

# SUSTAINABLE DEVELOPMENT: the panel's perspective

I have been planning and running the meetings of the international experts that make up the EDF Group's Sustainable Development Panel for several years now. Our aim is to monitor Group strategy independently, and to compare our views against those of EDF specialists and executives on a regular basis. The common goal of all parties is to make rapid progress in the area of sustainable development. The 2007 report allowed me to see what has been achieved.

The men and women we meet in the course of our work have an outstanding commitment to EDF's success and to demonstrating solidarity with the companies served by the Group. Their dedication is impressive. One characteristic seems to set EDF apart from other groups: at every level of the decision-making process, ethics and social responsibility are taken into account along with financial considerations and objectives in terms of competitiveness. I would even go so far as to say that the initial public offering and deregulation of the energy market intensified the focus on ethics, on achieving quality dialogue with stakeholders, and developing innovative solutions allowing this large energy group to uphold its deep-rooted commitment to quality public service and limit its environmental footprint. In sum, these concerns are seen as a way of enhancing competitiveness and value creation.

In the early part of year, the effects of the Stern Report of October 2006 and the partnership with the Nicolas Hulot Foundation were still being felt. Then Al Gore won the Oscar for "An Inconvenient Truth", the European Commission introduced its new Energy Package, the IPCC issued its fourth assessment report, France held its National Conference on the Environment, the Nobel Peace Prize was awarded and the 13<sup>th</sup> UN Climate Change Conference brought signatories of the Kyoto Protocol together in Bali. The end result was unprecedented awareness of climate risks and the need to take action. In the meantime, climate change and the resulting clement winters, droughts and storms had a marked impact on financial results.

All of this could have caused EDF to issue strong statements about its determination to reduce climate risk, based on analyses by its specialists and their exchanges with outside experts.

MÉDIATHÈQUE EDF - GILLES LARVOR



Indeed, we can see and hear a real commitment to nuclear revival and the development of wind power, photovoltaic and energy efficiency services. However, investments geared to optimizing and expanding fossil-fired capacity still exceed the amounts being devoted to renewable energies. EDF remains the second largest emitter of carbon dioxide in France. Its sustainable development reports show a decrease in emissions between 2002 and 2007, but do not specify how the trends were affected by peaks or swings in electricity consumption. In sum, we would like to see a clear and ambitious target set, one that is in keeping with France and Europe's political commitments for 2020. The development of windfarms across the country and photovoltaic systems for off-grid locations or integrated into buildings will make generation more reliable and cut the use of the least efficient thermal generators. In addition to its strategic objective of achieving a nuclear availability rate of above 85%, we would like to see the Group commit to reducing its CO<sub>2</sub> emissions by 50% on the 1990 level over the medium term. This target

would be feasible, though not easy to meet. Such an initiative would not only set an example for other large CO<sub>2</sub> emitters but also encourage innovation inside the Group. It would undoubtedly create additional pressure to deliver on the promises made to corporate and residential customers of demand-side management and energy eco-efficiency services. To date, 45,622 *Equilibre* contracts have been signed, certifying that the energy delivered by EDF is indeed from renewable sources; this number seems quite small compared with the more than 28,000,000 meters in service. The new *Bleu Ciel* program is being presented in an attractive way, but specific targets are needed to stimulate progress, and measurable results to calculate actual benefits.

The fact is that, like with most companies, there is a huge difference at EDF between how precisely the financial strategy is expressed and monitored at the highest levels and how statements about sustainable development, which are rare and often vague, are followed up upon.



Sustainable companies create added value and limit their environmental impact and seek to contribute more to society. They know exactly which direction they want to move in and advance toward their goals year after year. Their sustainable development strategy and targets should be laid out as clearly as their financial objectives, and monitored just as closely.

I have studied the reports since 2003 and seen how insight into environmental, ethical, social and economic issues has deepened, how the scope of sustainable development indicators has been expanded, and how performance and progress monitoring has developed.

We recognize that strides have been made up to the end of 2007.

Our question is, where does EDF want to be by 2012 or by 2020?

---

### **Claude Fussler**

Chairman of the Sustainable Development Panel  
Program Director of the United Nations Caring for Climate initiative



## THE EDF GROUP SUSTAINABLE DEVELOPMENT PANEL

### **Brenda Boardman,**

University of Oxford, UK

Head of Energy Section of Environmental Change Institute, Oxford University.

### **Claude Fussler,**

France

Advisor on Sustainable Development and Innovation Strategies.

### **Peter Goldmark,**

United States

Climate Campaign Director at US Environmental Defence Fund.

### **Daniel Lebègue,**

Transparency International, France

President of French Section of Transparency International.

### **Philippe Levègue,**

Care International, France

Head of French Section of Care International.

### **Ezio Manzini,**

Politecnico Milano, Italy

Professor of Strategic design at the Milan Polytechnic and Tohoku University, Japan.

### **Fritz Vahrenholt,**

Repower, Germany

Chairman of the Board of Repower Systems AG.

### **Farid Yaker,**

Enda, France

Head of Enda Europe, France.

### **Rajendra. K. Pachauri,**

TERI, India

Special Advisor to the Panel. Director general of the Energy Research, Institute of India. IPCC Chairman.

### **Jean-Louis Mathias,**

EDF Group

Top 4, Chief Operating Officer, Integration and deregulated Operations in France.

### **Yann Laroche,**

EDF Group

Top 4, Chief HR and Communications Officer.

### **Claude Nahon,**

EDF Group

Executive Vice President, Sustainable Development.