“With the new environmental targets for 2012 we are setting our sights even higher.”

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Since 1997, Thales has been committed to a responsible approach to environmental protection. With nearly 68,000 employees in 50 countries, the Group has developed a specific policy, which is embedded in its ethical principles, aimed at reducing the impacts and risks from its sites and activities.

This environmentally focused approach also has to be integrated into the high-technology systems, products and services we provide to customers in the aerospace, space, defence, transportation and security markets.

Our first site was certified ISO 14001 in 2000, and today we have 118 sites that have received this certification. Underpinning this progress is a transverse approach designed to enable sharing of experience, since across-the-board buy-in by all personnel is the only way that we can meet these challenges. This approach has allowed us to develop networks and new working methods, as well as associated communications and training programmes, throughout the Thales Group. Every year, a detailed analysis and assessment of environmental performance is carried out at Group level. Thales continues to make progress against its targets for energy consumption, waste management and reduction of CO2 emissions. To achieve further improvements in our performance, new targets have been set for 2011-2012 which go beyond the environmental impact of our activities to encompass our suppliers as well as our products and services.

"With the new environmental targets for 2011-2012, we are setting our sights even higher."

LUC VIGNERON
CHAIRMAN & CEO
OF THALES
NEW TARGETS FOR 2012

Building on the commitments made in 2008-2010, Thales has set new targets for the 2011-2012 period, which will be translated into Group-wide and local action plans within the scope of the Environment Management System.

<table>
<thead>
<tr>
<th>Eco-Design</th>
<th>Waste</th>
<th>Air</th>
</tr>
</thead>
<tbody>
<tr>
<td>Environmental impact of products and services (at the bid, project, design and development stages) included in</td>
<td><strong>10%</strong> reduction in non-hazardous waste per person.</td>
<td><strong>10%</strong> reduction in CO₂ emissions caused by energy consumption and substances listed in the Kyoto protocol.</td>
</tr>
<tr>
<td><strong>50%</strong> of ISO 14001 certificates.</td>
<td></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Eco-purchasing</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Evaluation of the environmental maturity of</td>
<td><strong>5%</strong> reduction in energy consumption.</td>
<td><strong>10%</strong> reduction in CO₂ emissions related to business travel (per person).</td>
</tr>
<tr>
<td><strong>50%</strong> of the Group’s top 1,000 suppliers to support continuous improvement.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

YEARS OF ENVIRONMENTAL COMMITMENT

<table>
<thead>
<tr>
<th>YEAR</th>
<th>EVENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>Creation of network of product HSE (Health, Safety, Environment) managers and revision of Group targets in order to incorporate environmental factors into product design.</td>
</tr>
<tr>
<td>2010</td>
<td>Full integration of HSE process into the Group reference system, and incorporation of environmental approach into other processes (purchasing, design, bids, projects, etc.).</td>
</tr>
<tr>
<td>2009</td>
<td>Environment Department reports to Operations Department.</td>
</tr>
<tr>
<td>2008</td>
<td>Simultaneous award of ISO 14001 and OHSAS 18001 certification for the entire Aerospace Division.</td>
</tr>
<tr>
<td>2007</td>
<td>Formal definition of Group environmental policy.</td>
</tr>
<tr>
<td>2005</td>
<td>First worldwide environmental objectives.</td>
</tr>
<tr>
<td>2003</td>
<td>Signing of UN Global Compact. First annual environment report.</td>
</tr>
<tr>
<td>2001</td>
<td>Environment established as a core principle in the Code of Ethics.</td>
</tr>
<tr>
<td>2000</td>
<td>First ISO 14001-certified site (Hengelo in the Netherlands).</td>
</tr>
<tr>
<td>1997</td>
<td>First Environment Master Plan.</td>
</tr>
</tbody>
</table>

For more environmental indicators, please visit the Thales website at www.thalesgroup.com/environment
EVER-INCREASING ENGAGEMENT

Thales’s environmental reporting process, which involves the collection, validation and consolidation of environmental data from sites and Corporate, has been reviewed by an independent third party (Ernst & Young), whose statement is included at the end of this report. This external audit is supplemented by internal reviews performed by the Audit and Internal Control Department.

153 entities involved in environmental reporting.

27 countries — representing 90% of the overall Thales workforce, and 90% of total revenues — contributed to the environmental reporting process in 2011. This very high level of coverage reflects Thales’s commitment to Group-wide engagement with the environmental policy.
Thales is committed to continuous improvement of its environmental performance and more effective management of the health and environmental impacts and risks associated with its activities. In 2011, the Group revised its policy to include new challenges, such as incorporating environmental factors into the design of its products and services.
A RESPONSIBLE APPROACH

Environmental responsibility is one of the Thales Group’s core ethical principles, reflecting the strength of corporate management’s commitment to environmental issues. To engage all the players involved, Thales has produced a revised edition of its environmental policy, which is available in several languages and issued to all Group sites around the world. In addition to ensuring compliance with applicable regulations and anticipating future regulatory changes, the policy has five key areas of focus:

Prevention of impacts on people and the environment arising from the Group’s activities:
• by reducing and controlling the impact of the environment on health,
• by respecting biodiversity and cultural heritage.

Incorporation of environmental factors into the design of products and services:
• by limiting their environmental footprint whenever possible,
• by using the environment as a driver of innovation.

Consumption of fewer natural resources:
• by limiting dependence on fossil fuels,
• by saving water.

Significant reduction in CO₂ emissions:
• by leveraging the Group’s expertise,
• by reducing business travel and increasing the use of greener modes of transport.

Fostering a spirit of innovation with regard to the environment:
• by sharing expertise,
• by communicating transparently,
• by encouraging the involvement of employees, suppliers and other stakeholders.
These areas of focus are used as a basis for defining targets at Group-wide level. Each site is required to implement a continuous improvement programme aimed at meeting these targets and encompassing buildings, production and design activities, bid and project management, as well as support functions such as purchasing and real estate.

A structured organisation

Reflecting Thales’s commitment to environmental issues, the Environment Department now reports to the SVP, Operations, a member of the Executive Committee. As part of its efforts to continuously improve its environmental performance and ensure effective mitigation of risks, the Group has implemented a twotier organisation: a corporate environmental team responsible for formulating strategy, policy and processes and overseeing their implementation across the Group; and a global network of environmental managers responsible for implementing Group policy at region, country and site level. This organisation has been expanded to encompass a network of “product environmental managers” to take environmental issues into consideration earlier in the product development process.

