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**CONSULTATIVE PROCESS BETWEEN AREVA
AND A PANEL OF STAKEHOLDERS
SESSION 2
SUMMARY**

As part of the implementation of its sustainable development and continuous improvement strategy, AREVA has again, in 2006-2007, entrusted Comité 21 with the task of designing and organizing the continuation of the consultation process with external stakeholders, initiated in 2004. The aim of the consultation with a panel of expert external stakeholders was to bring the company's strategy more into line with the expectations of civil society and to contribute to its analysis and sustainable development commitment.

The company made a number of commitments in view of the expectations and proposals put forward by the stakeholders during the first session (2004-2005); these are included in the 2005 sustainable development report. The areas for improvement that were defined formed a basis for discussion at the second session which took place in December 2006 and January 2007. The company presented a written document to all the panel members and gave an oral presentation of the decisions taken, the actions confirmed, the commitments and their operational implementation. The company and stakeholders then proceeded to debate each topic, focusing on the effectiveness of the group's response to the expectations and proposals for further improvements.

This second consultation session brought together all senior company executives involved: Sustainable Development and Continuous Improvement, Corporate Business Ethics Adviser, Legal Affairs, Strategy, Human Resources, Research & Innovation, Scientific Director, Renewable Energies Business Unit, International & Marketing, Safety, Security and Health, Communications, Financial Communications, Mining Business Unit, Purchasing.

On the external stakeholders' side, the panel invited for the second session was the same as the one selected in 2004-2005. Fifteen organizations representing the voluntary sector (NGOs in the fields of environmental protection, the promotion of renewable energies, North/South development, social solidarity, the defense of Human Rights), the economic sector (industrial and financial) and the unions were present.

The agreed consultation rules and principles were the same as those proposed by Comité 21 for the first session and were once again approved by all the participants: the stakeholders are chosen by Comité 21; the discussions and the composition of the group of stakeholders is confidential; the answers to the questions asked must be exhaustive; the discussions are organized and the reports drafted by Comité 21.

Comité 21 invited the stakeholders and, to make sure the meetings were conducted in compliance with the agreed rules, also chaired the meetings. The aim of these arrangements was to ensure constructive contributions to the company's pursuit of continuous improvement. Comité 21 was tasked with drafting this summary.

This second consultation session with the external stakeholders was praised for the quality of the work it carried out both in terms of its form and its content. Company representatives and external stakeholders alike remained within the agreed framework of the process. The stakeholders highlighted the progress made by the company on a wide range of subjects. They paid tribute to efforts made with regard to transparency and were favorably impressed by the motivation and involvement demonstrated by the group's representatives at the highest level. Company representatives did appreciate the quality of the dialogue and the ability to listen, which contributed to the efficiency of the work undertaken. They appreciated the stakeholders' knowledge of the company and of the issues involved. Although dealing with a wide range of complex, but by nature inextricably linked issues, the participants expressed their desire to be involved in and informed of all the group's sustainable development issues.

The company made a commitment to ensure its continued support for the process and to report on decisions taken in terms of commitments and their operational implementation. The strategy is part of an established process of continuous improvement and a number of actions put forward by the company have raised questions, expectations for further details and the desire for concrete action or, in other cases, reservations on the part of a certain number of stakeholders. A brief exchange had taken place between the stakeholders and the company's representatives on the very nature of the consultation process and its prospects in the future. All were unanimous in their desire to see the process continue.

1. SUMMARY OF ACTIONS UNDERTAKEN BY THE AREVA GROUP

• Developments in the nuclear sector in France

In the period 2005-2006, nuclear energy was the subject of two public debates: nuclear waste management and the building of an EPR nuclear reactor in Flamanville. The discussions relating to waste management took place in a relatively calm climate. The discussions regarding the building of a 3rd generation reactor unfolded in a less tranquil manner, even though, at the same time, the legislation on transparency and safety in the nuclear field passed in June 2006 has allowed greater transparency concerning access to information, whilst retaining the confidentiality required for some documents. The two debates have highlighted the need to initiate a better dialogue with the local stakeholders.

