

# ● Achievements regarding ● Global Compact principles

In July 2001, EDF joined the Global Compact, an initiative launched by the Secretary-General of the United Nations, by which signatory companies adopt, promote and implement ten universal principles in the areas of human rights, labor standards, environmental protection and the fight against corruption. The respect of the ten principles constitutes for the company, an international benchmark which guides its action in promoting sustainable development and reflects its determination, year after year, to progress and act as a responsible company with respect to its different stakeholders. Throughout 2006, EDF continued to actively support the Global Compact and to promote the respect of the ten principles by:

- Playing a lead role within the Friends of the Global Compact Forum in France, with EDF's membership of its executive committee being renewed. Furthermore, in September 2006, an EDF executive, co-chaired with a representative from an employee representative body, a dinner-debate on corporate social responsibility as a driver of performance.
- Expressing its support for voluntary initiatives such as the Global Compact during a ministerial dialogue organized in May 2006, within the framework of the fifteenth United Nations Commission on Sustainable Development.
- Partnering the United Nations Development Program (UNDP) within the framework of a hydroelectric investment project being developed with the e8 in Madagascar and aimed at giving electricity access to around thirty villages representing 8,000 families. A seminar, jointly organized with the UNDP and the French Development Agency (*Agence française de développement* – AFD) in Paris in October 2006, highlighted the value of this partnership.
- Actively participating in different working groups such as the one organized in Geneva in March 2006 on the feedback on reporting matters (Communication On Progress) or the one organized in Barcelona in July 2006, in partnership with the International Chamber of Commerce, on the implementation of the tenth principle relating to anti-corruption.
- Supporting new national networks. In Brussels in June 2006, an EDF representative participated in the seminar to launch the Belgian network, in order to share the experience of a large Group.

The table opposite lists the Group's actions, reflecting the implementation of the ten principles of the Global Compact in 2006. ●

