

VIGEO OPINION

GDF SUEZ meets the requirements of the international standards in terms of sustainable development. The group is positioned among the sectors leaders and is ranked 3rd in the sector Electric & Gas Utilities rated by Vigeo. The group's performance rates above the sector average in all domains.

According to Vigeo, the environmental purpose of projects endorsed by the Green Bond is clearly defined. The selection criteria are coherent with GDF SUEZ's commitments in terms of Corporate Social Responsibility, cover major environmental, social and governance (ESG) issues and act as incentives to develop more responsible investments.

In addition to the reporting by GDF SUEZ's auditor on the compliance of Green bond proceeds' allocation, GDF SUEZ will also regularly report on the Green projects financed with the Green Bond proceeds with some environmental indicators.

In light of these elements and of our interactions with GDF SUEZ, we consider that the endorsed projects to be financed through this Green Bond will contribute to the transition to a low-carbon and climate resilient economy, to the fight against climate change and to the development of responsible business.

SCOPE

GDF SUEZ is issuing a « Green Bond » to finance Renewable Energy projects and Energy Efficiency projects, in line with its sustainable development commitments and strategy.

GDF SUEZ has commissioned Vigeo to advise on the Green Bond framework, i.e. the definition of eligible projects and of environmental and social criteria, and to provide an independent second party opinion, both on the issuer and on the environmental purpose and responsible management for endorsed projects.

GDF SUEZ is fully responsible for attesting the compliance with its commitments defined in the established framework. The opinion delivered by Vigeo neither focuses on financial performance of the Bond, nor on the effective allocation of the bond's proceeds, nor on the verification of the compliance with the selection framework for nominated projects.

METHODOLOGY AND REFERENCE POINTS

Analysis of the issuer regarding international standards in terms of social responsibility

Vigeo considers that the first step in the analysis of a Green Bond consists in analyzing the issuer performance in terms of social responsibility. GDF SUEZ has been evaluated by Vigeo Rating on its social responsibility performance, based on a rating framework aligned with public international standards, in compliance with the ISO 26000 norm, and organized in 6 domains : Environment, Human Resources, Human Rights, Community Involvement, Business Behavior and Corporate Governance. Vigeo's review resorts to publicly available information from the company & stakeholders.

Analysis of eligible projects

A Green Bond Framework has been developed to define the categories of eligible projects and the environmental and social criteria, that such projects should meet in order to be eligible.

Projects definition and process

The environmental purpose of eligible projects as part of the Bond has been precisely defined with Vigeo, in regards to the GDF SUEZ's priorities. The projects endorsed as part of the Bond must match one of these categories defined below and detailed in appendix I:

- ✓ Renewable energy : projects of conception, construction and installation of renewable energy production units, i.e. energy produced from renewable non-fossil sources including hydro, geothermal, wind, solar or from any other renewable source of energy
- ✓ Energy efficiency : projects that contribute to a reduction of the energy consumption per unit of output, such as for instance: heating and cooling network, co-generation, optimization of building or plant efficiency, systems for energy management (as Smart Metering), etc

ESG criteria

On the basis of ISO26000 guidelines, of a review of GDF SUEZ Policies and Guidelines on Sustainability and practices in place, and of internal interviews with business lines managers, Vigeo guided GDF SUEZ by elaborating ESG criteria (Environment, Social / Societal and Governance) for eligible projects. These criteria focus on responsible project management and on project's contribution to the energy transition and to the fight against climate change as well as to responsible business. Each project endorsed shall comply with these criteria.

In total 10 criteria have been determined and aligned to 5 domains:

- Environment protection : Manage environmental impacts and fight against climate change
- Community involvement : Contribute to local development and to communities' well-being
- Ethics and business behaviour : Promote ethical practices throughout the supply chain and sustainable relationships with suppliers
- Human resources : Ensure responsible relations and working conditions
- Project Governance : Ensure internal ESG assessment and positive recommendation

These 10 criteria are detailed in appendix II and are available on GDF SUEZ website.