• AREVA's commercial nuclear activities; conditions for management and development

In a global context marked by climate change and the search for lower greenhouse gas emitting technologies, the increase in electricity requirements and the renewal of nuclear facilities augur well for the development of new nuclear power plants. Between 400 and 600 reactors should be built by 2030-2040 (Japan, United States, Great Britain, China, India, etc.). In this context, aligning the commitments of States in terms of safety with suppliers' operating rules is a guarantee of longevity for the development of nuclear energy.

- **Risk management**

The requirements regarding nuclear safety and radiation protection have been formalized within the Nuclear Safety Charter, setting out the commitments of the group's entities and operators on common objectives. These commitments are based on organizational principles (organizational factors and delegation procedures), while reaffirming the primary responsibility of the operator. This is the subject of an annual report on the state of safety of the group's facilities. The first report was published at the beginning of 2006. The group's general inspectorate verifies all the group's nuclear facilities, focusing on matters such as transportation of radioactive and hazardous material, risk management and putting facilities back into service.

- **Development of new and renewable energy sources**

The renewable energies business unit was created on 1 November 2006. Its creation was a response to a long-term strategic logic and the desire to diversify the group's offer portfolio. Consistent with businesses related to the transmission and distribution of electricity, the development of renewable energy offers is a genuine market-driven opportunity within the sector of CO₂-free energy sources. Three types of energy are given precedence in terms of research and industrial and commercial development: biomass (turnover expected to treble by 2009), fuel cell and wind.

- **AREVA's contribution to making energy more accessible to the world's poorest**

One and a half billion of the world's inhabitants do not have access to modern forms of energy, electricity in particular. The AREVA group is in a learning phase and is looking to explore what its value added can be while exercising its societal responsibility, through various experiments which hopefully will meet the needs of the local environment in the best way possible. The group is experimenting with technologies designed to develop local sources of energy in South Africa, India (recycling waste from local farming activities), Brazil (recycling wood waste), and also in China (supporting micro-financing action) in order to do this.

- **The fight against AIDS**

On 1 December 2006 (World Aids day), the group launched a huge awareness and information campaign for its employees in France, and distributed a pamphlet compiled in collaboration with the association *Aides*. AREVA is a member of the World Coalition of Companies and of SIDA-ENTREPRISES. The company has introduced an "Aids policy", which is in place throughout the entire group and offers an education and awareness policy to employees and their dependents. In Niger, access to antiretroviral drugs is now supplemented by action in prevention, screening, access to treatment and supportive care. In addition to employees and their dependents (around 20,000 people), the Aids policy now applies to the whole population of the settlement areas, thanks to a partnership with the government of Niger and Public Interest group ESTHER (Ensemble pour une Solidarité THérapeutique En Réseau/Group promoting a Therapeutic solidarity network).

- **Intensification of measures taken by AREVA in the field of human rights**

AREVA is a signatory of the United Nations Global Compact and Anne Lauvergeon, the CEO of AREVA, is member of the Global Compact board. In 2006, the group also joined the Business Leaders Initiative on Human Rights (BLIHR). AREVA has contributed to the creation of a French speaking initiative associated with BLIHR. AREVA has organized ways of educating and raising employee awareness based on its Values Charter (health and safety at work). Within the context of purchasing policy, efforts have been made to develop relationships with suppliers that incorporate Human Rights issues: a risk map is gradually being drawn up.

- **AREVA's support for EITI (Extractive Industries Transparency Initiative)**

The Extractive Industries Transparency Initiative, approved by the G8 in 2003, is aiming to achieve greater financial transparency in the management of mining resources in host countries. AREVA has supported this initiative from its beginnings. Niger joined this initiative during the second EITI summit in London on 17 March 2005 and its governmental launch took place in Niamey in September 2006. After

concrete implementation expected in Niger in 2007, AREVA will be ready to support initiatives in other countries where the group has mining activities, as long as these countries are members of EITI.

- **Purchasing policy**

Buyers have dealings with almost 40,000 suppliers throughout the world. In 2005, AREVA launched a worldwide campaign for the observance of sustainable development commitments by its suppliers. The objective is that from now to the end of 2008, 80% of purchasing turnover should be made with signatories to these commitments (Human rights, standards of work, health, security and nuclear safety, the environment, community involvement). A "Good purchasing practice handbook" has been distributed throughout the group. It is a general document which describes the issues surrounding buyers' ethical responsibility and proposes ideas for action.