# Achievements regarding Global Compact principles



PRINCIPLES	ACTIONS AND RESULTS IN 2006
Reference to all the principles (1 to 10)	<ul style="list-style-type: none"> <li>• <b>EDF SA:</b> the Sustainable Development Charter for suppliers, circulated in 2006, makes reference to the principles of the Compact.</li> <li>• <b>EDF SA:</b> the agreement with employee representatives on socially-responsible subcontracting integrates the principles of the Compact.</li> <li>• <b>EDF Trading:</b> coal suppliers asked to commit to the respect of the Compact principles.</li> </ul>
<b>1</b> Support and promotion of human rights by the company	<ul style="list-style-type: none"> <li>• <b>Nam Theun:</b> socio-economic support for displaced populations; review (NGO) of the site's environmental and human impact.</li> <li>• <b>Nam Theun:</b> EDF-Institut Pasteur cooperation agreement (11/16/06) in the area of public health.</li> <li>• EDF is participating in the creation of EDH, Companies for Human Rights, a group of companies involved in the promotion of human rights.</li> </ul>
<b>2</b> Ensure the company is not complicit in human rights abuses	<ul style="list-style-type: none"> <li>• <b>EDF Group:</b> first results of the deployment of the CSR agreement which refers to the Global Compact and to the respect of human rights.</li> <li>• <b>Brazil:</b> the purchaser of Light renewed the CSR agreement and undertook to maintain commitments to employees for a three-year period.</li> </ul>
<b>3</b> Recognize the right to free association and collective bargaining	<ul style="list-style-type: none"> <li>• Employee dialogue bodies functioning at Group level (European Works Council, CSR Dialogue Committee).</li> <li>• Employee representatives directly elected in the Asia-Pacific subsidiaries.</li> <li>• <b>EDF SA:</b> introduction of clauses relating to employee dialogue in the socially-responsible subcontracting agreement.</li> </ul>
<b>4</b> Eliminate all forms of forced or compulsory labor <b>5</b> Effectively abolish of child labor	<ul style="list-style-type: none"> <li>• <b>Nam Theun:</b> organization and functioning of the site in conformity with principles 4 and 5 of the Compact (Nam Theun Power Company ethical charter).</li> <li>• Implementation and monitoring of EDF Energy's ethical procurement policy within the framework of the Ethical Trading Initiative, includes a specific clause on compulsory labor and child working.</li> </ul>
<b>6</b> Non-discrimination	<ul style="list-style-type: none"> <li>• Implementation (action plans in each branch and division of EDF SA) of the commitment to promote corporate diversity (June 2006); signature of the companies' Diversity Charter (September 22, 2006).</li> <li>• <b>EDF SA:</b> stronger encouragement for companies to promote professional insertion plans within the framework of the socially-responsible subcontractor agreement.</li> </ul>
<b>7</b> Take a precautionary approach to environmental issues	<ul style="list-style-type: none"> <li>• Adoption of a biodiversity policy (May 2006).</li> <li>• Scope of the Group's ISO 14001 certification extended to EDF SA's Services Division, and to affiliates Sodeltel and Comego.</li> <li>• The EnBW holding company and EnBW AG are ISO 14001 certified.</li> </ul>
<b>8</b> Undertake initiatives to promote greater environmental responsibility	<ul style="list-style-type: none"> <li>• Revision of the environmental management system as a function of the Group's ten environmental policy commitments.</li> <li>• <b>EDF SA:</b> with the Nicolas Hulot Foundation, organization of an advice and information roadshow on energy saving in ten French cities, entitled 'Let's save energy together'.</li> </ul>
<b>9</b> Encourage the development of environmentally-friendly technologies	<ul style="list-style-type: none"> <li>• The portion of expenditure dedicated to the environment represents nearly one third of EDF's research and development budget, i.e. 111 million euros.</li> <li>• Strong growth in the activity of the new energy subsidiaries, EDF EN (listed for trading in 2006) and Tenesol (new photovoltaic panel factory in Toulouse) in France and worldwide.</li> <li>• Support for the development of the electric vehicle: Blue Car project with Groupe Bolloré and <i>Cleanova II</i> experimentation with the Dassault Group.</li> <li>• Commitment by EDF to a 3,300 MW (3 billion euros) wind power project in Europe and the United States between now and 2010 /2011.</li> </ul>
<b>10</b> Work against all forms of corruption	<ul style="list-style-type: none"> <li>• <b>EDF Energy:</b> monitoring of the implementation of clauses prohibiting corruption in procurement contracts through the application of the Ethical Trading Initiative.</li> </ul>