A continuous improvement process

To meet its environmental objectives, Thales has underscored the importance of managing environmental impacts and risks in a number of ways. In the Group’s new reference system, managing environmental impacts and risks has become a process in its own right, to be applied by all employees across the Group. The new process is currently being deployed to all entities worldwide.

The process has two key areas of focus:
• operational sites and activities (buildings, industrial facilities, equipment, work sites),
• products and services (design, bids, projects, etc.).

Required practices for managing environmental impacts and risks, as well as methodological guides and rules applicable at all levels of the organisation, have been defined and disseminated. The new process has already been integrated into various functions, such as Purchasing, Quality, Real Estate and Legal, and is being rolled out to cover all functions and activities within the Group, thereby helping to embed environmental considerations into the design and development of all of Thales’s products and services.

Controlling risk

Environmental damage has been identified as one of the main risks that Thales faces as a Group. For many years, Thales has conducted regular analyses and updates of environmental risks to keep pace with changes in its business activities, scientific and technical developments, and emerging environmental challenges.

These analyses are used for risk mapping exercises with the following objectives:
• Verify that site employees and local communities are not exposed to health and environmental risks
• Check that activities do not present a threat to the environment
• Ensure the compliance of activities and products
• Evaluate the impact of new regulations on product design and other activities.
Risk mapping provides an overview of areas for improvement, which are addressed via action plans either at Group level or locally. Since 2007, the Group’s Risk and Internal Control Committee has overseen an annual analysis of the risk management system by each of the Group’s legal entities, leading if necessary to the development of an improvement plan in collaboration with Group experts. Management of environmental risks also encompasses disposals or acquisitions of assets, in respect of which it is important to limit the type, value and duration of any guarantees provided.

Risks arising from accidents such as fire or pollution are managed locally, with the support of the Corporate organisation if necessary. Accident prevention and management procedures, as well as procedures for handling specific complaints, are in place for such cases. Fewer than 20 incidents were reported worldwide in 2011. Examples include accidental ground spillage of small quantities of substances, limited leakages of coolant fluids, and releases in excess of allowable thresholds that were reported to the authorities.

Thales has not been fined as a result of any environmental litigation.

At 31 December 2011, the amount of reserves for environmental contingencies amounted to €7.7m.

**MAPPING NATURAL HAZARDS**

In 2011, in conjunction with its loss prevention partner AXA-MATRIX RC, Thales embarked on an initiative aimed at providing a better assessment of the exposure of its sites to the risk of natural disasters. As well as identifying sites with a potential flooding, storm or earthquake risk, the analysis also enabled Thales to anticipate the consequences of such events in human and environmental terms, and in terms of damage to property, impact on business, etc. The resulting improvement plan contains mitigations designed to limit the impact of natural hazards on site activity, and ensure continuity of customer service following a major natural event.
Environmental responsibility is one of the Thales Group’s core ethical principles. In 2011, the Group continued its training and awareness programme, as well as organising various events to build employee engagement in environmental responsibility initiatives, and promote the Group’s environmental policy.
LOOKING FOR THAT EUREKA MOMENT…

The Group-wide suggestion box system, EUREKA, was used for a special environmental challenge during European waste reduction week in 2011. Employees had the opportunity to submit their ideas for helping the Group to meet its target for the reduction of non-hazardous waste. All the ideas were analysed and appropriate action is being taken.

ENGAGING EMPLOYEES

Raising awareness among new recruits…
Thales strives to embed a genuine culture of environmental responsibility within its organisation worldwide. To support this aim, the Group develops information and awareness campaigns targeted at both newly hired and current employees. All newly hired managers are invited to participate in the Welcome to Thales convention to learn more about the Group’s organisation, businesses and values. Several departments attend the induction event to present their activities to several hundred newcomers. The new recruits are introduced to Thales’s environmental approach and the concrete actions undertaken in this area. Employees are also encouraged to submit eco-friendly tips or ideas via a dedicated suggestion box.

…and all employees
Thales provides its employees with a range of training, awareness, communication and discussion tools. The aim is to encourage personnel to take a fresh look at the environment, and to incorporate environmental issues into their work at a day-to-day level. A collaborative IT platform provides a forum for hundreds of members from around the world to exchange news and information about the Group. Members include personnel working in areas such as design, communications, etc., in addition to those involved directly in environmental management. Thales has also developed online e-learning modules to provide employees with an introduction to basic concepts of environmental risk management. The Thales training catalogue additionally includes modules specially designed for the different job families (Purchasing, Design, Sales, etc.).
**Special environmental events**

Communication is one of the keys to embedding environmental responsibility within the corporate culture. Environment departments work closely with Communications departments at all levels of the company to ensure that environmental messages are conveyed effectively. National and international events such as Sustainable Development Week, Mobility Week and Earth Day provide opportunities for sites to host events which promote the Group’s environmental approach and highlight the benefits of changing behaviours by taking tangible steps that deliver concrete results. A “best practices” kit containing information on all the initiatives undertaken by the site is distributed to members of the communications and environment network to encourage future events.

Thales’s industrial facility at Thonon, near Lake Geneva in France, for example, is close to a Natura 2000 nature conservation site, which is specially protected due to its biological diversity. On World Biodiversity Day, the site teamed with the regional Water Agency and the International Commission for the Protection of Lake Geneva (CIPEL) to host an exhibition on water and the natural environment, based around the following main topics:
- how aquatic environments function
- Lake Geneva
- the operation of the site’s wastewater treatment station, and its environmental impact.

**Engaging suppliers**

As part of its commitment to extending its environmental responsibility policy to the supply chain, Thales requires suppliers to sign the Group’s Purchasing and Corporate Responsibility Charter. This is a binding document designed to help suppliers align their policies and internal processes with the set of principles that Thales has adopted. By the end of 2011, a total of 1,459 suppliers around the world had signed up (compared with 918 in 2010). In addition, as part of their qualification process, suppliers are asked to complete a self-assessment to measure the maturity of their environmental management practices, and to help them embark on a continuous improvement process. Completed self-assessments are checked during supplier audits, which may lead to mandatory improvement plans or even supplier disqualification in the event of failure to comply with essential Thales criteria. To help drive this initiative forward, the Group Purchasing Department has set a target for 2011-2012 of evaluating the environmental maturity of 50% of the Group’s top 1,000 suppliers.

