



GDF SUEZ

COMMUNICATION ON PROGRESS

GDF SUEZ and Sustainable Development:
Commitments in actions

June 2009

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Sustainable development: A cornerstone of GDF SUEZ Strategy

GDF SUEZ was one of the first companies to join the Global Compact when the initiative was launched by the Secretary General of the United Nations.

The GDF SUEZ Group's Sustainable Development policy, its principles of corporate governance, and its principal charters all comply with the principles of the Global Compact.

The Group and all its employees share one certainty: sustainable development is an imperative. The associated environmental, ethical, social and societal challenges are unavoidable for a company like ours.

GDF SUEZ is a major industrial player that operates by respecting the expectations and needs of its various stakeholders, while offering them practical, innovative solutions for sustainable development.

For example, we supply our customers at least cost, while managing our impact on the environment in every possible way. We develop global, integrated products and services for sustainable development, aiming to limit greenhouse gas emissions at our own installations and those of our customers.

But our Group's sustainable development vision goes even further.

GDF SUEZ's industrial dynamic is combined with a social dynamic as well. The Group sets a priority on solid, balanced growth that creates both lasting value and jobs. So social responsibility is also one of our company's main traits. Our own sustainable growth is based on finding the best balance between economic, environmental and social performance.

The principles of the Global Compact reinforce GDF SUEZ's commitment to sustainable development in its own activities, and encourage internal synergy.

In less than 10 years, the Global Compact has become a platform for the exchange of views and information among the United Nations, business, trade unions, and society at large – a place for promoting and sharing values and best practices for responsible management.

This year the Global Compact has more than 6,000 members all over the world, nearly 600 of them in France, embracing a gamut of large, small and medium-size businesses and other organizations.

GDF SUEZ is proud to be a member of the Global Compact, and to be able to apply its work in sustainable development on an international plane. It is a pleasure for me to be able to renew the Group's commitment to the Compact's ten principles.

Gérard Mestrallet
Chairman and CEO
June 15, 2009

PREFACE



GDF SUEZ,

A responsible, global industrial company

The challenges of Sustainable Development have grown to an unparalleled scale in civil society today, and are at the heart of all of GDF SUEZ's businesses.

This movement is on the march, as shown by the growing mobilization of public opinion on these issues, as well as by major political decisions such as:

- The award of the Nobel Peace Prize in 2007 to IPCC and Al Gore,
- The Grenelle de l'Environnement roundtable and subsequent national legislation in France, and
- The EU energy and climate package.

They show a fundamental change is in the making.

GDF SUEZ has declared its ambition to *"redefine the relationship between people and energy, to make energy a source of progress and Sustainable Development (energy accessible to as many people as possible, more reliably, consumed more efficiently, and showing greater respect for human beings and their environment.)"*

By ratifying the 10 principles of the Global Compact, GDF SUEZ reconfirms its position as a responsible company with an awareness of social and environmental issues.

The present Progress Report illustrates how GDF SUEZ is complying with each of the principles of the Global Compact. It presents best practices and the various commitments the Group has made in order to remain a responsible worldwide industrial company.

Françoise Guichard
Sustainable Development Director

A handwritten signature in black ink, appearing to be 'FG' followed by a flourish.

GDF SUEZ – AT THE HEART OF TOMORROW’S STAKES

GDF SUEZ aims for responsible growth based on the Group’s special capabilities and businesses (energy, water, waste management). To achieve that, the GDF SUEZ Group must anticipate economic, social and environmental transitions as they occur, so that it can quickly become a sustainable development leader.

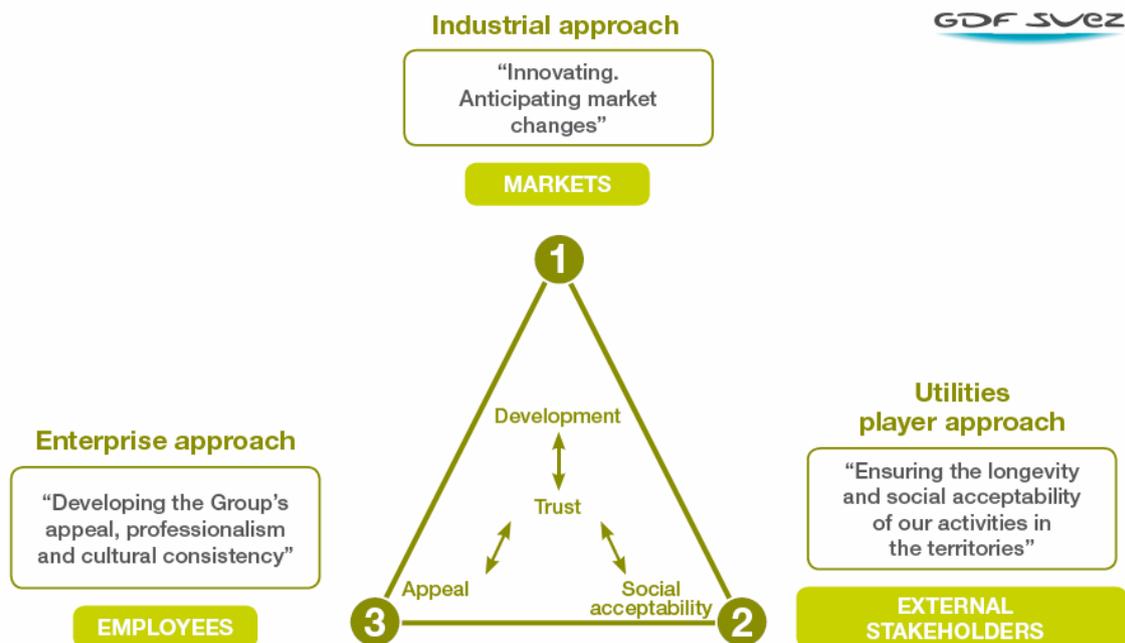
Solid commitments

GDF SUEZ, a supplier of services that are essential both to life and to the economy (energy, water and waste services) must take account of the major pressures of the 21st century. The Group, a major international industrial operator, has decided to address those challenges through:

- Practical, innovative solutions for sustainable development that anticipate economic, social and environmental changes
- Listening to and maintaining a dialogue with stakeholders (including current and future employees, NGOs and humanitarian organizations, shareholders, and the financial community);
- Environmental and social policies specially designed to assist disadvantaged populations.

To develop its sustainable development strategy, the Group identifies, analyzes and prioritizes the various challenges it faces. Taking account of these challenges and stakeholder expectations, the Group then defines the kinds of relationships, responses and actions it should pursue. The sustainable development policy that articulates this strategy aims to serve as a lever for growth and for risk control. It is based on three main orientations:

1. Innovating. Anticipating market changes.
2. Ensuring the longevity and social acceptability of our activities in the territories.
3. Developing the Group’s appeal, professionalism and cultural consistency.



<http://www.gdfsuez.com/document/?f=files/en/gdf-suez-radd08-vus.pdf>

From strategy to steering

The sustainable development policy is put into action throughout GDF SUEZ's business lines and business units. Each entity designs and implements an action plan based on the three policy orientations established by the Group. These lines are adjusted to fit the specific situations of each business. Every year we evaluate the implementation of the action plan and how much progress each business has made. For 2009-2010, the Group's efforts will concentrate on the elements in this table.

INNOVATION IN ORDER TO GROW IN THE MARKETS AND ANTICIPATING MARKET CHANGES	
Meet market expectations and continue to grow	Develop offers enabling customers to improve their environmental and social performance: energy and environmental performance contracts, supply of green electricity, dual gas/ renewable energy offers for individual consumers.
Ensure quality and guarantee continuity of service	Identify best practices. Implement a maintenance policy for all tankers. Develop the network and raise the standards of access to the natural gas network.
Share the Group's experience with developing countries	Continue to implement Clean Development Mechanism projects.
Promote ethical behavior in business relations	Continue the dissemination of the "business ethics" Internship and implement "new management responsibilities" training. Roll out the sustainable purchasing action plan.
ENSURING THE ACCEPTABILITY AND LONGEVITY OF OUR ACTIVITIES	
Guarantee that each stakeholder is listened to as part of a structured dialog	Implement a mapping process with the stakeholders in each entity. Develop stakeholder sessions as Electrabel and SUEZ Environnement did in 2008.
Guarantee industrial safety and security of facilities	Meet the objectives of the new health and safety action plan (see page 98).
Conserve natural resources and reduce the environmental impact of our activities	Comply with the commitments made at the Environmental Grenelle. Make the environmental management systems more widespread. Improve our performance in terms of performance of water networks, water use and energy use in our industrial processes. Deploy the Locamaps tool in Europe to identify sites which are sensitive to biodiversity risk.
Act as an enterprise with a spirit of solidarity	Participate in the local economy by giving preference to local jobs and using local suppliers. Undertake solidarity actions with recognized players (from civil society) to facilitate access for the most disadvantaged customers to energy, water and sanitation.
Limit our exposure to climate change	Develop the share of renewable energy in the Group's production capacity. Invest to improve the energy efficiency of the plants. Strengthen research used in carbon cap and storage projects.
Anti-corruption measures	Prepare and disseminate the new Code of Ethics for GDF SUEZ. Comply with the Ethics and Compliance procedures.
DEVELOPING THE APPEAL, EFFICIENCY AND CULTURAL COHESION OF GDF SUEZ	
Build the Group culture around sustainable development	Implement sustainable development action plans in a more widespread manner at the same rate as the strategic action plan in the medium term. Develop the sharing of best practices. Increase the number of "sustainable development" training sessions at GDF SUEZ University; this is a tool for growth for the Group. Incorporate sustainable development criteria in the Investment Committees procedures.
Promote equal opportunity	Guarantee access to jobs without discrimination. Promote the mix of sexes.
Improve "well-being" at work	Guarantee social dialog: ongoing negotiation to create a European Enterprise Committee.
Develop professionalism	Develop skills and employability. Encourage mobility within the Group.

