Employee representatives were freely appointed, both by the European Works Council and the UNI-France Telecom Global Trade Union Alliance.

The UNI-Global Union (Union Network International) acted as an expert advisor to both Central Management and employee representatives.

## **ARTICLE 1 – Scope**

This agreement applies to:

- France Telecom SA, a controlling company as per the Law of 12 November 1996
- all the companies simultaneously meeting the following 3 conditions:
  - o whose capital is at least 10% owned by France Telecom SA and the permanent nature and extent of the relationship with these companies establish that they belong to the Group
  - o France Telecom SA exercises actual control, as demonstrated by consolidation in its accounts
  - o having at least 1 employee

(cf. Appendix 1).

## **ARTICLE 2 – Role of the Worldwide Works Council**

### **2.1 Mission of the Worldwide Works Council**

The Worldwide Works Council is a social dialogue body that enables information to be exchanged with staff representatives on economic, financial and social issues of a global, transnational nature.

These issues therefore concern:

- all companies included in the scope of this agreement, or
- a total of five companies, located in several countries, at least one of which is outside Europe. Subsequent to an agreement between the steering committee and the Chair of the Worldwide Works Council, questions concerning fewer establishments or companies may be included on the Agenda.

### **2.2 Social dialogue themes**

The Worldwide Works Council will be notified on the following topics, as and when the information becomes available:

- general Group activities
- economic and financial situation, by main activity sector
- foreseeable evolution of activities
- industrial, commercial and innovation strategy (subject to the necessary level of confidentiality for business to be conducted properly)
- major investment choices
- Group structure (major organisational changes, mergers, acquisitions, disposals)
- annual and multi-year employment trends and prospects and any corrective measures
- collective redundancies
- substantial introduction of new working methods in several countries
- production transfers

For information, documents given to the European Works Council will also be given to members of the Worldwide Works Council in versions available for the Worldwide Works Council. The same will apply for documents given to the Worldwide Works Council.

### **2.3 National and international bodies**

The Worldwide Works Council is not a substitute for existing national employee representation bodies or the European Works Council. The remit of these bodies continues to apply in full and is not modified by the signature of this agreement. In particular, the dates of Worldwide Works Council meetings and for the provision of information will in no way interfere with the calendar for the provision of information and/or for the consultation of social dialogue bodies, as may be established according to local legislation.

The Worldwide Works Council will deal solely with transnational issues.

## **ARTICLE 3 – Structure**

### **3.1 Country representation**

The signatories have agreed that countries with over 400 Group employees will appoint at least one Worldwide Works Council representative.

The number of employee representatives will vary according to the headcount. However, in order to have a reasonably-sized Worldwide Works Council and enable all the countries concerned to be represented, it has been agreed that employee delegation will be organised as follows:

- one incumbent per country employing at least 400 employees in companies included in the "Scope of application" (article 1),
- one additional incumbent per tranche of 10,000 employees, up to a limit of 70,000 employees and, beyond this figure, one incumbent per 20,000 employees. (the number of incumbents is rounded down to the nearest whole number)

When there are several companies in a country, the representative on the Worldwide Works Council will preferably come from the entity with the largest number of employees.

The reference headcounts for the first Council are those as of 31 December 2009.

### **3.2 Method of designating substitutes**

Every country will appoint a substitute, in the same conditions as for the incumbent.

The substitute will not attend meetings but will receive the same documents as the incumbent. He or she will stand in for the incumbent if the latter is temporarily or permanently unavailable. If replacement is permanent, the substitute will exercise the function for the remaining term of office. In this case, a new substitute may be appointed.

### **3.3 Required length of service**

Representatives, incumbents or substitutes must have been in the employment of the companies falling within the scope of this agreement for at least 1 year, unless they are employed by a company recently integrated into this scope. In the latter case, they must give proof of 1 year's service in the newly-integrated company.

### **3.4 Appointment of representatives**

1- In countries where employee representation is organised directly by accepted, representative trade unions, the latter will come to an agreement to appoint the representative(s). By default, this appointment will be made on the basis of results obtained by these unions at the most recent works elections.