# Summary table of 2006

ACTION	COMMITMENTS/OBJECTIVES	2006 ACTIONS UNDERTAKEN	OUTLOOK AND ACTIONS FORESEEN FOR 2007
<b>Sustainable Development commitment and ethical approach</b>	<ul style="list-style-type: none"> <li>Monitoring of ethical approach action plans in subsidiaries and affiliates and Group divisions.</li> <li>Implementation of a systematic procedure for detecting, preventing and controlling fraud.</li> <li>Implementation and monitoring of the 2005 sustainable development commitments: CSR Agreement, Environmental Policy, Public Service Agreement.</li> </ul>	<ul style="list-style-type: none"> <li>Deployment of the internal control procedures and circulation of the internal control guide by the internal Audit Division.</li> <li>Further to ethical risk audits, establishment of an action plan for the relaunch of the ethical approach.</li> <li>First meeting of the CSR Agreement Dialogue Committee.</li> <li>First meeting of the committee for monitoring the Public Service Agreement.</li> </ul>	<ul style="list-style-type: none"> <li>Monitor the implementation of key ethical control points in Group Divisions.</li> <li>Implement the action plan for relaunching the ethical approach.</li> <li>Promote sustainable development internally through the new Sustainable Development Awards.</li> <li>Promote sustainable development in human resources: <i>Action Planète</i>.</li> </ul>
<b>Risk control</b>	<ul style="list-style-type: none"> <li>Implementation of the Group risk management and control procedure.</li> <li>Increase in the Group's ability to anticipate emerging risk (weak signals).</li> <li>Verification of the implementation, by all Group entities, of programs aimed at reducing and controlling their risks.</li> <li>Establishment and deployment of a 'Pandemic' operational plan at Group level.</li> </ul>	<ul style="list-style-type: none"> <li>Definition of a strategy and the associated action plans for controlling risks linked with the introduction of permits trading and white certificates.</li> <li>Deployment of the Extreme Weather Plan to manage the heatwave in July 2006.</li> <li>Establishment of the EDF 'Pandemic' Plan, which was tested during a first exercise on a national scale: response procedure in case of incidents linked to bird flu.</li> </ul>	<ul style="list-style-type: none"> <li>Audit the Group risk management process.</li> <li>Raise the professional standards of players in charge of crisis management.</li> <li>Implement a Rapid Reaction Think Tank, to support the management of non-conventional emergency situations.</li> <li>Validate the effectiveness of the 'Pandemic' Plan.</li> </ul>
<b>Anticipation of future challenges</b>	<ul style="list-style-type: none"> <li>Scheduling of R&amp;D work as a function of the Sustainable Development energy challenges.</li> <li>Evaluation of the implementation of this scheduling.</li> </ul>	<ul style="list-style-type: none"> <li>Progress report on the 14 R&amp;D challenges over the three past years.</li> <li>R&amp;D program adopted for 2007-2009: 12 R&amp;D challenges (6 of them contributing directly to the challenge of environmental protection)</li> <li>EDF SA 2006 R&amp;D budget €373 million, of which around €111 million for the environment.</li> </ul>	<ul style="list-style-type: none"> <li>Launch and implementation of the 12 R&amp;D challenges anticipating, in particular, climate constraints on water, medium and long-term development of the energy landscape, and innovating in renewable energies and electricity storage.</li> </ul>
<b>Management systems</b>	<ul style="list-style-type: none"> <li>Integration of the Group's environmental policy within the environmental management system (EMS).</li> <li>Implementation of screening based on the sustainable development criteria within projects and marketing offers.</li> </ul>	<ul style="list-style-type: none"> <li>Deployment of the 10 environmental performance commitments in the form of environmental management system actions: annual objective and indicator to monitor the Group's annual performance.</li> <li>ISO 14001 certification for EDF SA (Services, Hydroelectric Generation and Nuclear Generation Divisions), for subsidiaries and affiliates Norte Fluminense, Sodetrel, Comego and EnBW (holding company and AG .)</li> <li>EDF Energy: appointment of a Sustainable Development Director, who is an Executive Committee member, responsible for the Sustainable Future strategic project.</li> </ul>	<ul style="list-style-type: none"> <li>Extension of the analysis grid for investment projects to all the sustainable development criteria, particularly social and societal.</li> <li>Determine the environmental performance which governs 50% of the employee profit-sharing calculation (national portion), through performance achieved in environmental management system actions.</li> </ul>