<http://www.gdfsuez.com/document/?f=files/en/gdf-suez-radd08-vus.pdf>

Sustainable development governance

Sustainable development governance is organized on the basis of guiding principles and a structure of accountability made up of the highest levels of the company's hierarchy, which are:

- The Board of Directors Ethics, Environment and Sustainable Development Committee;
- The Group Sustainable Development Committee, an Executive Committee creation consisting of the principal departments involved in sustainable development. Its mission is to make the Group's major decisions in the area of sustainable development and to assess the progress of the Group's approach.
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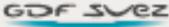
A Group sustainable development policy Steering Committee has also been set up, composed of:

- Business Line sustainable development heads;
- Representatives of the Sustainable Development Division;
- Headquarters Divisions.

The Steering Committee's mission is to prepare annual action plans, to monitor their implementation, to accumulate the experiences of the Corporate level and the various Business Lines, and to share key sustainable development strategies for combating climate change, performing social responsibilities, etc.

Some of the Actions Launched by GDF SUEZ under the Principles of the Global Compact

A table of actions and initiatives set up by GDF SUEZ under the ten principles of the Global Compact appears on page 125 of the 2008 Business and Sustainable Development Report.



APPLICATION OF THE U.N. GLOBAL COMPACT PRINCIPLES

The United Nations Global Compact asks companies to embrace, support and enact, within their sphere of influence, a set of core values in the areas of human rights, labor standards, environment and anti-corruption. GDF SUEZ signed the Global Compact as soon as it was launched in 2000, and complies with its commitments, which are in line with its values and priorities with respect to sustainable development.



Global Compact principles	References
1 Businessess should support and respect the protection of internationally proclaimed human rights; and	pp. 15-17/21/75/79/85/93/97/99
2 make sure that they are not complicit in human rights abuses.	pp. 15-17/21/75/79/85/93/97/99
3 Businessess should uphold the freedom of association and the effective recognition of the right to collective bargaining;	pp. 15-17/21/75/79/85/93/97/99
4 the elimination of all forms of forced and compulsory labor;	pp. 15-17/21/75/79/85/93/97/99
5 the effective abolition of child labor; and	pp. 15-17/21/75/79/85/93/97/99
6 the elimination of discrimination in employment and occupation.	pp. 15-17/21/75/79/85/87/93/97/99
7 Businessess should support a precautionary approach to environmental challenges;	pp. 15-17/101-105
8 undertake initiatives to promote greater environmental responsibility; and	pp. 101-105
9 encourage the development and diffusion of environmentally friendly technologies.	pp. 101-105/44-68
10 Businessess should work against corruption in all its forms, including extortion and bribery.	pp. 13/21

<http://www.gdfsuez.com/document/?f=files/en/gdf-suez-radd08-vus.pdf>

Global Compact Principles: Examples from Practices

HUMAN RIGHTS

PRINCIPLE 1

Businesses should support and respect the protection of internationally proclaimed human rights.

PRINCIPLE 2

Businesses should make sure that they are not complicit in human rights abuses.

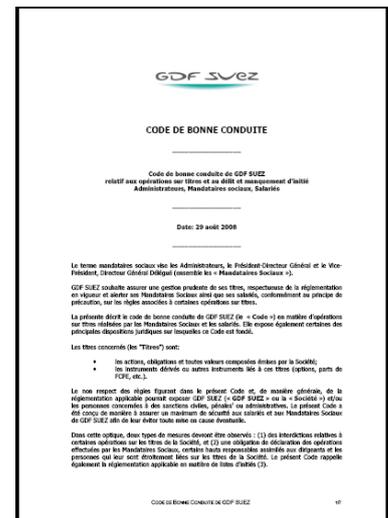
GDF SUEZ has ensured itself the means necessary to comply with the most stringent corporate governance requirements, in keeping with its own culture of transparency.

In obeying the rules

As of July 22, 2008, the GDF SUEZ Board of Directors adopted a set of documents to establish the channels and resources for efficient Group operation. These documents lay out the rights and duties of each Director with complete transparency:

- The Internal Regulations define the composition and operations of the Board, and the scope of Board, General Management, and Board Committee responsibility.
- The Directors' Charter sets down rules for carrying out the office of a Director: respect for the company's interests, compliance with the law and the bylaws, the Directors' independence and duty of expression, conflicts of interest, professionalism, involvement, and efficiency.
- The Code of Conduct lays down rules covering transactions in the Company's securities and insider trading, applying to Directors, corporate officers, and all employees.

These documents are available at www.gdfsuez.com.



Code of Conduct:

<http://www.gdfsuez.com/document/?f=files/en/code-of-conduct-handling-of-the-info-gdf-suez-gb8110708.pdf>

Internal Regulations:

<http://www.gdfsuez.com/document/?f=files/en/gdfsuez-internal-regulations-081217-en.pdf>

Directors' Charter:

<http://www.gdfsuez.com/document/?f=files/en/gdfsuez-directors-charter-081217-en.pdf>

A set of documents establish the framework and rules to which all of the Group's current actions must adhere: the guidelines for commercial relationships, the environmental charter, guidelines for handling information: protecting the confidentiality of inside information, code of conduct, purchasing ethics, and ethics in supplier relations.

Ethics organization

At the highest level of the Company, these issues are reviewed by the Board of Directors' Ethics, Environment and Sustainable Development Committee.

Ethics policies are coordinated from the Executive Committee by the Group's General Secretary, who is also its Chief Ethics Officer.

The Business Ethics and Compliance Division, which reports to the Office of the General Secretary, collaborates in establishing the Group's ethics rules, and ensures they are incorporated into its strategy, management and practices.

Each business line and business unit has its own ethics officer. The Group has a network of more than 100 ethics officers and ethics coordinators who are thus at work in the field throughout the Group.

The Compliance Committee, chaired by the Group's Chief Ethics Officer, includes the heads of the Audit, Legal, Compliance and Ethics Divisions. It ensures that the Group complies with its own ethics rules throughout, and can detect any abuse.

The International Social Observatory

In addition, GDF SUEZ has continued to encourage exchanges with all stakeholders through the International Social Observatory (OSI). A symposium on governance has strengthened the discussion among managers of major companies and trade union and political leaders on the considerable changes that are taking place all over the world. The evolution of the current crisis has proved the relevance of the courses brought up for discussion within the OSI, and the need to think about what concrete steps should be taken to make them a reality. In 2008, the OSI continued its work on the international health policies of major global corporate groups, and supported the initiatives of its branches in Morocco and Argentina. The latter organized a much-noted seminar that facilitated an exchange between companies, academics and trade union members (both French and South American) on the challenges of sustainable development and corporate social responsibility in Latin America.

<http://www.gdfsuez.com/document/?f=files/en/gdf-suez-radd08-vus.pdf>

Priority on the prevention of industrial accidents

GDF SUEZ is exemplary in how it manages the impact of its operations on third parties, property, and the environment – a strategic priority. Programs to inspect and renovate all the pipelines in the GRTgaz transmission networks continue as part of this process. To date, 21,200 of the 32,000 km of pipes have been inspected. In the distribution networks, GrDF, after replacing all its catalogued gray iron pipes, continued its measures to limit the damage that third-party work may cause to its structures, and which often leads to gas leaks. By the end of 2008, more than 30,000 people, including personnel from construction companies and local communities, had taken training in how to control this risk. The results have been substantial, with the number of incidents decreasing more than 25% from 2007. In addition, the safety management system for all LNG terminals and underground natural gas storage facilities in France is evaluated by Det Norsk Veritas on the basis of ISRS 7 (*International Safety Rating System*).

Enterprises for Human Rights

GDF SUEZ has sought to emphasize its determination to promote human rights by joining the Global Compact and the “Entreprises pour les droits de l’Homme association” (EDH), the French arm of the Business Leaders Initiatives on Human Rights network (BLIHR). This initiative is a group of international corporations working together to integrate human rights better into work life, in cooperation with outside partners (NGOs, universities, etc.).

GDF SUEZ is one of eight French-speaking companies that founded Business for Human Rights (EDH) in 2005. The purpose of this initiative was to effectively include human rights in corporate strategies and professional practices. For example, EDH members have sought to create a course of training for their employees, managers and experts who must deal with this issue in connection with their work. Activities in 2008 focused on such topics as purchasing and freedom of association. At the same time, GDF SUEZ participated in the ceremonies for the 60th anniversary ceremonies of the Universal Declaration of Human Rights. The Group was a partner in the photography exhibit organized from October 2008 to January 2009 by the French Foreign Ministry. Each of the 30 articles in the Declaration was illustrated by a photograph from a world-renowned artist. The exhibition was presented at the Ministry in Paris and available simultaneously at every French office throughout the world.