Thales has worked closely with selected suppliers over many years to address potential improvements in areas including office supplies, business travel, car hire, chemicals, energy and certain types of components.
Other stakeholders

Thales is committed to complete transparency in its communications with local authorities and local communities. Sites provide information on a proactive basis where necessary, for example when specific activities are likely to create exceptional noise levels, or in the event of a pollution incident or a release in excess of the allowable threshold. Procedures are also in place to deal quickly with complaints and provide an appropriate response in all cases. Thales makes its environmental data available on its website to meet the needs and expectations of investors, customers, ratings agencies and society in general. Questions can also be sent to the Environment Department via a special email address.

The Group also works with schools to highlight environmental issues, making presentations on climate change, natural resources and academic research projects.

**NEWSWEEK GREEN RANKINGS 2011**

Thales was ranked the 79th greenest company in the world, and sixth greenest in France, in the American magazine *Newsweek’s* 2011 Green Rankings.

The Green Rankings assess the 500 largest publicly held companies based on three separate metrics:

* an environmental impact score (based on greenhouse gas emissions, water use, waste, etc.),
* a “green policies” score,
* a “reputation survey” score.

**CARBON DISCLOSURE PROJECT**

Thales scores 80/100 in 2011

Since 2005, Thales has reported to the Carbon Disclosure Project (CDP), in complete transparency, on its climate change strategy and its progress in reducing CO2 emissions. The CDP brings together over 550 institutional investors managing assets of 71 trillion dollars worldwide. Its aim is to assist investment decisions taken by its members by informing them of the effects of climate change on companies.

The winning photos from the 2011 Earth Day photography competition.
PRESERVING THE ENVIRONMENT AND BIODIVERSITY

The Group is committed to reducing the environmental footprint of its activities by analysing their impact and the associated risks for people and the environment. Alongside technical and organisational measures, the most effective ways of delivering performance improvements are to share best practices and support behavioural changes.
REDUCING CONSUMPTION OF NATURAL RESOURCES

Thales has been developing a natural resources strategy for several years, and has introduced various programmes aimed at controlling and reducing consumption. These programmes focus on areas such as energy efficiency of buildings and industrial processes, optimisation of water use, and best practice information campaigns for employees.

Energy

Thales has exceeded its previous target for cutting energy consumption (an 11% reduction between 2008 and 2010, measured in tonnes of oil equivalent). The Group is continuing to focus effort on this vitally important area, targeting a further 5% reduction by the end of 2012. A 3% cut had already been achieved by the end of 2011.

Limitations on the use of fossil fuels, combined with a raft of energy saving initiatives, are key drivers behind the Group’s success in reducing its energy footprint.

Water

Water is a fundamental resource that needs to be preserved. The programme to reduce water consumption launched in 2000 continues to deliver results, with a 26% reduction achieved at worldwide level, and 48% in France, between 2007 and 2011.

For more environmental indicators, please visit the Thales website at www.thalesgroup.com/environment/
REDUCING WASTE

As part of its waste targets, Thales aims to reduce the quantity of waste it produces, as well as the amount sent to landfill. In 2010, the Group exceeded its previous target for reducing non-hazardous waste per person (-20% between 2008 and 2010).

Thales is continuing to focus effort on this area, targeting a further 10% reduction by the end of 2012. An 8% cut had already been achieved by the end of 2011.

Volumes of waste paper and packaging continue to fall (by 10% and 9% respectively compared with 2010), while recycling of non-hazardous waste has risen, from 31% in 2007 to 55% in 2011.

Particular attention is also devoted to hazardous waste, with a significant reduction in volumes driven mainly by the move towards cleaner industrial processes.

CONTROLLING NOISE AND ODOURS

Noise

Noise is also a concern for Thales, despite the fact that its activities generate little in the way of noise pollution. Cooling systems are the commonest sources of noise pollution, and precautions are taken to limit noise levels associated with this equipment.

Noise levels are periodically checked, and the few sites where noise is a particular issue are equipped with acoustic attenuation systems, or only conduct noise-generating activities within specific time periods.

In addition, local residents are always notified of future activities that will generate exceptional amounts of noise. The increasing use of computer simulations for pyrotechnic testing, for example, also helps to reduce noise.

Odours

In general, Thales’s activities do not generate olfactory nuisances. Only one entity in Australia is liable to emit odours at significant levels. Systems designed to capture atmospheric releases have been installed at the facility concerned, and are subject to regular checks. No complaints have been made to date.

TREND IN WASTE PRODUCTION

<table>
<thead>
<tr>
<th>Year</th>
<th>Total production in tonnes</th>
<th>% in landfill</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>6,012</td>
<td>48%</td>
</tr>
<tr>
<td>2010</td>
<td>2,888</td>
<td>20%</td>
</tr>
<tr>
<td>2011</td>
<td>2,855</td>
<td>14%</td>
</tr>
</tbody>
</table>

*Non-hazardous waste production
Hazardous waste production
% of hazardous waste in landfill

Electrical and electronic waste collection.
LIMITING DISCHARGES

Industrial atmospheric discharges

In general, Thales’s activities do not generate atmospheric discharges, with the exception of those linked to site operation (in particular heating). Industrial discharges to the atmosphere are collected and treated where necessary by means of air filters, gas scrubbers, etc., and regularly checked. The most frequent discharges involve solvents.

Solvent discharges to the atmosphere

With the exception of the Mulwala propellant manufacturing plant in Australia, the use of solvents is mainly linked to isolated individual activities such as paintwork detailing or small-capacity component degreasing baths. The quantities used are therefore limited. However, it is difficult to measure atmospheric emissions, since the emanations are not systematically collected. As a result, the quantity of solvents purchased is used as an indicator for analysing consumption in the environmental reporting system.

Ninety per cent of solvent purchases concern just five sites, and 80% are purchased for the Mulwala facility alone. Discharges from this site comply with official licenses, and the authorities do not consider that they present a hazard for the environment. However, the site has implemented a programme aimed at reducing solvent emissions, with rollout of the associated process scheduled for completion in 2012. Importantly, several sites have replaced solvents with detergents, or have eliminated solvent use altogether.