# achievements

ACTION	COMMITMENTS/OBJECTIVES	2006 ACTIONS UNDERTAKEN	OUTLOOK AND ACTIONS FORESEEN FOR 2007
<b>Stakeholder dialogue</b>	<ul style="list-style-type: none"> <li>• Ensure all stakeholders are kept informed on all changes decided with regard to expectations expressed.</li> <li>• Involve advisory and think tank bodies such as the Sustainable Development Panel and the Environment Board in the establishment of the Group's sustainable development policy.</li> <li>• Organize relations and dialogue with individual shareholders.</li> </ul>	<ul style="list-style-type: none"> <li>• Reflection involving EDF stakeholders in the company's expectations 'For sustainable hydroelectric power'.</li> <li>• Participation in the Public Service Debates on the EPR and nuclear waste.</li> <li>• Creation of an Individual Shareholder Relations Division and deployment of tools for dialogue with retail shareholders.</li> <li>• Meetings of the Sustainable Development Panel and the Environment Board.</li> </ul>	<ul style="list-style-type: none"> <li>• Presentation and monitoring of EDF's conclusions on proposals from stakeholders 'For sustainable hydro power'.</li> <li>• Establish the mapping of and a systematic approach to relations with stakeholders.</li> <li>• Within the framework of the law on Nuclear Transparency and Security of June 13, 2006 transparency procedures to be developed by each Base Nuclear Facility and public access to information to be increased.</li> </ul>
<b>Customer dialogue</b>	<ul style="list-style-type: none"> <li>• Prepare for the opening of the residential market in July 2007, particularly through the development of the customer relations procedure and information systems.</li> <li>• Implement digital accessibility on the edf.fr website for the visually impaired and the labeling of the site.</li> </ul>	<ul style="list-style-type: none"> <li>• Transfer by the distributor of all the customer relations activities to the marketer.</li> <li>• Development of the product range to offer more advice and services; in order to make energy saving and efficiency a sales and marketing strategic challenge.</li> <li>• Deployment of the online <i>e-sourd</i> service for customers who are hearing-impaired.</li> </ul>	<ul style="list-style-type: none"> <li>• Implementation of the National Consumer Service.</li> <li>• Ongoing service to assist disadvantaged customers within the framework of the transfer of this responsibility from the distributor to the marketer.</li> <li>• Develop sales and marketing initiatives based on the promotion of energy efficiency to customers, through energy and/or services product offerings.</li> </ul>
<b>Supplier dialogue</b>	<ul style="list-style-type: none"> <li>• Integration of the ethical, environmental, social and societal criterias of Sustainable Development in the dialogue with suppliers.</li> </ul>	<ul style="list-style-type: none"> <li>• Circulation to suppliers in late 2006 of the 'Sustainable Development Charter' established by EDF SA's Purchasing Division.</li> <li>• Agreement on socially-responsible subcontracting within EDF SA (October 2006).</li> <li>• EDF Trading: suppliers of coal destined for EDF Energy are required to respect the 10 Principles of the Global Compact.</li> <li>• EDF SA: purchasing volume from the protected sector (€8.2 million).</li> </ul>	<ul style="list-style-type: none"> <li>• Feedback on the implementation of the Sustainable Development Charter in early 2007: increase the commitments in the supplier charter (adjustment of the contractual rules, insertion in the contract, control, etc.).</li> <li>• Review of actions carried out for the application of the socially-responsible subcontractor agreement.</li> <li>• Create partnerships with associations representing the protected sector to encourage the supply-demand interface with purchasers.</li> </ul>
<b>Climate change</b>	<ul style="list-style-type: none"> <li>• Launch of marketing offers for energy saving and efficiency linked to the creation, in 2006, of the white certificates market.</li> <li>• Continue the preparation of the construction site for the EPR pilot plant in Flamanville.</li> <li>• Implement the wind power development policy in France, elsewhere in Europe and in the United States as well as the commitments on new renewable energies.</li> </ul>	<ul style="list-style-type: none"> <li>• Obtention of the first Energy Performance Certificates awarded in France (Electricité de Strasbourg and EDF).</li> <li>• France: following the public debate (Nov. 2005/February 2006) launch of the Flamanville 3 EPR pilot.</li> <li>• France: deployment of the New Renewable Energies strategy, a €3 billion wind power program in Europe and the United States over 2006-2011.</li> <li>• Group: organization by EnBW of the first German energy conference on climate change in Berlin.</li> </ul>	<ul style="list-style-type: none"> <li>• Continue to develop EDF's energy mix, ensuring lower CO<sub>2</sub> emissions.</li> <li>• Continue to develop the commitment to renewable energies.</li> <li>• Continue to develop energy saving and efficiency product offerings.</li> <li>• Continue to develop the R&amp;D effort on the climate and energy outlook.</li> </ul>