Doing business as a socially responsible enterprise, while supporting Group activities

The GDF SUEZ Group intends to satisfy in full its social responsibilities in every country where it does business. This commitment takes on particular importance in the current economic and financial crisis. The Group seeks to incorporate a social aspect in its responses to requests for proposals, as well as a long-term social engagement to ensure the longevity of its business activities and their acceptability to the various affected communities.

This approach is now mobilizing significant resources in terms of social engineering, both centrally (particularly from the Strategy Division and the Sustainable Development Division) and in the Group’s operating entities.

GDF SUEZ is deeply rooted in the regions where it operates, and intends to serve as a socially responsible enterprise everywhere in the world. It is engaged in long-term activities that provide essential services to populations (energy, water, waste services, etc.), and is a major player in local sustainable development. It adds value in a number of important development areas, including:

- installing new infrastructures (electricity, gas, water, etc.),
- improving living conditions through access to services, especially for underprivileged populations,
- encouraging economic development in the regions where it operates,
- acting in solidarity to assist the most disadvantaged,
- preserving the environment,
- creating local jobs,
- exerting a positive impact on local economies (supporting local small and medium-size businesses),
- working with collective entities and volunteer organizations.

In its projects, the Group is involved in numerous socially-related activities, a number of which have value as pilot projects in social innovation.

Assistance to vulnerable customers

Solidarity is an integral part of the Group's history and culture. Wherever its entities serve residential customers, they pay particular attention to the most disadvantaged populations.

In France, the Group has legal obligations in this regard. For example, the special solidarity rate for natural gas represents a commitment of EUR 60 million a year.

But the Group also aims to set up further arrangements beyond such requirements.

For example, GDF SUEZ has partnered with more than 200 community mediation entities – the PPAO partnership reception and orientation centers – to welcome and support underprivileged customers.

In 2008, the “Ecogaz” experimental program was launched in Lille in partnership with the French National Housing Agency (ANAH). It helps homeowners who have difficulties with their energy bill to finance energy-saving upgrades.

In Belgium, Electabel, a Group subsidiary and a historic operator, offers comparable programs to help disadvantaged customers. Egaz-Degaz in Hungary and Distrigaz in Romania are also developing policies to assist the most underprivileged.

Community programs in Brazil

Inaugurated at the start of 2009, the São Salvador dam will generate enough electricity to supply a city of one million people. Almost 54% of the 10,000 jobs the project created have been filled by local workers. Out of a total investment of EUR 307 million, EUR 31 million went for social and environmental programs to relocate displaced populations and protect fauna and flora.

At Estreito, where the Group is building a giant hydroelectric plant, more than EUR 130 million will be set aside for social and environmental programs to be conducted in collaboration with the local communities.

A partnership with Emmaüs to prevent exclusion

GDF SUEZ has partnered with Emmaüs to combat exclusion and poverty, enabling staff to become involved with a well recognized association. The arrangement also includes numerous actions to provide a vocational focus for persons in grave financial difficulties, for example by helping renovate heating installations at Emmaüs Communities, energy audits, or giving technical assistance in certifying building insulation made of recycled textile fibers. The partnership is supplemented by an agreement with SOS Familles, which offers GDF SUEZ teams an opportunity, for example, to channel customers overwhelmed with debt into counseling with SOS Familles staff.

ISIGAZ: Alerting customers in disadvantaged neighborhoods about safety in indoor natural gas installations

The ISIGAZ campaign is a supplement to the “Quality Diagnosis” in disadvantaged neighborhoods. It aims to alert customers to safety rules, to inform them about controlling energy consumption, and even to replace the kitchen stove connection at no charge when needed. Since 2005, the campaign's contact persons have visited more than 100,000 customers in their homes, in some 50 cities in France, and replaced more than 19,000 defective or obsolete hoses with long-lived TFEM hoses with mechanical fittings, thus averting an equal number of potentially dangerous situations. The program has trained 220 contact persons, 70% of them recruited from the neighborhoods concerned.

GDF SUEZ assumes the full cost of this operation, for which it has set aside EUR 3 million for the 2008-2010 period.

Foundations

Created in 1992 – among the first in France – the Gaz de France Foundation and the SUEZ Foundation work in areas of essential benefit to all: social solidarity, children, cultural treasures and the environment. They become involved in projects – whether modest or ambitious, in France or internationally – to assist populations at risk.

The SUEZ Foundation

Created at the end of 1992 under the auspices of the Fondation de France, the SUEZ Foundation has taken on the mission of assisting children in distress. It sets a priority on long-term projects headed by associations that are well integrated into their community, and with which it can set up partnerships that can continue for years. In France, it focuses its assistance on sick children, and supports campaigns to make hospital stays more bearable or facilitate access to recreation. It recently became involved in educational programs to help children from disadvantaged backgrounds.

Internationally, the SUEZ Foundation works in every country where the Group is present. It acts in concert with other charitable groups to improve living conditions and education for children in disadvantaged environments.

For more information:

<http://www.archives-suez.com/fr/groupe/fondation/fondation-france/presentation/>

<http://www.gdfsuez.com/en/group/corporate-patronage-and-partnerships/foundations/two-foundations-one-socially-conscious-company/>

The Gaz de France Foundation

Since 1992 the Gaz de France foundation has supported a large number of French and international projects in three essential areas: social solidarity, the environment, and culture. It encourages artistic creation and contributes actively to the preservation of natural and cultural treasures, and thus focuses on offering ways for everyone to blossom creatively. The Gaz de France Foundation works to bring young people at risk back into society, to encourage a country's social and artistic development, and to protect natural and cultural treasures. It supports Group employees' social and humanitarian initiatives. It also responds to national and international emergencies.

For more information:

<http://www.fondationgazdefrance.com/>

GDF SUEZ employee associations: Aquassistance, Energy Assistance, CODEGAZ

<http://www.gdfsuez.com/fr/groupe/mecenat-partenariats/associations-de-collaborateurs/les-collaborateurs-au-service-de-la-solidarite/>

Supplying drinking water or energy to the most disadvantaged populations on earth is the mission of Aquassistance, Energy Assistance and Codegaz, the three humanitarian associations formed by GDF SUEZ employees.

Aquassistance, formed in 1994, now has more than 800 members and participates in more than 150 missions all over the world. In 2008, it initiated, continued or completed numerous projects in water and waste management: work to open up a water supply in Madagascar, a waste management mission in Congo, expert assistance in refugee camps in Somalia, emergency aid after an earthquake in China and hurricanes in Haiti, and more.

<http://aquassistance.blogspot.com/>

Energy Assistance has 270 members and donors. It has conducted more than 80 projects since it was founded in 2001. Almost 200 projects are under study, and 30 are currently in progress.

In 2009, for example, it donated and installed 63 m³ of electromechanical teaching materials for the CHE CHE school in Bukavu, Democratic Republic of Congo. It brought electricity to health centers in Bare, Rwanda, and in Mali and the Democratic Republic of Congo.

<http://www.energy-assistance.be/>

CODEGAZ is a humanitarian association formed by Gaz de France employees and retirees in 1989. It has some 240 members, and works to assist disaster victims internationally. It is conducting more than 25 humanitarian projects and social solidarity actions in 25 developing countries. CODEGAZ's projects are in food, water, health, assistance for children, education/training, and energy.

<http://www.codegaz.org/>

LABOR RIGHTS – EMPLOYEE-MANAGEMENT RELATIONS

PRINCIPLE 3

Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.

GDF SUEZ measures its success by how well it is rooted within its regions and how well it implements community actions with all stakeholders.

GDF SUEZ encourages dialogue with its stakeholders (customers and populations served, employees, neighbors of installations, economic players, elected officials, opinion makers, etc.), at all levels of the Group – in the field, within its operating entities, in its business lines, and globally.

For example, coordination meetings with stakeholders were organized in 2008 at Electrabel and SUEZ Environment. During projects, stakeholders were involved at an early stage to get their opinions on the projects' execution and long-term impact.

The primary tools for dialogue with our stakeholders

GDF SUEZ respects freedom of association and dialogue in full transparency with labor organizations, but also with all employee groups of any kind. The diagram below highlights the many different stakeholders, their expectations, and the ongoing across-the-board dialogue the Group favors.



Establishment of GDF SUEZ's new European Workers' Council: Agreement adopted unanimously by all European social partners.

Less than a year after the merger, on May 6, 2009, GDF SUEZ management and the Special Negotiating Group unanimously signed an agreement establishing the GDF SUEZ European Workers' Council. The agreement will make it possible to lay the groundwork for strong labor-management dialogue throughout Europe, creating the conditions for social partners to share in the Group's challenges.

The negotiations began in October 2008 between Management and the Special Negotiating Group of 34 members from the unions of the main companies in 13 different countries, as well as two representatives from the European labor federations (EPSU¹ et EMCEF²). The resulting agreement was adopted unanimously.

It sets up a body of 63 members, 25 of them French, plus two representatives from AGBAR³ and two representatives from the European labor federations.

The agreement covers GDF SUEZ SA and its subsidiaries in European countries (European Union, European Free Trade Association, and Candidate Countries for the European Union) – in other words, more than 183,000 employees in 21 countries as of the signing date. Within that area it applies to businesses in which GDF SUEZ has a controlling influence – more than 400 companies.

