

EUROPEAN AGREEMENT

ON

**THE CORPORATE SOCIAL
RESPONSIBILITY**

OF THE

GAZ DE FRANCE GROUP

AGREEMENT ON THE CORPORATE SOCIAL RESPONSIBILITY OF GAZ DE FRANCE,

Between:

The Gaz de France Group, represented by its Chairman and CEO,

And:

The following and national and European trade union organisations:

EMCEF (European Mine Chemical and Energy workers Federation)

EPSU (European Federation of Public Services Unions)

EMF (European Metalworkers' Federation)

For Gaz de France Group companies in France: CGT, CFDT, CGT-FO, CFE-CGC, et CFTC

For Gaz de France Group companies in the United Kingdom: UNITE

For Gaz de France Group companies in Hungary: Égáz-Dégáz Földgázelosztó Zrt and Gázszolgáltató Zrt's trade unions

For Gaz de France Group companies in Romania: F.S. GAZ ROMANIA

For Gaz de France Group companies in Holland: UNIE

For Gaz de France Group companies in Belgium: BBTK

For Gaz de France Group companies in Germany: IGBCE

For Gaz de France Group companies in Italy: FIOM CGIL, FISASCAT-CISL, UILCEM-UIL

PREAMBLE

As an energy leader in Europe, the Gaz de France Group produces, purchases, transports, distributes and sells natural gas, electricity and associated services to residential and business customers and to local governments.

Developing in an environment of rapid change, the Gaz de France Group has committed to a social responsibility project based, on the one hand, on the implementation of an ethical approach and managerial reference practices, and on the other hand, on the conclusion of a Corporate Social Responsibility agreement.

The Gaz de France Group founds its mode of governance and its development on socially responsible values and principles of action that apply in all of the countries in which its companies are located. The success of such an ambition relies on the rigorous involvement of all of those who are involved with the Group. Exercising social responsibility concerns both the relations between the companies that make up the Gaz de France Group and their employees, as well as the relations with its customers, suppliers, sub-contractors and, more widely, with both important regional figures and civil society.

The result of a voluntary endeavour, this agreement aims to promote social and environmental practices which go beyond the legal and statutory obligations. It confirms the Group's position in favour of Sustainable Development and social dialogue with trade union organisations and employee representatives as an important vector of progress. It characterises the spirit of accountability that has been adopted by the signing parties as well as their wish to promote constructive European social dialogue based (depending on the nature of the files) on information, consultation or negotiation.

The implementation and success of this agreement lie in the establishment of dialogue between the various management teams and trade union organisations at all levels within the Group. This shall constitute the basis of reference for management and trade union organisations. The implementation, follow-up and assessment of the results of the agreement's application will be conducted within the context of the respective responsibilities of the signing parties.

I. SCOPE OF APPLICATION

This agreement applies, on a European scale (The European Union, The European Economic Space, countries that have applied for Union membership), to the fully integrated and monitored entities, namely:

- Companies in which Gaz de France holds, directly or indirectly, a fraction of the capital which gives it a majority of the voting rights in the meetings of these companies.
- Companies over which Gaz de France, by virtue of voting rights, held either directly or indirectly, has the possibility of ensuring that its point of view takes precedence at general meetings.
- Companies in which Gaz de France is, directly or indirectly, either associated or a shareholder and thus has the power to appoint or abrogate the majority of the members constituting the administrative, managerial or regulatory bodies of this company.

The list of entities concerned is communicated regularly to the signing parties

Furthermore, in order to increase the awareness of all of its companies with respect to the CSR process, the Gaz de France Group shall bring this agreement to the knowledge of companies that do not fall within the scope of application.

The Gaz de France Group's companies undertake to enforce both national and local legislation strictly, as well as any collective conventions and agreements that concern them. In the event that these conventions and legislative provisions are more favourable than this current agreement, the former shall have precedence over the latter.

In the event that certain aspects of the agreement appear as a result of collective bargaining, the trade unions of the national professional divisions will be involved in the collective bargaining in their respective countries. This article particularly concerns sections 3.2 and 3.4.