- **Diversity policy**

The diversity policy relates to three fields in particular: equality in the workplace; employment of disabled people; the integration of young people with specific problems and cultural and ethnic diversity. Strategies have been developed for employment contracts in the fields of equality in the workplace, integration, workplace adaptation and support for the employment of disabled people. It is in this framework that an agreement was signed with the European Metalworkers' Federation, at a European level, on equal opportunities (disability and gender equality). This agreement is not only founded upon a logic of commitments, but also on indicators. It also allows AREVA to promote good practices as regards diversity on AREVA sites.

- **The mining sector and Niger**

As a result of uranium mining activities, the town of Arlit has seen its population increase fourfold in just a few years (now 80,000 inhabitants). To meet the enormous expectations for local development, a steering committee was set up in 2006. It is chaired by the Prefect and brings together community representatives, elected representatives, the usual chiefs, civil society, etc. in order to decide collectively on the main orientations for local development policies. In the absence of other partners, particularly institutional and financial partners, AREVA is the main funding body for projects chosen by the stakeholders who met under the auspices of the steering committee. The AREVA group spent €1.6 million on development in local communities and on patronage and sponsorship in the wider sense in Niger in 2006.

- **Maps of local stakeholders**

To accompany the management of AREVA's industrial sites and better structure relations with the communities, maps of local external stakeholders (associations, local elected representatives, local residents, the media, and administrations) have been drawn up. The group developed a method that was put in place on twenty or so sites, at the start of 2007. This work was carried out for sites facing the greatest environmental, economic or societal challenges. The dialogue was organized in three stages: an internal meeting with site management; interviews of stakeholders by an external party; a comparison and an analysis of the two points of view should make it possible, in the third stage, to ascertain key areas for improvement and action plans.

2. SUMMARY OF EXPECTATIONS VOICED BY THE STAKEHOLDERS

The expectations and the key areas for improvement put forward by the stakeholders relate to all the topics referred to above. A summary of the main points discussed in the meetings is set out below:

- 1- Nuclear energy: transparency on uranium reserves; non-proliferation; radioactive waste management.
- 2- The Group's strategy: in a context of increasing foreign activity - also in developing countries -, the group's industrial and commercial strategy (especially with respect to safety issues); integrating sustainable development strategy into purchasing policy (auditing and monitoring supplier commitments); involving the different businesses; AREVA's role in managing demand for energy; the group's ambitions in the renewable sectors; building a strategy to give the poorest populations access to energy (consistent with the R&D priority areas) and the development of partnerships.
- 3- Societal responsibility:
Governance and Human rights: the implementation of human rights commitments, including commitments to suppliers and subcontractors; the transparency of commitments as regards the fight against corruption.
Community involvement: in response to the development challenges, the building of partnerships with overseas development institutions and agencies; the construction of a map of stakeholders in the mining sites.
- 4- Social responsibility: the construction of an integrated strategy in favor of diversity.
- 5- Prevention of environmental and health risks: the principle of transparency, of official secrets and industrial secrets (especially in relation to the EPR); health and epidemiological studies carried out on mine worker employees; the development of a health policy for the group taking account of the wide variation in local working environments; the safety of facilities against external attacks.

3. Comité 21's opinion

Comité 21 is very pleased with the progress achieved by the AREVA group between the two consultation sessions. The company has provided answers to all the topics raised in the first session, even though on many subjects the answers need to be refined and/or supplemented. On three topics in particular, Comité 21 is awaiting clearer and more ambitious statements from the AREVA group: the structuring of a responsible purchasing policy, the exercise of societal responsibility in its mines (Niger) with respect to human, health and environmental rights, and the reinforcement of the R&D strategy on offers, including those in renewable energies, which may satisfy the requirements for access to energy of the poorest populations.

Comité 21 pays tribute to the intensive efforts of the AREVA group's representatives, at the highest managerial level. This concerted effort is a guarantee that sustainable development issues and challenges will be fully understood throughout the company and ensure that all the strategic and operational departments will be committed to the same goal. It is once again satisfied to see that in a multi-actor environment, a constructive dialogue has been set in motion, in a context of mutual respect, allowing progress to be made on sustainable development management issues.