# Summary table of 2006 achievements

ACTION	COMMITMENTS/OBJECTIVES	2006 ACTIONS UNDERTAKEN	OUTLOOK AND ACTIONS FORESEEN FOR 2007
<b>Protection of biodiversity</b>	<ul style="list-style-type: none"> <li>• Validate, deploy and implement the biodiversity policy.</li> <li>• Establish the biodiversity guide (expected in 2007).</li> <li>• Construct a 'biodiversity' research program.</li> </ul>	<ul style="list-style-type: none"> <li>• Signature of the Group's biodiversity policy and integration within the environmental management system.</li> <li>• Progress on the biodiversity guide.</li> <li>• Renewal of the partnership with the Nature Reserves of France.</li> <li>• Opening of the Gamsheim fish-pass.</li> </ul>	<ul style="list-style-type: none"> <li>• Publication of the biodiversity guide.</li> <li>• Strengthen biodiversity partnerships.</li> </ul>
<b>Limiting environmental impact</b>	<ul style="list-style-type: none"> <li>• Establishment of an action plan for waste.</li> <li>• Establishment of the plan to eliminate transformers polluted by polychlorinated biphenyl.</li> <li>• Establish an action plan for contaminated soil.</li> <li>• Commit to and pursue work to reduce pollutant emissions.</li> </ul>	<ul style="list-style-type: none"> <li>• Validation of the waste action plan (2006-2009), and implementation, notably with the management and reporting tool project.</li> <li>• The contaminated soil issue for the whole of EDF SA entrusted to the Real Estate Division. Half-yearly surveys launched in 2006 in all Group entities concerning the monitoring of contaminated ground risk.</li> <li>• Preparation of the contaminated soil strategic action plan.</li> <li>• Catalytic denitrification of smoke on unit 4 of Le Havre power station, and on Cordemais units 4 and 5.</li> <li>• Equipping of 6 of the 7 boilers with denitrification systems at the Vazzio power plant.</li> </ul>	<ul style="list-style-type: none"> <li>• Continue implementation of the waste action plan (2006-2009 plan).</li> <li>• Finalize the contaminated ground strategic action plan: completion of the property survey in late 2007, continue the process of half-yearly surveys, formalize a global action plan for EDF SA entities by mid-2007, results of actions undertaken by each entity in late 2007.</li> <li>• Complete the denitrification works at Le Havre and Cordemais</li> <li>• Equipment of Vazzio's 7th and last boiler foreseen for May 2007.</li> <li>• Continued thinking within the framework of the 12 R&amp;D Challenges for 2007-2009 with a view to determining the nature of the environmental impact of facilities.</li> </ul>
<b>Industrial safety and security</b>	<ul style="list-style-type: none"> <li>• Continue managerial actions and the associated working methods to support long-lasting results in matters of nuclear and hydroelectric safety.</li> <li>• Improve safety in fossil-fired plants.</li> </ul>	<ul style="list-style-type: none"> <li>• STEP 2010 project (Safety –Terrain-Together - Performance) launched in March – a five-year 'housekeeping' program in the nuclear plants amounting to several hundred million euros.</li> <li>• Launch of a project called SuPerHydro (safety performance in hydro power) representing 500 million euros over five years. The first sites at Tuilières (Dordogne) and Pragnères (Pyrenees) are underway.</li> </ul>	<ul style="list-style-type: none"> <li>• Continue with the STEP 2010 five-year program and the 'housekeeping' of the nuclear plants.</li> <li>• Continue with the five-year SuPerHydro program between 2007-2011.</li> <li>• Launch the program to improve the state of the fossil-fired facilities (safety).</li> </ul>
<b>Radioactive waste management</b>	<ul style="list-style-type: none"> <li>• Take into account the measures to be adopted before mid-2006 by the French Parliament concerning the choice of the method for the sustainable management of long-lived radioactive waste.</li> </ul>	<ul style="list-style-type: none"> <li>• Inclusion of lowest tender clauses on the volume of waste produced and their processing (decommissioning contracts for Base Nuclear Facilities).</li> <li>• Partnership initiatives with Areva to eliminate contaminated equipment and materials in hot storage.</li> </ul>	<ul style="list-style-type: none"> <li>• Studies on reversible underground storage for operations through to 2025 (subject to authorization in 2015).</li> <li>• Continue the Generation IV program which plans for the commissioning of a 4<sup>th</sup> generation nuclear prototype, limiting waste, towards 2010.</li> </ul>