2 - In countries where employee representation is not organised directly be recognised, representative trade union organisations or where there is a either a works council or an elected employee forum, these bodies will be responsible for designating the representative(s). If there are several such bodies in a country, they will reach an agreement between them to appoint the country representative(s). If there is continued disagreement, the appointment will be made by the company works council and approved by the employee elected forum.

3- In countries where there are neither recognised trade unions nor organised employee representation, employee representatives are appointed by a democratic and transparent process according to locally defined rules in those countries. The latter will be forwarded to the International Social Relations Department, which will pass them on to the Worldwide Works Council on request.

4- The French trade unions will communicate to Central Management, by means of a single document approved with each person's signature, the list of their representatives (number and name of incumbents and substitutes, by trade union) at the latest 1 days from the date of signature of this agreement and then from each representation renewal.

### **3.5 Terms of office**

Members of the Worldwide Works Council are appointed for a 4-year term, the first cycle starting on the date of the first plenary session of the Council.

### **3.6 Protection of employee representatives**

All members of the Worldwide Works Council, whether incumbents or substitutes, will enjoy the same protection as provided by national legislation in their country of employment. In compliance with ILO conventions, staff representatives in the company are protected against all and any measures which may bear prejudice to them (including dismissal) on the grounds of their capacity or their activities as employee representatives, their trade union membership, or their involvement in trade union activities, provided that they act in accordance with the law, collective agreements or other applicable arrangements in force.

### **3.7 Chair**

Meetings of the Worldwide Works Council are chaired by the Chair (CEO) of France Telecom or his/her representative. He/she may be assisted by Central Management representatives and may invite other Group managers to attend, whose presence will make a positive contribution to discussion of the items on the agenda.

### **3.8 Diversity**

The principle of male/female parity will be pursued in the appointment of representatives.

## **ARTICLE 4 – Modification of the structure**

### **4.1 Variation of the structure**

Companies not meeting the three criteria defined in Article 1 will leave the scope of the agreement ipso jure as of the time of the trigger event. Any representative they may have on the Worldwide Works Council will cease being a member on the same date.

In the event of the acquisition of a company with at least 400 employees in a country without representation, their representatives are included on the basis of the existing conditions. During a term of office and as long as the total number of WWC members does not exceed 41, the inclusion of these representatives does not require other representatives to leave. In all cases, the membership of the Worldwide Works Council is reviewed at the normal term of 4 years.

### **4.2 Maximum number of representatives**

In order for there to be efficient dialogue, the maximum number of representatives will in future be set at 37; if the number of representatives at the time of renewal is above this figure (cf. 4.1), the representatives of countries with the lowest number of employees will leave the WWC.

## **ARTICLE 5 – Operation**

### **Steering Committee and Secretary**

The Steering committee is made up of 9 members elected from among the Worldwide Works Council incumbents. The committee's role is:

- liaise between meetings with the members of the Worldwide Works Council, on the one hand, and Management, on the other
- take part in setting the agenda for meetings with the FT Group CEO or his representative

The Secretary is a Steering Committee member, responsible for:

- coordinating office activities,
- writing up minutes with assistance from the DHR and sending them to all the members after being signed by the chair.

The Secretary is elected by a majority vote by Worldwide Works Council members.

The Secretary is assisted by a Deputy Secretary and member of the Steering Committee, elected under the same conditions.

To ensure proper representation of the diversity of employees, the steering committee will be elected on a collegiate basis:

- College 1: France - three representatives
- College 2: Africa - two representatives
- College 3: Europe (excluding France): two representatives
- College 4: rest of the world: two representatives

The Steering Committee is elected for 4 years, without excluding the possibility for a majority of Worldwide Works Council members to terminate all or some of the terms of office of the Committee and Secretary at any time. Should one or more members of the Steering Committee resign or otherwise cease their functions, they will be replaced at the next Worldwide Works Council meeting.

In exceptional circumstances, the Steering Committee may, by majority request, ask for a meeting with the Chair or his/her representative.

## **5.2 Frequency of meetings**

The Worldwide Works Council will meet at least once a year, in plenary session, on the initiative of the Chair (outside extraordinary meetings, cf. paragraph 5.6).

