

**Future of the
Gaz de France
European Works Council**

Personnel representatives of the Gaz de France European Works Council questioned the future of the Body post merger, on the basis of elements:

- proposed by the Board to the Body on the 28 October 2007:

'A meeting will be proposed for each of the European bodies (European Works Council (EWC) for Gaz de France and the European Dialogue Body (EDB) for Suez) to appoint a joint negotiation group for the discussion of the contours, missions, procedures and resources for the creation of a joint European entity.

The European Bodies of Gaz de France and Suez will then meet to ratify the negotiated draft agreement.

Negotiations on this dossier may begin during the month following that of completion of the merger'.

- contained in the expert report submitted to the Body the 30 November 2007 by Secafi - Alpha which states that *'it does not appear that the Board of Gaz de France wishes the EWC to maintain its current powers'.*

- contained in the expert report submitted the 19 January 2008 by the Alain Levy law firm, assigned by the Body in a resolution voted the 21 December to inform employee representatives of the legal consequences of the draft merger on the future of the EWC. This report contests the proposition of the Board of Gaz de France and specifies that, legally speaking, 'in reality, all that is necessary is to ensure that the EWC of Gaz de France, that endures on account of the merger and that will become the European Works Council of the Gaz de France Suez Group as a result of the merger, may take into consideration the evolution of the scope of the new Group'.

- resulting from the compared analysis of prerogatives and powers of the two European personnel representation bodies of the two companies, which shows major similarities (cf. appended table of comparison).

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On the basis of these elements and to encourage the application of effective social dialogue within the scope of the future Group, **Gaz de France, on behalf of the future GDF SUEZ Group, undertakes to ensure the retention of the Gaz de France European Works Council.**

1. Prerogatives and Powers

After the merger, this European Works Council will retain the prerogatives and powers currently conferred by the agreement of the 14 November 2001, signed by Gaz de France and corporate partners.

2. Evolution of the EWC

Considering the size of the new Group, a group of negotiators will be immediately created, composed of an equal number of members from Gaz de France and Suez according to the conditions agreed within each of the two Groups with their corporate partners, to discuss a revision of the current agreement with the Board and for a joint definition of the operating methods of the GDF-SUEZ EWC, adapted to the new scope of the Group.

For Gaz de France, the negotiators will be designated by the trade unions representing countries in which the Group is present.

This revision will not concern consultation prerogatives, recourse to expert reports, or the financial autonomy of the EWC, which the Gaz de France Board undertakes not to call into question.

The revision will integrate the prerogatives and powers of the Suez European Dialogue Body (notably business line commissions, specialised commissions, and agreements signed internally).

In particular, it shall define the conditions of representation, per country, of companies entering the scope and, in consequence, establish the number of representatives with the objective of a balanced and reasonable numerical representation, reflective of the implantation and diversity of the companies of the future Group, thus permitting the establishment of effective social dialogue.

These negotiations will aim to reach an agreement within 3 months. In any event, this time limit may not exceed 6 months after the merger.

If, during these negotiations, an event occurs that concerns the Suez Group scope and that requires the consultation of European representative institutions, the Suez European Dialogue Body shall also be called and be consulted.

3. Group Committee

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Negotiations with French trade union representatives will also begin as soon as possible, for the creation of a full-operational Group Committee to respond to the requirements of Article L 439 – 1 of the Labour Code, and will aim to reach an agreement within 12 months.

Considering the size of the new Group in France, Gaz de France confirms the necessity for this group to be set up as soon as possible.

In the meantime, the Suez Group Committee will continue to exercise its prerogatives within the current scope of the SUEZ Group, and the Gaz de France European Works Committee will retain its prerogatives as Group Committee within the current scope of Gaz de France.