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ACTION	COMMITMENTS/OBJECTIVES	2006 ACTIONS UNDERTAKEN	OUTLOOK AND ACTIONS FORESEEN FOR 2007
<p><b>A socially-responsible human resource policy</b></p>	<ul style="list-style-type: none"> <li>• EDF SA: pluriannual contractualization on the recruitment and workplace reintegration of the disabled.</li> <li>• Promotion of professional gender equality.</li> <li>• Promotion of corporate diversity and the combating of discrimination.</li> <li>• 'Health and safety' policy on the Group scale.</li> </ul>	<ul style="list-style-type: none"> <li>• Commitment to diversity and to combating discrimination (June 2006); action plans in EDF SA Divisions; signature of a Diversity Charter by the companies (September 2006).</li> <li>• New three-year agreement for the incorporation of the disabled into the work place (2006-2008).</li> <li>• Obtention of a Social Responsibility label for the Customer Division call centers.</li> <li>• Implementation of a Group action plan for health and safety in the work place.</li> </ul>	<ul style="list-style-type: none"> <li>• EDF SA: establishment of a monitoring group responsible for ensuring respect of the various commitments in the agreement on the incorporation of the disabled into the work place.</li> <li>• Review of the diversity commitments in early 2007 and ongoing implementation of the program and action plans underway.</li> </ul>
<p><b>Contribution to urban and rural development</b></p>	<ul style="list-style-type: none"> <li>• Establishment of key performance indicators for commitments on the contribution to economic and social development within the public service contract.</li> </ul>	<ul style="list-style-type: none"> <li>• France: signature of the 'Urban social cohesion' agreement for neighborhoods for initiatives over 2006-2007.</li> <li>• France: 'sustainable regions' partnerships with local authorities monitoring the 39 renovation, street lighting and urban sustainability projects.</li> <li>• France: launch of a support initiative for the Meuse/Haute-Marne (energy efficiency) development program.</li> </ul>	<ul style="list-style-type: none"> <li>• Actions to be continued in 2006-2007 within the framework of the 'Urban social cohesion' agreement.</li> <li>• Continued partnership initiatives contributing to the development of local authorities based on energy services product offerings.</li> </ul>
<p><b>Access to energy</b></p>	<ul style="list-style-type: none"> <li>• France: implementation and monitoring of solidarity commitments in the public service contract (disadvantaged customers).</li> <li>• Group: implementation and monitoring of the realization in the companies of the social responsibility agreement action plans on access to electricity (article 8) and aimed at disadvantaged customers (article 9).</li> <li>• Implementation of the socio-economic support programs around Nam Theun.</li> </ul>	<ul style="list-style-type: none"> <li>• Group: inclusion of seven new neighborhoods in the London Warm Zone aimed at meeting the double challenge of climate change and energy precarity.</li> <li>• Group: launch in April 2006 by EDF Energy of Energy Assist, offering 'fuel poor' customers a tariff reduction of 15% over one year, with 10% in the second year.</li> <li>• Group: two extension projects for electricity networks in South Africa begun in 2006; contractualization with the government of Mali for the extension of two Malian companies.</li> <li>• Group: Nam Theun dam site (6,000 workers) close to 600 households have been rehoused in new villages.</li> </ul>	<ul style="list-style-type: none"> <li>• Group: extension of the South African program from 15,000 to 45,000 customers.</li> <li>• Group: development of a program led by EDF in Madagascar (Hydroelectric generation of 6 MW and supply of 15,000 urban and rural customers).</li> </ul>