The agreement builds on the best of the preceding agreements with the SUEZ European Dialogue Authority and the Gaz de France European Enterprise Committee.

The principal provisions are:

- Definition of transnational issues;
- Clear definitions of the information and consultation process;
- A dialogue that can be based on work groups organized for each business (Energy, Environment and Energy Services) or by subject matter (3 groups), as well as a secretariat made up of 13 members representing 9 countries; also, resources to enable members to fully perform their mission.

¹ The European Federation of Public Service Unions

² European Mine, Chemical and Energy Workers' Federation

³ AGBAR: Sociedad General de Aguas de Barcelona – the Barcelona water company

<http://www.gdfsuez.com/document/?f=files/en/cp-090507-gdf-suez-nouveau-ce-va.pdf>

PRINCIPLE 4

Businesses should eliminate all forms of forced and compulsory labor.

PRINCIPLE 5

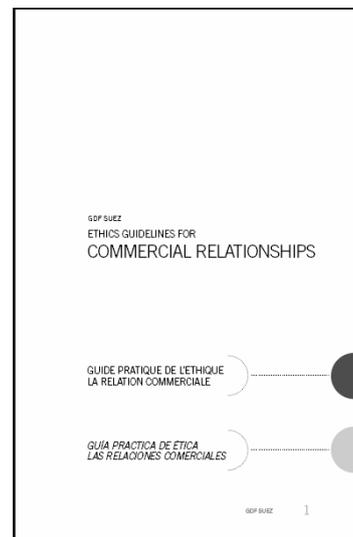
Businesses should effectively abolish child labor.

GDF SUEZ observes strict respect for human rights. That principle is incorporated into the Group's formal commitments: the CSR agreement for Gaz de France, signed in July 2008 with all European social partners, and the International Social Charter for SUEZ. These two documents explicitly refer to human rights and the International Labor Organization conventions. The agreements are currently under renegotiation with the social partners to establish a benchmark text on these matters for the new group. In the meantime, the previous two versions remain in effect. The actions to be taken cover:

- Purchasing practices
- Nondiscrimination
- The right to organize and the right to negotiate
- Prohibition of child labor
- Prohibition of forced or compulsory labor
- Safety practices
- Rights of local populations.

GDF SUEZ incorporates its environmental and social concerns in its purchasing procedures. For that reason, its contracting specifications include criteria for selecting suppliers and products as a function of its social and environmental commitments.

GDF SUEZ has extensive texts and supporting materials, such as:



Purchasing officers at GDF SUEZ make sure their suppliers follow practices that comply with international standards, such as the "OECD Guidelines for Multinational Enterprises" or the "Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy" of the International Labor Organization – as well as SA 8000 and ISO 14000.

Specifically, the purchasing officer must make sure that suppliers comply with certain simple principles: products and services must meet the needs stated in our specifications; the supplier must comply with regulations on safety, worker well-being and child protection, and must commit not to discriminate in any form within its company or against subcontractors, and not to engage in any act of corruption; it must respect the environment in designing, making, using and destroying or recycling products.

Code of Conduct for Supplier Relationships

As part of the Group’s values and its commitments to sustainable development, the Group hopes to include its suppliers in the same approach. In 2008 it developed a Code of Conduct for Supplier Relationships, asking suppliers to respect the charters and principles of the Global Compact on human rights, labor rights, preserving the environment, and ethics. This code is incorporated into all supplier contracts.

To find out more: www.gdfsuez.com



PRINCIPLE 6

Businesses should eliminate discrimination in respect of employment and occupation.

The diversity of GDF SUEZ employees is an imperative. The Group has established employment assistance measures for various groups, including the underprivileged, the disabled, and young people in difficult situations. Its commitments extend beyond social solidarity to human rights and the fight against corruption. The Group feels its actions here are part of a true social project, and has joined in numerous partnerships and initiatives for social development.

It works to fight any form of discrimination, and to promote equal opportunity.

Its subsidiaries have numerous programs to facilitate access to employment, training, and career management for target groups like young people in difficult situations, the disabled, or adults in financial need.

An active partnership

Everywhere they operate, the GDF SUEZ teams conduct solidarity programs directed to the most vulnerable population groups. These initiatives particularly take the form of memberships and active contributions to the work of the U.N. Global Compact, Transparency International, and the Entreprises pour les Droits de l'Homme business association (see the box above). The Group's actions out in the field also involve partnerships with nongovernmental organizations (NGOs) that are often active at the local level, or foundations working on a national scale, such as FACE, IMS Entreprendre pour la Cité, and the Fondation des Écoles de la Deuxième Chance school foundation in France. In France and Belgium, the Group has signed many agreements and joined many partnerships to further expand its recruitment from groups whose members are in serious difficulties, to implement measures to facilitate access to work, and to give disadvantaged young people access to academic study and occupational training.

<http://www.gdfsuez.com/document/?f=files/en/gdf-suez-radd08-vus.pdf>

The WIN network



Dubbed WIN, for “Women in Networking,” the Group's women's network was launched at the end of September 2008 and operates under the aegis of GDF SUEZ University. Its goal: to enable women from the Group to share their experiences and affirm their leadership. Members join the network through cooptation via the women's leadership awareness program known as “Taking the Stage.” After completing the program, each member may form her own group, where new participants will exchange their own experiences. More than 10 such groups with a total of 130 members have already formed in Europe.

The network functions as an ambassador for diversity, and will make it possible for all employees to band together around this issue, serving as the information outlet for the various actions chosen. The network works to encourage meetings, exchanges of ideas, and debate, and to distribute awareness tools among our employees and outside partners regarding key events and programs like the Women's Forum, the HEC Career Prize, Force Femmes and TerraFemina. The women's network has already built a history for itself, because since September 2008, members have been able to share their professional experiences and build ties by participating in the WIN leadership awareness program.

Inclusion and access to jobs

GDF SUEZ, alongside other businesses, is an active member of such foundations as the Acting Against Exclusion Foundation (FACE) and the Acting for Employment Foundation (FAPE).

FACE, which has been chaired since 2007 by GDF SUEZ Chairman and CEO Gérard Mestrallet, has become involved in the "Ambition 30,000" project, together with all other member companies. Its aim is to develop programs for access to employment for disadvantaged groups. In 2008, it helped 5,800 people find work, and hired 3,470.

FAPE is a foundation of GDF SUEZ and EDF Group employees working to promote social integration and fight exclusion. It is managed equally by both corporate groups, and is financed through donations from employees and retirees together with an additional grant from the two companies. FAPE helps support the creation of 700 jobs every year. The Group has also signed a framework agreement with the Employment division to optimize recruiting while strengthening its position with regard to diversity and discrimination. The success of this agreement depends to a large degree on cooperation among the signatories' regional and local representatives out in the field. Its partnership with the National Council of Local Missions (CNML) is intended to facilitate the hiring and training of young people. In February 2008 GDF SUEZ also signed the Espoir Banlieues [Neighborhood Hope] Plan, a national commitment to arrange for hiring young people from neighborhoods in Sensitive Urban Areas (ZUS) and/or areas covered by an Urban Social Cohesion Contract (CUCS). Its commitment for 2008, at 847 contracts, handily outperformed the target of 540.

In 2006, the Group also originated the concept of the **Un But Pour L'Emploi** [A Goal for Jobs] agreement, which provides preparation and assistance toward permanent employment for underskilled or unskilled youths, men, and women from sensitive areas, motivating them by way of their personal interest in soccer. The project continues to develop, initiating three projects in 2008 in Paris, Nantes and Amiens.

<http://www.gdfsuez.com/document/?f=files/en/gdf-suez-radd08-vus.pdf>

Equal opportunities

The Group's subsidiaries conducted a large number of programs all year long to promote equal opportunity and fight discrimination. For example, SITA Rebond, a SUEZ Environment subsidiary, offers access to employment for the long-term unemployed, recipients of minimum social security benefits, unskilled young people under age 26, disabled workers, and seniors. In 2008, SITA Rebond's 12 arrangements for inclusion in employment recruited 635 people under contracts for temporary employment or limited-term assignments. GEPESA, a Cofely subsidiary in the Energy Services business line, has conducted projects for five years now to encourage the reintegration of convicts, in partnership with the Penitentiary Administration Bureau. Programs at 13 correctional institutions in France involved some 150 long-unemployed prisoners, and enabled them to regain their self-confidence and master the skills needed to rejoin the workforce. These employment access projects targeting groups with serious difficulties fall within the European "Equal" programs against social exclusion. They have the particular virtue of promoting discussions between several countries of the European Union on the issue of socio-professional reintegration policies.

<http://www.gdfsuez.com/document/?f=files/en/gdf-suez-radd08-vus.pdf>

Priority on training in Belgium

In Belgium, the Group's programs focused on two lines of priority: training, and building good relationships with public-sector partner institutions. One of the most significant projects of 2008 was the June 25 signing of two master agreements with public-sector entities at the federal and community level:

- One, mandatory, with the two Ministries of Education, was for training within the company (for students and teachers) and to promote technical options among young people;
- The other was for the employment of underskilled groups through a new "Alternate Training/Recruitment" arrangement with the country's five national employment administrations, representing the three Regions and Communities. Signed in April 2008 on behalf of all Belgian subsidiaries in the Brussels-Capital region, the Diversity Charter was followed up by implementing a diversity plan. At the institutional level, the Group has established solid ties with the public sector (ministries and administrations) in matters of disability, diversity, and integration at the regional, community, federal and European level.