## **5.3 Agenda**

At least two months before each meeting, the Steering Committee will meet to draw up a draft agenda for submission to the CEO of FT Group or his representative. This meeting may take place via a telephone conference. The final agenda and date will then be jointly determined by the CEO of FT Group or his representative and the Secretary.

In the event of disagreement, the CEO of FT Group or his representative will set the agenda and date for the meeting.

Notifications to attend will be sent out at least 2 months in advance and the related documents (in French, English, Polish and, if necessary, a fourth language chosen by the Worldwide Works Council members) will normally be sent out 15 days before the date of the meeting, unless this is impossible.

## **5.4 Organisation of meetings**

The plenary meeting will, in principle, take place over three days. It will necessarily begin with a preparatory half-day meeting between the employees' representatives and will end with a half-day debriefing session.

## **5.5 Guests**

Worldwide Works Council members can be assisted or advised at plenary meetings by guests from within or outside France Telecom Group.

The UNI-France Telecom Global Trade Union Alliance, which took part in the creation of the WWC, will be able to participate in an expert capacity.

The attendance of a guest from within or outside France Telecom Group and/or the UNI-France Telecom Global Trade Union Alliance is decided upon jointly by the CEO and Secretary when the agenda is drawn up.

This guest may have access to the same documents as Worldwide Works Council members. He/she may attend the part of the preparatory and plenary meetings that concerns him/her.

The guest is requested to observe the same confidentiality requirements as Worldwide Works Council members.

## **5.6 Extraordinary meetings**

If a decision is being taken on a strategic project, with possible significant repercussions on employment (in two countries including one outside Europe), the Steering Committee and Chair may decide by mutual agreement to convene an extraordinary plenary meeting of the Worldwide Works Council.

An extraordinary plenary meeting takes place separately from the consultation procedures of the national or international bodies concerned. If possible, it should be held before implementation of the project. In this case, the Worldwide Works Council's opinion will be forwarded to the national or international bodies concerned.

Members of the Worldwide Works Council will receive the documents required to understand the project with the notification to attend the meeting.

These meetings may take place using new forms of technology such as video-conferencing or conference calls. In order to allow these extraordinary meetings to be convened rapidly, simultaneous interpreting may take place in a limited number of languages.

### **5.7 Minutes**

The Secretary will draft the minutes of the sessions with the assistance of the HRD. The minutes (in French, English and Polish), once jointly signed by the Chair and Secretary to indicate approval, are then circulated to the members of the Worldwide Works Council, to the social dialogue bodies in the various countries, members of the European Works Council and Management of the various companies.

In the event of disagreement, the minutes will be approved at the next ordinary plenary meeting with comments from Central Management and members appended.

### **5.8 Information for employees**

Members of the Worldwide Works Council will inform employees of the content and results of the work undertaken by the Council, in compliance with article 5.9. Central Management will ensure that employees' rights to information are respected.

### **5.9 Confidentiality**

Worldwide Works Council members are required to comply with confidentiality requirements in respect of information of a confidential nature, specifically presented as such by Central Management.

## **ARTICLE 6 – Resources**

### **6.1 Time**

Time spent at Worldwide Works Council meetings and for travel may not be deducted from salaries.

In addition to the time spent in meetings and travel, an annual credit of hours is granted to members of the Steering Committee as follows:

- up to 100 hours per year,
- for other members: at least 30 hours a year in the absence of a specific local agreement

### **6.2 Travel**

Travel expenses incurred for official meetings are paid by the company employing the representative, in accordance with the procedures in force in this company, from a budget managed locally; accommodation and meals are paid by FTSA.

### **6.3 Meetings and interpreting**

Meeting organisation and interpreting expenses (maximum of 5 languages, plus French) are paid by FTSA, as well as the cost of translation into English and one other language of all documents from France Telecom sent by Central Management to members of the Worldwide Works Council.

### **6.4 Communications resources**

All Worldwide Works Council members must have access to international calls for the exercise of their duties. A budget will be defined by mutual agreement, translation costs for exchanges between WWC members will be borne by Central Management.

## **6.5 Training**

Training in the Group's finance and strategy will be arranged by Central Management for members of the Worldwide Works Council for each new term of office. Language training will be provided by Central Management for WWC members who wish to have it.