To be selected as an eligible project, nominated investments will be analyzed according to the framework. The eligible projects could be Future (or Construction Phase) or Existing projects, and Acquisitions of companies specialized in such activities, where:

- Future or Construction Phase projects: means the period from when GDF SUEZ obtains the project up to the commissioning/delivery of the project, e.g. supporting elements could be verified during this phase,
- Existing project: means projects funded or disbursed since the 1st of January, 2013,
- Acquisitions of company or assets: only the share of any acquisition of company or asset which comply with these 10 criteria will be accounted for in Eligible Green Projects.

Paris, May 5th 2014.

Appendix I: Green projects definition

“Eligible Green Projects” include “Renewable Energy Projects” (as defined below) and “Energy efficiency” which meet a set of environmental and social criteria and approved both by GDF SUEZ and Vigeo (as defined in appendix II).

In case of project divestment, the Issuer will use the net proceeds to finance other Eligible Green Project with the above described process

Green Projects Categories	Definition
Renewable energy	<p>Projects of conception, construction and installation of renewable energy production</p> <ul style="list-style-type: none"> ✓ Energy produced from renewable non-fossil sources ✓ In the form of hydro, geothermal, wind, solar, or other renewable energy
Energy efficiency	<p>Projects that contribute to a reduction of energy consumption per unit of output, for instance:</p> <ul style="list-style-type: none"> ✓ Heating and cooling networks, which recover heat sources that would otherwise be lost ✓ Cogeneration, combined heat and power production ✓ Optimization of building or plant efficiency ✓ Development of systems for energy management (“SMART” metering) ✓ ...

Appendix II : ESG Criteria

Domains	Criteria	Principles of action
ENVIRONMENT PROTECTION Manage environmental impacts and fight against climate change	Fight against climate change	The project is not linked to energy production by fossil fuels or nuclear sources and contributes to the decrease of GHG emissions of the business area.
	Environmental Management	Project specifications include environmental requirements
		Environmental impact assessment (Environmental Impact Analysis or equivalent) and implementation of appropriate measures to limit, mitigate or compensate negative impacts
		Implementation of environmental reporting on the project
	Protection of biodiversity and natural resources	Impact analysis on biodiversity and natural resources (included in the EIA or equivalent) and implementation of appropriate measures if the site is classified as a "priority"
COMMUNITY INVOLVEMENT Contribute to the local development and the local communities' well-being	Promotion of the local economic development	Actions taken to foster economic development through local purchases and/or opportunities generated for local employment, e.g. direct and indirect jobs created
	Local consultation and communities well-being	Assessment of project impacts on local population, health problems and/or cultural heritage (social impact assessment or equivalent) and implementation of appropriate measures to limit, mitigate or compensate negative impacts (when appropriate)
		Consultation actions carried out and conduction of a satisfaction survey with local stakeholders
ETHICS and BUSINESS BEHAVIOUR Promote ethical practices throughout the supply chain and sustainable relationships with suppliers	Promotion of business ethics	Promotion of ethical practices with suppliers and subcontractors via "Ethics and CSR" contractual clause
		Training of the purchasers about business ethics (responsibilities, competition rules, anti-corruption measures)
		Analysis and approval of subcontractors on their positive records for similar projects and on verification of any reputation risk
	Responsible procurement	Traceability of the project's purchasing process, with request for proposal process (except if justification)
		Integration of CSR and compliance issues in the evaluation of the project's suppliers
		E-learning for purchasers on responsible procurement
HUMAN RESOURCES Ensure responsible relations and working conditions	Protection of health and safety conditions	Health & Safety approbation of the project covering risk analysis and prevention plan (or equivalent) for the construction phase
		Promotion of health and safety protection to suppliers via contractual clause
		Appointment of Health and Safety Coordinator (or equivalent) for the project duration
	Quality of employment conditions	Salaries analysis to ensure that the salaries of all employees involved in the project are higher than the legal minimum wage of the project country
PROJECT GOVERNANCE Ensure internal ESG assessment and positive recommendation	ESG assessment	Positive recommendation of GDF SUEZ Sustainability Department based on the project ESG assessment through the GDF SUEZ Internal Sustainable Development Investment Criteria