<http://www.gdfsuez.com/document/?f=files/en/gdf-suez-radd08-vus.pdf>

Young apprentices in Brazil

In Brazil, Tractebel Energia has set up a program for young apprentices, named Programa Jovem Aprendiz. Each year since 1998, the program has offered an opportunity for 50 young people between the ages of 15 and 18 from disadvantaged neighborhoods to get 18 months of initial job experience. The young people must be registered in school, be between 15 and 16 years old at the start of the program, and be available half-time for the duration of their engagement. To date, the program has helped 285 youngsters.

<http://www.gdfsuez.com/document/?f=files/en/gdf-suez-radd08-vus.pdf>

EDNICA in Mexico

The GDF SUEZ Foundation supports the EDNICA association, which has been working since 1989 to assist Mexican children and youths at risk of marginalization. One development project aims at rescuing children from work and from the street in the community of Xochimilco, in southern Mexico City – an area with one of the highest concentrations of street kids. The project aims to offer an alternative to these marginalized youngsters, helping them to overcome their difficult living conditions by creating a new care and prevention center in the area.

<http://www.gdfsuez.com/document/?f=files/en/gdf-suez-radd08-vus.pdf>

THE ENVIRONMENT

Sustainable development is both an ethical requirement and a growth driver at GDF SUEZ. It enables the Group to do business responsibly and develop new services. So it directly contributes to the Group's economic performance.

Environmental performance is one of the Group's management tools.

The Group has made controlling its activities' environmental impact one of its primary objectives. By the end of 2008, over 92% of activities posing environmental risks were involved in a process of managing their environmental performance. Where applicable, this can lead to setting up an environmental management system or risk management plan, some of which are certified. As of December 31, 48.8% of the Group's revenues were covered by a certified environmental management system.

Combating climate change is one of the main challenges facing GDF SUEZ in the 21st century. We must:

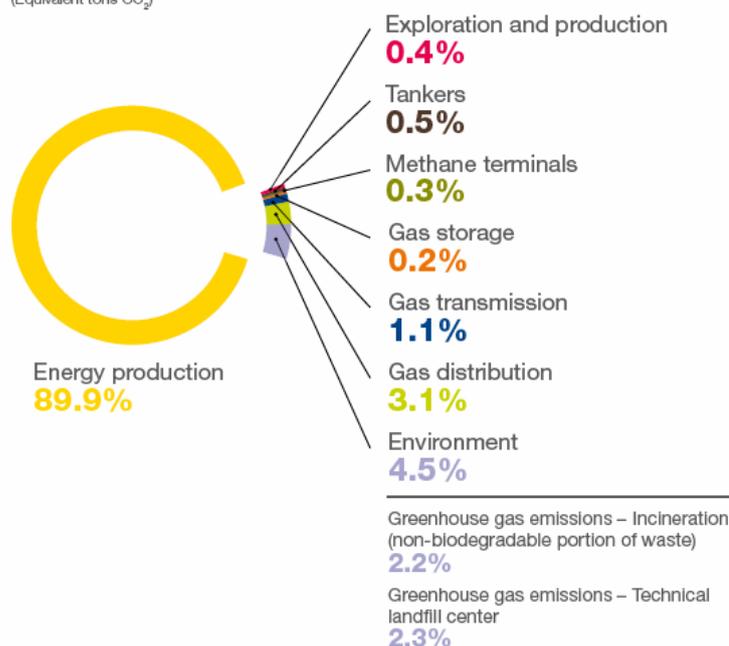
- limit greenhouse gas emissions.
- make the best possible use of the energy mix and production technologies and resources (nuclear, natural gas, critical and supercritical coal-fired plants, renewable energies) to meet local needs while limiting emissions.
- increase our capacity for non-carbon-emitting energy (nuclear and renewable energy sources) and these energies' share of the energy mix.

GDF SUEZ has chosen to include CO₂ as a consideration in each of its operating processes. Its approach focuses on five types of actions:

- Maintaining a balanced, carbon-optimized global energy mix, based on meeting local needs, and emphasizing capacity for non-carbon-emitting forms of energy,
- Improving installations' energy efficiency,
- Establishing optimized coverage of carbon constraint,
- Investing in research and innovation,
- Anticipating regulations.

Breakdown of greenhouse gas emissions

(Equivalent tons CO₂)



PRINCIPLE 7

Businesses should support a precautionary approach to environmental challenges.

The Group has mobilized to fight the loss of biodiversity and the shrinkage of ecosystems that perform indispensable ecological services, like renewable energies and water purification.

The Reach Directive

Since July 1, 2007, the REACH Directive has required every legal entity that produces chemical substances in Europe to register those substances so that their production and/or sale can be tracked. GDF SUEZ is affected by these regulations as both a user and a producer of substances. The Group has preregistered some 250 substances, including combustion by-products, substances made on site and used in production processes, and recycled waste. Steps have also been taken with suppliers to make sure activities continue.

<http://www.gdfsuez.com/document/?f=files/en/gdf-suez-radd08-vus.pdf>

Monitoring and protecting sensitive sites, LOCAMAPS

Under the Grenelle de l'Environnement, the Group has agreed to establish action plans at all sensitive sites in Europe by 2012. For this purpose, actions will be associated with setting up tools and operations to raise awareness among those who use the land. For example, the Group has a mapping tool that will make it possible to determine the vulnerability of sites relative to zones designated as sensitive or protected, like Natura 2000, the regional natural parks, and WWF eco-regions. This tool, LOCAMAPS, yields a list of GDF SUEZ sites that might adversely affect the environment. These sites are audited by experts, and action plans are proposed. Environmental impact studies for potential new activities are conducted in partnership with major international NGOs (ProNatura), consulting firms (Véritas) and scientific institutions (Museums of Natural History in Paris and Brussels). The Group closely studies the opportunities that the land it uses may offer, especially in the Île-de-France region, for transformation into ecological corridors (study by GRTgaz) or into preferential habitat zones for certain species like bees (study by SITA). GRTgaz incorporates biodiversity protection into its procedures for siting new buildings and maintaining easement strips.

<http://www.gdfsuez.com/document/?f=files/en/gdf-suez-radd08-vus.pdf>

French partnership with IUCN

The Group has joined forces with the IUCN – the International Union for Conservation of Nature – in a major partnership. The IUCN, the first world environmental organization, was created in October 1948 after the international conference at Fontainebleau, France. Today, it is the largest environmental protection network in the world.

The IUCN emphasizes the very important role that business must play in preserving biodiversity. The collaboration between the IUCN and GDF SUEZ has been in effect only because the IUCN decided that GDF SUEZ had already taken a considerable amount of action on its own, and was committed to a voluntary process of preserving biodiversity that went beyond merely complying with regulations. The partnership is characterized by mutual benefits:

- The French Committee of the IUCN will provide expert knowledge helping GDF SUEZ incorporate biodiversity better into its policies and into managing its activities, for example by organizing training days;
- GDF SUEZ will support the French Committee's projects, such as updating the list of the most endangered species.

<http://www.gdfsuez.com/document/?f=files/en/gdf-suez-radd08-vus.pdf>

PRINCIPLE 8

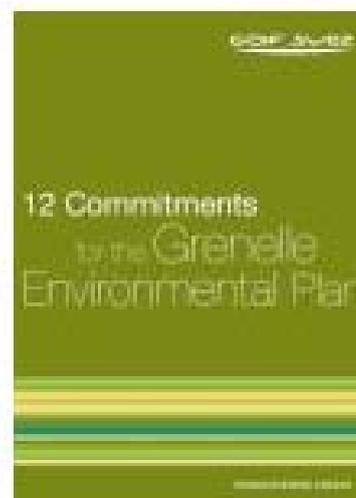
Businesses should undertake initiatives to promote greater environmental responsibility.

12 commitments for the Environmental Grenelle

Since 2007, France has engaged in a vast movement to involve all public constituencies (politics, associations, businesses, unions, researchers, etc.) in implementing a national environmental preservation strategy. GDF SUEZ, a major player in sustainable development in France, has been heavily engaged in this work, and has signed a set of 12 voluntary commitments to mark its involvement in the process.

As a professional in the energy, water and waste services businesses, GDF SUEZ is committed to ...

1. Providing solutions to address the Grenelle's ambitious goals for environmental and energy efficiency in buildings.
2. Participating in the transition toward low-carbon energy production, both in France and internationally.
3. Offering competitive and environmentally-friendly solutions for passenger transportation.
4. Promoting a circular economy based on the reduction, reuse and recycling of waste.
5. Focusing R&D on sustainable development.
6. Taking measures to combat waste by improving the yield of potable water systems.
7. Developing public-private partnerships.
8. Incorporating biodiversity into the management of Group sites before the end of 2009 in France, and by 2012 in Europe.
9. Hiring 114,000 employees by 2014.