## **ARTICLE 7 – Nature of the agreement**

### **7.1 Duration**

This agreement will take effect on the date of signature, for an unspecified term. Every 2 years, a review of Worldwide Works Council operations will be made with employee representatives. Modifications may be proposed after the review.

### **Modifications to the agreement**

Any modifications to this agreement will be negotiated by a delegation appointed by the Worldwide Works Council and ratified by the latter.

This agreement may be terminated unilaterally, with 6 months' notice:

- by Central Management,
- or by a 2/3 majority vote of members, requested by the incumbents or the signatories to this agreement.

As soon as termination is notified by one of the parties, the Chair will convene members of the Worldwide Works Council to a negotiation session.

### **7.3 Working language**

The official working language of the Worldwide Works Council is French; if a divergence occurs in interpretation of the agreement or documents circulated to Worldwide Works Council members that have been translated, the original version will take precedence.

### **7.4 Applicable law**

Since the registered office of the France Telecom Group is in France, all provisions not foreseen by the parties will be governed by French law.

### **7.5 Prevention of conflicts**

If a signatory to this agreement considers that the agreement is not respected, they must notify the WWC steering committee in writing; the WWC steering committee, alongside central management, will take all necessary steps to resolve the dispute.

The parties undertake to take all necessary steps as quickly as possible to ensure that the content of the agreement is respected.



**7.6 Registration**

- Two copies of this agreement will be registered by the France Telecom Group with
- the DDTEFP in Paris; one paper copy which will be signed by the parties and an electronic version,
  - the Paris Industrial Tribunal – 1 copy.

In Paris, on 20th October 2005

**For France Telecom Group Central Management**

Stéphane Richard  
General Manager  
of the France Telecom Group



**Members of the Special Negotiation Body approving the agreement:**

**For the European Works Council**

Jean Paul Gristi  
Secretary of the CGE



**For France  
Unions**

For the CFDT

For the CFE-CGC

For the CFTC

JP BORDERIEUX

For the CGT

For the FO

For the SUD

J Leclercq

**For the UNI-France Telecom Global Trade Union Alliance**

**As joint expert: UNI**



**Appendix 1 - LIST OF COMPANIES FALLING WITHIN THE SCOPE OF APPLICATION OF  
THE AGREEMENT (as defined in article 1) on 31/12/2009**

<b>Country</b>	<b>Companies</b>
<b>Argentina</b>	Sofrecom consultora Equant
<b>Belgium</b>	Mobistar Wirefree Services Belgium (e.g. FTP Belg.) Atlas Serv. Belgique (e.g. Atlas Tel. SA) Equant Orange SA (e.g. VOXmobile) Silicomp Belgium Silicomp Benelux
<b>Brazil</b>	Equant
<b>Cameroon</b>	Orange Cameroon (e.g. SCM)
<b>Côte d'Ivoire</b>	Orange Côte d'Ivoire (e.g. SIM) CI TELCOM Equant Côte d'Ivoire Multimédia
<b>Egypt</b>	ECMS Equant
<b>Spain</b>	Etrali SA Espagne Telecom Espana Distribucion SA (e.g. Amena Movil SLU) Orange Catalunya Xaxet de Telecomunicacions S.A. FT Espana - Home FT Espana - Personal Equant
<b>USA</b>	GlobeCast America Incorporated Etrali North America Inc FT R&D LLC San Francisco FTNA Equant
<b>France</b>	France Telecom SA: Almerys sas Corsica Haut Débit (e.g. RAPP 17) Orange Sports (e.g. RAPP 24) FCR Sofrecom Innovacom gestion Francetel Globecast France Globecast Reportages (e.g. FT Reportages) EGT S.A. (e.g.-Rapp 8) France Telecom Lease (e.g. Solicia) Viaccess w-HA Nordnet