II. UNIVERSAL STANDARDS FOR RESPECTING HUMAN RIGHTS

The Corporate Social Responsibility process of the Gaz de France Group falls under a universal framework of international commitments that guarantee respect for human dignity and fundamental social rights:

The United Nations

- Universal Declaration of Human Rights (UN – 1948)
- Declaration on the Elimination of Discrimination against Women (UN – 1967)

ILO conventions

The Gaz de France Group also observes ILO conventions (International Labour Organization) governing fundamental social rights:

- Elimination of discrimination with regard to employment and occupation (ILO conventions 100 and 111).
- Prohibition of child labour (ILO conventions 138 and 182).
- Elimination of forced or compulsory labour (ILO conventions 29 and 105).
- Freedom of association and the right to collective bargaining (ILO conventions 87 and 98).
- Convention 135 on the protection of members and workers' representatives and the refusal of anti-union discrimination.
- Convention 156 on equal rights and opportunities for workers of both sexes with family responsibilities and for pregnant or breastfeeding women.

In addition, the Gaz de France Group acts in reference to the declaration of the tripartite principle concerning multinational companies and social policy.

The voluntary commitments of the Gaz de France Group

UN Global Compact

The Global Compact strives to promote the civil responsibility of companies in order to enable businesses to participate in the search for solutions to the problems caused by globalisation.

As a signatory of the United Nations' Global Compact, the Gaz de France Group undertakes to observe the 10 principles therein:

Human rights

Principle no. 1: Businesses should respect and support the protection of internationally proclaimed human rights within their sphere of influence, and

Principle no. 2: Ensure that they are not complicit in human rights abuse.

Labour standards

Principle no. 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining,

Principle no. 4: The elimination of all forms of forced and compulsory labour,

Principle no. 5: The effective abolition of child labour, and

Principle no. 6: The elimination of discrimination in respect of employment and occupation.

Environment

Principle no. 7: Businesses should support a precautionary approach to environmental challenges,

Principle no. 8: Undertake initiatives to promote greater environmental responsibility, and

Principle no. 9: Encourage the development and diffusion of environmentally friendly technologies.

Anti-corruption

Principle no. 10: Businesses should work against corruption in all its forms, including extortion and bribery.

EITI

The Gaz de France Group is also a member of the Extractive Industries Transparency Initiative (EITI) and works for transparency in its natural gas exploration and production activities.

OECD

The action of the Gaz de France Group falls within the context of the guiding principles outlined by the OECD, applicable to multinational companies.

Lastly, the Gaz de France Group pays special attention to European directives and recommendations as well as to agreements negotiated between European social partners that may have an impact on the provisions set out in this agreement.

III COMMITMENTS OF THE GAZ DE FRANCE GROUP CONCERNING INTERNAL WORKING RELATIONS

3.1) Working Conditions - Health – Safety

The Gaz de France Group provides suitable working conditions for all of its employees that enable them to preserve their physical and mental health and well-being as well as their safety.

The Group strongly believes that well-being in the workplace is a key factor in improving health/safety for all staff, in managing its businesses and in improving performance.

It will ensure the development of favourable conditions, particularly through training, that will enable each employee to convey their expertise and creativity, while also permanently preserving and improving all health and safety aspects for employees, colleagues and the personnel of service providers.

The Group is committed to achieving continuous progress, with the aim of eliminating the incidence of accidents and work-related illness, and improving the management of risks with knock-on effects on the other, especially with regard to chemical risks, musculoskeletal disorders and psychosocial risks.

The Gaz de France Group ensures the safety of the personnel of its service providers by taking this criterion into account in contract allocation, by highlighting any specific demands and by monitoring respect.

In addition, when exercising authority, in managerial relations as in all other relations within the Group's companies, the individual is always shown respect. Exertion of excessive pressure and psychological or sexual harassment are prohibited.

3.2) Skills management; anticipating and accompanying changes in structure and jobs

The Gaz de France Group strives to anticipate change and to adapt its human resources in order to satisfy the high level of professionalism demanded, to find solutions to problems concerning employability¹ and to support restructuring or changes in structure.

Skills management:

Skills management is part of a managerial forecasting process relative to jobs and skills that puts the evolution of companies' needs and businesses into perspective.