Industrial wastewater discharges

Thales’s activities generate little in the way of industrial wastewater discharges. Ninety per cent of such discharges originate from just five sites. Changes in industrial processes and wastewater treatment methods have brought considerable reductions. Key measures include a policy of “zero industrial discharges”, whereby 100% of industrial wastewater is treated and recycled. Some sites that are not connected to public networks discharge their industrial wastewater into surface water, after treatment, in accordance with regulations, and with the approval of local authorities.

BREAKDOWN OF ENTITIES BY QUANTITY OF SOLVENTS PURCHASED IN 2011

AGRICLEANING: USING BIOPRODUCTS TO CLEAN CIRCUIT BOARDS

AGRICLEANING is an experimental project to develop a new process for precision cleaning of printed circuit boards and assemblies using environmentally-friendly plant-based products (bio-solvents and bio-surfactants) that generate zero discharges. The aim is to achieve cleaning performance equivalent to petrochemical solvents such as hydrofluorocarbons (HFCs) or glycol ethers. The AGRICLEANING project is being conducted by Thales and the electronics firm Eolane, as well as the agro-industrial chemistry laboratory at the ENSICET chemical engineering school in Toulouse. An overall assessment of CO₂ emissions has revealed that the use of a plant ester can deliver a four-fold reduction in greenhouse gas emissions (in terms of CO₂ equivalent) compared with cleaning with the hydrochlorofluorocarbon HCFC 141b. This process will help Thales to meet future regulations governing the use of chemicals and further reduce the environmental footprint of its activities.
PROTECTING NATURAL SITES AND PRESERVING BIODIVERSITY

Staff from Thales sites which include habitat for protected species or are located close to protected areas are provided with special training and information to ensure that they are aware of the issues involved.

Land use
When choosing locations for its sites, Thales takes into account environmental criteria including climate-related and geological risks, the impact of its activities on local communities and the environment, and land use factors. The objective is to optimise compatibility between the Group’s activities and the environment.

Although the majority of the Group’s sites (56%) are located in industrial areas, activities such as pyrotechnics need special locations and large buffer zones need to be set aside because of the risks involved. These buffer zones account for almost 78% of the total area of the Group’s sites. However, steps are taken to enhance their value by promoting biodiversity, for example by converting them into pasture or even arable land.

Soil erosion is also taken into account whenever warranted by local geographical conditions.

Since 1998, the Group has also been engaged in an extensive pollution risk assessment programme. Few sites have shown significant signs of contamination, and where contamination has been identified, it is usually due to earlier industrial practices. When remediation is feasible, decontamination work is carried out to minimise the impact on natural resources and the environment by ensuring that waste is treated locally rather than transferring pollutants to other sites. The water table is periodically monitored at industrial sites and sites located in industrial areas.

Flora and fauna
Particular attention is paid to protecting plant and animal species at a number of sites. Inventories of species are carried out, either on a volunteer basis or in partnership with the authorities or local biodiversity protection organisations.

The Moirans site, for example, is located in France’s Isère department, an area of exceptional biodiversity which is home to over half of the country’s vertebrate species. However, the Isère has already lost twenty species of breeding birds, as well as three species of mammals and one species of reptile.

Species recorded on the Thales site itself include beech marten, barn owl, hedgehog, kestrel and red-legged partridge. Site employees have taken a number of steps aimed at improving habitats, including landscaping, creation of natural areas, and provision of feeders and nesting boxes. In addition, a specialist has conducted a survey to record all the species present on site.

Specific features have also been introduced at other sites to preserve traditional habitats.

2011: INTERNATIONAL YEAR OF THE FOREST

To celebrate International Year of the Forest, the Vélizy site hosted a photography exhibition devoted to the forest and to agroforestry, providing site personnel with an opportunity to admire a series of superb photographs and find out about the challenges of forest conservation and biodiversity.
At Hengelo (Netherlands), for example, the forests and open grasslands which make up more than half of the Thales site’s 39 hectares provide a haven for a range of animal species, including predators such as martens, wildcats and birds of prey, as well as rabbits, hares, pheasants and even deer.

Sharing habitat with Thales’s operations can present problems in that some of these animals cause significant damage to electrical installations and cables. Nonetheless, the majority of the species recorded are protected in the Netherlands, and there are even rules prohibiting them from being “disturbed”. So the damage is accepted – and repaired.

The plant life that flourishes in this enclosed area is managed using 100% natural techniques. A neighbouring farmer cuts the grass in part of the grassland, and the remainder is grazed by sheep.

The oldest buildings at the site are home to several species of bat, monitored by a local neighbourhood group. Respect for life and a commitment to biodiversity goes back a very long way at Hengelo: a few years ago, human remains dating back to the stone age were found on the site, and are now on display in the local natural history museum.

Measures to protect and preserve biodiversity are becoming increasingly common at all the Group’s sites. All new plant species introduced in landscaping projects, for example, are subjected to careful analysis to ensure that they are compatible with the local environment.
FIGHTING CLIMATE CHANGE

Thales recognises that climate change is a vitally important issue, and has adopted a policy to help fight climate change through measures focused on energy sources, the use of certain substances, transport and the design of products and services.
CO2 emissions are split into scopes based on sources of emissions in accordance with the Greenhouse Gas Protocol.

*Scope 1: emissions from gas, coal, fuel oil and substances;
**Scope 2: emissions from electricity and steam;
***Scope 3: emissions resulting from business travel.

MEASURING EMISSIONS

Since Thales introduced indicators of CO2 emissions and set emission-reduction targets several years ago, awareness of the impact of Thales’s activities on climate change has grown and a number of new opportunities have been identified.

To measure its greenhouse gas emissions, Thales has developed a methodology that is consistent with its activities and is based on the Greenhouse Gas Protocol created in 1998 by the World Resources Institute and the World Business Council for Sustainable Development.

For a number of years, Thales has been taking steps to reduce its carbon footprint by cutting CO2 emissions caused by its activities (energy consumption and the use of substances that contribute to the greenhouse effect) and by business travel. CO2 emissions have been significantly reduced thanks to local improvement initiatives undertaken in partnership with suppliers and the “travel less, travel better” policy. Special events and communications campaigns are regularly organised to help change employee behaviours by highlighting the benefits of using alternative modes of transport.