Country	Companies
<b>France</b>	Telefact Orange Distribution (e.g. FTM Distribution) Orange Promotions (e.g. FTM Promo.) Etrali France (e.g. Resocom Services SA) Etrali SA Orange France SA (e.g. FTM SA) Studio 37 (e.g. RAPP 27) Orange Vallée (e.g. NEDDI) Orange Cinéma Series (e.g. Rapp 35) Gironde Haut Débit (e.g. Rapp 36) Soft At Home (e.g. HNSA – e.g. Rapp 37) Orange Prestations TV (e.g. Rapp 41) Orange Consulting Data & Mobiles international FT Marine Orange Caraïbes (e.g. FCM) Orange Réunion (e.g. FTM La Réunion) Equant Enora Technologies Netia SPM Telecom (Saint-Pierre & Miquelon) Ten Cityvox Groupe Diwan Multimedia Business Services (e.g. Newpoint) Neocles Corporate Network Related Services (e.g. Groupe Silicomp) Silicomp-AQL Obiane (e.g. Silicomp Réseaux) Silicomp Management
<b>Great Britain</b> <sup>(1)</sup>	Etrali UK Limited FT R&D UK Ltd Globecast UK (e.g. GNE MAXAT) Equant
<b>India</b>	Silicomp India Equant
<b>Jordan</b>	Jordan Telecom (IG) Mobilecom (PetraCell) (IG) Wanadoo Jordan (IG)
<b>Kenya</b>	Telkom Kenya
<b>Madagascar</b>	Orange Madagascar

<sup>(1)</sup> Except Orange UK which is not consolidated

Country	Companies
<b>Mauritius</b>	Mauritius Telecom Telecom Plus Equant Teleservices Ltd Call Services Ltd
<b>Moldova</b>	Orange Moldova (e.g. Voxtel)
<b>Poland</b>	PTK Centertel ORE TP Invest Telefony Podlaskie TP SA TP EmiTel Exploris (e.g. TP Edukacja i Wypoczynek) TP Teltech Contact Center sp z o o Wirtualna Polska Equant Sofrecom Polska sp zoo PTE TP SA Fundacja Orange Paytel SA Ramsat SA Prado Sp z o o
<b>Dominican Republic</b>	Orange Dominicana SA (e.g. Rép. Dom. Mob.)
<b>Romania</b>	Orange Romania (EUR) Equant
<b>Russia</b>	Equant
<b>Senegal</b>	Equant Sonatel Mmedia Sonatel IG Sonatel Mobiles IG Sonatel Business Solutions (e.g. CG e-Solutions)
<b>Slovakia</b>	Orange Slovensko (e.g. Globtel) Orange CorpSec Equant
<b>Switzerland</b>	Etrali Suisse OCH (e.g. OCSA) Equant Telecom Systems

**Appendix 2 – STRUCTURE OF THE WORLDWIDE WORKS COUNCIL**

<b>country</b>	<b>Number of employees on 31/12/2009:</b>	<b>%</b>	<b>Main company</b>	<b>Number of representatives</b>
France	100,485	63.1%	France Telecom	9
Argentina	518	0.33%	Sofrecom Consultora	1
Belgium	1,719	1.08%	Mobistar	1
Brazil	489	0.31%	Equant	1
Cameroon	590	0.37%	Orange Cameroon	1
Ivory Coast	1,577	0.99%	CI TELCOM	1
Egypt	3,813	2.39%	ECMS	1
Spain	3,295	2.07%	FT Españã	1
USA	1,311	0.82%	Equant	1
Great Britain <sup>(1)</sup>	987	0.62%	Equant	1
India	1,992	1.25%	Equant	1
Jordan	2,222	1.39%	Jordan Telecom	1
Kenya	2,313	1.45%	Telkom Kenya	1
Madagascar	521	0.33%	Orange Madagascar	1
Mauritius	839	0.53%	Mauritius Telecom	1
Moldova	759	0.48%	Orange Moldova	1
Poland	26,349	16.54%	TP SA	3
Dominican Republic	1,093	0.69%	Orange Dominicana SA	1
Romania	2,751	1.73%	Equant	1
Russia	854	0.54%	Equant	1
Senegal	1,899	1.19%	Sonatel	1
Slovakia	1,279	0.80%	Orange Slovensko	1
Switzerland	1,646	1.03%	OCH	1
<b>TOTAL</b>	<b>159,301</b>	<b>100.0%</b>		<b>33</b>

<sup>(1)</sup> Except Orange UK which is not consolidated