Gaz de France encourages each employee to actively take part in his or her own career progression. To encourage this, the company ensures that employees have access to sufficient information that enables them to evaluate their role in the company in relation to changes in their environment (technical, economical, relationship-based, etc.).

¹ Employability is defined as providing support to employees so that they can maintain and develop their skills and thus gain access to jobs within their company, the Gaz de France Group, or outside the company, within a suitable timeframe and under acceptable conditions.

The Gaz de France Group encourages employees to develop and adapt their skills by means of regular and formal meetings with his or her management team. These meetings have the following aims:

- Giving priority to listening to employees' needs and providing appropriate information,
- Exchanging information regarding modifications in structure and sector,
- Evaluating skills, results, and potential for progress,
- Aligning possible career paths with ad hoc training programmes.

On the basis of these principles, the Gaz de France Group is aiming to establish a generalised practice of individual interviews with a predefined form that shall be made known to all employees and social partners in advance.

Training as regards individual interview techniques will be promoted.

The Group wishes to reiterate the fact that all kinds of training (training from specialised organisations, apprenticeships, accompaniment, immersion, skills transfer between new and experienced employees, e-learning, etc.) is a key success factor for the effective management of skills. The Group will therefore ensure that the training covers all professional fields, especially those specific to the technical knowledge required to exercise a particular position, as well as broader fields and those relative to prevention and safety.

The Gaz de France Group encourages knowledge sharing, the exchange of skills and innovation within its companies and strives to facilitate professional exchanges in order to create value.

Mobility:

Gaz de France considers mobility to be an asset to the long-term cohesion of the Group and as an opportunity for those wishing to take part in this type of initiative. Mobility is structured from within each country and on the basis of each country, and is based on skills, performance and potential; it excludes any prejudices founded on origin, sex, age or religion.

In order to support personal development in the long term, the Gaz de France Group undertakes to study all possibilities for the development or mobility of its employees, while taking into account individual potential and interests.

Changes in structure and restructuring:

Anxious to minimise the negative effects of changes in organisation and restructuring, the Gaz de France Group undertakes to observe a principle of anticipation, to implement social dialogue with trade unions and employee representatives, and to encourage quality communication with employees concerning economical issues, the consequences of projects and the envisaged means for establishing individual and collective support procedures.

Companies within the Group that are required to refocus any activities, thus possibly resulting in social consequences will undertake to offer all employees personal coaching on an equal basis, which will make access to new jobs easier, either within or outside the company, through measures that are the most appropriate to the local context (information, training, change of profession, examination of reclassification

possibilities, outplacement, etc.). Furthermore, employees may be entitled to benefit from skills assessments.

Support from management:

Gaz de France undertakes to pursue the professional development of its managers, which will enable them to more effectively understand the Group's challenges in order to be able to support employees as their careers progress within the context of economical and societal change. In addition, the Group will increase awareness of the importance of social dialogue among its managers.

3.3) Promoting diversity and fighting against all forms of discrimination

The diversity of the Group's employees represents a vector of wealth and performance for Gaz de France. Diversity is the reflection of society.

The Group promotes diversity and fights against all forms of discrimination by applying the provisions set out by ILO convention 111, which prohibits "any distinction, exclusion or preference made on the basis of race, colour, sex, religion, political opinion, national extraction or social origin that has the effect of nullifying or impairing equality of opportunity or treatment in matters concerning employment or occupation".

All companies within the Gaz de France Group undertake to provide equal opportunities with respect to recruitment, promotion and professional development for all employees.

All companies within the Gaz de France Group undertake to promote voluntary action in favour of diversity in the following areas:

- Equality between men and women, as regards access to jobs at all levels of the hierarchy, and equal pay for equal work and/or of equal value;
- Integration of disabled workers in conditions that provide adequate support and reception and which are adapted to each situation;
- Diversity of origin (regional, national, ethnic, cultural, etc.);
- Age diversity, taking into account access to jobs for young people, especially those that come from underprivileged areas, the continued development of employability until the end of a career and non-discrimination based on age;
- Non discrimination linked to trade union activities.