REDUCING CO2 EMISSIONS
(CO2 emission factors defined by the Greenhouse Gas Protocol changed in June 2011)

<table>
<thead>
<tr>
<th>Scope</th>
<th>2010</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scope 1*</td>
<td>124,028</td>
<td>94,330</td>
</tr>
<tr>
<td>Scope 2**</td>
<td>176,445</td>
<td>181,127</td>
</tr>
<tr>
<td>Sub-total (1+2)</td>
<td>300,473</td>
<td>275,457</td>
</tr>
<tr>
<td>Scope 3***</td>
<td>111,441</td>
<td>105,979</td>
</tr>
<tr>
<td>Total (in tonnes)</td>
<td>411,914</td>
<td>381,436</td>
</tr>
</tbody>
</table>

CO2 emissions are split into scopes based on sources of emissions in accordance with the Greenhouse Gas Protocol.

Reduction between 2010 and 2011 in CO2 emissions associated with substances listed in the Kyoto Protocol

RENTAL CARS
(average CO2 emissions per vehicle in g/km)

<table>
<thead>
<tr>
<th>Year</th>
<th>2008</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>202</td>
<td>154</td>
</tr>
</tbody>
</table>

COMPANY CARS
(average CO2 emissions per vehicle in g/km)

<table>
<thead>
<tr>
<th>Year</th>
<th>2008</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>152</td>
<td>127</td>
</tr>
</tbody>
</table>

RENTAL CAR USAGE
by CO2 emissions (in %)

For more environmental indicators, please visit the Thales website at www.thalesgroup.com/environment/
FRANCE PREPARES TO LAUNCH ECOTAXE HGV TOLL SCHEME

From mid-2013, the French government’s Ecotaxe toll collection scheme will be applied to French and foreign heavy goods vehicles of over 3.5 tonnes using roads in mainland France. In addition to the environmental benefits of encouraging the transfer of traffic from road to rail and river, the scheme also delivers financial benefits. Heavy goods vehicles covered by the scheme will be equipped with an onboard GPS device, which will allow the toll to be calculated on the basis of vehicle class and distance travelled. Toll collection will be enforced automatically, with equipment installed on fixed gantries deployed around the road network, or manually by enforcement staff. Thales is supplying the vehicle tracking system, which includes the technical supervision system and troubleshooting centre. Thales is also contributing to the design of the satellite positioning solution, and the overall security of the Ecotaxe system.

Driving the environmental benefits of rail transport…

In today’s increasingly urbanised world, creating sustainable conditions for urban mobility and inter-city travel is an important way of reducing CO2 emissions. Thales plays an important role by supplying transport operators with the systems they need to operate their infrastructures more efficiently while improving the service they provide to customers.

For example, Thales deploys interconnected public transport fare collection systems that allow passengers to use different modes of transport at regional or national level with a single ticket. Thales was the first supplier in the world to deploy technology associated with the new European rail signalling standard, and is currently the world leader in the field. All the major players in the transport sector have contributed to the new standard, which is now being rolled out, and will eventually form the basis of an interconnected Europe-wide rail network.

…road transport…

Toll systems for trucks, like those introduced in Germany, Switzerland and Austria, help regulate road traffic flows and provide revenues for vital infrastructure upgrades. As a member of the Ecomouv consortium, Thales is deploying an EU-compliant heavy goods vehicle toll collection and control system in France (see box). Thales is also a recognised expert in highway supervision and information systems designed to improve the driving experience. Recent contract awards in this segment include the NTIS project for the UK Highways Agency in 2011.

…and air transport

With air traffic volumes set to expand significantly in the coming years, there is an urgent need for the air transport sector to reduce its environmental footprint. Thales is part of the Clean Sky European research programme, a public-private partnership aimed at reducing CO2, nitric oxide and noise emissions of aircraft by 40%, 60% and 50% respectively between now and 2020. As a founding member of the programme, Thales is coordinating one of the six main research topics, “Systems for Green Operations”, which aims to reduce aircraft energy consumption through trajectory management, notably during take-off and approaches. Thales is also coordinating Clean Sky’s “Technology Evaluator”, a simulation tool that will be used to assess the environmental impact of the programme. In addition, the Group is taking part in the SESAR programme, whose objectives for 2020 are to enhance air traffic management, improve safety, and achieve a 10% reduction in related consumption and emissions by optimising vertical and horizontal trajectories.
Monitoring the climate
As the global climatological and environmental crisis continues to unfold, with inevitable effects on the planet and on human life, the industrial and scientific community is mobilising to provide solutions. Thales is a key player in space-based Earth observation programmes, providing high-resolution optical and radar imaging systems that promote a better understanding of climate change and more effective environmental monitoring. The Poseidon altimeter, for example, uses mapping of ocean surface topography to determine patterns of ocean circulation, improving our understanding of this important component of the planet’s climate system. The MERIS camera, meanwhile, provides high-quality images of the planet and its oceans on a daily basis, showing the continually changing face of the biosphere by recording phenomena such as plankton efflorescence and changes in vegetation cover.

As part of the European GMES (Global Monitoring for Environment and Security) programme, the European Space Agency has selected Thales Alenia Space as prime contractor for the design, development and integration of the Sentinel-3 satellite, which will provide data on sea surface topography, as well as carrying out ice, land and vegetation monitoring.

Promoting engagement with climate change
In addition to reducing greenhouse gas emissions from its own activities, Thales encourages its partners to take a responsible attitude to the issue. For example, since 2009 the Group has co-chaired the Carbon working group of the French aerospace industries association (GIFAS), which provides methodological guides and organises briefing sessions to articulate the industry position, disseminate best practice, and foster a better understanding of key challenges and obligations. Case studies by the companies involved, including Thales, have helped illustrate the approach. Thales is also engaged in partnerships with other industry players as well as research laboratories and government agencies. A new university chair in greenhouse gas emissions monitoring, inaugurated in 2011, provides a perfect example. Scientific partners supporting the professorship include the Laboratoire des Sciences du Climat et l’Environnement (LSCE), the French atomic energy commission (CEA), the University of Versailles Saint-Quentin-en-Yvelines and the French scientific research agency (CNRS), while industrial partners include Veolia Eau and Thales Alenia Space.