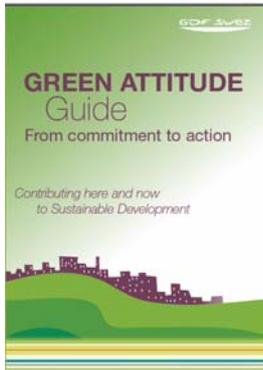


As a good corporate citizen, GDF SUEZ is committed to ...

10. Making efforts to reduce its environmental impact and to turn employees into ambassadors for sustainable development.
11. Pursuing active dialogue with its stakeholders at all levels of Group governance.
12. Persuasively demonstrating to its shareholders that the Group's sustainable development strategy is an asset.

A brochure is available for download at the Group's site:
<http://www.gdfsuez.com/document/?f=files/en/suez-gdf-grenelle-uk.pdf>

The Green Attitude Guide



Educating employees about the challenges of sustainable development and the Group's policy for answering those challenges is one of GDF SUEZ's priorities. Sustainable development is fully incorporated in the training program for managers at GDF SUEZ University. Group managers can take a two-day course in understanding the challenges of sustainable development, the Group's policies, and the specific actions to be taken day by day in their businesses. This training encourages participants to think about case studies, first-person reports, and more, and helps them understand how sustainable development creates value for the Group. The interactive approach and the exchanges between participants from all viewpoints are also a key factor in helping managers identify good and less good practices for sustainable development in their businesses. Sustainable development is also a course module in several other Group training programs, such as the one for new executives. Raising all employees' awareness is assisted by major events like the sustainable development week in France. A brochure about "green attitude" on the job is also distributed to encourage employees to become more aware of their responsibility to the environment.

<http://www.gdfsuez.com/document/?f=files/fr/gdfsuez-rad08-vf.pdf>

PRINCIPLE 9

Businesses should encourage the development and diffusion of environmentally friendly technologies.

Managing the environmental impact of its business operations is one of the Group's major objectives. Environmental performance is included as a management tool, just like technical, economic and financial objectives.

GDF SUEZ's international commitments and best practices to combat climate change

The "Caring for Climate" initiative – CEO declaration

In 2007, the Global Compact launched a declaration on climate protection that has been signed by a number of heads of the companies participating in the Compact. The declaration offers such businesses a chance to show their leadership in protecting the climate at both the individual and the collective level. Joining in this declaration requires strategic and operating changes that will benefit from top management's support, regular public communications about activities and carbon emissions, and exchanges with other member businesses about the progress that has been achieved. Gérard Mestrallet, Chairman and CEO of GDF SUEZ, was one of the first to sign the agreement.

For more information:

http://www.unglobalcompact.org/docs/issues_doc/Environment/CLIMATESTATEMENT_revised_postsummit.pdf

The "Close to Nature" project: A unique collaboration

The nature protection associations Natagora and Natuurpunt have signed a partnership agreement with Electrabel, in a collaboration that is part of the international "Countdown 2010" campaign. "Countdown 2010" aims to put a stop to the dramatic loss of biodiversity – the sum of plant and animal species and ecosystems on Earth. Natagora and Natuurpunt have developed an ambitious three-year action plan, aimed at carrying out a series of projects that will help endangered species and their environments. Taking their inspiration from the goals of the "Countdown 2010" program, Natagora and Natuurpunt are launching the "Close to Nature" campaign in Belgium, with Electrabel's support. With "key projects for key species," the initiators hope to involve, amaze, and engage citizens and public authorities, and thus finally convince them to take specific action.

Steelmaking gases recycled at DK6 plant

The new DK6 power plant – an innovation both industrial and ecological – came on line in May 2005. DK6 combines energy production and environmental protection by taking an industrial ecology approach. The gas-fueled combined-cycle plant is a technological first, associating a natural-gas turbine with a recycling boiler that burns exhaust gases from the steel industry in an afterburner, as well as a steam turbine. It recycles gases generated at the Arcelor Mittal steel mill nearby. Using 600 million m³ of natural gas, the DK6 plant generates 790 MWh of electricity, equivalent to the consumption of a city the size of Strasbourg. And almost 4% of the invested funds (EUR 17 million) have been set aside for environmental protection measures (buried high-voltage lines, no odor, compliance with air quality standards, unpolluted wastewater, noise reduction).

The steelmaking exhaust gases that Arcelor Mittal emits are no longer burned in the atmosphere, but recovered by DK6 to fuel two boilers. These are coke oven gases – with a high calorific value, but in small amounts – and a large volume of blast furnace gases that are highly toxic and have low calorific value. In parallel, the natural gas from Norway is burned in two gas turbines, each of which powers an alternator. The hot gases from this combustion are recovered in the boilers. These then burn the gases to convert water to steam, which in turn powers a steam turbine that drives an alternator to generate electricity. The seawater drawn to condense the generated steam is returned to the ocean free from any pollution. Nearly 5 billion m³ of steelmaking exhaust gases have been recovered and recycled in this way.

Public-Private Partnership (PPP) in Tours: Saving 6,000 metric tons of CO₂ in 12 years

Doing better for less cash: that's the aim of the ambitious 12-year public-private partnership (PPP) that has been set up between Cofely and the city of Tours to manage the city's municipal boiler rooms. This kind of legal arrangement is a first for this type of equipment in France. The project will modernize the installations in 45 public buildings (schools, stadiums, cultural centers, administrative offices, etc.) to cut energy bills and reduce environmental impact. Cofely suggested a comprehensive solution involving no fewer than 21 projects: building a combined fuel oil/wood boiler (which will primarily burn miscanthus, a high-energy variety of bamboo), converting several fuel oil furnaces to gas, which emits less CO₂, replacing obsolete boilers with high-yield condensation models, and more. Enhanced decentralized technical management will permit more precise remote control of the installations. All in all, the project, which was launched early in 2008, is expected to reduce energy bills at least 16%, while also cutting CO₂ emissions by 533 metric tons a year – more than 6,000 metric tons over the life of the contract.

Co-generation plant in Lages, Brazil

Since the end of 2003, Tractebel Energia has been using wood waste to generate electricity and steam at the Lages co-generation plant in Brazil.

Using biomass makes it possible to emit less pollutants, and especially a lower volume of greenhouse gases. Under the Kyoto Protocol, the Lages project has also been recognized as a Clean Development Mechanism – an arrangement that enables an industrialized country to finance projects to reduce greenhouse gas emissions in a southern country, and get emission credits in return. An additional attraction of the Lages project is that it has created jobs both directly and indirectly.

Incorporating biodiversity into operations at GRTgaz

With the aim of respecting borrowed land, and following an approach consistent with Group policy, a number of steps have been taken to limit the environmental impact of gas transport infrastructures.

Partnerships have been established with professionals in biodiversity protection, such as the National Museum of Natural History, the National Forestry Office (ONF) and environmental associations. A number of preventive measures have been developed for choosing routes and for reducing and compensating for environmental impact. The Group's commitment has been put into specific action:

- taking an inventory of plant life on the right of ways of existing gas pipelines;
- producing a land management guide for areas where natural gas lines cross through forests;
- producing a best practices guide for maintaining easement strips in forests;
- selecting land for reforestation in Ile de France;
- taking an inventory of sectors for the protection and development of biodiversity;
- laying a forest discovery trail accessible to everyone at the Vierzon state forest, dubbed "Tourism and Handicap."

"Clean" sites: The example of Cuvilly

After two years of work, the compression station in Cuvilly (Oise) was equipped in 2007 with two electric compressors to increase the capacity for transporting natural gas. The site was set up with special attention to the environment and safety.

To limit environmental impact, GRTgaz installed several features around the station:

- rainwater is recovered, treated, and pumped to an infiltration basin to replenish the aquifer,
- landscaping optimizes protection against noise and visual impacts,
- extensive plantings of local plant species fully incorporate the compression station into the regional landscape.

Awirs power plant: 100% biomass

At the Awirs power plant, near Liège, Belgium, Electrabel has converted part of the coal plant into an all-biomass electric production unit. This way of producing electricity is the first of its kind in the world. Among other requirements, it made it necessary to alter storage silos, conveyor belts and burners, not to mention installing filters, hammer mills, and various safety devices. The fuel is wood granules, which are then reduced to wood dust. Production takes place in several steps: wood granule production and delivery; crushing the granules into wood dust on site; burning the wood dust in special burners in the steam boiler. An installation of this type offers multiple benefits:

- Direct employment on site for 10 years
- Indirect employment and economic development (forestry, wood granule producers,
- transport businesses)

- Improving local environmental quality (lower emissions and less road traffic to remove waste products)
- Enhancing the value of an industrial site
- Maintaining local electricity production



The first “100% nature” dual-energy offer

In October 2008, GDF SUEZ initiated its “DolceVita 2 énergies Nature” program in France, the first firm-price electricity and gas rate plan that allows individuals to show a 100% commitment to the environment while controlling their energy bills. Customers are offered 100% renewable energy from AlpEnergie (hydroelectricity) and a neutralization of CO₂ emissions corresponding to their natural gas consumption. In practice, consumers pay compensation by buying carbon credits that help back “Kyoto” projects to reduce greenhouse gases. Additionally, by subscribing for the plan, customers get a clearer projection of their expenses: the charges for “green” electricity, gas, and carbon credits are firm for one or two years.

<http://www.gdfsuez.com/document/?f=files/en/gdf-suez-radd08-vus.pdf>

The CEO Water Mandate

The Group has signed the CEO Water Mandate as an indication of its commitment to preserving water resources.