3.4) Permanently attractive working conditions

In order to attract talent and develop staff loyalty, the Gaz de France Group undertakes to:

- vary recruitment profiles: young graduates and experienced individuals with differing nationalities and ethnic and cultural origins;
- ensure their effective integration, by the most adapted means: communication, welcome procedures, all kinds of training;
- ensure regular monitoring of new staff by means of regular appraisals or surveys;
- ensure that a fair balance is struck between professional life and personal life.

The Gaz de France Group undertakes to ensure that remuneration is at least equal to, if not higher than the conditions set out in National Legislation or, where applicable, the appropriate labour agreements with the aim of providing employees with a decent standard of living with respect to local context.

The Gaz de France Group's remuneration policy aims to ensure objectivity and transparency with regard to rules governing wage fixing.

In order to reinforce social cohesion within the Group, Gaz de France strives to redistribute to its employees the benefits of the company's growth and creation of value, to which they have contributed. This redistribution takes the form of salary increases, bonuses, or any other means of sharing in the company's growth profit (profit-sharing bonuses, employee saving schemes, free shares, etc.).

Gaz de France encourages the development of social protection systems (sick leave, maternity...) and provident schemes covering risks relating to death, disability and incapacity in all of the Group's companies.

The Gaz de France Group strives to progressively implement schemes which will ensure that an acceptable pension level is maintained for its employees. With this outlook and with demographic changes in mind, the Group ensures that its employees are informed of any changes affecting state and/or private pension plans.

In addition, the Gaz de France Group encourages the development of initiatives aimed at providing employees with access to cultural and sporting activities.

3.5) Social dialogue

The Gaz de France Group recognises the freedom to exercise union rights and freedom of association and encourages dialogue with its social partners, notably through collective bargaining.

Even if local laws do not make this a legal requirement as such, the Gaz de France Group seeks to facilitate the designation of representatives by employees or unions, and to respect their aims and their independence.

Either directly or through an intermediary, the Gaz de France Group aims to provide thorough information on the main issues facing the Group and its companies and on their evolution, and to implement constructive dialogue concerning employees' interests.

The Gaz de France Group ensures that the principle of non discrimination of employees with trade union commitments is respected in terms of career progression.

IV THE GAZ DE FRANCE GROUP'S COMMITMENTS WITH REGARD TO THIRD PARTIES

4.1) The environment

Protection of the environment is a principle that is anchored deeply within the Group's cultural history.

Exercising Corporate Social Responsibility involves taking the environment into account with respect to all of our activities and products, as well as the ways in which they are used by our customers and the employees of the Group.

The Gaz de France Group's fundamental commitments include elements described in the Global Compact, signed in April 2003:

- Working to prevent and reduce pollution using our skills and knowledge;
- Designing a framework for consistent management of the environment to encourage businesses and subsidiaries to adopt the concept of subsidiarity;
- Encouraging the development and use of environmentally-friendly technology and, in particular, the development of renewable energy and the promotion of energy efficiency. The purpose of these actions is notably to reduce CO₂ emissions;
- Promoting energy savings among employees, professionals and individual consumers;
- Ensuring the safety of the facilities with regard to people and property;
- Maintaining continuous improvement in environmental performance;
- Providing tools for implementing and coordinating this policy as well as Group reporting.

By affirming the importance of the environment and its implication in Corporate Social Responsibility practices, the Group undertakes to communicate with stakeholders in order to define issues and find appropriate solutions, to raise awareness among employees, customers, suppliers and service providers as to the protection of the environment and to take into account the health of all populations and personnel as part of this process. In addition, the Gaz de France Group undertakes to continue its research, development and innovation efforts in the fields that concern the environment, new technologies and safety.

4.2) Regional relations

Gaz de France is an industrial operator that respects the reality and particular characteristics of the areas in which it carries out its activities. Its local partnership approach stems from its willingness to support regional development and solidarity.

The Gaz de France Group undertakes to contribute to economical and social development while observing the laws, regulations and standards in operation in the regions in which it is active:

- Through sustained communication with the communities concerned by its activity;
- Through participation in programmes for the support and development of economic activity, in the context of adapted local or international partnerships;
- By taking into account, through partnerships with governmental and non-governmental organisations, the essential requirements of local communities

(education, health and energy) by regularly taking part in humanitarian, environmental or solidarity initiatives;

- Through tangible and varied action plans that favour people with employment difficulties or that works towards the successful integration of young people;
- Through continuous exchange of best practices between the Group's companies in terms of local integration.