WORLD SOLAR CHALLENGE: OVER 1,800 MILES USING ONLY THE POWER OF THE SUN

The World Solar Challenge is a biennial solar-powered car race, first run in 1987, which covers 3,021 km (1,877 miles) through the Australian Outback, from Darwin in the north to Adelaide in the south. The 2011 race attracted 39 teams from around the world. Thales provided its expertise and facilities to support Solar Team Twente – made up of students from the Twente region in the Netherlands – in the design, development and testing of the vehicle, as well as in the coaching of team members before and during the competition. The team finished in fifth place at the end of the six-day race.
PRODUCT DESIGN

Most of Thales’s products require a very high level of security and reliability, and therefore leave little flexibility during the design process. Nevertheless, Thales leverages its technical expertise and participates in various national and transnational programmes as part of an overall strategy of incorporating environmental criteria into the design of its products and services.
ORGANISING IN SUPPORT OF ECO-DESIGN

The Group’s 2011 environment policy update provided a stronger focus on eco-design, and confirmed Thales’s commitment to “design, produce and supply products and services that incorporate health, safety and environmental requirements”, “contribute to the development of environmentally friendly technologies”, and “participate in national and international programmes to improve understanding and protection of the environment”.

The Group’s reference system underpins this policy by incorporating an environmental focus into all relevant processes, such as bid and project management, design, development, through-life support and decommissioning. A network of product HSE (Health, Safety, Environment) managers has been set up to oversee implementation of the reference system.

A range of training and communications tools has been developed to support the network, including seminars, e-learning modules, and a brand new training programme dedicated to eco-design that is delivered by Thales University and is available to all Group employees.

A module aimed at enhancing awareness of eco-design issues is also incorporated into training programmes for product designers and developers.

In addition, Thales is developing a series of tools and methods to support the eco-design initiative, including a global database listing the environmental characteristics of over 300,000 components and around 3,000 chemical compounds. The database contains compliance data for regulations such as REACH* (Registration, Evaluation, Authorisation and Restriction of Chemicals), and is periodically updated to include the latest changes.

* REACH aims to regulate the use of certain substances, and to gradually withdraw from the market those which are deemed dangerous to health and the environment.
Like all industry players, Thales is required to identify hazardous substances present in the components it uses, and to disclose this information to stakeholders (customers, regulatory bodies, etc.).

Other tools are being developed for use in conjunction with the database to guide designers in their choices.

**INNOVATING FOR THE DEVELOPMENT OF GREEN TECHNOLOGIES**

Thales is committed to developing equipment that combines innovative technologies with a smaller environmental footprint, in spite of the tough security and reliability constraints on the majority of its products. Breakthrough technologies and new architectures are key to reconciling these two elements while at the same time maintaining basic functionalities and adapting to external change.

Reflecting the Group’s commitment to green technologies, Thales has adopted a number of innovative ideas to reduce energy consumption in its latest generation of radar systems, such as the use of gallium nitride (see box) and low-consumption multi-layer processors, and the elimination of energy-hungry moving parts.

New systems architectures help reduce the number of radars that platforms need to carry, as well as making radars more compact and lightweight, thereby cutting CO2 emissions. Thales has also developed new concepts for passive radars that do not emit energy themselves, but use existing radio and television broadcast signals.

Finally, to combat radar interference from wind turbines, the Group’s specialists have devised a series of algorithms that enable wind turbines and radars to operate in the same vicinity.

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**THALES: EUROPE’S LEADING SUPPLIER OF RADARS INCORPORATING GALLIUM NITRIDE (GaN)**

For several years, Thales has been conducting research and development work on gallium nitride (GaN), a new material whose unique properties can help reduce the environmental impact of electrical and electronic equipment. A real technological breakthrough, gallium nitride offers exceptional potential for reducing energy consumption thanks to its thermal performance, and requires fewer components to deliver the same level of power. This extremely promising technology is the subject of a new R&D programme being conducted by Thales Research & Technology on the design of eco-friendly power supplies.

**POWER CONSUMPTION OF GM400 RADAR COMPARED WITH PREVIOUS GENERATIONS**

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<td>200</td>
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<td>100</td>
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</table>
Supply chain initiative at Thales
Air Defence, Belfast (Northern Ireland)
To reduce the volumes of packaging and raw materials as well as the number of transport miles required for the manufacturing process, Thales Air Defence in Belfast set up several working groups comprising Thales employees and representatives of key suppliers to develop and implement new ideas.

The key benefits of the initiative are as follows:
• 25% reduction in transport;
• 93% reduction in packaging;
• 85% of light alloys reused.

A more eco-friendly tube
Thales Electron Devices has developed a horizontal multi-beam klystron featuring waveguides pressurised with air rather than sulphur hexafluoride (SF6). SF6 has a global warming potential of almost 23,000 times that of CO2, and is no longer part of the design process.
The tube is being manufactured for Deutsches Elektronen Synchrotron (DESY), Germany’s leading particle physics research centre. It will be used in the new XFEL particle accelerator to be installed at the centre’s Hamburg facility.

A tree for every takeoff…
Air crews require the equivalent of an entire tree in paper documentation every time an aircraft takes off. Thales’s teams in Toulouse have developed TopWings, the digital alternative to paper documentation in the cockpit. This innovative solution comprises a single system composed of hardware and software subsystems that incorporate global data such as aerial maps, allowing aircraft to exchange information with airline operations teams on the ground in real time. The solution increases operational efficiency while reducing pilot workload, cutting the amount of paper documentation required and optimising airline costs.
The table below contains a number of items for assessing trends in the Group’s environmental performance. The approach selected integrates new countries/entities every year, with performances assessed in two phases:
- former performance for the 2007-2010 period
- extended 2010 scope including 27 countries and 154 entities, 2010 being the reference year for the new 2011-2012 targets
- The GHG Protocol CO2 emission factors changed on June 2011. 2010 data have been recalculated accordingly.