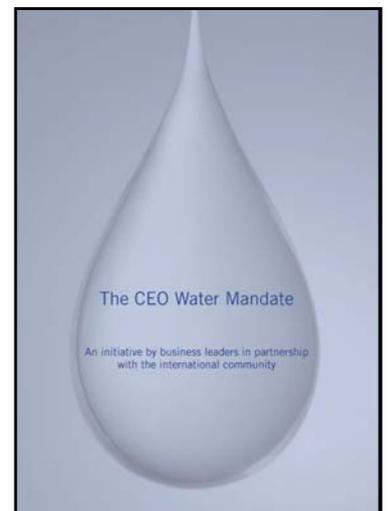
At the 2007 conference of leaders of the Global Compact in Geneva, the Secretary General of the United Nations and a group of heads of business launched an initiative called the CEO Water Mandate.

The Water Mandate is both a call for action and a list of points to be followed by businesses in organizing their operations and procedures so as to ensure a rational use of water resources.

The declaration includes six lines of action for business: direct operations, the supply chain, water resource management, public policy, community involvement, and transparency.

The declaration is a call for business to mobilize.

It also offers a forum where signatories can share know-how with each other.



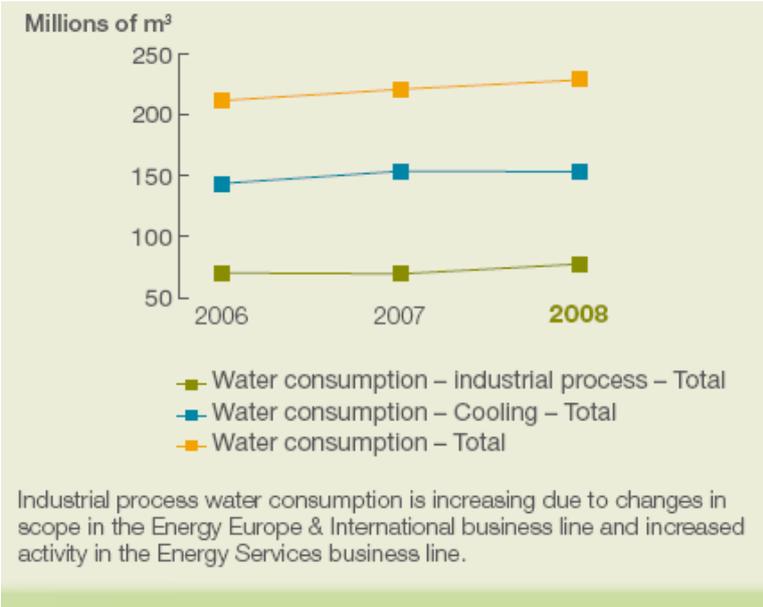
For more information: http://www.unglobalcompact.org/docs/news_events/8.1/Ceo_water_mandate.pdf

The GDF SUEZ Group uses water in the energy production process, especially to cool thermal and nuclear power plants. It takes specific steps to limit the impact of these activities, including:

- Using air-cooling technology rather than river water in gas-steam turbine plants
- In water circuits: chloramination technology, less harmful than chlorine injection; nontoxic paints
- Electrochemical removal of nitrates and ammonium from wastewater.

The Group used 239 million m³ of water in operating all its installations.

Group water consumption



<http://www.gdfsuez.com/document/?f=files/en/gdf-suez-radd08-vus.pdf>

Research and Innovation

GDF SUEZ's success is founded largely on its ability to innovate. The Group's research and innovation efforts aim to improve the safety and productivity of industrial processes, reduce the environmental impact of human activities, and develop solutions that will meet customers' needs and expectations while preserving the Earth's resources.

The 2009 Innovation Initiative Awards

These are open to all GDF SUEZ personnel, and are intended to collect and analyze innovative projects already carried out at operating units and research centers.

The rules provide for four categories: management, commercial operations, technology, and interdisciplinary innovations. A particular accent this year was on commercial successes in each business.

GDF SUEZ Research and Innovation has a double role: to illuminate the future to prepare for the technologies of tomorrow, and to meet the market's needs, consistent with Group strategy.

To achieve those ends it can draw on:

- the skills of 1,330 researchers and experts:
 - 830 employees in energy (natural gas, electricity, renewable energies and services),
 - 500 employees in environmental studies,
- 10 research centers,
- a budget of EUR 188 million,
- a portfolio of 1,620 patents.

The three primary operating activities at R&I are:

- research and development,
- technical assistance,
- knowledge management.

GDF SUEZ has ten research centers all over the world :

CRIGEN – Saint-Denis (France)
CYLERGIE - Elyo – Lyon (France)
CIRSEE - SUEZ ENVIRONMENT – Le Pecq (France)
CIRADE - SUEZ ENVIRONMENT – Gargenville (France)
CERDERG - Degrémont – Croissy-sur-Seine (France)
CETAQUA - Agbar – Barcelona (Spain)
AGBAR – Madrid (Spain)
LABORELEC – Brussels (Belgium)
DENARD - Degrémont – Richmond (Virginia, USA)
WATER RESEARCH CENTER - SCIP – Shanghai (China)

COMBATING CORRUPTION

Fighting corruption is one of the Group's major commitments under the UN Global Compact.

- The Group's anti-corruption commitments are formally laid down in a series of documents.
- An ethics and compliance organization coordinates activities, and ensures strict compliance with national and international regulations.
- Internal control procedures enable all staff to monitor compliance with the rules.

PRINCIPLE 10

Businesses should work against corruption in all its forms, including extortion and bribery.

As a signatory to the UN Global Compact, GDF SUEZ has established a policy on ethics and fighting corruption. Its commitments in this regard are formally laid down in the Sustainable Development policy, the Ethics Charter (currently in preparation), and the Ethics Guidelines for Commercial Relationships.

Pending completion of the new Group rules, an "Ethics and Compliance Process" has been in place since the merger to serve as a benchmark for all units. It is founded on the principles and programs that were already in place in the two original groups.

Ethics organization

At the highest level of the company, these questions are addressed by the Board of Directors **Committee for Ethics, Environment and Sustainable Development**.

Ethics policies are coordinated from the level of the Executive Committee by the Group's General Secretary, who is also its Chief Ethics Officer.

The **Ethics and Compliance Division**, which reports to the General Secretary, supports the process of developing the Group's ethics rules, and makes sure they are incorporated into the Group's strategy, management and practices.

Each business line and each business unit has its own ethics officer. Consequently, the Group has a network of nearly 130 ethics officers and ethics coordinators on the ground wherever it operates.

The **Compliance Committee**, chaired by the Group Ethics Officer, includes the heads of the Audit, Legal, Compliance and Ethics Divisions, and It ensures that the Group complies with its own ethics rules throughout, and can detect any abuse.

A hundred ethics officers in Paris

More than 100 of the Group's ethics officers from 23 countries met in Paris at the end of November 2008 for their annual conference. Workshop topics included the current deployment of the new compliance policy, identifying ethical risks in human resources, the mission of the ethics officer, and the presentation of best practices established at various entities. Each business line head presented the risks specific to his or her activity. The annual conference encourages an awareness and dissemination of best practices within the Group, and helped identify priorities for 2009.

<http://www.gdfsuez.com/document/?f=files/en/gdf-suez-radd08-vus.pdf>

Ethics rules

All ethics documents and guides currently in preparation will be published in 20 languages and widely distributed. They will present the rules and principles to gird the Group against risks that might affect its operation, integrity or image. They must serve as a benchmark for all units, enabling them to comply at all times with all national and international regulations. In particular, they present lists of best practices and prohibited practices within the Group for all situations an employee might face in a commercial relationship: invitations and gifts, commissions, conflicts of interest, fraud, financing of political parties, etc.

The Group has set up two courses of training in ethics questions for managers. In 2008, 3,665 employees participated in online training modules, two of which concerned questions of corruption in public contracts. The online courses are available in five languages. This training helps sensitize managers to questions of ethics, and gives them the keys to good conduct in their own professional activities.

The Group has set up internal control procedures to prevent corruption, including arrangements for any employee to report confidentially any conduct that seems abnormal, without going through the usual channels.

An electronic address, accessible to any Group employee anywhere in the world, makes it possible to contact the Ethics Division to ask ethics questions at any time, or get ethics advice (ethics@gdfsuez.com)

Each year, each business unit prepares a report on compliance, which the compliance director analyzes and which enables the Ethics and Compliance Division to prepare the Group's annual compliance report.

Commitments

Group Chairman and CEO Gérard Mestrallet recently signed the letter from the Top Executives of Industry in support of actively applying the 2003 United Nations Convention against Corruption, ratified by 130 countries. This letter to the Secretary General of the UN was signed by 29 other top executives of international companies.

PARTNERSHIPS AND MEMBERSHIPS TO SUPPORT SUSTAINABLE DEVELOPMENT

As an extension of its corporate environmental and social responsibility policy, GDF SUEZ shares its ideas and best practices, and supports actions by its partner organizations, both national and international.