4.3) Commitments to citizens and solidarity

Actions that endorse solidarity with those customers that lack resources or with regions are an integral part of the Gaz de France Group's reputation and performance.

Access to energy:

The Group's companies strive to provide products and services to as many people as possible and they have the authority to determine how customers lacking resources may gain suitable access to energy in order to prevent the risks of these people being cut off. Preventive action intended to manage energy consumption more effectively will be encouraged in order to avert risks related to increased lack of financial security among its poorest customers. The Group's companies will ensure that the appropriate measures are implemented for preventing energy supply interruption.

Safe use of energy:

Gaz de France's companies will roll out information campaigns aimed at enabling their customers to use energy in optimum safety conditions.

Citizen action and solidarity:

Solidarity is an integral part of the culture and identity of the Gaz de France Group. The Group encourages employees to take part in charitable action and solidarity initiatives. The Group's companies will seek out the most appropriate means for encouraging this commitment.

Generally speaking, the Gaz de France Group and its companies are capable of entering into partnerships (relating to solidarity, sport and culture, etc.) and of lending their support to major national or international causes.

4.4) Relations with suppliers and sub-contractors

The Gaz de France Group's suppliers and sub-contractors will be informed of this agreement.

Relations with suppliers and sub-contractors should not generally cause situations to arise in which the Group's ethical commitments and those described in this agreement are brought into question.

All Gaz de France companies expect their suppliers and sub-contractors to observe the current international laws and agreements. Any disregard for Human Rights will be made the subject of corrective measures further to a warning issued by the Group's companies. Non-observance of these rights will lead to cessation of the commercial partnership.

Within the general framework of its policy of "best bidder" the Gaz de France Group recognises and appreciates the efforts undertaken by various suppliers who voluntarily

engage in a process of social responsibility adapted to their company, particularly the proportion of capital investment dedicated to safety at work.

The Gaz de France Group ensures that its suppliers' contractual time limits for settlement are respected.

Gaz de France's companies contribute to local economical development by means of local partnerships. They ensure that small local companies and firms employing disabled workers or people being reintegrated into society are referenced by the Group's companies. Solidarity clauses may be introduced into sub-contracting contracts. Furthermore, Group companies are attentive to the situation of suppliers with which they do a significant amount of business in order to limit situations of dependency.

V IMPLEMENTATION AND ASSESSMENT OF THE AGREEMENT'S APPLICATION

5.1) Methods of application

Out of respect for the principle of subsidiarity, each company will be asked to define the agreement's methods of application, taking into account differences in occupational, geographical and cultural situations, along with the legal, regulatory and contractual obligations as well as considerations relative to collective bargaining processes in the countries concerned.

This agreement is to be submitted to management in the companies concerned. It will be made known to all employees within the Gaz de France Group's companies. It will be diffused by means of internal communications tools and procedures and it is to be translated into the languages of the countries that fall within the scope of its application and in which Gaz de France has set up companies. The way in which it is applied will be discussed between management and the trade unions or, in default thereof, the employee representatives of the companies that fall within its scope. At very least, implementation of this agreement must be based on a diagnostic covering all indicators and annual action plans on points that require particular attention depending on the context and the aforementioned diagnostic. Each company will strive to work on all of the chapters included in this agreement for its duration.

5.2) Employees' right of expression

By signing this agreement, the various parties express their desire to promote exemplary behaviour with regard to exercising Corporate Social Responsibility.

In order to anticipate and resolve difficulties resulting from the interpretation or incorrect application of the agreement before they arise, it is agreed that each employee may approach his/her manager, the Human Resources Management team and/or a trade union representative in his company without being prejudiced by this action. If the problem persists despite the implementation of this process, the problem may be referred to the ethical delegate of the Group for follow-up action. A summary of the questions submitted to the ethical delegate will be presented to the follow-up committee at the time of its annual reports, in accordance with the rules of confidentiality.

5.3) **Methods of monitoring and the assessment of application**

Given the methods of application that have been decided upon for each company, monitoring and assessment of the agreement will be carried out on two levels.