<table>
<thead>
<tr>
<th>ENVIRONMENTAL INDICATORS</th>
<th>Units</th>
<th>2007-2010 change</th>
<th>2010</th>
<th>2011</th>
<th>Trend</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ENERGY</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Electricity consumption</td>
<td>‘000 toe</td>
<td>-4.5%</td>
<td>142</td>
<td>141</td>
<td>➔</td>
</tr>
<tr>
<td>Electricity consumption per unit of revenue</td>
<td>toe/k€</td>
<td></td>
<td>11.9</td>
<td>11.9</td>
<td></td>
</tr>
<tr>
<td>Fossil fuel consumption</td>
<td>‘000 toe</td>
<td>-42%</td>
<td>27</td>
<td>23</td>
<td>➖</td>
</tr>
<tr>
<td>Fossil fuel consumption per unit of revenue</td>
<td>toe/k€</td>
<td></td>
<td>2.3</td>
<td>1.9</td>
<td></td>
</tr>
<tr>
<td>Total energy consumption</td>
<td>‘000 toe</td>
<td>-11%</td>
<td>173</td>
<td>168</td>
<td>➖</td>
</tr>
<tr>
<td>Total energy consumption per unit of revenue</td>
<td>toe/k€</td>
<td></td>
<td>14.5</td>
<td>14.1</td>
<td></td>
</tr>
<tr>
<td><strong>WATER</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Water consumption</td>
<td>‘000 m³</td>
<td>-21%</td>
<td>2,052</td>
<td>1,922</td>
<td>➖</td>
</tr>
<tr>
<td>Water consumption per unit of revenue</td>
<td>m³/k€</td>
<td></td>
<td>171</td>
<td>162</td>
<td></td>
</tr>
<tr>
<td><strong>WASTE</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Production of non-hazardous waste (excluding exceptional waste)</td>
<td>tonnes</td>
<td>-21%</td>
<td>13,390</td>
<td>12,309</td>
<td>➖</td>
</tr>
<tr>
<td>Per capita production of non-hazardous waste (excluding exceptional waste)</td>
<td>kg/pers.</td>
<td>-19.8%</td>
<td>190</td>
<td>175</td>
<td>➖</td>
</tr>
<tr>
<td>Percentage of non-hazardous waste recycled (1)</td>
<td>%</td>
<td>+31%</td>
<td>82</td>
<td>84</td>
<td>➖</td>
</tr>
<tr>
<td>Production of hazardous waste (2)</td>
<td>tonnes</td>
<td>-4.6%</td>
<td>2,945</td>
<td>2,855</td>
<td>➖</td>
</tr>
<tr>
<td>Percentage of hazardous waste recovered (1)</td>
<td>%</td>
<td>+22%</td>
<td>81</td>
<td>80</td>
<td>➖</td>
</tr>
<tr>
<td><strong>INDUSTRIAL WASTEWATER</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wastewater discharge</td>
<td>‘000 m³</td>
<td>-57%</td>
<td>531</td>
<td>524</td>
<td>➖</td>
</tr>
</tbody>
</table>
## Environmental Indicators

### CO2

<table>
<thead>
<tr>
<th></th>
<th>Units</th>
<th>2007-2010 change</th>
<th>2010</th>
<th>2011</th>
<th>Trend</th>
</tr>
</thead>
<tbody>
<tr>
<td>CO2 emissions from energy use</td>
<td>'000 t CO2</td>
<td>-18.30%</td>
<td>247</td>
<td>237</td>
<td>✔</td>
</tr>
<tr>
<td>Per capita CO2 emissions from energy use</td>
<td>kg CO2/pers.</td>
<td>-17.30%</td>
<td>3,509</td>
<td>3,373</td>
<td>✔</td>
</tr>
<tr>
<td>CO2 emissions linked to Kyoto Protocol substances</td>
<td>'000 t CO2</td>
<td>-10%</td>
<td>37</td>
<td>21</td>
<td>✔</td>
</tr>
<tr>
<td>of which CO2 emissions linked to SF6</td>
<td>'000 t CO2</td>
<td>-27.80%</td>
<td>25</td>
<td>15</td>
<td>✔</td>
</tr>
<tr>
<td>CO2 emissions from business travel (company-wide)</td>
<td>'000 t CO2</td>
<td>-14.70%</td>
<td>111</td>
<td>106</td>
<td>✔</td>
</tr>
<tr>
<td>Per capita CO2 emissions from business travel</td>
<td>kg CO2/pers.</td>
<td>-14.30%</td>
<td>1,665</td>
<td>1,582</td>
<td>✔</td>
</tr>
</tbody>
</table>

### CO2 SCOPES according to GHG Protocol

<table>
<thead>
<tr>
<th></th>
<th>Units</th>
<th>2007-2010 change</th>
<th>2010</th>
<th>2011</th>
<th>Trend</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scope 1 (gas, fuel oil, coal, substances)</td>
<td>'000 t CO2</td>
<td>-30.70%</td>
<td>124</td>
<td>94</td>
<td>✔</td>
</tr>
<tr>
<td>Per revenues Scope 1</td>
<td>kg CO2/k€</td>
<td>10.4</td>
<td>8</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Scope 2 (electricity, steam)</td>
<td>'000 t CO2</td>
<td>-6%</td>
<td>176</td>
<td>181</td>
<td>✔</td>
</tr>
<tr>
<td>Per revenues Scope 2</td>
<td>kg CO2/k€</td>
<td>14.7</td>
<td>15.3</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Scope 3 (business travel by air, rail, road)</td>
<td>'000 t CO2</td>
<td>-14.70%</td>
<td>111</td>
<td>106</td>
<td>✔</td>
</tr>
<tr>
<td>Total scopes 1, 2 and 3</td>
<td>'000 t CO2</td>
<td>-16.50%</td>
<td>412</td>
<td>381</td>
<td>✔</td>
</tr>
</tbody>
</table>

### OTHER

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</tr>
</thead>
<tbody>
<tr>
<td>ISO 14001 certified entities</td>
<td></td>
<td>70%</td>
<td>118</td>
<td>118</td>
<td>✔</td>
</tr>
<tr>
<td>Staff concerned as percentage of total workforce</td>
<td>%</td>
<td>15%</td>
<td>75%</td>
<td>77%</td>
<td>✔</td>
</tr>
<tr>
<td>Accidents with significant impact</td>
<td></td>
<td></td>
<td>0</td>
<td>0</td>
<td></td>
</tr>
</tbody>
</table>

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1. Not sent to landfill, and not incinerated without energy recovery.
2. Excluding exceptional waste and explosives.
3. Indicators reviewed by Ernst and Young for the 2011 reporting period and included in limited assurance conclusion.