Memberships

CODEV, the Paris Council on Sustainable Economic Development

Formed in 2002, CODEV has the task of providing the Mayor of Paris with suggestions for actions to support employment. It brings together the city's economic and social players in taking action for Paris. [Find out more at the Web site of the Office of the Mayor of Paris](#)

Comité 21, the French Committee for the Environment and Sustainable Development

Comité 21, formed in 1994, aims to apply in France the ideas from Agenda 21 from Earth Summit '92 in Rio. It has more than 300 members. GDF SUEZ has been a member and director of the association since the start, and participates in two working groups: Businesses, and Local Governments. The Group has also contributed to various publications compiling the lessons learned by some sixty members. [Visit the Comité 21 Web site](#)

CSR EUROPE

CSR Europe, a network of European businesses founded in 1996, organizes an annual forum on best practices among its member companies. GDF SUEZ participates every year, and presents examples from its range of expert experience. [Visit the CSR EUROPE Web site](#)

EPE, the Business for the Environment association

Founded in 1992, EPE assembles some forty large corporations that want to take better account of sustainable development in their strategy and ongoing management. EPE also develops an open dialogue with other partners (public authorities, associations, unions) to define pathways for progress. [Visit the EPE Web site](#)

IDDR1, the Institute for Sustainable Development and International Relations

The IDDR1 association is concerned with questions of sustainable development that require worldwide coordination, such as climate change or the scarcity of natural resources. It looks for a shared understanding of problems (North-South relations, international negotiations) within a global perspective of good governance. [Visit the IDDR1 Web site](#)

IMS

Founded in 1986, IMS-Entreprendre pour la Cité is a network of more than 130 businesses committed to social responsibility approaches. The association helps its member businesses develop initiatives to create value in localities where they operate, and to generate greater social equality. [Visit the IMS Web site](#)

ORSE – Study Center for Corporate Social Responsibility

ORSE, formed in 2000, has about 100 members: large corporations, portfolio managers, investors, unions, nongovernmental organizations, etc. Its mission is to permanently monitor corporate social and environmental responsibility, sustainable development and socially responsible investment (SRI). [Visit the ORSE Web site](#)

OSI (International Observatory of Social Challenges)

Created at the initiative of the GDF SUEZ Group in 1998, the OSI grew out of the desire to take better account of the social requirements of globalization, above and beyond mere economic and financial imperatives. Its aim is to help incorporate the human and social dimension into this process through specific proposals. [Visit the OSI Web site](#)

The Global Compact

GDF SUEZ was one of the first companies to join the Global Compact when this initiative was launched by UN Secretary General Kofi Annan in 2000. The Global Compact is a privileged site for exchanges of views and information among the United Nations, the business community, labor organizations, and civil society. The Group has committed to comply with the 10 Principles of the Global Compact. [Visit the Global Compact Web site](#)

WBCSD

GDF SUEZ participates in the working groups of the WBCSD, a network of more than 180 international businesses committed to support sustainable development through economic growth, ecological balance and social progress. The Group is especially involved in the working groups on Energy and Climate and on Energy Efficiency in Buildings. They seek to help businesses reduce the impact of their activities, and also to offer mechanisms, measurement tools and future solutions for producing without carbon constraint, by exploring new pathways in energy and technology. [Visit the WBCSD Web site](#)

Partnership agreements

Emmaüs

Emmaüs is a secular, socially responsible movement in 41 countries on four continents, with the aim of combating the exclusion of the most destitute members of society. The partnership between GDF SUEZ and Emmaüs France is built on four commitments: to prevent social exclusion, conduct programs for social inclusion and for greater economic activity, develop programs for sponsorship and solidarity with the Group Foundation, and encourage GDF SUEZ employees to become involved with Emmaüs. [Visit the Emmaus Web site](#)

Nicolas Hulot Foundation – Belgium

GDF SUEZ has been a partner of the Nicolas Hulot Foundation in Belgium since 2001, and supports the activities of 160 clubs, as well as the development of new projects to make the public at large more aware of activities that help the environment. [Visit the Nicolas Hulot Foundation Web site](#)

GreenFacts

GreenFacts is an independent association based in Brussels. Its aim is the impartial communication of scientific data about health and the environment. GDF SUEZ contributes to GreenFacts' development through financial support structured in such a way as to enable the organization to carry out its mission in complete independence. [Visit the GreenFacts Web site](#)

IUCN (International Union for the Conservation of Nature)

The IUCN, the first world environmental organization, was created in October 1948 after the international conference at Fontainebleau, France. Today, it is the largest environmental protection network in the world. The IUCN emphasizes the very important role that business must play in preserving biodiversity.

GDF SUEZ has joined forces with the IUCN in a major partnership:

- The French Committee of the IUCN will help GDF SUEZ incorporate biodiversity into its policies and into its activities, for example by organizing training days,
- GDF SUEZ will support the French Committee's projects, such as updating the list of the most endangered species.

Women's Forum

Each year since 2005 the Women's Forum has organized the Women's Forum for the Economy and Society. Its mission is to analyze women's views of current changes in the economy and society. This forum of corporate executives is supported by some twenty companies, which thus demonstrate their commitment to diversity at work. [Visit the Women's Forum Web site](#)

GDF SUEZ plays a leading role in a number of national and international organizations that support a thoughtful approach to corporate social responsibility, encourage sharing best practices, and promote constructive competition and the adoption of joint positions.

Partnerships and memberships

Name	Members	GDF SUEZ participates as/in	GDF SUEZ involvement
Global Compact	Businesses	Steering Committee of the French Friends of the GC	Signing "Caring for Climate" and "CEO Water Mandate"
WBCSD (World Business Council for Sustainable Development)	Businesses	Member of core team of the Business Role working group Participation in the work of the Energy and Climate and the Energy Efficiency in Buildings groups	Working groups: - Energy & Climate - Electric Utilities - Business Role - Water & SD - Development
CSR Europe	Businesses	Member	Leader of the "engaging stakeholder" laboratory with Total
Comité 21	Businesses, local governments, associations	Member of the Board of Directors	Participation in work groups: - Agendas 21 and local governments - Food, energy, construction, waste and transportation - Mobilization and training - Responsible purchasing: assistance to SMEs and SMLs - Responsible Marketing - Innovation - Education in SD
IDDR/ FONDDR (Institute / Foundation for Sustainable Development and International Relations)	Businesses, experts	Member of the Board of Directors	Participation in research programs on Climate Vulnerability for Industrial Activities and on Scenarios under the Carbon Constraint
ORSE	Businesses, labor organizations	Member	Participation in working groups: - Sustainable purchasing
EPE (Entreprises Pour l'Environnement – Business for the Environment)	Businesses	Member of the Board of Directors	Participation in working group: Energy Efficiency in Buildings
IMS (Social Sponsorship Institute)	Businesses	Member of the Board of Directors	Participation in working group: Access to Products and Services for Disadvantaged Populations"

<http://www.gdfsuez.com/fr/engagements/performances/travaux-en-partenariat/travaux-en-partenariat/>

ANNEXES

GDF SUEZ PROFILE

Rediscovering energy

One of the leading energy providers in the world, GDF SUEZ is active across the entire energy value chain, in electricity and natural gas, upstream to downstream. It develops its businesses (energy, energy services and environment) around a responsible-growth model to take up the great challenges: responding to energy needs, ensuring the security of supply, fighting against climate change and maximizing the use of resources. GDF SUEZ relies on diversified supply sources as well as flexible and high-performance power generation in order to provide innovative energy solutions to individuals, cities and businesses. The Group employs 200,000 people worldwide and achieved revenues of €83.1 billion in 2008. GDF SUEZ is listed on the Brussels, Luxembourg and Paris stock exchanges and is represented in the main international indices: CAC 40, BEL 20, DJ Stoxx 50, DJ Euro Stoxx 50, Euronext 100, FTSE Eurotop 100, MSCI Europe and ASPI Eurozone.

Key figures, year-end 2008

- 200,000 employees throughout the world
 - including - 134,600 in energy and services
 - 65,400 in environment
- 3,000 municipalities served
- EUR 83.1 billion in 2008 revenues
- 1,200 researchers and specialists in 8 R&D centers

Electricity

- 5th largest producer in Europe
- N° 1 independent power producer in the world
- 68.4 GW in installed production capacity
- 20 GW in production capacity under construction
- 276 TWh in electricity production in 2008

Natural gas and LNG

- N° 1 buyer of natural gas in Europe
- N° 1 importer of LNG in the United States
- A supply portfolio of over 100 Gm³
- A fleet of 20 LNG tankers, including 5 under construction

Energy services

- N° 1 supplier to municipalities and businesses in Europe

Environment

- 2nd largest provider of environment services in the world

Organization

GDF SUEZ activities are performed by five operational business lines in energy and environment.

- GDF SUEZ Energy Europe and International – Europe – International - Benelux and Germany
- GDF SUEZ Energy et Services
- GDF SUEZ Infrastructures
- GDF SUEZ Energy France
- GDF SUEZ Corporate/Foundation
- GDF SUEZ Global Gas and LNG
- GDF SUEZ Environment

2008 BUSINESS AND SUSTAINABLE DEVELOPMENT REPORT



<http://www.gdfsuez.com/document/?f=files/en/gdf-suez-radd08-vus.pdf>

2008 GDF SUEZ CORPORATE BROCHURE



<http://www.gdfsuez.com/document/?f=files/en/gdf-suez-energy-a-source-of-progress.pdf>