Firstly, each company involved will carry out its own annual assessment in a special meeting between management representatives and trade unions or, in default thereof, employee representatives, in appropriate dialogue conditions.

Secondly, at Group level, the following arrangements will be adopted:

- a specific follow-up committee will be created and chaired by the Chairman of the Group or his representative; the committee will include a representative from each signing trade union organisation, a representative from the Sustainable Development Division, a representative from the Human Resources Division, and the Group's ethical delegate.
- The follow-up committee will ensure that the conditions for the implementation of the agreement are in place, and will draw up a report on the application thereof and evaluate the results. To this end, the signing parties agree to meet within a period of six months from the date of the signing of the agreement, in order to determine which of the indicators available within the group are the most relevant with respect to this agreement, for evaluating the initial steps in the implementation of the agreement, and to prepare for the annual assessment meeting. The follow-up committee meets at least once a year. On this occasion, it will draw up an assessment of its activities. An extraordinary committee meeting may be held by agreement with the Chairman.
- An annual report on the implementation of the agreement must be filed each year. Subject to the unanimous agreement of the parties, it may be communicated appropriately as part of the Sustainable Development report. The Gaz de France Group firmly believes that it is essential to provide all parties concerned with relevant, consistent and reliable information on its extra-financial performance. To this end, the Gaz de France Group obtains an independent evaluation of its report from an outside party and adopts best practices as well as the specifications that are the most suitable for its area of activity, particularly the GRI.
- The implementation assessment will be presented every year to the European Works Council.
- The organisation costs for meetings of the follow-up committee and the preparation thereof, where necessary, (room reservation, accommodation, translation, etc.) will be covered by the Group. Transportation costs are borne by the company taking part. The meeting must be organised in a way that will facilitate the participation of trade union representatives.
- In order to encourage communication concerning the present agreement, the committee has made it its aim to bring the agreement to the attention of a network of RSE correspondents within the Divisions, trade union organisations

or, in default thereof, employee representatives. The members of the follow-up committee may visit the various companies of the countries they represent, by agreement with the divisions in the companies concerned. If necessary, the members of the committee may be given 2 days a year, excluding travel time, to undertake such assignments, the costs of travel being borne by the company taking part.

5.4) Final provisions

This agreement has been reached for an initial duration of three years starting from the date it comes into force; at the end of this term, the parties will compile a general report on the actions and the progress accomplished. Depending on this report, the parties may decide to renew the agreement for a determine period of time. If either of the parties fails to serve notice of renewal of the agreement to the other part by registered letter with a receipt of acknowledgment before the end of the initial three year term, the agreement shall immediately cease to be in effect and as a matter of right shall no longer be in force.

This agreement will be effective the day after it has been filed.

In case of divergence over the interpretation of the various versions, the French version shall be considered the definitive authentic version.

The agreement may be revised during annual assessment meeting to take into account any changes in the scope of the Gaz de France Group, in accordance with the conditions set out in the labour code.

AGREEMENT SIGNED IN PARIS ON JULY 2, 2008 BY

The Chairman of Gaz de France, Jean-François Cirelli

And the following national and European trade union organisations:

For EMCEF,
Reinhard REIBSCH

For EPSU,
Anne-Marie PERRET

For EMF,
Bart SAMYN

For CGT,
Eric BUTTAZZONI

For CFDT,
Marie-Hélène GOURDIN

For CGT-FO,
Max ROYER

For CFTC,
Jean-Michel CERDAN

For CFE-CGC,
Jean-Claude PELOFY

For UNITE,
Les MANSFIELD

For F.S. GAZ ROMANIA,
Constantin COTEA

For Égáz-Dégáz Földgázelosztó Zrt's trade union,
Sándor DARU

For Égáz-Dégáz Gázszolgáltató Zrt's trade union,
István BÁTKI

For UNIE,
Daan D'HOORE

For BBTK,
Peter DE LEENEER

For IGBCE,
Ansgar CLAES

For FIOM CGIL,
Augustin BREDA

For FISASCAT-CISL,
Fiorella PIETROSANTI

For UILCEM-UIL,
Marco LUPI