For more environmental indicators, please visit the Thales website at [www.thalesgroup.com/environment/](http://www.thalesgroup.com/environment/)
REPORTING RULES

SCOPE
Most of the environmental data recorded relates to Thales’s major countries of operation, and includes companies that are more than 50% owned or controlled by Thales. Because of changes in the scope of consolidation of the Thales Group (acquisitions and divestments), a clearly defined set of criteria, including type of business and number of employees, has been established to decide which entities are included in the scope of environmental data reporting.

REPORTING PROCEDURE
The Group-wide reference system includes an environmental reporting procedure including instructions for each successive stage of data entry, validation and consolidation. The procedure also defines the roles and responsibilities of each staff member involved and includes traceability and archiving guidelines.

INDICATORS
Environmental concerns change over time. Environmental performance indicators therefore have to evolve to stay abreast of developments and reflect the Group’s policy priorities. Different interpretations of certain indicators can lead to conflicting data from different countries. Thales is therefore adapting the indicators to make the environmental reporting system more efficient, building on lessons learned from previous years and refocusing the reporting effort on current and future environmental concerns. The reporting tool includes a full description of each indicator, and a structured method for calculating carbon footprints is also available.

REPORTING TOOL
An environmental reporting and management tool for the entire scope of consolidation of the Thales Group is available on the corporate intranet. This tool consolidates the data from each entity, country and geographic area, and for the Group as a whole. It checks data consistency and suggests country-specific units of measurement, conversion factors, etc. The same tool provides access to the rules for data entry, validation and consolidation defined in the reporting procedure.

PERFORMANCE
For easier analysis of environmental data, the Group reporting system incorporates the following principles:
• Gross values (e.g. water consumption in m³) are weighted with ratios (e.g. per capita water consumption) to take changes in the scope of consolidation (acquisitions and divestments) into account.
• Group targets are set for a given period. During that period:
  - Changes in performance are assessed on a like-for-like basis (i.e. at constant scope of consolidation).
  - Coefficients such as emission factors for CO₂ emissions are constant.
• If emission factors are modified at the start of a new period, the performance data for the reference year are recalculated using the new coefficients.
• Methodological guides to environmental reporting and calculation of CO₂ emissions are available in the Group reference system.
ASSURANCE REPORT ON CERTAIN ENVIRONMENTAL PERFORMANCE INDICATORS

To the Chairman of the Board,

At your request and in our capacity as Thales statutory auditor, we planned and performed the work to provide limited assurance on all meaningful aspects of certain environmental performance data selected by Thales ("the data") for 2011, identified in this report by the symbol ✓, in the indicator boards on pages 26 and 27. The data were prepared in accordance with:
- The Baseline for environmental data reporting, published October 29, 2010, and
- The CO2 Reporting Guideline, published February 16, 2012
hereinafter the “Reference Procedures”.

The Environment Department was responsible for preparing the performance data and establishing the Reference Procedures, which can be consulted at Thales headquarters and are described in part in the Environment Report 2011.

It is our responsibility to express an opinion of this data. Our review was conducted in accordance with the professional standards applicable in France and the International Standard on Assurance Engagement (ISAE 3000), published in December 2003. Our independence is defined by French legislation and regulations and the French Rules of Professional Conduct for Statutory Auditors.

Our opinion concerns the relevant data only, and not the complete Environment and Society Report. Higher level of assurance would have required a more extensive review.

Nature and scope of the review
To support our assurance conclusion, we have planned and performed the work to obtain all the information and explanations considered necessary:
We have reviewed the Reference Procedures regarding their precision, relevance, reliability, understandability and completeness.
We have interviewed persons in charge of environmental reporting at the corporate level to verify compliance with the Reference Procedures.
As part of our review, we have selected a limited purpose non-statistical sample of 8 sites or subsidiaries for the environmental indicators. Sites were selected based on their activity, their contribution to the Group’s consolidated data, their location and the findings of our previous reviews. For these sites and units, we have verified the understanding and application of the Reference Procedures and, on a test basis, verified the calculations and data reconciliation with the supporting documentation.
Our review covered 14 to 84% of the Thales Group consolidated environmental data.

Comments on the reference procedures
We bring the following comments on the reporting process to your attention:
Thales’ Reference Procedures appropriately describe the reporting scope, steps, as well as the roles and responsibilities of the participants.
They are distributed in English and French to the various participants.

Environmental data reporting
- Thales’ environmental reporting is based on a reporting software deployed at all units. This software has made environmental data collection more efficient.
- Environmental indicators are listed in the appendix of the Baseline for environmental data reporting; however, explicit definitions are not available. The definitions of these indicators are present in the reporting software; however, the indicators also need to be explained in the reference sent to the contributors.
- For some sites shared with other external entities, the energy or water consumptions are estimated on the basis of the site total consumption and reallocation to the different entities in proportion to the number of persons and/or surface, which may cause a significant inaccuracy.
- Wastes are monitored on a heterogeneous way within the group. The various approaches among the sites need to be harmonized.

Greenhouse gases reporting
- Thales’ reporting on greenhouse gas emissions is based on a reporting software deployed at all units. This application has made greenhouse gases data collection more efficient.
- Thales’ greenhouse gas reporting is based on the Greenhouse Gas Protocol and emission factors have been updated in 2011.

Conclusion
Based on the assurance work performed, nothing has come to our attention to suggest that the reviewed indicators have not, in all material respects, been prepared in compliance with the Reference Procedures.

1. Environmental indicators:
   - Energy: electricity and fossil energy consumption
   - CO2: CO2 emissions, linked with energy consumption, substances, SF6 and transport (business travels and company vehicles)
   - Water: water consumption
   - Waste: waste production (common, hazardous, recovered)
   - Management system: number of entities and % Thales staff in an ISO 14001 certified entity

Paris-La Défense, March 12, 2012

French original signed by
The statutory auditors
ERNST & YOUNG Audit
Nour-Eddine Zanouda

Partner in charge of the
Cleantech & Sustainability department of
ERNST & YOUNG
Christophe Schmeitzky